Comprehensive Annual Financial Report

ANDERSON COUNTY, TENNESSEE

For Fiscal Year Ended June 30, 2013

COMPREHENSIVE ANNUAL FINANCIAL REPORT

ANDERSON COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2013

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

BRYAN W. BURKLIN, CPA, CGFM
Audit Manager

AMY SOSVILLE, CPA
Auditor 4

MARK FAWVER
DOUG SANDIDGE, CISA, CFE
ASHLEY ROOKARD
State Auditors

CHRISTOPHER PHILLIPS, CGFM
Director of Accounts and Budgets

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

ANDERSON COUNTY, TENNESSEE
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Audit Highlights

Comprehensive Annual Financial Report
Anderson County, Tennessee
For the Year Ended June 30, 2013

Scope

We have audited the basic financial statements of Anderson County as of and for the year ended June 30, 2013.

Results

Our report on Anderson County's financial statements is unmodified.

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

Findings

The following is a summary of the audit findings:

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

- A salary for a part-time position in the Office of Director of Accounts and Budgets totaling $22,740 was expended despite the denial of the appropriation by the County Commission.

OFFICES OF COUNTY MAYOR, HIGHWAY SUPERINTENDENT, DIRECTOR OF SCHOOLS, AND DIRECTOR OF ACCOUNTS AND BUDGETS

- The offices had budget deficiencies.

OFFICES OF DIRECTOR OF SCHOOLS AND DIRECTOR OF ACCOUNTS AND BUDGETS

- A revenue anticipation note was not retired in compliance with state statutes.

OFFICE OF DIRECTOR OF SCHOOLS

- Deficiencies were noted in the operation of the after-school program resulting in a cash shortage of at least $280.

INTRODUCTORY SECTION

ANDERSON COUNTY GOVERNMENT

CHRISTOPHER K. PHILLIPS, CGFM
DIRECTOR OF ACCOUNTS AND BUDGETS

November 27, 2013

Board of County Commissioners
Citizens of Anderson County

Dear Commissioners and Citizens:

We are pleased to submit to you the Comprehensive Annual Financial Report of Anderson County, Tennessee, for the year ended June 30, 2013. This report was prepared by the county's Accounts and Budgets Office in conjunction with the county's independent auditors: the State of Tennessee Office of the Comptroller of the Treasury, Department of Audit, Division of Local Government Audit.

The financial reporting entity (the government) includes all of the funds of the primary government (i.e., the county) as well as its component units. Component units are legally separate entities for which the primary government is financially accountable. Component units are discretely presented to emphasize they are legally separate from the primary government and to differentiate their financial position, results of operations, and cash flows from those of the primary government. The Anderson County Board of Education and the Anderson County Emergency Communications District are reported as discretely presented component units. For more information regarding the reporting entity please see the notes to the financial statements.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentations, including all disclosures, rests with the county. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the county and its component units. All disclosures necessary to enable the reader to gain an understanding of the county's financial activities have been included. Anderson County's financial statements have been audited by the county's independent auditors: the State of Tennessee's Office of the Comptroller of the Treasury, Department of Audit, Division of Local Government Audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of Anderson County for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Anderson County's financial statements for the fiscal year

100 NORTH MAIN STREET SUITE 212 • CLINTON, TENNESSEE • 37716
PHONE: (865) 457-6203 • EMAIL: CPHILLIPS@ANDERSONTN.ORG

ended June 30, 2013, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

The county is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and *U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.* Information related to the single audit includes a schedule of expenditures of federal awards and state grants, a schedule of findings and recommendations, an auditor's report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*, and an auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statement in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Anderson County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The county is located in the eastern portion of the state. To the north, Campbell and Morgan counties border the county. The county's southern border consists of Knox and Loudon counties. To the immediate west lies Roane County. To the east, adjacent counties are Union, Sevier, and Jefferson. Anderson County occupies a land area of approximately 345 square miles and serves a population of 75,129.

The county has operated under a County Mayor – County Commission form of government since September 1, 1980. Policymaking and legislative authority are vested in the county mayor (the executive branch of the county) and the County Commission (the legislative branch of the county). The County Commission is responsible for, among other things, passing resolutions, adopting the budget, and appointing committees. The county mayor is responsible for, among other things, carrying out the policies and resolutions of the County Commission, overseeing the day-to-day operations of the government, and appointing the heads of many of the county's departments.

Anderson County Government continues to strive to provide essential services that enhance the quality of life for families throughout Anderson County. This requires detailed planning and the implementation of a number of initiatives and programs that include a wide range of services from emergency management planning, to expanding needed infrastructure, and to run water and sewer to new and existing homes throughout Anderson County. Anderson County also is financially accountable for a legally separate school district, which is reported separately within its financial statements. Additional information on this legally separate entity along with the county's other discretely presented component units can be found in Note I.A. in the notes to the financial statements.

The annual budget serves as the foundation for Anderson County's financial planning and control. All agencies of Anderson County are required to submit requests for appropriation to the Budget Office, and these requests are used as the starting point for developing a proposed budget. A

proposed budget is presented to the Budget Committee for review prior to May 1. The Budget Committee is required to hold a public hearing on the proposed budget and to adopt a final budget no later than May 15. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., sheriff). Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General and Highway/Public Works funds, this comparison is presented as part of the basic financial statements. For other governmental funds with appropriated annual budgets, this comparison is presented in the combining and individual fund subsection of this report. Please see the Table of Contents for specific page numbers.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Anderson County operates.

Local economy. Because of its central location in the eastern United States, the county is adjacent to thousands of industrial and commercial customers in a concentrated eight-state area. It is within 500 miles of approximately one-third of the population of the United States. Over 59 percent of our industrial mix is in the commercial area, which includes transportation, public utilities, wholesale and retail trade, insurance and real estate, finance, and service industries. Among the county's largest employers are B&W-Y12, UT Battelle, and Anderson County Government.

Anderson County is home to such diverse companies as Aisin Automotive, Carlisle Tire & Wheel, Eagle Bend Manufacturing, Energy Solutions, Navarro Research and Engineering, Remotec, SAIC, and Sitel. The Department of Energy's Oak Ridge Reservation, which includes the Y-12 National Security Complex and the Spallation Neutron Source, is located in Anderson County, and DOE employment ranks as the fourth largest employer in Tennessee. These DOE facilities are vital to the nation's scientific research and development, environmental remediation and weapons disarmament, and the development of alternative types of energy and materials.

Economic outlook. A recent economic analysis ranked the East Tennessee area tops in entrepreneurship and quality of life against 14 other mid-sized technology intensive economies. Anderson County continues to expand due to its combination of elements vital to fostering growth and development. This combination of favorable elements, which includes good jobs and precision workers, mild climate, cost of living more than 40 percent below the national average, lowest overall tax burden in the United States, and violent crime below the national average, offers the perfect opportunity for business and individual success. The positive trends of low interest rates, increased government spending, and good consumer spending will enable Anderson County to remain an attractive location for future economic development.

The county continues to stress steady growth. Since 1980, development in the county has been influenced by the fluctuation in interest rates as well as national economic trends. Since 1990, a constant amount of new commercial development has occurred throughout the county. The primary concentration of growth has been the eastern portion of the county along Interstate 75.

Recent surveys indicate that although government funded operations are still a strong factor in the local economy, service and manufacturing related employment are also important. One of the area's strengths is its high percentage of precision craft and repair workers and technicians. Over 40 percent of our population is in the prime labor work force age group of 25 to 54.

Financial Policies with Significant Impact on the Financial Statements

Over the last 14 years, the county has made great efforts to reduce outstanding debt. For fiscal year 2013-2014, the county passed the budget without tax anticipation notes. This trend is likely to continue with the county's strong stance of protecting the fund balances.

For the year ended June 30, 2013, the county positively affected the unassigned fund balance by over $394,000. Beginning fund balance enabled the county's legislative body to adopt a budget that ***decreased*** the property tax rate for the 2013-2014 year.

Long-term Financial Planning

Anderson County continues to work hard to keep new debt issues to a minimum. Subsequent to the end of fiscal year 2013, the county authorized refunding bonds that lower interest rates, save over $150,000 over the life of the bonds but yet will not extend the maturity dates of the debt.

With growing economic concerns around the nation and globally, Anderson County is taking the position to more staunchly safeguard its unassigned fund balances and to be open to long-term financing options for large capital projects if conditions warrant. To that end, the county revised its minimum fund balance policy to require a two-thirds approval vote by the County Commission to spend down the fund balance below $3.5 million; the minimum was previously $3 million.

Internal Control Structure

Management of the government establishes and maintains an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Anderson County Government for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This was the seventeenth consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

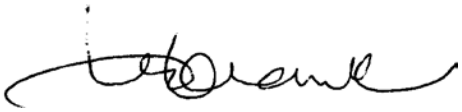
The Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Also, Anderson County received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting for its annual condensed financial report. To receive this award, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

Acknowledgements. The preparation of the Comprehensive Annual Financial Report was accomplished through the dedicated service of the Accounts and Budgets Department employees, with a special thanks to the Deputy Director of Accounts and Budgets, Connie Cook-Aytes. We express our appreciation to all those who contributed to its preparation. We also express our appreciation to the County Commissioners for their interest, support, and leadership in the financial operations of the county.

Sincerely,

Christopher K. Phillips, CGFM
Director of Accounts and Budgets



Theresa Frank
Anderson County Mayor

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Anderson County

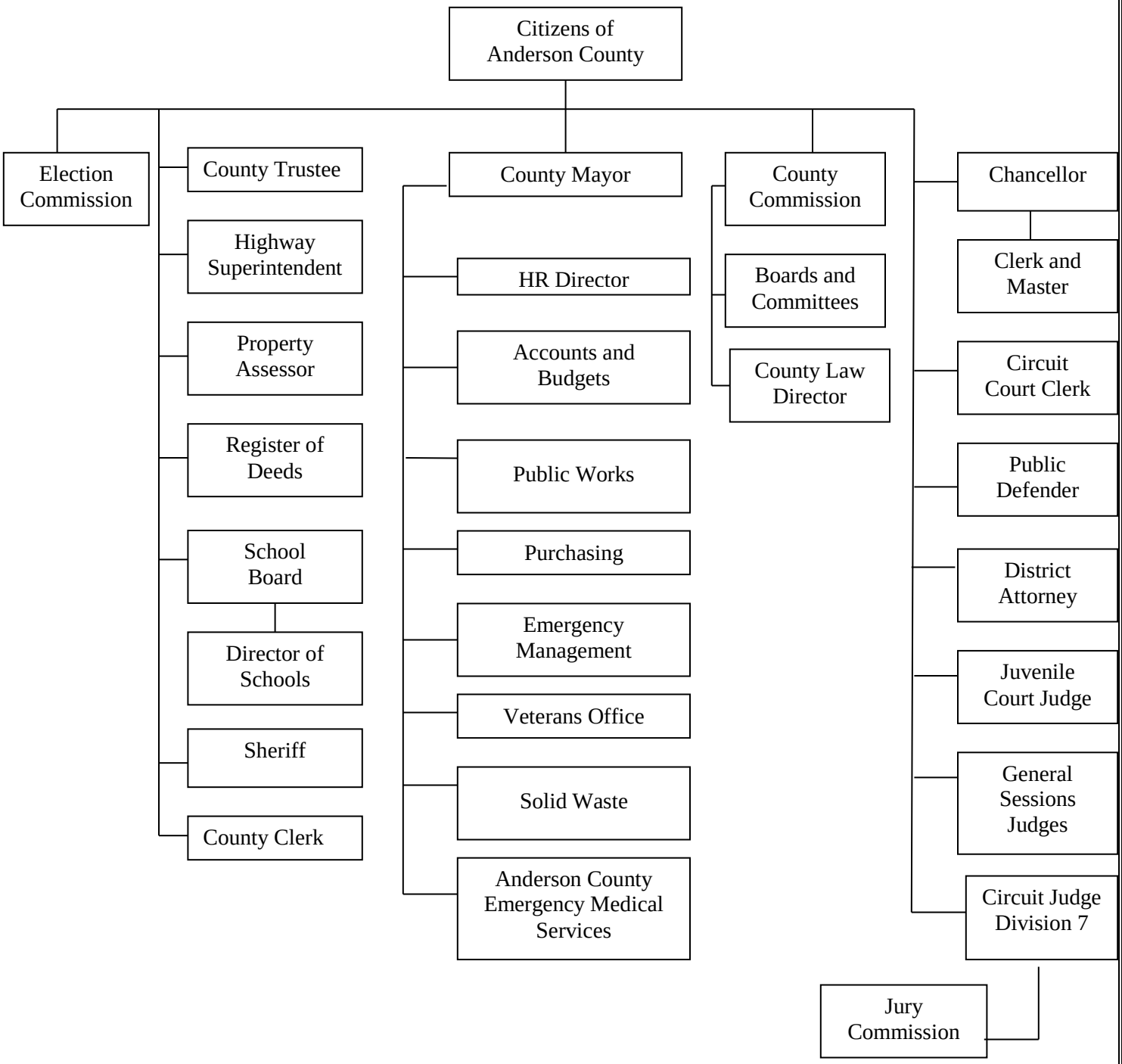
Tennessee

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

Anderson County, Tennessee
Organization Chart



Anderson County Officials
June 30, 2013

Officials

Theresa Frank, County Mayor
Gary Long, Highway Superintendent
Larry Foster, Director of Schools
Rodney Archer, Trustee
Johnny Alley, Assessor of Property
Jeff Cole, County Clerk
Tyler Mayes, Circuit, General Sessions, and Juvenile Courts Clerk
Steve Queener, Clerk and Master
Tim Shelton, Register of Deeds
Paul White, Sheriff
Pamela Cotham, Purchasing Agent
Christopher Phillips, Director of Accounts and Budgets

Board of County Commissioners

Chuck Fritts, Chairman
Mark Alderson
Zach Bates
Robin Biloski
Jerry Creasey
Steve Emert
Whitey Hitchcock
Dusty Irwin
Tim Isbel
Myron Iwanski
Robert McKamey
Rick Meredith
Steve Mead
John Shuey
Tracy Wandell
Jerry White

Board of Education

Jo Williams, Chairman
Dr. John Burrell
Dail Cantrell
Greg Crawford
Steve Fritts
Scott Gillenwaters
Glenda Langenberg
Rickey Rose

Audit Committee

Myron Iwanski, Chairman
Theresa Frank, County Mayor
Chuck Fritts
Christopher Phillips, Director of Accounts and Budgets
Steve Emert
Whitey Hitchcock
Dusty Irwin

FINANCIAL SECTION

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anderson County, Tennessee, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Anderson County Emergency Communications District, which represent 2.6 percent, 3.6 percent, and .8 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the

Anderson County Emergency Communications District, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anderson County, Tennessee, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note V.B., Anderson County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, Statement No. 61, *The Financial Reporting Entity: Omnibus (an amendment of GASB Statements No. 14 and No. 34);* Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*; and Statement No. 63, *Reporting Deferred Outflows, Deferred Inflows and Net Position*, which became effective for the year ended June 30, 2013. Anderson County early implemented Statement No. 65, *Items Previously Reported as Assets and Liabilities* and Statement No. 66, *Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62,* which have an effective date of June 30, 2014.

We draw attention to Note I.D.10. in the financial statements, which describes a restatement to the beginning net position of the governmental activities totaling $940,657, which was necessary due to the implementation of GASB Statement No. 65. That note further describes a restatement to beginning net position of the governmental activities and to beginning balances of the governmental funds totaling $23,745, which was necessary to reclassify the District Attorney General Fund from a special revenue fund to an agency fund.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 23-37 and the schedule of funding progress – pension plan and other postemployment benefits plan on pages 112-114 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.

Supplementary and Other Information

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

The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Anderson County School Department (a discretely presented component unit), and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial

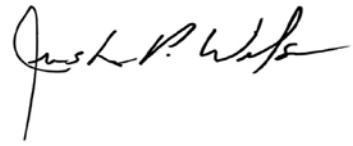
statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, and the procedures performed as described above, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Anderson County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2013, on our consideration of Anderson County's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Anderson County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

November 27, 2013

JPW/sb

Anderson County, Tennessee
Management's Discussion and Analysis
For the Year Ended June 30, 2013

The management of Anderson County, Tennessee, presents this management's discussion and analysis (MD&A) of the county's financial condition and results of operations for the fiscal year ended June 30, 2013. This information should be read in conjunction with the accompanying financial statements.

This MD&A also presents an overview of the county and the Anderson County Emergency Medical Services, known as the primary government. Also included are the financial results of the Anderson County Board of Education, which is considered a discretely presented component unit (DPCU) and is referred to as the DPCU School Department. The DPCU School Department does not issue separate financial statements.

The Anderson County Emergency Communications District is also a DPCU. Readers should review the Emergency Communications District separately issued financial statements and MD&A.

The government-wide financial statements include not only the primary government but also the DPCU School Department and Emergency Communications District, known as the total reporting entity.

FINANCIAL HIGHLIGHTS FOR 2013

- The assets and deferred outflows of the Anderson County Primary Government were more than its liabilities and deferred inflows at year-end by $1,124,664 (net position). The county's process of issuing debt on behalf of the DPCU School Department results in reduced net position. The county issues general obligation debt for the DPCU School Department, which is used for school projects that become DPCU School Department capital assets. The DPCU School Department then makes payments to the county from future budgets. Since the debt is issued in the county's legal name, the debt is reported as a liability of the primary government.

  If the county had excluded $30,472,632 in DPCU School Department bonds, capital leases, and notes payable, then the county would have a net position of $31,597,296, significantly higher than the $1,124,664 reported.

- General revenues and transfers of the Primary Government accounted for $23.4 million in revenue or 57 percent of all revenues. Program specific revenues in the form of charges for services, grants, and contributions accounted for $17.9 million or 43 percent of total revenues of $41.4 million. General revenues of the DPCU School Department were $50.8 million.

- Total assets of governmental activities in the Primary Government were $71.9 million as net property taxes receivable ended at $17 million, and cash and investments ended at $20.2 million. Total assets in the DPCU School Department

were $64.2 million as net property taxes receivable ended at $14.1 million, and cash and investments ended at $5.4 million.

- The Primary Government had $39.1 million in expenses with $17.9 million of these expenses offset by program specific charges for services, grants, and contributions. General revenues, which consisted primarily of property taxes of $16.5 million, were adequate to provide current funding for these programs. The DPCU School Department had $67.7 million in expenses related to governmental activities with $12.4 million of these expenses offset by program specific charges for services, grants, and contributions. General revenues of the DPCU School Department, which consisted primarily of grants and contributions, property taxes, and sales taxes of $29.4, $14.1, and $7.1 million, respectively, were not adequate to provide current funding for these programs.

- At 2013 year-end, the county's governmental funds reported combined ending fund balances of $19,069,405, a decrease of $5,688,560. Of the total fund balances, $2,895,154 is unassigned and available for ongoing operations.

- At June 30, 2013, the unassigned General Fund balance was $2,895,154 or 12 percent of General Fund expenditures. During the fiscal year 2013, the county took significant steps to help ensure a healthy fund balance at year-end by approving an increase in the minimum fund balance to $3.5 million. Any action that requires funding from the unassigned fund balance now mandates a two-thirds approval vote from the County Commission.

- At 2013 year-end, the DPCU School Department's governmental funds reported combined ending fund balances of $4,265,509, decrease of $4,129,160. Of the total fund balances, $1,107,652 is unassigned.

OVERVIEW OF THE ANNUAL FINANCIAL STATEMENTS

The county's Comprehensive Annual Financial Report (CAFR) is comprised of the following:

1. Introductory Section

2. Financial Section
   - Independent Auditor's Report
   - Management's Discussion and Analysis
   - Government-wide Financial Statements
   - Fund Financial Statements
   - Index and Notes to the Financial Statements
   - Required Supplementary Information and Related Notes
   - Combining and Individual Fund Financial Statements and Schedules

3. Statistical Section

4. Single Audit Section

Introductory Section. This section includes a roster of county and DPCU School Department officials, organization chart, and letter of transmittal.

Financial Section. This section includes the unmodified opinion of the county's and DPCU School Department's independent external auditors, the Comptroller of the Treasury, Division of Local Government Audit. Also included is the Management's Discussion and Analysis (MD&A), which serves as an introduction to the basic financial statements.

Basic Financial Statements. The basic financial statements consist of the following:

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

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

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

Both of the government-wide financial statements distinguish functions of the county and the DPCU School Department that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the county and the DPCU School Department include the following:

- General Government
- Finance
- Administration of Justice
- Public Safety
- Public Health and Welfare
- Social, Cultural, and Recreational Services
- Agriculture and Natural Resources
- Other Operations
- Highways
- Education
- Interest and Other Debt Service Costs

The business-type activities of the county consist of ambulance services provided by the ACEMS Ambulance Service Fund.

The government-wide financial statements can be found on Exhibits A and B of the basic financial statements.

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

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

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

The county maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheets and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General, Highway/Public Works, General Debt Service, and General Capital Projects funds, all of which are considered to be major funds. Data from the other seven governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the combining and individual fund financial statements and schedules.

The DPCU School Department maintains five individual governmental funds. The General Purpose School is considered to be a major fund with the remaining four funds combined into a single, aggregated amount with detail provided in the combining and individual fund financial statements and schedules.

To demonstrate compliance with the budgets, budgetary comparison statements have been provided for the General and Highway/Public Works funds as Exhibits C-5 and C-6, respectively. Budgetary comparison schedules for the county's nonmajor budgeted funds, the General Debt Service Fund, and the DPCU School Department's funds are provided in the combining and individual fund financial statements and schedules.

Governmental fund financial statements can be found as Exhibits C-1 through C-6 in the basic financial statements.

Proprietary Funds. Proprietary funds are used to account for activities where the emphasis is placed on net income determination. The county maintained two different types of proprietary funds – an enterprise fund and two internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The county had one enterprise fund to account for ambulance services. Internal service funds are accounting devices used to accumulate and allocate costs internally among the county's various functions. The county uses two internal service funds, one to account for employee health insurance activities and the other to account for the county's cable channel 95 activities. Because internal service funds predominantly benefit governmental rather than business-type functions, their assets and liabilities have been included with governmental activities in the government-wide financial statements.

The county's enterprise fund, ACEMS Ambulance Service Fund, is a major fund and is reported separately in the government-wide and fund financial statements. The internal service funds are combined within the governmental activities in the government-wide statements and are presented separately in the fund financial statements.

The proprietary fund financial statements can be found as Exhibits D-1 through D-3 in the basic financial statements.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. The county's fiduciary funds consist of the Cities Sales Tax, School Average Daily Attendance Tax, Judicial District Drug, District Attorney General, and Constitutional Officers – Agency funds, which are combined into agency funds on the fiduciary funds financial statements. Fiduciary funds are not reflected in the government-wide financial statements because the county cannot use these funds to finance its operations.

The fiduciary funds' financial statement can be found as Exhibit E-1 in the basic financial statements.

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

Combining and Individual Fund Financial Statements and Schedules. In addition to the basic financial statements and accompanying notes, this report presents combining and individual fund statements and schedules. Also included are the financial statements of the DPCU Anderson County School Department.

Statistical Section. This section includes selected historical financial data and is presented on a ten-year basis if available and is unaudited.

Single Audit Section. This section includes the auditor's reports on the county's and the DPCU School Department's internal controls and compliance including an opinion on major

federal award programs. This section also includes a Schedule of Expenditures of Federal Awards and State Grants for the county and the DPCU School Department.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position (deficits) may serve over time as a useful indicator of a government's financial position. The county's assets and deferred outflows exceeded its liabilities and deferred inflows by $1,124,664, and the DPCU School Department had net position of $45.5 million. This is due to the county's process of issuing debt on behalf of the DPCU School Department for building construction and improvements. The DPCU School Department owns the capital assets, but the county is obligated to pay the debt.

At year-end 2013, the county's and the DPCU School Department's Statement of Net Position consisted of the following:

ANDERSON COUNTY
STATEMENT OF NET POSITION

	Governmental Activities	
	2013	2012
Assets		
Cash, Inventories, and Investments	$ 20,267,356	$ 24,515,570
Receivables - Net	20,216,041	20,294,526
Prepaid Items and Other	27,170	964,407
Capital Assets - Net	31,436,713	26,007,970
Total Assets	$ 71,947,280	$ 71,782,473
Deferred Outflows of Resources		
Deferred Charge on Refunding	$ 178,320	$ 262,802
Total Deferred Outflows	$ 178,320	$ 262,802
Liabilities		
Current Liabilities	$ 3,344,965	$ 3,011,818
Noncurrent Liabilities	53,571,078	55,475,626
Total Liabilities	$ 56,916,043	$ 58,487,444
Deferred Inflows of Resources		
Deferred Current Property Taxes	$ 16,344,178	$ 16,314,448
Total Deferred Outflows	$ 16,344,178	$ 16,314,448
Net Position		
Net Investment in Capital Assets	$ 14,886,641	$ 14,532,349
Restricted	5,898,609	5,692,769
Unrestricted	(21,919,871)	(22,981,735)
Total Net Position	$ (1,134,621)	$ (2,756,617)

	Business-type Activities	
	ACEMS	ACEMS
	2013	2012
Assets		
Cash and Investments	$ 775,807	$ 951,659
Receivables - Net	596,856	456,342
Capital Assets - Net	1,139,613	1,403,609
Total Assets	$ 2,512,276	$ 2,811,610
Liabilities		
Current Liabilities	$ 181,102	$ 194,283
Noncurrent Liabilities	71,889	58,257
Total Liabilities	$ 252,991	$ 252,540
Net Position		
Investment in Capital Assets	$ 1,139,613	$ 1,403,609
Unrestricted	1,119,672	1,155,461
Total Net Position	$ 2,259,285	$ 2,559,070

	DPCU School Department	
	2013	2012
Assets		
Cash, Inventories, and Investments	$ 5,390,168	$ 9,302,143
Receivables - Net	16,134,073	16,031,108
Prepaid Items	714	4,079
Cash Shortage	280	0
Capital Assets - Net	42,696,232	42,924,263
Total Assets	$ 64,221,467	$ 68,261,593
Liabilities		
Current Liabilities	$ 3,413,008	$ 2,350,099
Noncurrent Liabilities	1,826,206	2,482,195
Total Liabilities	$ 5,239,214	$ 4,832,294
Deferred Inflows of Resouces		
Deferred Current Property Taxes	$ 13,520,011	$ 13,436,924
Total Liabilities	$ 13,520,011	$ 13,436,924

	DPCU School Department	
	2013	2012
Net Position		
Net Investment in Capital Assets	$ 0	$ 41,924,496
Investment in Capital Assets	42,696,232	0
Restricted	1,556,985	3,996,161
Unrestricted	1,209,025	4,071,718
Total Net Position	$ 45,462,242	$ 49,992,375

By far, the largest portion of the county's and the DPCU School Department's net position reflects their investment in capital assets (e.g., land and buildings) less any related debt used to acquire those assets that is still outstanding. The 2013 Statement of Net Position for the Business-type Activities is a reflection of the ACEMS. The county and the DPCU School Department use these capital assets to provide services; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate long-term debt.

The unrestricted net position may be used to meet the obligations to employees and creditors and to help fund next year's budget.

During 2013, net position changed in the county, DPCU School Department, and ACEMS due to the following:

ANDERSON COUNTY
STATEMENT OF ACTIVITIES

	Governmental Activities	
	2013	2012
Revenues		
Program Revenues:		
Charges for Services	$ 8,113,295	$ 7,973,018
Operating Grants and Contributions	3,644,441	3,603,825
Capital Grants and Contributions	817,300	1,426,256
General Revenues:		
Local Taxes	19,264,110	19,484,279
State and Federal - Unrestricted	4,067,113	3,625,716
Investment Income	62,758	67,991
Miscellaneous	54,387	40,182
Total Revenues	$ 36,023,404	$ 36,221,267

ANDERSON COUNTY
STATEMENT OF ACTIVITIES (CONT.)

	Governmental Activities	
	2013	2012
Expenses		
General Government	$ 3,716,551	$ 3,548,769
Finance	2,719,335	2,710,791
Administration of Justice	3,336,291	3,122,189
Public Safety	12,297,181	11,914,342
Public Health and Welfare	2,985,437	4,308,053
Social, Cultural, and Recreational Services	593,389	686,748
Agriculture and Natural Resources	191,813	286,919
Other Operations	1,428,085	1,577,100
Highways	4,271,823	3,974,540
Education	0	18,622,722
Interest and Other Debt Service Costs	1,897,101	1,864,783
Total Expenses	$ 33,437,006	$ 52,616,956
Increase (Decrease) in Net Position Before Transfers	$ 2,586,398	$ (16,395,689)
Transfers (to)/from Business-type Activities	0	(1,812)
Increase (Decrease) in Net Positon	$ 2,586,398	$ (16,397,501)
Net Position, Beginning of Year	(2,756,617)	13,838,743
Prior-period Adjustment	(964,402)	(197,859)
Net Position, End of Year	$ (1,134,621)	$ (2,756,617)

The county's net position increased by $2,586,398 during the current fiscal year. Elements key to this increase include:

- Total fund balances of governmental funds decreased by $5,664,815. This decrease comes largely from the General Capital Projects Fund that had a decrease of $6,267,646. It was in the prior year that the county issued $14,500,000 of bonds for the construction of the new jail additions. The completion for this project is expected to be closed January 2014.

- The difference between capital outlays and depreciation increased net position $5,450,945. The prior year issuance of bonds has allowed the county to budget for capital outlay expenditures while allowing the unassigned fund balance to increase.

- The treatment of long-term debt and related items increased net position $2,685,438. The increase is largely due to the primary government paying for the principal of the bonds that were issued in the prior year.

ANDERSON COUNTY
STATEMENT OF ACTIVITIES

	DPCU School Department	
	2013	2012
Revenues		
Program Revenues:		
Charges for Services	$ 1,136,172	$ 1,226,099
Operating Grants and Contributions	11,195,168	12,065,485
Capital Grants and Contributions	58,074	18,692,270
General Revenues:		
Local Taxes	21,278,399	21,403,968
State and Federal - Unrestricted	29,365,120	29,000,614
Investment Income	8,515	18,088
Miscellaneous	146,795	142,600
Total Revenues	$ 63,188,243	$ 82,549,124
Expenses		
Education	$ 67,718,376	$ 65,982,596
Total Expenses	$ 67,718,376	$ 65,982,596
Increase (Decrease) in Net Position	$ (4,530,133)	$ 16,566,528
Net Position, Beginning of Year	49,992,375	33,227,988
Prior-period Adjustment	0	197,859
Net Position, End of Year	$ 45,462,242	$ 49,992,375

The DPCU School Department's net position decreased by $4,530,133 during the current fiscal year. Elements key to this decrease include:

- Total fund balances of governmental funds decreased $4,129,160. The DPCU School Department is currently working on capital outlay expenditures where the funding was received in the prior year.
- The difference between capital outlays and depreciation decreased net position $228,031. This decrease is largely due to capital projects being expensed in the prior year. Funding for the projects were received in the fiscal year ending June 30, 2012.

ANDERSON COUNTY
STATEMENT OF ACTIVITIES

	Business-type Activities	
	ACEMS 2013	ACEMS 2012
Revenues		
Program Revenues:		
Charges for Services	$ 5,329,645	$ 5,536,443
General Revenues:		
Miscellaneous	0	985
Total Revenues	$ 5,329,645	$ 5,537,428
Expenses		
Ambulance Service	$ 5,629,430	$ 5,523,704
Total Expenses	$ 5,629,430	$ 5,523,704
Increase (Decrease) in Net Position Before Transfers	$ (299,785)	$ 13,724
Transfers from/(to) Governmental Activities	0	1,812
Increase (Decrease) in Net Position After Transfers	$ (299,785)	$ 15,536
Net Position, Beginning of Year	2,559,070	2,543,534
Net Position, End of Year	$ 2,259,285	$ 2,559,070

The Business-type Activities net position decreased by $299,785 during the current fiscal year. The decrease is attributed to the decrease in ambulance transports.

Governmental Activities. Governmental type activities provided by the county are primarily general government - 11 percent, public safety - 37 percent, and highways - 13 percent. The DPCU School Department provides public education for children in kindergarten through grade 2 who are residents of Anderson County.

The county's main source of revenues is from local taxes, which consist primarily of property, local option sales, and business taxes - 51 percent, and charges for services - 23 percent. The DPCU School Department's main source of funding is provided by state and federal funding - 46 percent, local taxes, which consist of property and local option sales taxes - 34 percent, and operating grants and contributions - 18 percent.

Business-type Activities (BTA). The BTA of the county are ambulance services, and the Anderson County Emergency Medical Service managed the ambulance services provided by the ACEMS Ambulance Service Fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The county's investment in capital assets for its governmental activities as of June 30, 2013, totaled $31.4 million (net of accumulated depreciation). This investment in capital assets includes land, building and improvements, equipment, roads, bridges, and construction in progress. The DPCU School Department's investment in capital assets for its governmental activities as of June 30, 2013, totaled $42.7 million (net of accumulated depreciation).

Note IV.B. (Capital Assets) provides capital assets activity during the 2013 fiscal year. During 2013, the county added several capital assets including six vehicles (removed 30 on Gov Deals) for the Sheriff's Department, roof replacement on the courthouse, new dormitory for the jail, and construction in progress upgrades to the detention facility. The DPCU School Department completed several capital projects. These included the construction of a new Alternative Learning Center, roof replacements at Norris Middle, Career and Technology Center, and various schools. Also included was the HVAC project at the Clinton High School.

Long-term Debt. At the end of the 2013 fiscal year, the county had total general obligation bonds, loans, capital outlay notes, and capital leases outstanding of $52.1 million. Of this amount, .8 million is expected to be contributed by the DPCU School Department.

In addition to the above debt, county long-term obligations include compensated absences and other long-term liabilities. Additional information on the county's long-term obligations can be found in Note IV.G. of this report. Note I.D.6. discusses compensated absences.

The county's most recent bond rating from Moody's Investor Services was Aa2 with a negative outlook.

FINANCIAL ANALYSIS OF FUND FINANCIAL STATEMENTS

As previously discussed, the county and the DPCU School Department use fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the county and the DPCU School Department governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources.

Such information is useful in assessing the county's and DPCU School Department's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of 2013, the county's governmental funds reported combined ending fund balances of $19.1 million, a decrease of $5,688,560 when compared to year-end 2012. Approximately $2.9 million is unassigned fund balance, which is available for future appropriations. The restricted fund balances of $13.2 million at June 30, 2013, are for unexpended restricted revenues.

The county's main operating fund is the General Fund. At year-end 2013, the total General Fund's balance was $6,140,901, with unassigned fund balance totaling $2,895,154. The unassigned fund balance represents 12 percent of total General Fund expenditures during 2013. The balance in the General Fund increased by $405,087 during 2013 primarily due to a five percent decrease in expenditures.

The Highway/Public Works Fund continues to struggle with adequate current revenues not being provided to cover the costs of maintaining the county's roads. With the increase in highway construction expenditures, the balance in the Highway/Public Works Fund decreased this year by $166,210, ending with a balance of $1,775,915.

The General Debt Service Fund reflected a decrease in its fund balance by $295,386 during the fiscal year 2013. This decrease brings the fund balance total to $2,520,389. This balance represents 125 percent of the current-year's payments for non-educational debt service.

The DPCU School Department's main operating fund is the General Purpose School Fund. At year-end 2013, total combined fund balances of the School Department's governmental funds were $4,265,509.

The General Purpose School Fund budgetary comparison schedule can be found as Exhibit K-8 in the combining and individual fund financial statements and schedules.

Proprietary Funds. The county's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net position and its percentage of total net position of each proprietary fund are as follows:

Employee Health Insurance Fund (Internal Service Fund) $	55,207	100%
Channel 95 (Internal Service Fund)	8,910	100%
Ambulance Service Fund (Enterprise Fund)	1,119,672	50%

The proprietary fund financial statements can be found as Exhibits D-1 through D-3 in the basic financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The difference between the original budget and the final amended budgeted expenditures for the General Fund was $3,425,111.

The following are the primary components of the increase:

- An increase of $713,728 in General Government reflects primarily an increase to the Planning and Zoning Department of $315,493 for performance bond forfeitures, an increase to the County Buildings for roof repair of $126,035; and an increase to the Preservation of Records of $89,819.

- An increase of $102,094 in Finance was primarily driven by an increase of $24,933 to the Accounts and Budgets of an encumbrance for the upgrade of Local Government software; an increase of $20,471 to the Purchasing Department for the increase in surplus sales; and an increase of $43,763 for the Reappraisal Program of an encumbrance for two new vehicles.

- An increase of $390,321 in Administration of Justice consisted mainly of $129,210 for the Circuit and General Sessions Courts implementing new data processing equipment and software and an increase of $164,981 in Other Administration of Justice related primarily to Project Impact.

- An increase of $1,063,713 in Public Safety consisted mainly of $185,013 of increases in the Sheriff's Department for the purchase of new sheriff vehicles, liability claims and other equipment, and $815,686 of increases in the detention facility for the increase in personnel and the increased cost of housing inmates.

- An increase of $947,225 in Capital Projects is the result of continuing utility work being performed in the Claxton and Park Road areas and the Briceville sidewalk project.

The increases were funded mainly with additional anticipated revenues, bond proceeds, and assigned or restricted fund balances. The majority of the additional anticipated revenues were state and federal grants.

Actual General Fund revenues were $354,153 less than the final budgeted revenues. The key factor for this was $385,550 in the Briceville sidewalk where many delays in the process has caused delays in starting the projects.

Actual General Fund expenditures were $2,817,811 lower than final budgeted expenditures. This variance was largely due to budgeted grant expenditures carrying forward to the next fiscal year and various capital projects not being completed in the current fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

During the preparation of the FY 2014 budget, the following major assumptions were used:

- Assessed property values, the basis of property tax revenues, were projected with a one percent growth factor. To continue complying with State of Tennessee mandated detention facility expansion, the staffing of 15 new jailers was budgeted.

- Salary increase of approximately two percent for officials was mandated by the State of Tennessee. The employees' health insurance plan by administrators recognized the need to increase premiums by one percent to offset the rising claims.

- The county used $381,094 of unassigned fund balance to balance the budget, of that amount, $250,000 is for an increase in the jailers' salary for the 15 new positions and $131,094 was used for salary and increase in premiums.

REQUESTS FOR INFORMATION

This MD&A and accompanying financial statements and notes are designed to provide our citizens, parents, students, employees, creditors, and regulatory agencies with an overview of the county's finances. If you have any questions or need additional information, you may contact:

Christopher K. Phillips, CGFM
Director of Accounts and Budgets
Anderson County, Tennessee
100 North Main Street, Room 210
Clinton, Tennessee 37716-3625
865-457-5400, ext. 203
865-457-6254 (fax)
Email: cphillips@andersontn.org

BASIC FINANCIAL STATEMENTS

Exhibit A

Anderson County, Tennessee
Statement of Net Position
June 30, 2013

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Anderson County School Department	Emergency Communica-tions District
ASSETS					
Cash	$ 183,513	$ 0	$ 183,513	$ 11,611	$ 1,287,379
Equity in Pooled Cash and Investments	20,019,713	775,807	20,795,520	5,348,948	0
Inventories	45,565	0	45,565	29,609	0
Investments	18,565	0	18,565	0	0
Accounts Receivable	264,460	2,009,187	2,273,647	55,626	7,140
Allowance for Uncollectible	0	(732,603)	(732,603)	0	0
Due from Other Governments	1,221,836	0	1,221,836	1,998,457	101,166
Internal Balances	679,728	(679,728)	0	0	0
Due from Primary Government	0	0	0	7,691	0
Due from Component Units	1,027,155	0	1,027,155	0	0
Property Taxes Receivable	17,644,341	0	17,644,341	14,585,680	0
Allowance for Uncollectible Property Taxes	(621,479)	0	(621,479)	(513,381)	0
Prepaid Items	27,170	0	27,170	714	8,300
Cash Shortage	0	0	0	280	0
Capital Assets:					
Assets Not Depreciated:					
Land	2,019,223	82,950	2,102,173	839,889	0
Construction in Progress	7,049,070	0	7,049,070	0	0
Assets Net of Accumulated Depreciation:					
Buildings and Improvements	13,126,857	367,380	13,494,237	39,279,904	0
Other Capital Assets	4,140,873	689,283	4,830,156	2,576,439	293,290
Infrastructure	5,100,690	0	5,100,690	0	0
Total Assets	$ 71,947,280	$ 2,512,276	$ 74,459,556	$ 64,221,467	$ 1,697,275

(Continued)

Exhibit A

Anderson County, Tennessee
Statement of Net Position (Cont.)

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Anderson County School Department	Emergency Communications District
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charge on Refunding	$ 178,320	$ 0	$ 178,320	$ 0	$ 0
Total Deferred Outflows of Resources	$ 178,320	$ 0	$ 178,320	$ 0	$ 0
LIABILITIES					
Accounts Payable	$ 1,062,481	$ 45,721	$ 1,108,202	$ 1,611,631	$ 6,782
Accrued Payroll	468,537	100,611	569,148	0	0
Accrued Interest Payable	299,782	0	299,782	0	0
Payroll Deductions Payable	168,426	34,770	203,196	722,446	2,424
Contracts Payable	811,481	0	811,481	51,635	0
Retainage Payable	54,448	0	54,448	0	0
Due to Primary Government	0	0	0	1,027,155	0
Due to Component Units	7,691	0	7,691	0	0
Due to State of Tennessee	1,112	0	1,112	17	0
Other Current Liabilities	471,007	0	471,007	124	0
Noncurrent Liabilities:					
Due Within One Year	2,798,132	58,455	2,856,587	323,033	0
Due in More Than One Year	50,772,946	13,434	50,786,380	1,503,173	0
Total Liabilities	$ 56,916,043	$ 252,991	$ 57,169,034	$ 5,239,214	$ 9,206
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	$ 16,344,178	$ 0	$ 16,344,178	$ 13,520,011	$ 0
Total Deferred Inflows of Resources	$ 16,344,178	$ 0	$ 16,344,178	$ 13,520,011	$ 0

(Continued)

Exhibit A

Anderson County, Tennessee
Statement of Net Position (Cont.)

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Anderson County School Department	Emergency Communica-tions District
NET POSITION					
Net Investment in Capital Assets	$ 14,886,641	$ 1,139,613	$ 16,026,254	$ 42,696,232	$ 293,290
Restricted for:					
General Government	233,741	0	233,741	0	0
Finance	26,352	0	26,352	0	0
Administration of Justice	376,066	0	376,066	0	0
Public Safety	474,254	0	474,254	0	0
Public Health and Welfare	220,066	0	220,066	0	0
Social, Cultural, and Recreational Services	289,789	0	289,789	0	0
Other Operations	0	0	0	0	0
Highway/Public Works	1,939,581	0	1,939,581	0	0
Debt Service	2,338,760	0	2,338,760	0	0
Capital Projects	0	0	0	126,620	0
Education	0	0	0	1,430,365	0
Unrestricted	(21,919,871)	1,119,672	(20,800,199)	1,209,025	1,394,779
Total Net Position	$ (1,134,621)	$ 2,259,285	$ 1,124,664	$ 45,462,242	$ 1,688,069

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

Exhibit B

Anderson County, Tennessee
Statement of Activities
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position — Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Anderson County School Department	Component Units: Emergency Communications District
Primary Government:									
Governmental Activities:									
General Government	$ 3,716,551	$ 1,113,133	$ 105,893	$ 0	$ (2,497,525)	$ 0	$ (2,497,525)	$ 0	$ 0
Finance	2,719,335	2,135,245	45,281	0	(538,809)	0	(538,809)	0	0
Administration of Justice	3,336,291	2,333,626	15,481	0	(987,184)	0	(987,184)	0	0
Public Safety	12,297,181	1,386,581	603,690	186,184	(10,120,726)	0	(10,120,726)	0	0
Public Health and Welfare	2,985,437	617,232	536,641	155,250	(1,676,314)	0	(1,676,314)	0	0
Social, Cultural, and Recreational Services	593,389	143,668	130,311	0	(319,410)	0	(319,410)	0	0
Agriculture and Natural Resources	191,813	0	0	0	(191,813)	0	(191,813)	0	0
Other Operations	1,428,085	0	254,181	0	(1,173,904)	0	(1,173,904)	0	0
Highways	4,271,823	383,810	1,952,963	475,866	(1,459,184)	0	(1,459,184)	0	0
Debt Service:									
Interest on Long-term Debt	1,738,298	0	0	0	(1,738,298)	0	(1,738,298)	0	0
Other Debt Service	158,803	0	0	0	(158,803)	0	(158,803)	0	0
Total Governmental Activities	$ 33,437,006	$ 8,113,295	$ 3,644,441	$ 817,300	$ (20,861,970)	$ 0	$ (20,861,970)	$ 0	$ 0
Business-type Activities:									
Ambulance Service	$ 5,629,430	$ 5,329,645	$ 0	$ 0	$ 0	$ (299,785)	$ (299,785)	$ 0	$ 0
Total Business-type Activities	$ 5,629,430	$ 5,329,645	$ 0	$ 0	$ 0	$ (299,785)	$ (299,785)	$ 0	$ 0
Total Primary Government	$ 39,066,436	$ 13,442,940	$ 3,644,441	$ 817,300	$ (20,861,970)	$ (299,785)	$ (21,161,755)	$ 0	$ 0
Component Units:									
Anderson County School Department	$ 67,718,376	$ 1,136,172	$ 11,195,168	$ 58,074	$ 0	$ 0	$ 0	$ (55,328,962)	$ 0
Emergency Communications District	278,327	172,331	235,930	0	0	0	0	0	129,934
Total Component Units	$ 67,996,703	$ 1,308,503	$ 11,431,098	$ 58,074	$ 0	$ 0	$ 0	$ (55,328,962)	$ 129,934

(Continued)

Exhibit B

Anderson County, Tennessee
Statement of Activities (Cont.)

		Program Revenues			Net (Expense) Revenue and Changes in Net Position				
					Primary Government			Component Units	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Anderson County School Department	Emergency Communications District
General Revenues:									
Taxes:									
Property Taxes Levied for General Purposes					$ 13,271,627	$ 0	$ 13,271,627	$ 14,145,848	$ 0
Property Taxes Levied for Debt Service					3,259,126	0	3,259,126	0	0
Local Option Sales Taxes					806,190	0	806,190	7,109,631	0
Hotel/Motel Tax					275,561	0	275,561	0	0
Litigation Tax					304,544	0	304,544	0	0
Business Tax					996,687	0	996,687	0	0
Wholesale Beer Tax					143,170	0	143,170	0	0
Mineral and Coal Severance Tax					119,993	0	119,993	0	0
Gas and Oil Severance Tax					81,218	0	81,218	0	0
Other Local Taxes					5,994	0	5,994	22,920	0
Grants and Contributions Not Restricted to Specific Programs					4,067,113	0	4,067,113	29,365,120	124,034
Unrestricted Investment Income					62,758	0	62,758	8,515	5,384
Miscellaneous					54,387	0	54,387	146,795	0
Total General Revenues					$ 23,448,368	$ 0	$ 23,448,368	$ 50,798,829	$ 129,418
Change in Net Position					$ 2,586,398	$ (299,785)	$ 2,286,613	$ (4,530,133)	$ 259,352
Net Position, July 1, 2012					(2,756,617)	2,559,070	(197,547)	49,992,375	1,428,717
Restatement - See Note I.D.10.					(964,402)	0	(964,402)	0	0
Net Position, June 30, 2013					$ (1,134,621)	$ 2,259,285	$ 1,124,664	$ 45,462,242	$ 1,688,069

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

Exhibit C-1

Anderson County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2013

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
ASSETS						
Cash	$ 53,731	$ 0	$ 0	$ 0	$ 2,227	$ 55,958
Equity in Pooled Cash and Investments	6,071,893	2,008,281	2,527,271	5,873,441	3,526,439	20,007,325
Inventories	0	45,565	0	0	0	45,565
Accounts Receivable	125,967	7,793	4,007	0	109,784	247,551
Due from Other Governments	757,530	451,252	0	0	13,054	1,221,836
Due from Other Funds	366,095	27,947	0	0	5,386	399,428
Due from Component Units	36,008	9,978	0	0	169,059	215,045
Property Taxes Receivable	12,062,683	479,605	1,744,017	0	3,358,036	17,644,341
Allowance for Uncollectible Property Taxes	(425,361)	(16,881)	(61,385)	0	(117,852)	(621,479)
Prepaid Items	20,150	0	0	0	7,020	27,170
Advances to Other Funds	254,623	0	0	0	0	254,623
Total Assets	$ 19,323,319	$ 3,013,540	$ 4,213,910	$ 5,873,441	$ 7,073,153	$ 39,497,363
LIABILITIES						
Accounts Payable	$ 350,277	$ 505,347	$ 250	$ 4,667	$ 125,071	$ 985,612
Accrued Payroll	418,286	31,449	0	0	17,177	466,912
Payroll Deductions Payable	154,402	9,683	0	0	3,801	167,886
Contracts Payable	29,290	0	0	677,936	104,255	811,481
Retainage Payable	0	0	0	35,303	19,145	54,448
Due to Other Funds	242,288	21,144	9,956	0	11,819	285,207
Due to Component Units	1,000	0	6,691	0	0	7,691
Due to State of Tennessee	1,112	0	0	0	0	1,112
Other Current Liabilities	127,857	0	0	0	0	127,857
Total Liabilities	$ 1,324,512	$ 567,623	$ 16,897	$ 717,906	$ 281,268	$ 2,908,206
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	$ 11,178,758	$ 444,564	$ 1,616,596	$ 0	$ 3,104,260	$ 16,344,178
Deferred Delinquent Property Taxes	416,844	16,508	60,028	0	123,454	616,834
Other Deferred/Unavailable Revenue	262,304	208,930	0	0	87,506	558,740
Total Deferred Inflows of Resources	$ 11,857,906	$ 670,002	$ 1,676,624	$ 0	$ 3,315,220	$ 17,519,752

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
FUND BALANCES						
Nonspendable:						
Inventory	$ 0	$ 45,565	$ 0	$ 0	$ 0	$ 45,565
Long-term Receivable	254,623	0	0	0	0	254,623
Prepaid Items	20,150	0	0	0	7,020	27,170
Restricted:						
Restricted for General Government	233,741	0	0	0	0	233,741
Restricted for Finance	26,352	0	0	0	0	26,352
Restricted for Administration of Justice	376,066	0	0	0	0	376,066
Restricted for Public Safety	202,496	0	0	0	271,758	474,254
Restricted for Public Health and Welfare	97,608	0	0	0	0	97,608
Restricted for Social, Cultural, and Recreational Services	0	0	0	0	275,032	275,032
Restricted for Highways/Public Works	0	1,730,350	0	0	0	1,730,350
Restricted for Debt Service	0	0	2,394,096	0	2,211,104	4,605,200
Restricted for Capital Projects	97,465	0	0	5,155,535	113,000	5,366,000
Committed:						
Committed for General Government	100,277	0	0	0	0	100,277
Committed for Finance	117,801	0	0	0	0	117,801
Committed for Public Safety	295,032	0	0	0	0	295,032
Committed for Public Health and Welfare	45,237	0	0	0	471,254	516,491
Committed for Social, Cultural, and Recreational Services	0	0	0	0	86,817	86,817
Committed for Highways/Public Works	284,608	0	0	0	0	284,608
Committed for Debt Service	0	0	126,293	0	40,680	166,973
Committed for Capital Projects	578,842	0	0	0	0	578,842
Assigned:						
Assigned for Finance	7,725	0	0	0	0	7,725
Assigned for Administration of Justice	500	0	0	0	0	500
Assigned for Public Safety	126,130	0	0	0	0	126,130
Assigned for Other Operations	381,094	0	0	0	0	381,094
Unassigned	2,895,154	0	0	0	0	2,895,154
Total Fund Balances	$ 6,140,901	$ 1,775,915	$ 2,520,389	$ 5,155,535	$ 3,476,665	$ 19,069,405
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 19,323,319	$ 3,013,540	$ 4,213,910	$ 5,873,441	$ 7,073,153	$ 39,497,363

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

Exhibit C-2

Anderson County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2013

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different because:			
Total fund balances - balance sheet - governmental funds (Exhibit C-1)			$ 19,069,405
(1)	Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
	Add: land	$ 2,019,223	
	Add: construction in progress	7,049,070	
	Add: infrastructure net of accumulated depreciation	5,100,690	
	Add: buildings and improvements net of accumulated depreciation	13,126,857	
	Add: other capital assets net of accumulated depreciation	4,140,873	31,436,713
(2)	Internal service funds are used by management to charge the cost of employee health insurance to individual funds, and to reflect activities of the county television station. The assets and liabilities are included in governmental activities in the statement of net position.		64,117
(3)	Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
	Less: notes payable	$ (1,008,425)	
	Less: other loans payable	(2,999,000)	
	Less: bonds payable	(47,505,000)	
	Less: capital lease payable	(599,207)	
	Add: deferred amount on refunding	178,320	
	Add: debt to be contributed by the School Department	812,110	
	Less: unamortized premium on debt	(798,991)	
	Less: other postemployment benefits liability	(126,277)	
	Less: compensated absences payable	(534,178)	
	Less: accrued interest on bonds, notes, and other loans	(299,782)	(52,880,430)
(4)	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		1,175,574
Net position of governmental activities (Exhibit A)			$ (1,134,621)

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

Exhibit C-3

Anderson County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Revenues						
Local Taxes	$ 15,881,502	$ 858,577	$ 1,635,353	$ 0	$ 3,304,740	$ 21,680,172
Licenses and Permits	284,283	0	0	0	0	284,283
Fines, Forfeitures, and Penalties	611,883	0	0	0	152,138	764,021
Charges for Current Services	447,224	0	0	0	345,567	792,791
Other Local Revenues	735,568	392,117	47,936	0	62,148	1,237,769
Fees Received from County Officials	4,046,489	0	0	0	0	4,046,489
State of Tennessee	2,434,759	2,415,730	0	0	72,817	4,923,306
Federal Government	779,060	0	32,962	0	22,190	834,212
Other Governments and Citizens Groups	112,653	0	0	0	1,377,709	1,490,362
Total Revenues	$ 25,333,421	$ 3,666,424	$ 1,716,251	$ 0	$ 5,337,309	$ 36,053,405
Expenditures						
Current:						
General Government	$ 3,515,206	$ 0	$ 0	$ 0	$ 0	$ 3,515,206
Finance	2,719,463	0	0	0	655	2,720,118
Administration of Justice	3,367,071	0	0	0	13,222	3,380,293
Public Safety	11,833,176	0	0	0	73,008	11,906,184
Public Health and Welfare	1,204,118	0	0	0	1,411,519	2,615,637
Social, Cultural, and Recreational Services	43,470	0	0	0	923,129	966,599
Agriculture and Natural Resources	194,312	0	0	0	0	194,312
Other Operations	1,188,106	0	0	0	223,129	1,411,235
Highways	0	3,833,371	0	0	0	3,833,371
Debt Service:						
Principal on Debt	0	0	1,233,000	0	1,661,015	2,894,015
Interest on Debt	0	0	741,221	0	1,081,460	1,822,681
Other Debt Service	0	0	37,416	0	36,905	74,321
Capital Projects	303,232	0	0	6,092,082	0	6,395,314
Total Expenditures	$ 24,368,154	$ 3,833,371	$ 2,011,637	$ 6,092,082	$ 5,424,042	$ 41,729,286
Excess (Deficiency) of Revenues Over Expenditures	$ 965,267	$ (166,947)	$ (295,386)	$ (6,092,082)	$ (86,733)	$ (5,675,881)
Other Financing Sources (Uses)						
Proceeds from Sale of Capital Assets	$ 7,307	$ 0	$ 0	$ 0	$ 0	$ 7,307
Insurance Recovery	7,829	306	0	0	0	8,135
Transfers In	175,564	431	0	0	746,073	922,068
Transfers Out	(750,880)	0	0	(175,564)	0	(926,444)
Total Other Financing Sources (Uses)	$ (560,180)	$ 737	$ 0	$ (175,564)	$ 746,073	$ 11,066

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Net Change in Fund Balances	$ 405,087	$ (166,210)	$ (295,386)	$ (6,267,646)	$ 659,340	$ (5,664,815)
Restatement - See Note I.D.10.	0	0	0	0	(23,745)	(23,745)
Fund Balance, July 1, 2012	5,735,814	1,942,125	2,815,775	11,423,181	2,841,070	24,757,965
Fund Balance, June 30, 2013	$ 6,140,901	$ 1,775,915	$ 2,520,389	$ 5,155,535	$ 3,476,665	$ 19,069,405

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

Exhibit C-4

Anderson 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, 2013

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)			$ (5,664,815)
(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	$ 6,973,288	
	Less: current-year depreciation expense	(1,522,343)	5,450,945
(2)	The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
	Add: assets donated and capitalized	$ 14,684	
	Less: book value of capital assets disposed	(36,886)	(22,202)
(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, 2013	$ 1,175,574	
	Less: deferred delinquent property taxes and other deferred June 30, 2012	(1,073,904)	101,670
(4)	The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:		
	Add: principal payments on bonds	$ 2,355,000	
	Add: principal payments on notes	259,326	
	Add: principal payments on other loans	233,000	
	Add: principal payments on capital leases	46,689	
	Add: change in premium on debt issuances	63,562	
	Less: contributions from School Department for notes and capital leases	(187,657)	
	Less: change in deferred amount on refunding debt	(84,482)	2,685,438
(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	$ 20,821	
	Change in other postemployment benefits liability	(28,201)	
	Change in compensated absences payable	(25,061)	(32,441)
(6)	Internal service funds are used by management to charge the cost of employee health benefits to individual funds, and to reflect activities of the county television station. The net revenue(expense) of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		67,803
Change in net position of governmental activities (Exhibit B)			$ 2,586,398

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

Exhibit C-5

Anderson County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2013

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 15,881,502	$ 0	$ 0	$ 15,881,502	$ 16,009,898	$ 16,009,898	$ (128,396)
Licenses and Permits	284,283	0	0	284,283	385,200	385,200	(100,917)
Fines, Forfeitures, and Penalties	611,883	0	0	611,883	354,400	410,040	201,843
Charges for Current Services	447,224	0	0	447,224	361,500	400,325	46,899
Other Local Revenues	735,568	0	0	735,568	585,797	758,595	(23,027)
Fees Received from County Officials	4,046,489	0	0	4,046,489	3,831,250	3,831,250	215,239
State of Tennessee	2,434,759	0	0	2,434,759	1,692,950	2,639,089	(204,330)
Federal Government	779,060	0	0	779,060	227,500	1,140,959	(361,899)
Other Governments and Citizens Groups	112,653	0	0	112,653	73,198	112,218	435
Total Revenues	$ 25,333,421	$ 0	$ 0	$ 25,333,421	$ 23,521,693	$ 25,687,574	$ (354,153)
Expenditures							
General Government							
County Commission	$ 259,749	$ 0	$ 0	$ 259,749	$ 283,278	$ 267,832	$ 8,083
Board of Equalization	4,659	0	0	4,659	7,636	7,656	2,997
Other Boards and Committees	281,039	0	0	281,039	263,488	343,818	62,779
County Mayor/Executive	194,977	0	0	194,977	125,876	196,083	1,106
Personnel Office	135,781	0	0	135,781	138,738	138,888	3,107
County Attorney	301,946	0	0	301,946	316,185	316,185	14,239
Election Commission	466,236	0	0	466,236	454,154	483,878	17,642
Register of Deeds	392,350	0	0	392,350	385,398	394,898	2,548
Planning	365,576	0	0	365,576	342,485	605,189	239,613
Building	22,048	0	0	22,048	115,000	115,000	92,952
County Buildings	843,774	(126,035)	34,571	752,310	810,546	991,746	239,436
Other General Administration	116,727	(5,900)	0	110,827	135,020	140,540	29,713
Preservation of Records	130,344	0	0	130,344	40,891	130,710	366
Finance							
Accounting and Budgeting	618,422	(14,958)	10,563	614,027	616,005	640,938	26,911
Purchasing	217,472	0	340	217,812	208,040	228,511	10,699

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Finance (Cont.)							
Property Assessor's Office	$ 383,905	$ 0	$ 0	$ 383,905	$ 432,244	$ 435,479	$ 51,574
Reappraisal Program	140,412	0	33,426	173,838	145,322	189,085	15,247
County Trustee's Office	586,926	0	3,250	590,176	592,682	605,353	15,177
County Clerk's Office	772,326	0	0	772,326	806,119	803,140	30,814
Administration of Justice							
Circuit Court	1,273,132	0	0	1,273,132	1,153,920	1,283,130	9,998
Criminal Court	603	0	0	603	2,058	2,058	1,455
General Sessions Judge	573,209	0	0	573,209	598,645	602,313	29,104
Drug Court	56,849	0	0	56,849	61,096	61,096	4,247
Chancery Court	417,151	0	0	417,151	439,185	441,867	24,716
Juvenile Court	523,217	0	0	523,217	553,143	551,973	28,756
District Attorney General	39,037	0	0	39,037	46,910	46,910	7,873
Office of Public Defender	31,612	0	0	31,612	0	33,050	1,438
Judicial Commissioners	53	0	0	53	694	694	641
Probate Court	2,744	0	0	2,744	3,850	3,250	506
Other Administration of Justice	373,549	0	0	373,549	440,907	605,888	232,339
Courtroom Security	44,903	(7,622)	0	37,281	0	58,500	21,219
Victims Assistance Programs	31,012	0	0	31,012	18,000	18,000	(13,012)
Public Safety							
Sheriff's Department	4,719,915	0	0	4,719,915	4,644,867	4,829,880	109,965
Jail	5,600,109	0	0	5,600,109	4,990,893	5,806,579	206,470
Commissary	31,194	0	0	31,194	20,000	50,600	19,406
Civil Defense	390,991	0	0	390,991	518,784	706,392	315,401
Rescue Squad	20,000	0	0	20,000	20,000	20,000	0
Other Emergency Management	629,831	0	0	629,831	788,362	670,362	40,531
County Coroner/Medical Examiner	110,000	0	0	110,000	110,000	110,000	0
Public Safety Grant Programs	29,664	0	0	29,664	82,840	44,736	15,072
Other Public Safety	301,472	0	0	301,472	358,612	359,522	58,050

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Public Health and Welfare							
Local Health Center	$ 234,161	$ (17,835)	$ 0	$ 216,326	$ 270,314	$ 293,468	$ 77,142
Rabies and Animal Control	131,695	0	0	131,695	133,779	136,454	4,759
Dental Health Program	339,584	0	0	339,584	320,936	365,936	26,352
Alcohol and Drug Programs	10,000	0	0	10,000	10,000	10,000	0
Other Local Health Services	377,896	0	0	377,896	446,871	446,871	68,975
Appropriation to State	110,782	0	0	110,782	105,840	105,840	(4,942)
Social, Cultural, and Recreational Services							
Parks and Fair Boards	3,000	0	0	3,000	3,000	3,000	0
Other Social, Cultural, and Recreational	40,470	0	0	40,470	0	40,470	0
Agriculture and Natural Resources							
Agriculture Extension Service	110,417	0	0	110,417	167,095	167,095	56,678
Soil Conservation	52,096	0	0	52,096	52,980	53,148	1,052
Storm Water Management	31,799	0	0	31,799	65,760	65,760	33,961
Other Operations							
Industrial Development	162,000	0	0	162,000	464,700	162,000	0
Other Economic and Community Development	272,230	0	0	272,230	0	272,261	31
Veterans' Services	99,567	0	0	99,567	97,777	99,779	212
Other Charges	555,030	0	0	555,030	441,600	566,600	11,570
Miscellaneous	99,279	0	0	99,279	94,390	94,390	(4,889)
Capital Projects							
Public Safety Projects	0	0	194,940	194,940	0	462,189	267,249
Public Utility Projects	303,232	(118,679)	0	184,553	0	485,036	300,483
Total Expenditures	$ 24,368,154	$ (291,029)	$ 277,090	$ 24,354,215	$ 23,746,915	$ 27,172,026	$ 2,817,811
Excess (Deficiency) of Revenues Over Expenditures	$ 965,267	$ 291,029	$ (277,090)	$ 979,206	$ (225,222)	$ (1,484,452)	$ 2,463,658

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Other Financing Sources (Uses)							
Proceeds from Sale of Capital Assets	$ 7,307	$ 0	$ 0	$ 7,307	$ 10,000	$ 10,000	$ (2,693)
Insurance Recovery	7,829	0	0	7,829	0	0	7,829
Transfers In	175,564	0	0	175,564	273,320	348,884	(173,320)
Transfers Out	(750,880)	0	0	(750,880)	(56,670)	(750,880)	0
Total Other Financing Sources	$ (560,180)	$ 0	$ 0	$ (560,180)	$ 226,650	$ (391,996)	$ (168,184)
Net Change in Fund Balance	$ 405,087	$ 291,029	$ (277,090)	$ 419,026	$ 1,428	$ (1,876,448)	$ 2,295,474
Fund Balance, July 1, 2012	5,735,814	(291,029)	0	5,444,785	5,735,814	5,735,814	(291,029)
Fund Balance, June 30, 2013	$ 6,140,901	$ 0	$ (277,090)	$ 5,863,811	$ 5,737,242	$ 3,859,366	$ 2,004,445

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

Exhibit C-6

Anderson County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2013

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Local Taxes	$ 858,577	$ 0	$ 858,577	$ 958,079	$ 958,079	$ (99,502)
Other Local Revenues	392,117	0	392,117	600,000	600,000	(207,883)
State of Tennessee	2,415,730	0	2,415,730	2,294,000	2,294,000	121,730
Total Revenues	$ 3,666,424	$ 0	$ 3,666,424	$ 3,852,079	$ 3,852,079	$ (185,655)
Expenditures						
Highways						
Administration	$ 219,417	$ 0	$ 219,417	$ 282,099	$ 286,099	$ 66,682
Highway and Bridge Maintenance	1,859,645	0	1,859,645	1,756,974	2,442,457	582,812
Operation and Maintenance of Equipment	819,812	0	819,812	1,112,053	1,183,570	363,758
Other Charges	227,745	0	227,745	223,000	247,686	19,941
Capital Outlay	706,752	288,377	995,129	585,000	1,018,431	23,302
Total Expenditures	$ 3,833,371	$ 288,377	$ 4,121,748	$ 3,959,126	$ 5,178,243	$ 1,056,495
Excess (Deficiency) of Revenues Over Expenditures	$ (166,947)	$ (288,377)	$ (455,324)	$ (107,047)	$ (1,326,164)	$ 870,840
Other Financing Sources (Uses)						
Insurance Recovery	$ 306	$ 0	$ 306	$ 0	$ 0	$ 306
Transfers In	431	0	431	0	431	0
Total Other Financing Sources	$ 737	$ 0	$ 737	$ 0	$ 431	$ 306
Net Change in Fund Balance	$ (166,210)	$ (288,377)	$ (454,587)	$ (107,047)	$ (1,325,733)	$ 871,146
Fund Balance, July 1, 2012	1,942,125	0	1,942,125	1,942,125	1,942,125	0
Fund Balance, June 30, 2013	$ 1,775,915	$ (288,377)	$ 1,487,538	$ 1,835,078	$ 616,392	$ 871,146

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

Exhibit D-1

Anderson County, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2013

	Business-type Activities - Enterprise Fund	Governmental Activities
	Ambulance Service Fund	Internal Service Funds
ASSETS		
Current Assets:		
Cash	$ 0	$ 127,555
Equity in Pooled Cash and Investments	775,807	12,388
Investments	0	18,565
Accounts Receivable	2,009,187	16,909
Allowance for Uncollectibles	(732,603)	0
Due from Other Funds	110	312,197
Total Current Assets	$ 2,052,501	$ 487,614
Noncurrent Assets:		
Capital Assets:		
Assets Not Depreciated:		
Land	$ 82,950	$ 0
Assets Net of Accumulated Depreciated:		
Buildings and Improvements	367,380	0
Other Capital Assets	689,283	0
Total Noncurrent Assets	$ 1,139,613	$ 0
Total Assets	$ 3,192,114	$ 487,614
LIABILITIES		
Current Liabilities:		
Accounts Payable	$ 45,721	$ 76,869
Accrued Payroll	100,611	1,625
Payroll Deductions Payable	34,770	540
Due to Other Funds	425,215	1,313
Accrued Leave- Current	58,455	0
Other Current Liabilities	0	343,150
Total Current Liabilities	$ 664,772	$ 423,497
Noncurrent Liabilities:		
Advances from Other Funds	$ 254,623	$ 0
Accrued Leave - Long-term	3,077	0
Other Postemployment Benefits	10,357	0
Total Noncurrent Liabilities	$ 268,057	$ 0
Total Liabilities	$ 932,829	$ 423,497
NET POSITION		
Net Investment in Capital Assets	$ 1,139,613	$ 0
Unrestricted	1,119,672	64,117
Total Net Position	$ 2,259,285	$ 64,117

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

Exhibit D-2

Anderson County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2013

	Business-type Activities	Governmental Activities
	Major Enterprise Fund	
	Ambulance Service Fund	Internal Service Funds
Operating Revenues		
Charges for Services	$ 5,316,812	$ 3,873,180
Other Local Revenues	12,833	0
Total Operating Revenues	$ 5,329,645	$ 3,873,180
Operating Expenses		
Salaries	$ 2,880,947	$ 42,240
Fringe Benefits	949,381	19,294
Communications	41,345	0
Data Processing Services	3,104	0
Dues and Memberships	2,002	0
Laundry Service	20,128	0
Maintenance and Repair Services - Buildings	7,277	0
Maintenance and Repair Services - Equipment	6,701	0
Maintenance and Repair Services - Vehicles	79,193	0
Pest Control	1,080	0
Postal Charges	738	0
Printing, Stationery, and Forms	3,458	0
Rental Expense	8,100	0
Travel	4,663	0
Tuition	11,205	0
Disposal Fees	1,138	0
Other Contracted Services	426,115	1,020
Custodial Supplies	8,503	0
Drugs and Medical Supplies	178,621	0
Duplicating Supplies	921	0
Gasoline	223,741	162
Natural Gas	5,801	0
Office Supplies	1,961	0
Tires and Tubes	19,405	0
Uniforms	23,226	0
Utilities	23,276	0
Vehicle Parts	49,652	0
Supplies and Materials	13,680	2,219

(Continued)

Exhibit D-2

Anderson County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds (Cont.)

	Business-type Activities	
	Major Enterprise Fund	Governmental Activities
	Ambulance Service Fund	Internal Service Funds
Operating Expenses (Cont.)		
Building and Contents Insurance	$ 5,000	$ 0
Liability Insurance	22,612	0
Trustee's Commission	53,526	0
Vehicle and Equipment Insurance	23,667	0
Workers' Compensation Insurance	218,462	117
Depreciation	263,996	0
Liability Claims	3,624	0
Staff Development	23,648	0
Building Improvements	1,000	0
Communication Equipment	4,795	0
Data Processing Equipment	6,736	6,114
Furniture and Fixtures	7,002	0
Other Charges	0	1,109
Medical and Dental Services	0	2,815,095
Other Contracted Services	0	170,960
Excess Risk Insurance	0	751,716
Total Operating Expenses	$ 5,629,430	$ 3,810,046
Operating Income (Loss)	$ (299,785)	$ 63,134
Nonoperating Revenues (Expenses)		
Investment Income	$ 0	$ 293
Total Nonoperating Revenues (Expenses)	$ 0	$ 293
Income(Loss) Before Transfers	$ (299,785)	$ 63,427
Transfers In (Out)	0	4,376
Change in Net Position	$ (299,785)	$ 67,803
Net Position, July 1, 2012	2,559,070	(3,686)
Net Position, June, 30, 2013	$ 2,259,285	$ 64,117

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

Exhibit D-3

Anderson County, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	Business-type Activities	
	Major Enterprise Fund	Governmental Activities
	Ambulance Service Fund	Internal Service Funds
Cash Flows from Operating Activities		
Receipts from Customers and Users	$ 5,173,425	$ 75,700
Receipts for Self-insurance Premiums	0	3,638,259
Payments to Vendors	(1,529,141)	(9,632)
Payments to Employees	(2,876,078)	(40,615)
Payments for Fringe Benefits	(944,058)	(17,441)
Payments to Fiscal Agents	0	(183,977)
Payments to Insurers	0	(800,784)
Stop-loss Recovery	0	107,394
Payments for Claims	0	(2,801,535)
Net Cash Provided By (Used In) Operating Activities	$ (175,852)	$ (32,631)
Cash Flows from Noncapital Financing Activities		
Transfers from Other Funds	$ 0	$ 4,376
Repayment of Advances from Other Funds	0	0
Net Cash Provided By (Used In) Noncapital Financing Activities	$ 0	$ 4,376
Cash Flows from Investing Activities		
Interest on Investments	$ 0	$ 193
Net Cash Provided By (Used In) Investing Activities	$ 0	$ 193
Increase (Decrease) in Cash	$ (175,852)	$ (28,062)
Cash, July 1, 2012	951,659	168,005
Cash, June 30, 2013	$ 775,807	$ 139,943

(Continued)

Exhibit D-3

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

	Business-type Activities	
	Major Enterprise Fund	Governmental Activities
	Ambulance Service Fund	Internal Service Funds
Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities		
Operating Income (Loss)	$ (299,785)	$ 63,134
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:		
Depreciation	263,996	0
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivables	(223,169)	109,387
Increase (Decrease) in Allowance for Uncollectibles	67,060	0
(Increase) Decrease in Due from Other Funds	(110)	(161,214)
Increase (Decrease) in Accounts Payable	(9,741)	(60,976)
Increase (Decrease) in Accrued Payroll	(486)	1,625
Increase (Decrease) in Payroll Deductions	(2,954)	540
Increase (Decrease) in Due to Other Funds (non-transfers)	15,705	1,313
Increase (Decrease) in Accrued Leave	8,309	0
Increase (Decrease) in Other Current Liabilities	0	13,560
Increase (Decrease) in Other Long-term Liabilities	5,323	0
Net Cash Provided By (Used In) Operating Activities	$ (175,852)	$ (32,631)
Reconciliation of Cash With the Statement of Net Position		
Cash Per Net Position	$ 0	$ 127,555
Equity in Pooled Cash and Investments Per Net Position	775,807	12,388
Cash, June 30, 2013	$ 775,807	$ 139,943

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

Exhibit E-1

Anderson County, Tennessee
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2013

	Agency Funds
ASSETS	
Cash	$ 1,610,637
Equity in Pooled Cash and Investments	54,867
Accounts Receivable	500
Due from Other Governments	2,916,270
Taxes Receivable	10,528,185
Allowance for Uncollectible Taxes	(370,567)
Total Assets	$ 14,739,892
LIABILITIES	
Accounts Payable	$ 630
Accrued Payroll	1,846
Payroll Deductions Payable	518
Due to Joint Ventures	27,004
Due to Other Taxing Units	13,072,228
Due to Litigants, Heirs, and Others	1,637,666
Total Liabilities	$ 14,739,892

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

ANDERSON COUNTY, TENNESSEE
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ANDERSON COUNTY, TENNESSEE
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ANDERSON COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Anderson 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 Anderson County:

A. Reporting Entity

Anderson County is a public municipal corporation governed by an elected 16-member board. As required by GAAP, these financial statements present Anderson 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 Anderson County School Department operates the public school system in the county, and the voters of Anderson County elect its board. The School Department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the County Commission's approval. Also, 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 Anderson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Anderson County, and the Anderson 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 approval of the County Commission.

The Anderson County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the School Department are included in this report as listed in the table of contents. Complete financial statements of the Anderson County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Anderson County Emergency
Communications District
101 South Main Street, Suite 440
Clinton, Tennessee 37716

Related Organizations – The Anderson County Water Authority is a related organization of Anderson County. The county mayor nominates and the Anderson County Commission confirms the board members, but the county's accountability for the organization does not extend beyond making the appointments.

The Anderson County Industrial Development Board is a related organization of Anderson County. The Anderson County Commission elects the board members, but the county's accountability does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

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

Anderson County issues most debt for the discretely presented Anderson County School Department. There were no debt issues contributed by the county to the School Department during the year ended June 30, 2013.

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

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

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

Fund financial statements of Anderson 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, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Anderson County reports three proprietary funds: an enterprise fund and two internal service funds.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Anderson 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 debt service funds for payments to be made early in the following year.

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

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

Anderson County reports the following major governmental funds:

> **General Fund** – This is the county's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
>
> **Highway/Public Works Fund** – This special revenue fund accounts for transactions of the county's Highway Department. Local and state gasoline/fuel taxes and property taxes are the foundational revenues of this fund.
>
> **General Debt Service Fund** – This fund accounts for the resources accumulated and payments made for principal and interest on non-education long-term general obligation debt of governmental funds.
>
> **General Capital Projects Fund** – This fund accounts for financial resources to be used for the acquisition or construction of major capital facilities.

Anderson County reports the following major enterprise fund:

> **Ambulance Service Fund** – This fund is used to account for the county's ambulance service operations.

Additionally, Anderson County reports the following fund types:

Internal Service Funds – These funds, the Employee Health Insurance Fund and the Channel 95 Fund are used to account for the county's self-insured employee health program and the community television station, which serves the primary government, School Department, and cities in Anderson County. Premiums charged to the various county funds and employee payroll deductions are placed in the Employee Health Insurance Fund for the payment of claims of county employees. Channel 95 is funded by annually determined charges to the participating entities.

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Anderson County, city school systems' shares of educational revenues, state grants and other restricted revenues held for the benefit of the Judicial District Crime Task Force, and restricted revenues held for the benefit of the Office of District Attorney General. 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 Anderson 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 Anderson County School Department reports the following fund types:

Special Revenue Funds – These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has three proprietary funds, an enterprise

fund used to account for ambulance service operations, an internal service fund used to account for the employees' health insurance program, and an internal service fund used to account for the operations of Channel 95, the community television station. Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenue of the county's enterprise fund is charges for services from users. Operating expenses for the enterprise fund include salaries, purchase of supplies and materials, and depreciation of capital assets. The principal operating revenues of the county's internal service funds are self-insurance premiums and charges to the users of Channel 95's services. Operating expenses for the health internal service fund include medical claims, excess risk insurance, and administrative charges. For Channel 95, operating expenses include salaries, benefits, and equipment.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Deposits and Investments

For purposes of the Statement of Cash Flows, cash includes demand deposits and cash on deposit with the county trustee.

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Anderson County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Income from these investments is credited to various funds based on legal requirements of the budget adopted by the County Commission, with the majority of the investment income being assigned to the General, General Purpose School, and the various debt service funds. In addition, investments are held separately by the self-insurance fund. Anderson 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 are reported at cost. Investments in the State Treasurer's Investment Pool are reported at fair value. 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. Accordingly, the pool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. 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 that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Advances between funds, as reported in the General Fund financial statements, are offset by a nonspendable fund balance classification account to indicate that they are not available for appropriation and are not expendable from available financial resources.

All ambulance and property taxes receivables 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.

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 inflow of resources 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 as a deferred inflow of resources to reflect amounts not

available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

Most payables are disaggregated on the face of the financial statements. The balance in the account Other Current Liabilities totaling $471,007 in the governmental activities Statement of Net Position consists of $105,657 due to the City of Clinton, performance bonds of $22,200, and self-insurance claims of $343,150.

Retainage payable in the primary government totaling $54,448 represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the General Capital Projects and Public Library funds.

3. Inventories and Prepaid Items

Inventories of Anderson County and the discretely presented Anderson County School Department are recorded at cost, determined on the first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased. Prepaids are offset in the nonspendable fund balance account in governmental funds.

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are

reported in the governmental and business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of $5,000 or more and an estimated useful life exceeding one year. 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:

Assets	Years
Building and Improvements	20 - 50
Other Capital Assets	5 - 20
Infrastructure	25 - 40

5. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental

funds balance sheet. These revenues are from the following sources: current and delinquent property taxes and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. Compensated Absences

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

7. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Debt premiums and discounts are deferred and amortized over the life of the new debt using the straight-line method. Debt payable is reported net of the applicable debt premium or discount. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner 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.

8. Net Position and Fund Balance

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

a. Net investment in capital assets – 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 position – Consists of net position 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 position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2013, Anderson County had $30,472,632 in outstanding debt for capital purposes for the discretely presented Anderson County School Department. This debt is a liability of Anderson County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Anderson County has incurred a liability, significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

For most funds, it is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. One exception is the Highway/Public Works Fund for which unrestricted amounts are reduced first, followed by restricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

In the fund financial statements, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on

the extent to which the government is bound to honor constraints on the specific purposes for which amounts in these funds can be spent. These classifications may consist of the following:

Nonspendable Fund Balance – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – includes amounts that have constraints placed on the use of the resources that are either (a) externally imposed by creditors, grantors, contributors or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the County Commission, the county's highest level of decision-making authority and the Board of Education, the School Department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes, but are neither restricted nor committed (excluding stabilization arrangements). The county follows a policy requiring all assignments of fund balance to be approved by resolution by the County Commission for the primary government and by the Board of Education for the School Department.

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds.

9. Minimum Fund Balance Policy

To provide management with appropriate guidelines and direction to assist in making sound decisions related to managing the fund balance, the County Commission adopted a policy establishing a minimum unassigned fund balance level for the General Fund. In the previous year, the level was set at $2,000,000. In August 2012, the County Commission raised the level to $3,000,000; and in June 2013, the level for future years was set at $3,500,000.

10. Restatement

In prior years, the District Attorney General Fund was classified as a special revenue fund; however, effective July 1, 2012, this fund has been reclassified as an agency fund to better reflect the control of these funds by the district attorney general. An adjustment of $23,745 has been reflected for beginning net position of governmental activities and beginning fund balance of governmental funds to report this change.

Prior to July 1, 2012, debt issuance costs were deferred and amortized over the life of the debt; however, with the implementation of GASB Statement No. 65, debt issuance costs become period costs. An adjustment to beginning net position totaling $940,657 has been recognized for accumulated debt issuance costs on the government-wide financial statements.

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 Position

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 Position.

Discretely Presented Anderson County School Department

Exhibit K-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 Position.

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 position of governmental activities reported in the government-wide Statement of Activities.

Discretely Presented Anderson County School Department

Exhibit K-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 position of governmental activities reported in the government-wide Statement of Activities.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

In prior years, the budgetary statements for the General Fund and major special revenue funds were presented as required supplementary information in the financial statements of its external financial report. Effective for the year ended June 30, 2013, these budgetary statements are presented as part of the basic financial statements. This change in presentation was done to be consistent in the presentation of the information for both municipal and county governments in Tennessee.

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 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, Board of Equalization, County Mayor, County Attorney, etc.). Management may make revisions within major categories, but only the County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

At June 30, 2013, Anderson County reported the following significant encumbrances:

Fund	Description	Amount
Primary Government:		
Major Fund:		
General	Restroom Renovations	$ 34,571
"	Vehicles	33,426
Nonmajor Fund:		
Other Special Revenue	Website	21,022

B. Cash Shortage

The discretely presented School Department's Other Education Special Revenue Fund had a cash shortage of $280 as of June 30, 2013. Details of this cash shortage are discussed in the Schedule of Findings and Questioned Costs section of this report.

C. Expenditures Exceeded Appropriations

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

Fund/Major Appropriation Category	Amount Overspent
General:	
Victims Assistance Programs	$ 13,012
Appropriation to State	4,942
Miscellaneous	4,889
School Federal Projects:	
Office of the Principal	100

Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by unspent appropriations in other major categories.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Anderson County and the Anderson 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 position as Equity in Pooled Cash and Investments. Cash and

investments reflected on the balance sheets or statements of net position represent nonpooled amounts held separately by individual funds.

Deposits

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool and in repurchase agreements. Repurchase agreements must be approved by the state 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, 2013, Anderson County had the following investments carried at fair value. Pooled investments are held in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Anderson County and the discretely presented Anderson County School Department since both pool their deposits and investments through the county trustee. Nonpooled investments represent amounts held in the Employee Health Insurance Fund (an internal service fund).

POOLED INVESTMENTS

Investment	Weighted Average Maturity (days)	Maturities		Fair Value
State Treasurer's Investment Pool	11 to 138	N/A	$	586,302

NONPOOLED INVESTMENTS

Investment	Weighted Average Maturity (days)	Maturities		Fair Value
State Treasurer's Investment Pool	11 to 138	N/A	$	18,565

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. Anderson 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. Anderson County has no investment policy that would further limit its investment choices. As of June 30, 2013, Anderson County's investments in the State Treasurer's Investment Pool, was unrated.

B. Capital Assets

Capital assets activity for the year ended June 30, 2013, was as follows:

Primary Government

Governmental Activities

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets Not Depreciated:				
Land	$ 2,019,223	$ 0	$ 0	$ 2,019,223
Construction in Progress	2,465,228	6,378,283	(1,794,441)	7,049,070
Total Capital Assets Not Depreciated	$ 4,484,451	$ 6,378,283	$ (1,794,441)	$ 9,068,293
Capital Assets Depreciated:				
Buildings and Improvements	$ 19,072,388	$ 1,945,497	$ 0	$ 21,017,885
Infrastructure	44,877,880	0	0	44,877,880
Other Capital Assets	10,123,103	458,633	(438,254)	10,143,482
Total Capital Assets Depreciated	$ 74,073,371	$ 2,404,130	$ (438,254)	$ 76,039,247
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 7,390,943	$ 500,085	$ 0	$ 7,891,028
Infrastructure	39,400,472	376,718	0	39,777,190
Other Capital Assets	5,758,437	645,540	(401,368)	6,002,609
Total Accumulated Depreciation	$ 52,549,852	$ 1,522,343	$ (401,368)	$ 53,670,827
Total Capital Assets Depreciated, Net	$ 21,523,519	$ 881,787	$ (36,886)	$ 22,368,420
Governmental Activities Capital Assets, Net	$ 26,007,970	$ 7,260,070	$ (1,831,327)	$ 31,436,713

Business-type Activities:

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets Not Depreciated:				
Land	$ 82,950	$ 0	$ 0	$ 82,950
Total Capital Assets Not Depreciated	$ 82,950	$ 0	$ 0	$ 82,950
Capital Assets Depreciated:				
Buildings and Improvement	$ 581,565	$ 0	$ 0	$ 581,565
Other Capital Assets	2,183,900	0	(60,945)	2,122,955
Total Capital Assets Depreciated	$ 2,765,465	$ 0	$ (60,945)	$ 2,704,520
Less Accumulated Depreciation For:				
Buildings and Improvement	$ 192,745	$ 21,440	$ 0	$ 214,185
Other Capital Assets	1,252,061	242,556	(60,945)	1,433,672
Total Accumulated Depreciation	$ 1,444,806	$ 263,996	$ (60,945)	$ 1,647,857
Total Capital Assets Depreciated, Net	$ 1,320,659	$ (263,996)	$ 0	$ 1,056,663
Business-type Activities Capital Assets, Net	$ 1,403,609	$ (263,996)	$ 0	$ 1,139,613

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

Governmental Activities:

General Government	$ 373,118
Finance	8,056
Administration of Justice	26,079
Public Safety	533,985
Public Health and Welfare	87,073
Social, Cultural, and Recreational	4,772
Other General Government	16,156
Highway/Public Works	473,104
Total Depreciation Expense - Governmental Activities	$ 1,522,343

Business-type Activities:

Ambulance Service	$ 263,996

Discretely Presented Anderson County School Department

Governmental Activities:

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets Not Depreciated:				
Land	$ 839,889	$ 0	$ 0	$ 839,889
Construction in Progress	5,562,244	0	(5,562,244)	0
Total Capital Assets Not Depreciated	$ 6,402,133	$ 0	$ (5,562,244)	$ 839,889
Capital Assets Depreciated:				
Buildings and Improvements	$ 67,740,267	$ 7,264,642	$ 0	$ 75,004,909
Other Capital Assets	6,446,470	332,612	(6,768)	6,772,314
Total Capital Assets Depreciated	$ 74,186,737	$ 7,597,254	$ (6,768)	$ 81,777,223
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 33,949,360	$ 1,775,645	$ 0	$ 35,725,005
Other Capital Assets	3,715,247	487,396	(6,768)	4,195,875
Total Accumulated Depreciation	$ 37,664,607	$ 2,263,041	$ (6,768)	$ 39,920,880
Total Capital Assets Depreciated, Net	$ 36,522,130	$ 5,334,213	$ 0	$ 41,856,343
Governmental Activities Capital Assets, Net	$ 42,924,263	$ 5,334,213	$ (5,562,244)	$ 42,696,232

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

Governmental Activities:

Instruction	$ 1,915,949
Support Services	304,783
Operation of Non-Instruction Services	42,309
Total Depreciation Expense - Governmental Activities	$ 2,263,041

C. Construction Commitments

At June 30, 2013, the county had uncompleted construction contracts in the General Fund of $194,940 for construction of a sidewalk in the Briceville community. Funding for these future expenditures is expected to be received from grant proceeds and existing fund balance committed for this purpose.

Also at June 30, 2013, the county had uncompleted construction contracts of $4,135,079 for jail expansion related projects and $183,500 for elevator renovations in the General Capital Projects Fund. Funding has been received for these future expenditures from the issuance of general obligation bonds.

At June 30, 2013, the Highway Department had uncompleted contracts of $288,377 for construction of roadway and slide repairs. Funding for these future expenditures is expected to come from existing fund balance.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2013, was as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	General Debt Service	$ 7,496
"	Nonmajor governmental	3,939
"	Ambulance Service	354,660
Highway/Public Works	General	7,831
"	Nonmajor governmental	1,274
"	Ambulance Service	18,842
Ambulance Service	General	110
Nonmajor governmental	"	2,562
"	Highway/Public Works	80
"	General Debt Service	2,460
"	Ambulance Service	284
Internal Service	General	231,785
"	Highway/Public Works	21,064
"	Ambulance Service	51,429
"	Nonmajor governmental	6,606
"	Internal Service	1,313
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	177,293
Nonmajor governmental	General Purpose School	7,290
"	Nonmajor governmental	908

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.

For the discretely presented School Department, $50,000 of the amount reflected as due to the General Purpose School Fund from the nonmajor governmental funds represents the balance of an interfund loan, which had not been repaid as of June 30, 2013.

Advances from/to Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Ambulance Service	$ 254,623

The amount payable to the General Fund relates to proceeds from a prior year's ambulance patient charges receivables that were loaned to the new Ambulance Service Fund, an enterprise fund, when it was created during the fiscal year ended June 30, 2010. Patient charges receivable from the Ambulance Service Fund totaled $509,246. Half ($254,623) is expected to be received within one year and is classified as Due to/from Other Funds.

Due to/from Primary Government and Component Unit

Receivable Fund	Payable Fund	Amount
Primary Government:	Component Unit:	
General	School Department	$ 36,008
Highway/Public Works	"	9,978
Nonmajor Governmental	"	169,059
Component Unit:	Primary Government:	
School Department	General	1,000
"	General Debt Service	6,691

The amounts reflected as due to primary government from the discretely presented School Department on the government-wide Statement of Net Position also includes $812,110 for debt issued by the primary government, which is being retired by the School Department. Of that amount, $687,687 is not expected to be received within one year.

Interfund Transfers

Interfund transfers for the year ended June 30, 2013, consisted of the following amounts:

Primary Government

Transfers Out	Transfers In: General Fund	Highway/ Public Works Fund	Internal Service Funds	Nonmajor Governmental Funds
General Fund	$ 0	431	4,376	$ 746,073
General Capital Projects Fund	175,564	0	0	0

Discretely Presented Anderson County School Department

Transfers Out	Transfers In: General Purpose School Fund	Nonmajor Governmental Funds
General Purpose School Fund	$ 0	$ 11,102
Nonmajor governmental funds	135,723	128,204
Total	$ 135,723	$ 139,306

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 accordance with budgetary authorizations.

E. Income from Operating Lease Commitments

Anderson County leases space in the Robert Jolley Administration Building and the Daniel Arthur Rehabilitation Center to various tenants under operating lease agreements. The carrying value of the leased properties was $1,272,391 at June 30, 2013. The original cost was $3,079,265 and accumulated depreciation was $1,806,874. Total lease revenues for the year ended June 30, 2013, were $174,612. The future minimum lease payments under existing leases are as follows:

Year Ending June 30	Amount
2014	$ 158,582
2015	110,640
2016	110,640
2017	110,640
2018	110,640
Total	$ 601,142

F. Capital Lease

During the 2003-04 year, Anderson County entered into an agreement for the School Department for the lease of a building for its daycare and head start programs. Generally accepted accounting principles require the lease to be capitalized because the present value of minimum lease payments exceeds 90 percent of the fair value of the asset. The School Department made advance payments totaling $749,060 to decrease the entity's future lease obligations, and the revised lease agreement provides for all required payments to be made during a 16-year period ending in 2021. The School Department has an option to extend the lease for two five-year terms. The lease carries an implicit interest rate of 11.4 percent, and title does not transfer at the end of the lease.

The assets acquired through the capital lease outstanding at June 30, 2013, consisted of the following:

	Governmental Activities
Building and Improvements	$ 1,606,295
Less: Accumulated Depreciation	(762,991)
Total	$ 843,304

Future minimum payments and the net present value of these minimum lease payments as of June 30, 2013, were as follows:

Year Ending June 30	Governmental Activities
2014	$ 119,029
2015	120,126
2016	121,223
2017	122,320
2018	123,417
2019-2021	280,573
Total Minimum Lease Payments	$ 886,688
Less: Amount Representing Interest	(287,481)
Present Value of Minimum Payments	$ 599,207

G. Long-term Obligations

Primary Government

General Obligation Bonds, Notes, and Other Loans

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

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, capital outlay notes, and other loans outstanding were issued for original terms of up to 24 years for bonds, up to ten years for notes, and 20 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt.

General obligation bonds, capital outlay notes, and other loans outstanding as of June 30, 2013, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-13
General Obligation Bonds	1 to 5.25 %	5-1-35	$ 17,200,000	$ 16,830,000
General Obligation Refunding Bonds	2.5 to 3	5-1-19	1,750,000	1,750,000
Rural School Bonds	2 to 4	5-1-31	10,000,000	9,900,000
Rural School Refunding Bonds	2 to 3.875	5-1-26	24,920,000	19,025,000
Capital Outlay Notes	0 to 3.78	8-1-22	1,639,208	1,008,425
Other Loans	Variable	5-25-25	4,700,000	2,999,000

The following table summarizes loan agreements outstanding at June 30, 2013:

Description	Original Amount of Loan Agreement	Outstanding Principal 6-30-13	Interest Type	Interest Rates as of 6-30-13	Other Fees
Montgomery County Public Building Authority					
Industrial Development	$ 1,700,000	$ 909,000	Variable	.12 %	.71 %
Jail Renovation	3,000,000	2,090,000	Variable	.17	.65
Total		$ 2,999,000			

The annual requirements to amortize all general obligation bonds, notes, and other loans outstanding as of June 30, 2013, including interest payments and other loan fees, are presented in the following tables. The interest rates on the public building authority loan agreements are tax-exempt variable rates determined by the remarketing agent daily or weekly depending on the particular program. In addition, the county pays various other fees (trustee, debt remarketing, etc.) in connection with these loans. Interest payments and other fees included in the table for the variable rate issues are computed based on the rates in effect at June 30, 2013.

Year Ending June 30	Notes		
	Principal	Interest	Total
2014	$ 185,208	$ 1,985	$ 187,193
2015	185,208	851	186,059
2016	155,207	0	155,207
2017	84,240	0	84,240
2018	84,240	0	84,240
2019-2023	314,322	0	314,322
Total	$ 1,008,425	$ 2,836	$ 1,011,261

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2014	$ 242,000	$ 4,644	$ 20,039	$ 266,683
2015	251,000	4,280	18,409	273,689
2016	261,000	3,903	16,717	281,620
2017	270,000	3,512	14,958	288,470
2018	281,000	3,108	13,137	297,245
2019-2023	1,290,000	9,091	36,718	1,335,809
2024-2025	404,000	1,036	3,959	408,995
Total	$ 2,999,000	$ 29,574	$ 123,937	$ 3,152,511

Year Ending June 30	Bonds Principal	Bonds Interest	Bonds Total
2014	$ 1,810,000	$ 1,659,979	$ 3,469,979
2015	1,860,000	1,609,111	3,469,111
2016	1,965,000	1,555,757	3,520,757
2017	2,040,000	1,495,000	3,535,000
2018	2,095,000	1,430,650	3,525,650
2019-2023	11,945,000	6,116,675	18,061,675
2024-2028	13,230,000	4,002,856	17,232,856
2029-2033	9,910,000	1,577,800	11,487,800
2034-2035	2,650,000	160,000	2,810,000
Total	$ 47,505,000	$ 19,607,828	$ 67,112,828

There is $4,779,193 available in the debt service funds to service long-term debt. Debt per capita, including bonds, notes, other loans, and capital leases, totaled $309, based on the 2010 federal census for residents living inside the Oak Ridge School District, $668 for residents living inside the Clinton School District, and $1,015 for residents living outside of these school districts.

The School Department is currently servicing some of the debt issued on its behalf by the primary government as noted in the table below. The debt is serviced through contributions from the General Purpose School and Other Education Special Revenue funds. This debt is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the School Department and as Due from Component Units in the financial statements of the primary government. In the prior year, this debt was reflected as debt of the School Department; however, this debt has been reclassified as debt of the primary government because the primary government is legally obligated to repay the debt.

Description of Indebtedness	Outstanding 6-30-13
Notes Payable	
Payable through Contributions from the General Purpose School Fund to the General Debt Service Fund	
Local Government Energy Efficient Loan Program	$ 212,903
Capital Leases	
Payable through Contributions from the General Purpose School Fund and the Other Education Special Revenue Fund to the General Debt Service Fund	
Headstart Facility	599,207
Total	$ 812,110

Changes in Long-term Obligations

Long-term obligation activity for the year ended June 30, 2013, was as follows:

Governmental Activities:	Bonds	Notes	Capital Leases
Balance, July 1, 2012	$ 49,860,000	$ 913,880	$ 0
Reclassification of School Debt	0	353,871	645,896
Additions	0	0	0
Reductions	(2,355,000)	(259,326)	(46,689)
Balance, June 30, 2013	$ 47,505,000	$ 1,008,425	$ 599,207
Balance Due Within One Year	$ 1,810,000	$ 185,208	$ 53,455

	Other Loans	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2012	$ 3,232,000	$ 509,117	$ 98,076
Reclassification of School Debt	0	0	0
Additions	0	787,794	37,501
Reductions	(233,000)	(762,733)	(9,300)
Balance, June 30, 2013	$ 2,999,000	$ 534,178	$ 126,277
Balance Due Within One Year	$ 242,000	$ 507,469	$ 0

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2013	$ 52,772,087
Less: Balance Due Within One Year	(2,798,132)
Add: Unamortized Premium on Debt	798,991
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	$ 50,772,946

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

Anderson County Ambulance Service Fund (enterprise fund)

Changes in Long-term Obligations

Long-term obligation activity for the year ended June 30, 2013, was as follows:

Business-type Activities:	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2012	$ 53,223	$ 5,034
Additions	100,030	5,568
Reductions	(91,721)	(245)
Balance, June 30, 2013	$ 61,532	$ 10,357
Balance Due Within One Year	$ 58,455	$ 0

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2013	$ 71,889
Less: Balance Due Within One Year	(58,455)
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	$ 13,434

Discretely Presented Anderson County School Department

Changes in Long-term Obligations

The following is a summary of changes in long-term obligations for the discretely presented Anderson County School Department, for the year ended June 30, 2013:

	Notes	Capital Lease
Balance, July 1, 2012	$ 353,871	$ 645,896
Additions	0	0
Reclassification of School Debt	(353,871)	(645,896)
Balance, June 30, 2013	$ 0	$ 0
Balance Due Within One Year	$ 0	$ 0

	Other Postemployement Benefits	Compensated Absences
Balance, July 1, 2012	$ 1,157,211	$ 325,217
Additions	665,154	291,441
Reductions	(336,193)	(276,624)
Balance, June 30, 2013	$ 1,486,172	$ 340,034
Balance Due Within One Year	$ 0	$ 323,033

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2013	$ 1,826,206
Less: Balance Due Within One Year	(323,033)
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	$ 1,503,173

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

H. On-Behalf Payments – Primary Government and Discretely Presented Anderson County School Department

Primary Government

The State of Tennessee pays health insurance premiums for retired employees on-behalf of Anderson County. These payments are made by the state to the Medicare Supplement Plan. This plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments made by the state to the Medicare Supplement Plan for the year ended June 30, 2013, were $50. The county has recognized these on-behalf payments as revenues and expenditures in the General Fund.

Discretely Presented Anderson County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Anderson 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, 2013, were $212,516 and $57,226, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

I. Short-term Debt

Anderson County issued tax and revenue anticipation notes in advance of property tax and other revenue collections in the following funds. These notes were necessary because funds were not available to meet obligations coming due before revenues were available. Short-term debt activity for the year ended June 30, 2013, was as follows:

Fund	Balance 7-1-12	Issued	Paid	Balance 6-30-13
General Fund (Borrowed from General Debt Service Fund)	$ 0	$ 1,500,000	$ (1,500,000)	$ 0
Rural Debt Service Fund (Borrowed from Education Debt Service Fund)	0	20,000	(20,000)	0
Judicial District Drug Task Force (Borrowed from General Fund)	0	15,000	(15,000)	0
School Federal Projects Fund (Borrowed from General Purpose School Fund)	0	300,000	(250,000)	50,000
Other Education Special Revenue Fund (Borrowed from General Purpose School Fund)	0	50,000	(50,000)	0

V. OTHER INFORMATION

A. Risk Management

The county has chosen to establish the Employee Health Insurance Fund for risks associated with the employees' health insurance plan. The Employee Health Insurance Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county has obtained a stop/loss commercial policy to cover claims beyond certain liabilities. Both the county health insurance plan and the stop/loss policy have lifetime coverage of $1,000,000 for each covered person. Annually, the county retains the risk of loss to the first $60,000 per covered person for most employees. For two specific individuals, the county's risk of loss is $125,000 annually. An estimated liability for outstanding medical claims of $343,150 has been recorded in the financial statements of the Employee Health Insurance Fund.

All full-time employees of the primary government are eligible to participate. Employees who retired on or before June 30, 2012, are allowed to participate at their own expense. For retirees with 30-plus years of continuous service who retired on or after July 1, 2012, the county pays $300 per month premium assistance until age 65 when the employee becomes eligible for Medicare. A premium charge is allocated to each fund that accounts for full-time employees. This charge is based on actuarial estimates for the

amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. This reserve totaled $55,207 at June 30, 2013. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The Employee Health Insurance Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been incurred but not reported. Claims liabilities include specific, incremental claim adjustment expenditures/expenses, if any. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance Fiscal Year-end
2011-12	$ 318,479	$ 2,813,256	$ 2,802,145	$ 329,590
2012-13	329,590	2,815,095	2,801,535	343,150

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

Anderson County and the discretely presented Anderson County School Department are exposed to various risks related to general liability, property, casualty, and workers' compensation losses. The county and the School Department decided it was more economically feasible to join a public entity risk pool as opposed to purchasing commercial insurance for general liability, property, casualty, and workers' compensation coverage. The county and the School Department joined the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The county and the School Department pay annual premiums to the TN-RMT for their general liability, property, casualty, and workers' compensation insurance coverage. The creation of TN-RMT provides for it to be self-sustaining through member premiums.

B. Accounting Changes

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements;* Statement No. 61, *The Financial Reporting Entity: Omnibus (an amendment of GASB Statements No. 14 and No. 34);* Statement No. 62,

Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements; and Statement No. 63, *Reporting Deferred Outflows, Deferred Inflows and Net Position* became effective for the year ended June 30, 2013. Anderson County early implemented Statement No. 65, *Items Previously Reported as Assets and Liabilities* and Statement No. 66, *Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62*, which have an effective date of June 30, 2014.

GASB Statement No. 60 provides accounting and financial reporting guidance related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The standard establishes criteria for determining whether a SCA exists, how to account for SCAs, and requires certain disclosures associated with a SCA.

GASB Statement No. 61 amends Statements No. 14 and No. 34 and modifies certain requirements for inclusion of component units in the financial reporting entity to ensure that the reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. Statement No. 61 also clarifies the criteria for blending component units and presenting business type component units.

GASB Statement No. 62 incorporates into GASB's literature the provisions in Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the American Institute of Certified Public Accountants' Committee on Accounting Procedure issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements. The option to use subsequent FASB guidance has been removed.

GASB Statement No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources that were introduced and defined by Concepts Statement No. 4, *Elements of Financial Statements.* Previous financial reporting standards did not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. In addition, the previous Statement of Net Assets was renamed to a Statement of Financial Position.

GASB Statement No. 65 establishes accounting and financial reporting standards that reclassifies, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

GASB Statement No. 66 resolves conflicting guidance by removing the provision that limits fund based reporting of an entity's risk financing activities to the General Fund and the internal service fund type. Under Statement No. 66 decisions about fund type classifications are based on the

nature of the activity to be reported as required by Statements No. 54 and No. 34. This statement also modifies guidance on operating lease payments, purchased loans, and servicing fees related to mortgage loans.

C. Subsequent Events

In September 2013, the county approved the issuance of Rural High School Refunding Bonds not to exceed $1,875,000 and Rural Elementary School Refunding Bonds not to exceed $1,350,000.

In September 2013, the county issued a 40-year Rural Development Loan of $125,000 for construction of a new Briceville Library. Repayment of the loan will be the responsibility of Anderson County for the first four years and the Briceville and Anderson County Public Library Foundation for years five through 40.

In November 2013, the county approved an Energy Efficiency Project for the Anderson County Schools totaling $9,925,000. Funding for the project had not been finalized as of the date of this report.

Also, in November 2013, the county approved an economic impact plan regarding redevelopment of the Oak Ridge mall economic development area. The plan, prepared by the Industrial Development Board of the City of Oak Ridge, permitted tax increment financing to be provided through the issuance of the Industrial Development Board's bonds, notes, and other obligations in the total amount not to exceed $13,000,000.

Subsequent to June 30, 2013, Anderson County and the discretely presented Anderson County School Department approved the following interfund loans in the form of revenue anticipation notes:

From Fund	To Fund	Amount
General Purpose School	School Federal Projects	$ 200,000
"	Other Education Special Revenue	80,000
Education Debt Service	"	186,000
"	General Purpose School	1,200,000
"	Rural Debt Service	20,000

D. Contingent Liabilities

There are several pending lawsuits in which the county is involved. Based on letters from attorneys, management believes that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the financial statements of the county.

E. Changes in Administration

On August 31, 2012, Myron Iwanski left the Office of County Mayor and was succeeded by Theresa Frank.

On August 31, 2012, Vernon Long left the Office of Property Assessor and was succeeded by Johnny Alley.

On September 30, 2012, Barry Pelizzari left the Office of Circuit, General Sessions, and Juvenile Courts Clerk and was succeeded by Tyler Mayes.

F. Joint Ventures

The Seventh Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Seventh Judicial District, Anderson County, and various cities within Anderson County. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general, the sheriff, and police chiefs of participating law enforcement agencies. Anderson County did not contribute to the operation of the DTF for the year ended June 30, 2013.

The Anderson County Economic Development Association (ACEDA) is a joint venture formed by an interlocal agreement between Anderson County and the cities and towns within Anderson County. The East Tennessee Economic Development association and the Clinton Utilities Board are also members of the association. Membership on the Board of Directors is allocated based on the entities' relative level of funding for the prior fiscal year budget pro-rated among a total of twenty-five members, with no participating organization having more than one-third of the twenty-five members. In addition, the County Mayor and the Mayor or City Manager of each municipality in Anderson County are members of the Board of Directors. Each participating organization appoints its own members on the Board of Directors. Anderson County has control over budgeting and financing the joint venture only to the extent of its representation by its board members. Anderson County contributed $124,500 to the operations of ACEDA during the fiscal year ended June 30, 2013.

Anderson County does not have an equity interest in either of the above-noted joint ventures. Complete financial statements for the DTF and ACEDA can be obtained at their administrative offices at the following addresses:

Seventh Judicial District Drug Task Force
101 S. Main Street, Suite 300
Clinton, TN 37716

Anderson County Economic Development Association
245 North Main Street, Suite 200
Clinton, TN 37716

G. Jointly Governed Organization

The Northeast Tennessee Railroad Authority is jointly operated by Anderson County in conjunction with Campbell and Scott counties. The authority's board consists of the county mayor of each county and one member selected by the governing body of each county; however, the counties do not have any ongoing financial interest or responsibility for the entity. Anderson County did not contribute to the operations of the Northeast Tennessee Railroad authority during the year ended June 30, 2013.

H. Retirement Commitments

Plan Description

Employees of Anderson 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 Anderson 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

Anderson County requires employees to contribute five percent of their earnable compensation. Anderson County is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2013, was 8.17 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 ending June 30, 2013, the county's annual pension cost of $1,796,842 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the July 1, 2011, 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 three percent annual rate of inflation, (c) 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), (d) projected 3.5 percent annual increase in the Social Security wage base, and (e) projected post retirement increases of 2.5 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 ten-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, 2011, was three years. An actuarial valuation was performed as of July 1, 2011, which established contribution rates effective July 1, 2012.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-13	$1,796,842	100%	$0
6-30-12	1,707,686	100	0
6-30-11	1,706,844	100	0

Funded Status and Funding Progress

As of July 1, 2011, the most recent actuarial valuation date, the plan was 95.28 percent funded. The actuarial accrued liability for benefits was $55.82 million, and the actuarial value of assets was $53.18 million, resulting in an unfunded actuarial accrued liability (UAAL) of $2.63 million. The covered payroll (annual payroll of active employees covered by the plan) was $21.63 million, and the ratio of the UAAL to the covered payroll was 12.18 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.

SCHOOL TEACHERS

Plan Description

The Anderson County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members who are at least 55 years of age or have 25 years of service. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the plan on or after July 1, 1979, are vested after five years of service. Members joining prior to July 1, 1979, are vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of *Tennessee Code Annotated*. State statutes are amended by

the Tennessee General Assembly. A cost of living adjustment (COLA) is provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent.

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the SETHEEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th Floor, Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at www.tn.gov/treasury/tcrs/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, 2013, was 8.88 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, 2013, 2012, and 2011, were $2,626,872, $2,632,941, and $2,617,073, respectively, equal to the required contributions for each year.

I. Other Postemployment Benefits (OPEB)

Primary Government

Plan Description

Anderson County participates in a self-insured/commercial postemployment benefits plan administered by Cariten for medical benefits for retirees and their beneficiaries. For accounting purposes, the plan is a single-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee established by the County Commission.

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The county develops its own contribution policy in terms of subsidizing active employees or retired employees' premiums. Eligible retirees must be at least age 55 with a minimum of ten years of continuous service. For employees who retired prior to July 1, 2012, Anderson County does not pay any of the retirees' premiums. Coverage continues for the retiree and the retiree's eligible dependents for as long as the retiree continues to pay the

premiums. For employees with 30-plus years of continuous service who retired after July 1, 2012, Anderson County pays $300 per month premium assistance until attainment of age 65 when the employee becomes eligible for Medicare.

Annual OPEB Cost and Net OPEB Obligation

	Governmental Activities	Business-type Activities	Total Primary Government
ARC	$ 39,140	$ 5,652	$ 44,792
Interest on the NOPEBO	3,923	201	4,124
Adjustment to the ARC	(5,562)	(285)	(5,847)
Annual OPEB cost	$ 37,501	$ 5,568	$ 43,069
Amount of contribution	(9,300)	(245)	(9,545)
Increase/decrease in NOPEBO	$ 28,201	$ 5,323	$ 33,524
Net OPEB obligation, 7-1-12	98,076	5,034	103,110
Net OPEB obligation, 6-30-13	$ 126,277	$ 10,357	$ 136,634

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Fiscal Year-end
6-30-11	Primary Government	35,668	5.5 %	$ 65,264
6-30-12	"	40,814	7.3	103,110
6-30-13	"	43,069	22.2	136,634

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2012, was as follows:

	Governmental Activities	Business-type Activities	Total Primary Government
Actuarial valuation date	7-1-12	7-1-12	7-1-12
Actuarial accrued liability (AAL)	$ 246,853	$ 26,407	$ 273,260
Actuarial value of plan assets	$ 0	$ 0	$ 0
Unfunded actuarial accrued liability (UAAL)	$ 246,853	$ 26,407	$ 273,260
Actuarial value of assets as a % of the AAL	0%	0%	0%
Covered payroll (active plan members)	$ 13,805,871	$ 2,827,076	$ 16,632,947
UAAL as a % of covered payroll	1.8%	0.9%	1.6%

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, 2012, actuarial valuations, the projected unit credit actuarial cost method was used. The actuarial assumptions included a four percent investment rate of return and an annual healthcare cost trend rate of five percent. The investment rate of return includes a three percent inflation assumption. The unfunded actuarial accrued liability is being amortized on an open basis over a 30-year period using the level dollar method.

Discretely Presented Anderson County School Department

Plan Description

The Anderson County School Department participates in the state-administered Local Education Group Insurance Plan for healthcare benefits. For accounting purposes, the plan is an agent multiple-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee created by Section 8-27-302, *Tennessee Code Annotated*. Prior to reaching the age of 65, all members have the option of choosing between the standard or partnership preferred provider organization (PPO) 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 the 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 provides a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The Anderson County School Department does not pay any premiums for retiree health insurance. However, since pre-65 retirees are allowed to remain on the plan, an implicit rate subsidy exists and is accounted for as other postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	Local Education Group Plan
ARC	$ 668,000
Interest on the NOPEBO	46,288
Adjustment to the ARC	(49,134)
Annual OPEB cost	$ 665,154
Amount of contribution	(336,193)
Increase/decrease in NOPEBO	$ 328,961
Net OPEB obligation, 7-1-12	1,157,211
Net OPEB obligation, 6-30-13	$ 1,486,172

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Fiscal Year-end
6-30-11	Local Education Group	$ 602,447	62.5 %	$ 835,004
6-30-12	"	659,946	51.2	1,157,211
6-30-13	"	665,154	50.5	1,486,172

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2011, was as follows:

		Local Education Group Plan
Actuarial valuation date		7-1-11
Actuarial accrued liability (AAL)	$	5,598,000
Actuarial value of plan assets	$	0
Unfunded actuarial accrued liability (UAAL)	$	5,598,000
Actuarial value of assets as a % of the AAL		0%
Covered payroll (active plan members)	$	37,557,433
UAAL as a % of covered payroll		14.9%

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, 2011, actuarial valuation for the Local Education Plan, the projected unit credit actuarial cost method was used and the actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8.75 percent for fiscal year 2013. The trend rate will decrease to 8.25 percent in fiscal year 2014 and then will be reduced by decrements to an ultimate rate of five percent by fiscal year 2021. The rate includes a 2.5 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 July 1, 2007.

J. Office of Central Accounting and Budgeting

Anderson County operates under provisions of the Fiscal Control Acts of 1957, which provide for a central system of accounting and budgeting covering all funds of the county. These funds are maintained in the Office of Central Accounting and Budgeting under the supervision of the director of accounts and budgets.

K. Purchasing Laws

Purchasing procedures for the Offices of the County Mayor, Director of Schools, and Highway Superintendent are governed by the County Purchasing Law of 1957, Section 5-14-101, et seq., *Tennessee Code Annotated* (*TCA*). Purchasing procedures for the Highway Department are also governed by provisions of the Uniform Road Law, Section 54-7-113, *TCA*. These statutes provide for a purchasing agent and require competitive bids on all purchases exceeding $10,000.

VI. OTHER NOTES – DISCRETELY PRESENTED ANDERSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. Description of Organization

The Emergency Communications District of Anderson County, Tennessee, (the district) was created by a county-wide referendum on November 6, 1990. The Anderson County Board of Commissioners appointed the district's initial Board of Directors pursuant to *Tennessee Code Annotated*, Section 7-86-101. The district is responsible for the installation and maintenance of the emergency communications network of Anderson County, Tennessee, (Enhanced 911 Service).

The district is considered a component unit of Anderson County, Tennessee, because the Anderson County Board of Commissioners appoints a majority of the district's Board of Directors and must approve any debt issued by the district.

B. Summary of Significant Accounting Policies

1. Basis of Accounting

The district's financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the statements of net position. The statement of revenues, expenses, and changes in net position present increases (revenue) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenue is recognized in the period in which it is earned while expenses are recognized in the period in which the liability is incurred.

Operating revenue is revenue that is generated from the primary operations of the district. All other revenue is reported as nonoperating revenue. Operating expenses are those expenses that are essential to the primary operations of the district. All other expenses are reported as nonoperating expenses.

GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* establishes standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into the following three net position groups:

Investment in capital assets: This category includes capital assets, net of accumulated depreciation. Investment in capital assets at June 30, 2013, has been calculated as follows:

Capital Assets	$ 644,073
Less: Accumulated Depreciation	(350,783)
Capital Assets Being Depreciated, Net	$ 293,290

Restricted: This category includes net position whose use is subject to externally imposed stipulations that can be fulfilled by actions of the district pursuant to those stipulations or that expire by the passage of time. The district had no restricted net position as of June 30, 2013.

Unrestricted: This category includes net position that is not subject to externally imposed stipulations and does not meet the definition of restricted or investment in capital assets. Unrestricted net position may be designated for specific purposes by action of management or the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

2. Accounts Receivable

Accounts receivable, which are deemed uncollectible based upon a periodic review of the accounts, are charged to revenue. At June 30, 2013, no allowance for uncollectible accounts was considered necessary.

3. Capital Assets

Capital assets, which include property and equipment, are recorded at cost. Capital assets are defined by the district as assets with an initial, individual cost of $500 or more. Depreciation is computed using the straight-line method over the estimated useful lives, which range from five to 25 years.

4. Operating Budget

The district is required by state law to adopt an annual operating budget. The Board of Directors approves the original budget and any amendments, and maintains the legal level of control at the line item level. The budget is prepared on the accrual basis of accounting. All appropriations lapse at the end of the year.

5. Compensated Absences

The district's full-time employees are granted vacation leave in varying amounts. In the event of termination, the employee is paid for any unused vacation leave.

6. Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the district's policy is to apply restricted net position first.

C. Cash

Cash represents money on deposit in various banks. The district considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents.

State of Tennessee law authorizes the district to invest in obligations of the United States or its agencies, non-convertible debt securities of certain federal agencies, other obligations guaranteed as to principal and interest by the United States or any of its agencies, secured certificates of deposit and other evidences of deposit in state and federal banks and savings and loan associations, and the State of Tennessee Local Government Investment Pool.

All deposits with financial institutions in excess of Federal Deposit Insurance Corporation (FDIC) limits are required to be secured by one of two methods. Excess funds can be deposited with a financial institution that participates in the State of Tennessee Bank Collateral Pool. For deposits with financial institutions that do not participate in the State of Tennessee 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.

As of June 30, 2013, $784,469 of the district's bank balance of $1,284,469 was exposed to custodial risk because it was uninsured through the Federal Deposit Insurance Corporation and collateralized with securities held by the pledging bank. The market value of the collateral pledged did not equal to 105 percent of the uninsured amount of the deposit by $22,313.

D. Lease

The district occupies its facilities provided by Anderson County on a month-by-month basis without charge.

E. Commitments and Contingencies

As of June 30, 2013, the district entered into contracts totaling $591,088 for the purchase of new equipment. No expenditures had been made as of June 30, 2013.

F. Capital Assets

Capital assets activity for the year ended June 30, 2013, was as follows:

	Balance 7-1-12	Additions	Retirements	Balance 6-30-13
Capital Assets Depreciated:				
Communications Equipment	$ 372,383	$ 107,386	$ (70,597)	$ 409,172
Furniture and Fixtures	47,369	0	0	47,369
Office Equipment	22,862	1,844	0	24,706
Vehicle	19,425	0	0	19,425
Leasehold Improvements	57,067	13,503	(5,017)	65,553
Other Capital Assets	71,848	6,000	0	77,848
	$ 590,954	$ 128,733	$ (75,614)	$ 644,073
Accumulated Depreciation	(389,760)	(32,846)	71,823	(350,783)
Capital Assets Depreciated, Net	$ 201,194	$ 95,887	$ (3,791)	$ 293,290

G. Risk Management

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district carries commercial insurance for all risks of loss, including general liability and workers' compensation coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

Anderson County, Tennessee
Schedule of Funding Progress – Pension Plan
Primary Government and Discretely Presented Anderson County School Department
June 30, 2013

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Frozen 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)
7-1-11	$ 53,184	$ 55,819	$ 2,634	95.28 %	$ 21,629	12.18 %
7-1-09	43,808	44,553	745	98.33	20,801	3.58
7-1-07	40,991	41,920	929	97.78	16,932	5.49

Exhibit F-2

Anderson County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefits Plans
Primary Government and Discretely Presented Anderson County School Department
June 30, 2013

(Dollar amounts in thousands)

Plans	Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
PRIMARY GOVERNMENT							
Self-Insured	7-1-09	$ 0	$ 195	$ 195	0 %	$ 13,499	1.44 %
"	7-1-11	0	245	245	0	15,728	1.56
"	7-1-12	0	273	273	0	16,633	1.64
DISCRETELY PRESENTED ANDERSON COUNTY SCHOOL DEPARTMENT							
Local Education	7-1-09	0	5,241	5,241	0	36,782	14.25
"	7-1-10	0	5,416	5,416	0	38,223	14.17
"	7-1-11	0	5,598	5,598	0	37,557	14.90

ANDERSON COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2013

BUDGETARY INFORMATION

In prior years, the budgetary statements for the General Fund and major special revenue funds were presented as required supplementary information in the financial statements of its external financial report. Effective for the year ended June 30, 2013, these budgetary statements are presented as part of the basic financial statements. This change in presentation was done to be consistent in the presentation of the information for both municipal and county governments in Tennessee.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Public Library Fund – The Public Library Fund is used to account for transactions of the Anderson County Public Library, which is jointly funded by Anderson County, the City of Clinton, City of Oak Ridge, and Lake City.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions involving solid waste collection. This fund was established during the current year. These transactions were previously reported in the General Fund.

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

District Attorney General Fund – The District Attorney General Fund is used to account for restricted revenue held for the benefit of the Office of District Attorney General. This fund was reclassified as an agency fund effective July 1, 2012, to better reflect the control of these funds by the district attorney general.

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for transactions of the Anderson County Tourism Board.

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.

Debt Service Funds

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Rural Debt Service Fund – The Rural Debt Service Fund is used to account for the retirement of long-term debt issued for the construction and renovations of the county's elementary schools.

Education Debt Service Fund – The Education Debt Service Fund is used to account for the retirement of long-term debt issued for the construction and renovations of the county's middle and high schools.

Exhibit G-1

Anderson County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue Funds					
	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu-tional Officers - Fees	Total
ASSETS						
Cash	$ 737	$ 0	$ 0	$ 0	$ 1,490	$ 2,227
Equity in Pooled Cash and Investments	243,988	658,863	272,861	266,119	0	1,441,831
Accounts Receivable	409	84,032	0	23,163	2,180	109,784
Due from Other Governments	0	11,054	0	2,000	0	13,054
Due from Other Funds	251	2,925	212	0	0	3,388
Due from Component Units	0	11,059	0	0	0	11,059
Property Taxes Receivable	456,932	1,079,547	0	0	0	1,536,479
Allowance for Uncollectible Property Taxes	(16,083)	(37,997)	0	0	0	(54,080)
Prepaid Items	0	0	0	0	0	0
Total Assets	$ 686,234	$ 1,809,483	$ 273,073	$ 291,282	$ 3,670	$ 3,063,742
LIABILITIES						
Accounts Payable	$ 17,362	$ 93,197	$ 1,315	$ 13,197	$ 0	$ 125,071
Accrued Payroll	12,366	1,917	0	2,894	0	17,177
Payroll Deductions Payable	1,654	1,275	0	872	0	3,801
Contracts Payable	104,255	0	0	0	0	104,255
Retainage Payable	19,145	0	0	0	0	19,145
Due to Other Funds	3,121	3,503	0	1,525	3,670	11,819
Total Liabilities	$ 157,903	$ 99,892	$ 1,315	$ 18,488	$ 3,670	$ 281,268
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	$ 423,548	$ 1,000,673	$ 0	$ 0	$ 0	$ 1,424,221
Deferred Delinquent Property Taxes	15,728	37,158	0	0	0	52,886
Other Deferred/Unavailable Revenue	0	87,506	0	0	0	87,506
Total Deferred Inflows of Resources	$ 439,276	$ 1,125,337	$ 0	$ 0	$ 0	$ 1,564,613
FUND BALANCES						
Nonspendable:						
Prepaid Items	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Restricted:						
Restricted for Public Safety	0	0	271,758	0	0	271,758
Restricted for Social, Cultural, and Recreational Services	2,238	0	0	272,794	0	275,032
Restricted for Debt Service	0	0	0	0	0	0

(Continued)

Exhibit G-1

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

	Special Revenue Funds					
	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu-tional Officers - Fees	Total
FUND BALANCES (CONT.)						
Restricted (Cont.):						
Restricted for Capital Projects	$ 0	$ 113,000	$ 0	$ 0	$ 0	$ 113,000
Committed:						
Committed for Public Health and Welfare	0	471,254	0	0	0	471,254
Committed for Social, Cultural, and Recreational Services	86,817	0	0	0	0	86,817
Committed for Debt Service	0	0	0	0	0	0
Total Fund Balances	$ 89,055	$ 584,254	$ 271,758	$ 272,794	$ 0	$ 1,217,861
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 686,234	$ 1,809,483	$ 273,073	$ 291,282	$ 3,670	$ 3,063,742

(Continued)

Exhibit G-1

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

	Debt Service Funds			Total Nonmajor Governmental Funds
	Rural Debt Service	Education Debt Service	Total	
ASSETS				
Cash	$ 0	$ 0	$ 0	$ 2,227
Equity in Pooled Cash and Investments	43,431	2,041,177	2,084,608	3,526,439
Accounts Receivable	0	0	0	109,784
Due from Other Governments	0	0	0	13,054
Due from Other Funds	56	1,942	1,998	5,386
Due from Component Units	158,000	0	158,000	169,059
Property Taxes Receivable	204,690	1,616,867	1,821,557	3,358,036
Allowance for Uncollectible Property Taxes	(7,144)	(56,628)	(63,772)	(117,852)
Prepaid Items	7,020	0	7,020	7,020
Total Assets	$ 406,053	$ 3,603,358	$ 4,009,411	$ 7,073,153
LIABILITIES				
Accounts Payable	$ 0	$ 0	$ 0	$ 125,071
Accrued Payroll	0	0	0	17,177
Payroll Deductions Payable	0	0	0	3,801
Contracts Payable	0	0	0	104,255
Retainage Payable	0	0	0	19,145
Due to Other Funds	0	0	0	11,819
Total Liabilities	$ 0	$ 0	$ 0	$ 281,268
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	$ 187,112	$ 1,492,927	$ 1,680,039	$ 3,104,260
Deferred Delinquent Property Taxes	9,381	61,187	70,568	123,454
Other Deferred/Unavailable Revenue	0	0	0	87,506
Total Deferred Inflows of Resources	$ 196,493	$ 1,554,114	$ 1,750,607	$ 3,315,220
FUND BALANCES				
Nonspendable:				
Prepaid Items	$ 7,020	$ 0	$ 7,020	$ 7,020
Restricted:				
Restricted for Public Safety	0	0	0	271,758
Restricted for Social, Cultural, and Recreational Services	0	0	0	275,032
Restricted for Debt Service	202,540	2,008,564	2,211,104	2,211,104

(Continued)

Exhibit G-1

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

	Debt Service Funds			Total Nonmajor Governmental Funds
	Rural Debt Service	Education Debt Service	Total	
FUND BALANCES (CONT.)				
Restricted (Cont.):				
Restricted for Capital Projects	$ 0	$ 0	$ 0	$ 113,000
Committed:				
Committed for Public Health and Welfare	0	0	0	471,254
Committed for Social, Cultural, and Recreational Services	0	0	0	86,817
Committed for Debt Service	0	40,680	40,680	40,680
Total Fund Balances	$ 209,560	$ 2,049,244	$ 2,258,804	$ 3,476,665
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 406,053	$ 3,603,358	$ 4,009,411	$ 7,073,153

Exhibit G-2

Anderson County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds				
	Public Library	Solid Waste / Sanitation	Drug Control	District Attorney	Other Special Revenue
Revenues					
Local Taxes	$ 420,087	$ 945,682	$ 0	$ 0	$ 275,561
Fines, Forfeitures, and Penalties	0	0	152,138	0	0
Charges for Current Services	24,073	307,617	0	0	0
Other Local Revenues	13,164	39,784	349	0	5,402
State of Tennessee	0	72,817	0	0	0
Federal Government	0	0	22,190	0	0
Other Governments and Citizens Groups	130,311	0	0	0	0
Total Revenues	$ 587,635	$ 1,365,900	$ 174,677	$ 0	$ 280,963
Expenditures					
Current:					
Finance	$ 0	$ 0	$ 0	$ 0	$ 0
Administration of Justice	0	0	0	0	0
Public Safety	0	0	73,008	0	0
Public Health and Welfare	0	1,411,519	0	0	0
Social, Cultural, and Recreational Services	923,129	0	0	0	0
Other Operations	0	0	0	0	223,129
Debt Service:					
Principal on Debt	0	0	0	0	0
Interest on Debt	0	0	0	0	0
Other Debt Service	0	0	0	0	0
Total Expenditures	$ 923,129	$ 1,411,519	$ 73,008	$ 0	$ 223,129
Excess (Deficiency) of Revenues Over Expenditures	$ (335,494)	$ (45,619)	$ 101,669	$ 0	$ 57,834
Other Financing Sources (Uses)					
Transfers In	$ 100,000	$ 629,873	$ 0	$ 0	$ 0
Total Other Financing Sources (Uses)	$ 100,000	$ 629,873	$ 0	$ 0	$ 0
Net Change in Fund Balances	$ (235,494)	$ 584,254	$ 101,669	$ 0	$ 57,834
Prior-period Adjustments	0	0	0	(23,745)	0
Fund Balance, July 1, 2012	324,549	0	170,089	23,745	214,960
Fund Balance, June 30, 2013	$ 89,055	$ 584,254	$ 271,758	$ 0	$ 272,794

(Continued)

Exhibit G-2

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

	Special Revenue Fund		Debt Service Funds			
	Constitutional Officers - Fees	Total	Rural Debt Service	Education Debt Service	Total	Total Nonmajor Governmental Funds
Revenues						
Local Taxes	$ 0	$ 1,641,330	$ 186,265	$ 1,477,145	$ 1,663,410	$ 3,304,740
Fines, Forfeitures, and Penalties	0	152,138	0	0	0	152,138
Charges for Current Services	13,877	345,567	0	0	0	345,567
Other Local Revenues	0	58,699	147	3,302	3,449	62,148
State of Tennessee	0	72,817	0	0	0	72,817
Federal Government	0	22,190	0	0	0	22,190
Other Governments and Citizens Groups	0	130,311	1,247,398	0	1,247,398	1,377,709
Total Revenues	$ 13,877	$ 2,423,052	$ 1,433,810	$ 1,480,447	$ 2,914,257	$ 5,337,309
Expenditures						
Current:						
Finance	$ 655	$ 655	$ 0	$ 0	$ 0	$ 655
Administration of Justice	13,222	13,222	0	0	0	13,222
Public Safety	0	73,008	0	0	0	73,008
Public Health and Welfare	0	1,411,519	0	0	0	1,411,519
Social, Cultural, and Recreational Services	0	923,129	0	0	0	923,129
Other Operations	0	223,129	0	0	0	223,129
Debt Service:						
Principal on Debt	0	0	926,015	735,000	1,661,015	1,661,015
Interest on Debt	0	0	494,037	587,423	1,081,460	1,081,460
Other Debt Service	0	0	5,507	31,398	36,905	36,905
Total Expenditures	$ 13,877	$ 2,644,662	$ 1,425,559	$ 1,353,821	$ 2,779,380	$ 5,424,042
Excess (Deficiency) of Revenues Over Expenditures	$ 0	$ (221,610)	$ 8,251	$ 126,626	$ 134,877	$ (86,733)
Other Financing Sources (Uses)						
Transfers In	$ 0	$ 729,873	$ 0	$ 16,200	$ 16,200	$ 746,073
Total Other Financing Sources (Uses)	$ 0	$ 729,873	$ 0	$ 16,200	$ 16,200	$ 746,073
Net Change in Fund Balances	$ 0	$ 508,263	$ 8,251	$ 142,826	$ 151,077	$ 659,340
Restatement - See Note I.D.10.	0	(23,745)	0	0	0	(23,745)
Fund Balance, July 1, 2012	0	733,343	201,309	1,906,418	2,107,727	2,841,070
Fund Balance, June 30, 2013	$ 0	$ 1,217,861	$ 209,560	$ 2,049,244	$ 2,258,804	$ 3,476,665

Exhibit G-3

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Public Library Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 420,087	$ 408,515	$ 408,515	$ 11,572
Charges for Current Services	24,073	20,300	20,300	3,773
Other Local Revenues	13,164	2,000	2,000	11,164
State of Tennessee	0	3,200	3,200	(3,200)
Other Governments and Citizens Groups	130,311	130,311	130,311	0
Total Revenues	$ 587,635	$ 564,326	$ 564,326	$ 23,309
Expenditures				
Social, Cultural, and Recreational Services				
Libraries	$ 923,129	$ 558,987	$ 991,904	$ 68,775
Total Expenditures	$ 923,129	$ 558,987	$ 991,904	$ 68,775
Excess (Deficiency) of Revenues Over Expenditures	$ (335,494)	$ 5,339	$ (427,578)	$ 92,084
Other Financing Sources (Uses)				
Other Loans Issued	$ 0	$ 0	$ 125,000	$ (125,000)
Transfers In	100,000	0	100,000	0
Total Other Financing Sources	$ 100,000	$ 0	$ 225,000	$ (125,000)
Net Change in Fund Balance	$ (235,494)	$ 5,339	$ (202,578)	$ (32,916)
Fund Balance, July 1, 2012	324,549	324,549	324,549	0
Fund Balance, June 30, 2013	$ 89,055	$ 329,888	$ 121,971	$ (32,916)

Exhibit G-4

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 945,682	$ 940,403	$ 940,403	$ 5,279
Charges for Current Services	307,617	405,000	405,000	(97,383)
Other Local Revenues	39,784	28,700	28,700	11,084
State of Tennessee	72,817	108,089	133,808	(60,991)
Total Revenues	$ 1,365,900	$ 1,482,192	$ 1,507,911	$ (142,011)
Expenditures				
Public Health and Welfare				
Sanitation Management	$ 142,971	$ 148,989	$ 179,851	$ 36,880
Convenience Centers	532,555	542,600	1,181,453	648,898
Other Waste Collection	59,806	67,398	73,829	14,023
Recycling Center	4,395	5,000	5,000	605
Landfill Operation and Maintenance	601,123	637,000	609,816	8,693
Other Waste Disposal	70,669	76,500	80,400	9,731
Total Expenditures	$ 1,411,519	$ 1,477,487	$ 2,130,349	$ 718,830
Excess (Deficiency) of Revenues Over Expenditures	$ (45,619)	$ 4,705	$ (622,438)	$ 576,819
Other Financing Sources (Uses)				
Transfers In	$ 629,873	$ 0	$ 629,873	$ 0
Total Other Financing Sources	$ 629,873	$ 0	$ 629,873	$ 0
Net Change in Fund Balance	$ 584,254	$ 4,705	$ 7,435	$ 576,819
Fund Balance, July 1, 2012	0	0	0	0
Fund Balance, June 30, 2013	$ 584,254	$ 4,705	$ 7,435	$ 576,819

Exhibit G-5

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Drug Control Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Fines, Forfeitures, and Penalties	$ 152,138	$ 99,700	$ 99,700	$ 52,438
Other Local Revenues	349	300	300	49
Federal Government	22,190	0	0	22,190
Total Revenues	$ 174,677	$ 100,000	$ 100,000	$ 74,677
Expenditures				
Public Safety				
Drug Enforcement	$ 73,008	$ 100,000	$ 100,000	$ 26,992
Total Expenditures	$ 73,008	$ 100,000	$ 100,000	$ 26,992
Excess (Deficiency) of Revenues Over Expenditures	$ 101,669	$ 0	$ 0	$ 101,669
Net Change in Fund Balance	$ 101,669	$ 0	$ 0	$ 101,669
Fund Balance, July 1, 2012	170,089	99,195	99,195	70,894
Fund Balance, June 30, 2013	$ 271,758	$ 99,195	$ 99,195	$ 172,563

Exhibit G-6

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Other Special Revenue Fund
For the Year Ended June 30, 2013

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Local Taxes	$ 275,561	$ 0	$ 275,561	$ 241,912	$ 241,912	$ 33,649
Other Local Revenues	5,402	0	5,402	0	0	5,402
Total Revenues	$ 280,963	$ 0	$ 280,963	$ 241,912	$ 241,912	$ 39,051
Expenditures						
Other Operations						
Tourism	$ 223,129	$ 34,326	$ 257,455	$ 241,912	$ 308,912	$ 51,457
Total Expenditures	$ 223,129	$ 34,326	$ 257,455	$ 241,912	$ 308,912	$ 51,457
Excess (Deficiency) of Revenues Over Expenditures	$ 57,834	$ (34,326)	$ 23,508	$ 0	$ (67,000)	$ 90,508
Net Change in Fund Balance	$ 57,834	$ (34,326)	$ 23,508	$ 0	$ (67,000)	$ 90,508
Fund Balance, July 1, 2012	214,960	0	214,960	131,354	131,354	83,606
Fund Balance, June 30, 2013	$ 272,794	$ (34,326)	$ 238,468	$ 131,354	$ 64,354	$ 174,114

Exhibit G-7

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Rural Debt Service Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 186,265	$ 170,950	$ 180,471	$ 5,794
Other Local Revenues	147	5,000	5,000	(4,853)
Other Governments and Citizens Groups	1,247,398	921,764	1,256,663	(9,265)
Total Revenues	$ 1,433,810	$ 1,097,714	$ 1,442,134	$ (8,324)
Expenditures				
Principal on Debt				
Education	$ 926,015	$ 660,000	$ 931,897	$ 5,882
Interest on Debt				
Education	494,037	421,514	494,037	0
Other Debt Service				
Education	5,507	16,200	16,200	10,693
Total Expenditures	$ 1,425,559	$ 1,097,714	$ 1,442,134	$ 16,575
Excess (Deficiency) of Revenues Over Expenditures	$ 8,251	$ 0	$ 0	$ 8,251
Net Change in Fund Balance	$ 8,251	$ 0	$ 0	$ 8,251
Fund Balance, July 1, 2012	201,309	200,951	200,951	358
Fund Balance, June 30, 2013	$ 209,560	$ 200,951	$ 200,951	$ 8,609

Exhibit G-8

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Education Debt Service Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 1,477,145	$ 1,398,124	$ 1,398,124	$ 79,021
Other Local Revenues	3,302	10,000	10,000	(6,698)
Total Revenues	$ 1,480,447	$ 1,408,124	$ 1,408,124	$ 72,323
Expenditures				
Principal on Debt				
Education	$ 735,000	$ 735,000	$ 735,000	$ 0
Interest on Debt				
Education	587,423	587,423	587,423	0
Other Debt Service				
Education	31,398	35,000	35,000	3,602
Total Expenditures	$ 1,353,821	$ 1,357,423	$ 1,357,423	$ 3,602
Excess (Deficiency) of Revenues Over Expenditures	$ 126,626	$ 50,701	$ 50,701	$ 75,925
Other Financing Sources (Uses)				
Transfers In	$ 16,200	$ 16,200	$ 16,200	$ 0
Total Other Financing Sources	$ 16,200	$ 16,200	$ 16,200	$ 0
Net Change in Fund Balance	$ 142,826	$ 66,901	$ 66,901	$ 75,925
Fund Balance, July 1, 2012	1,906,418	1,647,642	1,647,642	258,776
Fund Balance, June 30, 2013	$ 2,049,244	$ 1,714,543	$ 1,714,543	$ 334,701

Major Governmental Funds

General Debt Service Fund

The General Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Exhibit H

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 1,635,353	$ 1,670,783	$ 1,670,783	$ (35,430)
Other Local Revenues	47,936	20,000	20,000	27,936
Federal Government	32,962	33,334	33,334	(372)
Total Revenues	$ 1,716,251	$ 1,724,117	$ 1,724,117	$ (7,866)
Expenditures				
Principal on Debt				
General Government	$ 1,233,000	$ 1,233,000	$ 1,233,000	$ 0
Interest on Debt				
General Government	741,221	872,787	872,787	131,566
Other Debt Service				
General Government	37,416	76,000	76,000	38,584
Total Expenditures	$ 2,011,637	$ 2,181,787	$ 2,181,787	$ 170,150
Excess (Deficiency) of Revenues Over Expenditures	$ (295,386)	$ (457,670)	$ (457,670)	$ 162,284
Net Change in Fund Balance	$ (295,386)	$ (457,670)	$ (457,670)	$ 162,284
Fund Balance, July 1, 2012	2,815,775	2,186,318	2,186,318	629,457
Fund Balance, June 30, 2013	$ 2,520,389	$ 1,728,648	$ 1,728,648	$ 791,741

Proprietary Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the county, or to other governments, on a cost-reimbursement basis.

Employee Health Insurance Fund – The Employee Health Insurance Fund is used to account for the county's self-insurance employee health program. Premiums charged to the various county funds and employee payroll deductions are placed in this fund for the payment of claims of county employees.

Channel 95 Fund – The Channel 95 Fund is used to account for transactions of the Anderson County television station. This fund was established during the current year. These transactions were previously reported in the General Fund.

Exhibit I-1

Anderson County, Tennessee
Combining Statement of Net Position
Proprietary Funds
June 30, 2013

	Internal Service Funds		
	Employee Health Insurance Fund	Channel 95 Fund	Total Proprietary Funds
ASSETS			
Current Assets:			
Cash	$ 127,555	$ 0	$ 127,555
Equity in Pooled Cash and Investments	0	12,388	12,388
Investments	18,565	0	18,565
Accounts Receivable	16,909	0	16,909
Due from Other Funds	312,197	0	312,197
Total Assets	$ 475,226	$ 12,388	$ 487,614
LIABILITIES			
Current Liabilities:			
Accounts Payable	$ 76,869	$ 0	$ 76,869
Accrued Payroll	0	1,625	1,625
Payroll Deductions Payable	0	540	540
Due to Other Funds	0	1,313	1,313
Other Current Liabilities	343,150	0	343,150
Total Liabilities	$ 420,019	$ 3,478	$ 423,497
NET POSITION			
Unrestricted	$ 55,207	$ 8,910	$ 64,117
Total Net Position	$ 55,207	$ 8,910	$ 64,117

Exhibit I-2

Anderson County, Tennessee
Combining Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2013

	Internal Service Funds		
	Employee Health Insurance Fund	Channel 95 Fund	Total
Operating Revenues			
Charges for Services	$ 3,797,480	$ 75,700	$ 3,873,180
Total Operating Revenues	$ 3,797,480	$ 75,700	$ 3,873,180
Operating Expenses			
Medical and Dental Services	$ 2,815,095	0	$ 2,815,095
Other Contracted Services	170,960	0	170,960
Excess Risk Insurance	751,716	0	751,716
Other Charges	1,109	$ 0	1,109
Salaries	0	42,240	42,240
Fringe Benefits	0	19,294	19,294
Other Contracted Services	0	1,020	1,020
Gasoline	0	162	162
Other Supplies and Materials	0	2,219	2,219
Workers' Compensation Insurance	0	117	117
Data Processing Equipment	0	6,114	6,114
Total Operating Expenses	$ 3,738,880	$ 71,166	$ 3,810,046
Operating Income (Loss)	$ 58,600	$ 4,534	$ 63,134
Nonoperating Revenues (Expenses)			
Investment Income	$ 293	$ 0	$ 293
Total Nonoperating Revenues (Expenses)	$ 293	$ 0	$ 293
Income (Loss) Before Operating Transfers	$ 58,893	$ 4,534	$ 63,427
Transfers In (Out)	0	4,376	4,376
Change in Net Position	$ 58,893	$ 8,910	$ 67,803
Net Position, July 1, 2012	(3,686)	0	(3,686)
Net Position, June 30, 2013	$ 55,207	$ 8,910	$ 64,117

Exhibit I-3

Anderson County, Tennessee
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	Internal Service Funds		
	Employee Health Insurance Fund	Channel 95 Fund	Total
Cash Flows from Operating Activities			
Receipts for Self-insurance Premiums	$ 3,638,259	$ 0	$ 3,638,259
Receipts from Customers and Users	0	75,700	75,700
Payments to Fiscal Agents	(183,977)	0	(183,977)
Payments to Insurers	(800,784)	0	(800,784)
Stop-loss Recovery	107,394	0	107,394
Payments for Claims	(2,801,535)	0	(2,801,535)
Payments to Vendors	0	(9,632)	(9,632)
Payments to Employees	0	(40,615)	(40,615)
Payments for Fringe Benefits	0	(17,441)	(17,441)
Net Cash Provided By (Used In) Operating Activities	$ (40,643)	$ 8,012	$ (32,631)
Cash Flows from Noncapital Financing Activities			
Transfers from Other Funds	$ 0	$ 4,376	$ 4,376
Net Cash Provided By (Used In) Noncapital Financing Activities	$ 0	$ 4,376	$ 4,376
Cash Flows from Investing Activities			
Interest on Investments	$ 193	$ 0	$ 193
Net Cash Provided By (Used In) Investing Activities	$ 193	$ 0	$ 193
Increase (Decrease) in Cash	$ (40,450)	$ 12,388	$ (28,062)
Cash, July 1, 2012	168,005	0	168,005
Cash, June 30, 2013	$ 127,555	$ 12,388	$ 139,943
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities			
Operating Income (Loss)	$ 58,600	$ 4,534	$ 63,134
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	109,387	0	109,387
(Increase) Decrease in Due from Other Funds	(161,214)	0	(161,214)
Increase (Decrease) in Accounts Payable	(60,976)	0	(60,976)
Increase (Decrease) in Accrued Payroll	0	1,625	1,625
Increase (Decrease) in Payroll Deductions	0	540	540
Increase (Decrease) in Due to Other Funds	0	1,313	1,313
Increase (Decrease) in Other Current Liabilities	13,560	0	13,560
Net Cash Provided By (Used In) Operating Activities	$ (40,643)	$ 8,012	$ (32,631)

Fiduciary Funds

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

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

City School ADA - Clinton Fund and City School ADA - Oak Ridge Fund – These two funds are used to account for the city school systems' shares of education revenues collected by the county that must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school systems on a monthly basis.

District Attorney General Fund – The District Attorney General Fund is used to account for restricted revenue held for the benefit of the Office of District Attorney General.

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

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

Exhibit J-1

Anderson County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2013

	Agency Funds						
	Cities - Sales Tax	City School ADA - Clinton	City School ADA - Oak Ridge	District Attorney General	Constitu-tional Officers - Agency	Judicial District Drug	Total
ASSETS							
Cash	$ 0	$ 0	$ 0	$ 0	$ 1,610,637	$ 0	$ 1,610,637
Equity in Pooled Cash and Investments	0	2,636	11,746	27,060	0	13,425	54,867
Accounts Receivable	0	0	0	0	0	500	500
Due from Other Governments	1,996,271	165,666	738,291	0	0	16,042	2,916,270
Taxes Receivable	0	1,929,474	8,598,711	0	0	0	10,528,185
Allowance for Uncollectible Taxes	0	(67,913)	(302,654)	0	0	0	(370,567)
Total Assets	$ 1,996,271	$ 2,029,863	$ 9,046,094	$ 27,060	$ 1,610,637	$ 29,967	$ 14,739,892
LIABILITIES							
Accounts Payable	$ 0	$ 0	$ 0	$ 31	$ 0	$ 599	$ 630
Accrued Payroll	0	0	0	0	0	1,846	1,846
Payroll Deductions Payable	0	0	0	0	0	518	518
Due to Other Taxing Units	1,996,271	2,029,863	9,046,094	0	0	0	13,072,228
Due to Joint Ventures	0	0	0	0	0	27,004	27,004
Due to Litigants, Heirs, and Others	0	0	0	27,029	1,610,637	0	1,637,666
Total Liabilities	$ 1,996,271	$ 2,029,863	$ 9,046,094	$ 27,060	$ 1,610,637	$ 29,967	$ 14,739,892

Exhibit J-2

Anderson County, Tennessee
Combining Statement of Changes in Assets
and Liabilities - All Agency Funds
For the Year Ended June 30, 2013

	Beginning Balance	Additions	Deductions	Ending Balance
Cities - Sales Tax Fund				
Assets				
Equity in Pooled Cash and Investments	$ 0	$ 11,416,416	$ 11,416,416	$ 0
Due from Other Governments	1,977,725	1,996,271	1,977,725	1,996,271
Total Assets	$ 1,977,725	$ 13,412,687	$ 13,394,141	$ 1,996,271
Liabilities				
Due to Other Taxing Units	$ 1,977,725	$ 13,412,687	$ 13,394,141	$ 1,996,271
Total Liabilities	$ 1,977,725	$ 13,412,687	$ 13,394,141	$ 1,996,271
City School ADA - Clinton Fund				
Assets				
Equity in Pooled Cash and Investments	$ 2,869	$ 2,753,923	$ 2,754,156	$ 2,636
Due from Other Governments	157,411	165,666	157,411	165,666
Taxes Receivable	1,855,575	1,929,474	1,855,575	1,929,474
Allowance for Uncollectible Taxes	(66,765)	(67,913)	(66,765)	(67,913)
Total Assets	$ 1,949,090	$ 4,781,150	$ 4,700,377	$ 2,029,863
Liabilities				
Due to Other Taxing Units	$ 1,949,090	$ 4,781,150	$ 4,700,377	$ 2,029,863
Total Liabilities	$ 1,949,090	$ 4,781,150	$ 4,700,377	$ 2,029,863
City School ADA - Oak Ridge Fund				
Assets				
Equity in Pooled Cash and Investments	$ 13,411	$ 12,272,205	$ 12,273,870	$ 11,746
Due from Other Governments	735,804	738,291	735,804	738,291
Taxes Receivable	8,674,882	8,598,711	8,674,882	8,598,711
Allowance for Uncollectible Taxes	(312,131)	(302,654)	(312,131)	(302,654)
Total Assets	$ 9,111,966	$ 21,306,553	$ 21,372,425	$ 9,046,094
Liabilities				
Due to Other Taxing Units	$ 9,111,966	$ 21,306,553	$ 21,372,425	$ 9,046,094
Total Liabilities	$ 9,111,966	$ 21,306,553	$ 21,372,425	$ 9,046,094

(Continued)

Exhibit J-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
District Attorney General Fund				
Assets				
Equity in Pooled Cash and Investments	$ 0	$ 39,298	$ 12,238	$ 27,060
Total Assets	$ 0	$ 39,298	$ 12,238	$ 27,060
Liabilities				
Accounts Payable	$ 0	$ 31	$ 0	$ 31
Due to Other Litigants, Heirs, and Others	0	39,267	12,238	27,029
Total Liabilities	$ 0	$ 39,298	$ 12,238	$ 27,060
Constitutional Officers - Agency Fund				
Assets				
Cash	$ 1,792,233	$ 12,523,703	$ 12,705,299	$ 1,610,637
Total Assets	$ 1,792,233	$ 12,523,703	$ 12,705,299	$ 1,610,637
Liabilities				
Due to Litigants, Heirs, and Others	$ 1,792,233	$ 12,523,703	$ 12,705,299	$ 1,610,637
Total Liabilities	$ 1,792,233	$ 12,523,703	$ 12,705,299	$ 1,610,637
Judicial District Drug Fund - Agency Fund				
Assets				
Equity in Pooled Cash and Investments	$ 7,896	$ 103,288	$ 97,759	$ 13,425
Accounts Receivable	0	500	0	500
Due from Other Governments	0	16,042	0	16,042
Total Assets	$ 7,896	$ 119,830	$ 97,759	$ 29,967
Liabilities				
Accounts Payable	$ 0	$ 599	$ 0	$ 599
Accrued Payroll	0	1,846	0	1,846
Payroll Deductions Payable	0	518	0	518
Due to Joint Venture	7,896	116,867	97,759	27,004
Total Liabilities	$ 7,896	$ 119,830	$ 97,759	$ 29,967

(Continued)

Exhibit J-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
Totals - All Agency Funds				
Assets				
Cash	$ 1,792,233	$ 12,523,703	$ 12,705,299	$ 1,610,637
Equity in Pooled Cash and Investments	24,176	26,585,130	26,554,439	54,867
Accounts Receivable	0	500	0	500
Due from Other Governments	2,870,940	2,916,270	2,870,940	2,916,270
Taxes Receivable	10,530,457	10,528,185	10,530,457	10,528,185
Allowance for Uncollectible Taxes	(378,896)	(370,567)	(378,896)	(370,567)
Total Assets	$ 14,838,910	$ 52,183,221	$ 52,282,239	$ 14,739,892
Liabilities				
Accounts Payable	$ 0	$ 630	$ 0	$ 630
Accrued Payroll	0	1,846	0	1,846
Payroll Deductions Payable	0	518	0	518
Due to Joint Ventures	7,896	116,867	97,759	27,004
Due to Other Taxing Units	13,038,781	39,500,390	39,466,943	13,072,228
Due to Litigants, Heirs, and Others	1,792,233	12,562,970	12,717,537	1,637,666
Total Liabilities	$ 14,838,910	$ 52,183,221	$ 52,282,239	$ 14,739,892

Anderson County School Department

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

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

School Federal Projects 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.

Other Education Special Revenue Fund – The Other Education Special Revenue Fund is used to account for day-care programs offered by the School Department, the companion program, and the headstart program.

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

Exhibit K-1

Anderson County, Tennessee
Statement of Activities
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental Activities:					
Instruction	$ 37,930,211	$ 49,159	$ 4,560,232	$ 45,998	$ (33,274,822)
Support Services	21,893,976	1,200	646,911	0	(21,245,865)
Operation of Non-Instructional Services	6,836,980	1,085,813	5,988,025	12,076	248,934
Interest on Long-term Debt	(2,869)	0	0	0	2,869
Other Debt Service	1,060,078	0	0	0	(1,060,078)
Total Governmental Activities	$ 67,718,376	$ 1,136,172	$ 11,195,168	$ 58,074	$ (55,328,962)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					$ 14,145,848
Local Option Sales Taxes					7,109,631
Other Local Taxes					22,920
Grants and Contributions Not Restricted for Specific Programs					29,365,120
Unrestricted Investment Income					8,515
Miscellaneous					146,795
Total General Revenues					$ 50,798,829
Change in Net Position					$ (4,530,133)
Net Position, July 1, 2012					49,992,375
Net Position, June 30, 2013					$ 45,462,242

Exhibit K-2

Anderson County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Anderson County School Department
June 30, 2013

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern-mental Funds	Total Governmental Funds
ASSETS			
Cash	$ 11,586	$ 25	$ 11,611
Equity in Pooled Cash and Investments	4,013,985	1,334,963	5,348,948
Inventories	0	29,609	29,609
Accounts Receivable	44,403	11,223	55,626
Due from Other Governments	1,541,579	456,878	1,998,457
Due from Other Funds	177,293	8,198	185,491
Due from Primary Government	7,691	0	7,691
Property Taxes Receivable	14,585,680	0	14,585,680
Allowance for Uncollectible Property Taxes	(513,381)	0	(513,381)
Prepaid Items	115	599	714
Cash Shortage	0	280	280
Total Assets	$ 19,868,951	$ 1,841,775	$ 21,710,726
LIABILITIES			
Accounts Payable	$ 1,267,583	$ 344,048	$ 1,611,631
Payroll Deductions Payable	634,076	88,370	722,446
Contracts Payable	0	51,635	51,635
Due to Other Funds	7,290	178,201	185,491
Due to Primary Government	211,226	3,819	215,045
Due to State of Tennessee	0	17	17
Other Current Liabilities	124	0	124
Total Liabilities	$ 2,120,299	$ 666,090	$ 2,786,389
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	$ 13,520,011	$ 0	$ 13,520,011
Deferred Delinquent Property Taxes	502,041	0	502,041
Other Deferred/Unavailable Revenue	636,496	280	636,776
Total Deferred Inflows of Resources	$ 14,658,548	$ 280	$ 14,658,828
FUND BALANCES			
Nonspendable:			
Inventory	$ 0	$ 29,609	$ 29,609
Prepaid Items	115	599	714
Restricted:			
Restricted for Education	381,465	1,018,577	1,400,042
Restricted for Capital Projects	0	126,620	126,620
Assigned:			
Assigned for Education	1,600,872	0	1,600,872
Unassigned	1,107,652	0	1,107,652
Total Fund Balances	$ 3,090,104	$ 1,175,405	$ 4,265,509
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 19,868,951	$ 1,841,775	$ 21,710,726

Exhibit K-3

Anderson County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented Anderson County School Department
June 30, 2013

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

Total fund balances - balance sheet - governmental funds (Exhibit K-2)		$ 4,265,509
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	$ 839,889	
Add: buildings and improvements net of accumulated depreciation	39,279,904	
Add: other capital assets net of accumulated depreciation	2,576,439	42,696,232
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: contributions due on primary government debt for notes	$ (212,903)	
Less: contributions due on primary government debt for capital lease	(599,207)	
Less: other postemployment benefits liability	(1,486,172)	
Less: compensated absences payable	(340,034)	(2,638,316)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		1,138,817
Net position of governmental activities (Exhibit A)		$ 45,462,242

Exhibit K-4

Anderson County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2013

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern-mental Funds	Total Governmental Funds
Revenues			
Local Taxes	$ 21,275,571	$ 0	$ 21,275,571
Licenses and Permits	3,399	0	3,399
Fines, Forfeitures, and Penalties	10,000	0	10,000
Charges for Current Services	102,647	1,033,312	1,135,959
Other Local Revenues	165,748	2,209	167,957
State of Tennessee	30,882,023	62,894	30,944,917
Federal Government	213,669	9,450,603	9,664,272
Other Governments and Citizens Groups	4,287	1,571	5,858
Total Revenues	$ 52,657,344	$ 10,550,589	$ 63,207,933
Expenditures			
Current:			
Instruction	$ 32,377,885	$ 2,274,378	$ 34,652,263
Support Services	19,917,675	1,850,394	21,768,069
Operation of Non-Instructional Services	598,400	6,241,357	6,839,757
Capital Outlay	130,004	2,724,749	2,854,753
Debt Service:			
Other Debt Service	1,147,986	99,749	1,247,735
Total Expenditures	$ 54,171,950	$ 13,190,627	$ 67,362,577
Excess (Deficiency) of Revenues Over Expenditures	$ (1,514,606)	$ (2,640,038)	$ (4,154,644)
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	$ 0	$ 844	$ 844
Insurance Recovery	24,640	0	24,640
Transfers In	135,723	139,306	275,029
Transfers Out	(11,102)	(263,927)	(275,029)
Total Other Financing Sources (Uses)	$ 149,261	$ (123,777)	$ 25,484
Net Change in Fund Balances	$ (1,365,345)	$ (2,763,815)	$ (4,129,160)
Fund Balance, July 1, 2012	4,455,449	3,939,220	8,394,669
Fund Balance, June 30, 2013	$ 3,090,104	$ 1,175,405	$ 4,265,509

Exhibit K-5

Anderson County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2013

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

	Net change in fund balances - total governmental funds (Exhibit K-4)		$ (4,129,160)
(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	$ 2,035,010	
	Less: current-year depreciation expense	(2,263,041)	(228,031)
(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, 2013	$ 1,138,817	
	Less: deferred delinquent property taxes and other deferred June 30, 2012	(1,158,507)	(19,690)
(3)	The issuance of long-term debt (e.g., notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
	Add: principal contributions on notes to primary government	$ 140,968	
	Add: principal contributions on leases to primary government	46,689	187,657
(4)	Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
	Change in accrued interest payable	$ 2,869	
	Change in other postemployment benefits liability	(328,961)	
	Change in compensated absences payable	(14,817)	(340,909)
	Change in net position of governmental activities (Exhibit B)		$ (4,530,133)

Exhibit K-6

Anderson County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Anderson County School Department
June 30, 2013

	Special Revenue Funds				Capital Projects Fund	
	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Total	Education Capital Projects	Total Nonmajor Governmental Funds
ASSETS						
Cash	$ 0	$ 25	$ 0	$ 25	$ 0	$ 25
Equity in Pooled Cash and Investments	30,525	1,067,270	42,223	1,140,018	194,945	1,334,963
Inventories	0	29,609	0	29,609	0	29,609
Accounts Receivable	0	11,223	0	11,223	0	11,223
Due from Other Governments	236,543	0	220,335	456,878	0	456,878
Due from Other Funds	1,633	6,565	0	8,198	0	8,198
Prepaid Items	599	0	0	599	0	599
Cash Shortage	0	0	280	280	0	280
Total Assets	$ 269,300	$ 1,114,692	$ 262,838	$ 1,646,830	$ 194,945	$ 1,841,775
LIABILITIES						
Accounts Payable	$ 73,122	$ 103,212	$ 151,024	$ 327,358	$ 16,690	$ 344,048
Payroll Deductions Payable	46,144	20,902	21,324	88,370	0	88,370
Contracts Payable	0	0	0	0	51,635	51,635
Due to Other Funds	117,207	0	60,994	178,201	0	178,201
Due to Primary Government	2,911	0	908	3,819	0	3,819
Due to State of Tennessee	0	0	17	17	0	17
Total Liabilities	$ 239,384	$ 124,114	$ 234,267	$ 597,765	$ 68,325	$ 666,090
DEFERRED INFLOWS OF RESOURCES						
Other Deferred/Unavailable Revenue	$ 0	$ 0	$ 280	$ 280	$ 0	$ 280
Total Deferred Inflows of Resources	$ 0	$ 0	$ 280	$ 280	$ 0	$ 280
FUND BALANCES						
Nonspendable:						
Inventory	$ 0	$ 29,609	$ 0	$ 29,609	$ 0	$ 29,609
Prepaid Items	599	0	0	599	0	599
Restricted:						
Restricted for Education	29,317	960,969	28,291	1,018,577	0	1,018,577
Restricted for Capital Projects	0	0	0	0	126,620	126,620
Total Fund Balances	$ 29,916	$ 990,578	$ 28,291	$ 1,048,785	$ 126,620	$ 1,175,405
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 269,300	$ 1,114,692	$ 262,838	$ 1,646,830	$ 194,945	$ 1,841,775

Exhibit K-7

Anderson County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2013

	Special Revenue Funds				Capital Projects Fund	
	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Total	Education Capital Projects	Total Nonmajor Governmental Funds
Revenues						
Charges for Current Services	$ 1,200	$ 886,173	$ 145,939	$ 1,033,312	$ 0	$ 1,033,312
Other Local Revenues	0	0	2,209	2,209	0	2,209
State of Tennessee	13,007	30,860	19,027	62,894	0	62,894
Federal Government	4,216,791	2,304,487	2,929,325	9,450,603	0	9,450,603
Other Governments and Citizens Groups	0	1,571	0	1,571	0	1,571
Total Revenues	$ 4,230,998	$ 3,223,091	$ 3,096,500	$ 10,550,589	$ 0	$ 10,550,589
Expenditures						
Current:						
Instruction	$ 2,274,378	$ 0	$ 0	$ 2,274,378	$ 0	$ 2,274,378
Support Services	1,850,394	0	0	1,850,394	0	1,850,394
Operation of Non-Instructional Services	37,464	3,364,543	2,839,350	6,241,357	0	6,241,357
Capital Outlay	0	0	0	0	2,724,749	2,724,749
Debt Service:						
Other Debt Service	0	0	99,749	99,749	0	99,749
Total Expenditures	$ 4,162,236	$ 3,364,543	$ 2,939,099	$ 10,465,878	$ 2,724,749	$ 13,190,627
Excess (Deficiency) of Revenues Over Expenditures	$ 68,762	$ (141,452)	$ 157,401	$ 84,711	$ (2,724,749)	$ (2,640,038)
Other Financing Sources (Uses)						
Proceeds from Sale of Capital Assets	$ 0	$ 844	$ 0	$ 844	$ 0	$ 844
Transfers In	0	139,306	0	139,306	0	139,306
Transfers Out	(75,637)	0	(188,290)	(263,927)	0	(263,927)
Total Other Financing Sources (Uses)	$ (75,637)	$ 140,150	$ (188,290)	$ (123,777)	$ 0	$ (123,777)
Net Change in Fund Balances	$ (6,875)	$ (1,302)	$ (30,889)	$ (39,066)	$ (2,724,749)	$ (2,763,815)
Fund Balance, July 1, 2012	36,791	991,880	59,180	1,087,851	2,851,369	3,939,220
Fund Balance, June 30, 2013	$ 29,916	$ 990,578	$ 28,291	$ 1,048,785	$ 126,620	$ 1,175,405

Exhibit K-8

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Anderson County School Department
General Purpose School Fund
For the Year Ended June 30, 2013

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Local Taxes	$ 21,275,571	$ 0	$ 21,275,571	$ 21,616,851	$ 21,616,851	$ (341,280)
Licenses and Permits	3,399	0	3,399	3,120	3,120	279
Fines, Forfeitures, and Penalties	10,000	0	10,000	0	10,004	(4)
Charges for Current Services	102,647	0	102,647	113,316	119,856	(17,209)
Other Local Revenues	165,748	0	165,748	172,170	172,170	(6,422)
State of Tennessee	30,882,023	0	30,882,023	30,929,776	31,237,255	(355,232)
Federal Government	213,669	0	213,669	263,548	245,480	(31,811)
Other Governments and Citizens Groups	4,287	0	4,287	0	4,364	(77)
Total Revenues	$ 52,657,344	$ 0	$ 52,657,344	$ 53,098,781	$ 53,409,100	$ (751,756)
Expenditures						
Instruction						
Regular Instruction Program	$ 22,933,592	$ 0	$ 22,933,592	$ 23,153,337	$ 23,531,371	$ 597,779
Special Education Program	6,060,409	0	6,060,409	6,050,208	6,136,153	75,744
Vocational Education Program	3,130,519	0	3,130,519	3,262,058	3,267,896	137,377
Student Body Education Program	83,742	0	83,742	84,649	84,649	907
Adult Education Program	169,623	0	169,623	187,367	193,859	24,236
Support Services						
Attendance	423,856	0	423,856	466,633	462,304	38,448
Health Services	425,225	0	425,225	512,502	513,802	88,577
Other Student Support	1,497,871	0	1,497,871	1,494,730	1,517,451	19,580
Regular Instruction Program	1,142,477	0	1,142,477	1,181,447	1,181,447	38,970
Special Education Program	500,156	0	500,156	581,407	583,444	83,288
Vocational Education Program	262,155	0	262,155	269,686	278,533	16,378

(Continued)

Exhibit K-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)						
Support Services (Cont.)						
Adult Programs	$ 93,608	$ 0	$ 93,608	$ 96,600	$ 100,000	$ 6,392
Other Programs	270,946	0	270,946	0	270,947	1
Board of Education	1,007,846	0	1,007,846	1,024,525	1,024,525	16,679
Director of Schools	309,027	0	309,027	354,182	340,159	31,132
Office of the Principal	3,366,783	0	3,366,783	3,335,595	3,407,750	40,967
Fiscal Services	424,655	0	424,655	441,238	443,222	18,567
Human Services/Personnel	123,141	(7,608)	115,533	129,260	136,868	21,335
Operation of Plant	4,915,527	0	4,915,527	5,061,845	5,066,845	151,318
Maintenance of Plant	1,285,012	0	1,285,012	1,369,657	1,377,157	92,145
Transportation	2,998,504	(20,475)	2,978,029	2,974,035	3,040,885	62,856
Central and Other	870,886	0	870,886	868,606	881,868	10,982
Operation of Non-Instructional Services						
Community Services	12,798	0	12,798	0	20,908	8,110
Early Childhood Education	585,602	0	585,602	606,921	602,741	17,139
Capital Outlay						
Regular Capital Outlay	130,004	0	130,004	110,000	143,319	13,315
Principal on Debt						
Education	0	0	0	203,446	0	0
Interest on Debt						
Education	0	0	0	38,550	0	0
Other Debt Service						
Education	1,147,986	0	1,147,986	990,512	1,220,478	72,492
Total Expenditures	$ 54,171,950	$ (28,083)	$ 54,143,867	$ 54,848,996	$ 55,828,581	$ 1,684,714

(Continued)

Exhibit K-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Excess (Deficiency) of Revenues Over Expenditures	$ (1,514,606)	$ 28,083	$ (1,486,523)	$ (1,750,215)	$ (2,419,481)	$ 932,958
Other Financing Sources (Uses)						
Insurance Recovery	$ 24,640	$ 0	$ 24,640	$ 0	$ 0	$ 24,640
Transfers In	135,723	0	135,723	168,272	168,272	(32,549)
Transfers Out	(11,102)	0	(11,102)	0	(11,401)	299
Total Other Financing Sources	$ 149,261	$ 0	$ 149,261	$ 168,272	$ 156,871	$ (7,610)
Net Change in Fund Balance	$ (1,365,345)	$ 28,083	$ (1,337,262)	$ (1,581,943)	$ (2,262,610)	$ 925,348
Fund Balance, July 1, 2012	4,455,449	(28,083)	4,427,366	1,759,909	2,262,610	2,164,756
Fund Balance, June 30, 2013	$ 3,090,104	$ 0	$ 3,090,104	$ 177,966	$ 0	$ 3,090,104

Exhibit K-9

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Anderson County School Department
School Federal Projects Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Charges for Current Services	$ 1,200	$ 0	$ 0	$ 1,200
State of Tennessee	13,007	14,000	14,000	(993)
Federal Government	4,216,791	4,357,753	4,977,188	(760,397)
Total Revenues	$ 4,230,998	$ 4,371,753	$ 4,991,188	$ (760,190)
Expenditures				
Instruction				
Regular Instruction Program	$ 1,282,663	$ 1,340,411	$ 1,434,373	$ 151,710
Special Education Program	911,456	999,473	1,183,202	271,746
Vocational Education Program	80,259	81,423	81,892	1,633
Support Services				
Other Student Support	56,453	57,500	57,470	1,017
Regular Instruction Program	1,246,224	1,254,132	1,416,053	169,829
Special Education Program	406,067	447,287	530,720	124,653
Board of Education	150	150	150	0
Director of Schools	200	200	200	0
Office of the Principal	2,700	2,600	2,600	(100)
Transportation	138,600	136,197	179,747	41,147
Operation of Non-Instructional Services				
Community Services	37,464	0	41,525	4,061
Total Expenditures	$ 4,162,236	$ 4,319,373	$ 4,927,932	$ 765,696
Excess (Deficiency) of Revenues Over Expenditures	$ 68,762	$ 52,380	$ 63,256	$ 5,506
Other Financing Sources (Uses)				
Transfers In	$ 0	$ 156,355	$ 0	$ 0
Transfers Out	(75,637)	(232,401)	(91,153)	15,516
Total Other Financing Sources	$ (75,637)	$ (76,046)	$ (91,153)	$ 15,516
Net Change in Fund Balance	$ (6,875)	$ (23,666)	$ (27,897)	$ 21,022
Fund Balance, July 1, 2012	36,791	23,666	27,897	8,894
Fund Balance, June 30, 2013	$ 29,916	$ 0	$ 0	$ 29,916

Exhibit K-10

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Anderson County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Charges for Current Services	$ 886,173	$ 971,494	$ 971,494	$ (85,321)
Other Local Revenues	0	5,500	5,500	(5,500)
State of Tennessee	30,860	31,000	31,000	(140)
Federal Government	2,304,487	2,079,515	2,288,589	15,898
Other Governments and Citizens Groups	1,571	0	0	1,571
Total Revenues	$ 3,223,091	$ 3,087,509	$ 3,296,583	$ (73,492)
Expenditures				
Operation of Non-Instructional Services				
Food Service	$ 3,364,543	$ 3,363,509	$ 3,725,364	$ 360,821
Total Expenditures	$ 3,364,543	$ 3,363,509	$ 3,725,364	$ 360,821
Excess (Deficiency) of Revenues Over Expenditures	$ (141,452)	$ (276,000)	$ (428,781)	$ 287,329
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	$ 844	$ 0	$ 0	$ 844
Transfers In	139,306	126,000	126,000	13,306
Total Other Financing Sources	$ 140,150	$ 126,000	$ 126,000	$ 14,150
Net Change in Fund Balance	$ (1,302)	$ (150,000)	$ (302,781)	$ 301,479
Fund Balance, July 1, 2012	991,880	473,981	473,981	517,899
Fund Balance, June 30, 2013	$ 990,578	$ 323,981	$ 171,200	$ 819,378

Exhibit K-11

Anderson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Anderson County School Department
Other Education Special Revenue Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Charges for Current Services	$ 145,939	$ 235,228	$ 192,959	$ (47,020)
Other Local Revenues	2,209	0	2,209	0
State of Tennessee	19,027	18,000	18,000	1,027
Federal Government	2,929,325	2,997,241	3,017,136	(87,811)
Total Revenues	$ 3,096,500	$ 3,250,469	$ 3,230,304	$ (133,804)
Expenditures				
Operation of Non-Instructional Services				
Community Services	$ 2,839,350	$ 2,948,848	$ 2,938,311	$ 98,961
Principal on Debt				
Education	0	38,941	0	0
Interest on Debt				
Education	0	60,985	0	0
Other Debt Service				
Education	99,749	0	99,753	4
Total Expenditures	$ 2,939,099	$ 3,048,774	$ 3,038,064	$ 98,965
Excess (Deficiency) of Revenues Over Expenditures	$ 157,401	$ 201,695	$ 192,240	$ (34,839)
Other Financing Sources (Uses)				
Transfers Out	$ (188,290)	$ (201,695)	$ (192,240)	$ 3,950
Total Other Financing Sources	$ (188,290)	$ (201,695)	$ (192,240)	$ 3,950
Net Change in Fund Balance	$ (30,889)	$ 0	$ 0	$ (30,889)
Fund Balance, July 1, 2012	59,180	0	0	59,180
Fund Balance, June 30, 2013	$ 28,291	$ 0	$ 0	$ 28,291

MISCELLANEOUS SCHEDULES

Exhibit L-1

Anderson County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, Capital Lease, and Bonds
For the Year Ended June 30, 2013

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-12	Paid and/or Matured During Period	Outstanding 6-30-13
NOTES PAYABLE							
Payable through General Debt Service Fund							
Roof Repairs	$ 100,000	3.6 %	6-12-03	12-1-12	$ 10,000	$ 10,000	$ 0
Health Department	300,000	3.78	5-4-05	5-1-15	90,000	30,000	60,000
Total Payable through General Debt Service Fund					$ 100,000	$ 40,000	$ 60,000
Payable through Rural Debt Service Fund							
Local Government Energy Efficient Loan Program	489,502	0	3-25-11	11-1-21	$ 460,949	$ 48,948	$ 412,001
Local Government Energy Efficient Loan Program	352,931	0	6-21-12	8-1-22	352,931	29,410	323,521
Total Payable through Rural Debt Service Fund					$ 813,880	$ 78,358	$ 735,522
Contributions Due by School Department from the General Purpose School Fund to the General Debt Service Fund							
Renovation of Various Schools	700,000	3.6	6-12-03	12-1-12	$ 70,000	$ 70,000	$ 0
Local Government Energy Efficient Loan Program	496,775	0	2-2-09	2-2-16	283,871	70,968	212,903
Total Contributions Due by School Department from the General Purpose School Fund to the General Debt Service Fund					$ 353,871	$ 140,968	$ 212,903
Total Notes Payable					$ 1,267,751	$ 259,326	$ 1,008,425
OTHER LOANS PAYABLE							
Public Building Authority Loan Agreements							
Payable through General Debt Service Fund							
Industrial Development - Montgomery County PBA	1,700,000	Variable	7-13-01	5-25-21	$ 1,000,000	$ 91,000	$ 909,000
Jail Renovation - Montgomery County PBA	3,000,000	Variable	5-22-06	5-25-25	2,232,000	142,000	2,090,000
Total Other Loans Payable					$ 3,232,000	$ 233,000	$ 2,999,000

(Continued)

Exhibit L-1

Anderson County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, Capital Lease, and Bonds

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-12	Paid and/or Matured During Period	Outstanding 6-30-13
BONDS PAYABLE							
Payable through General Debt Service Fund							
General Obligation Refunding	$ 4,580,000	3.5 to 3.7 %	12-15-05	9-1-12	$ 820,000	$ 820,000	$ 0
General Obligation	2,450,000	1 to 5.25	6-4-10	5-1-28	2,220,000	115,000	2,105,000
General Obligation Refunding	1,750,000	2.5 to 3	2-25-11	5-1-19	1,750,000	0	1,750,000
General Obligation	14,750,000	2 to 4	9-28-11	5-1-35	14,750,000	25,000	14,725,000
Total Payable through General Debt Service Fund					$ 19,540,000	$ 960,000	$ 18,580,000
Payable through Rural Debt Service Fund							
Rural School Refunding	3,505,000	2 to 3.875	3-1-04	3-1-18	$ 1,850,000	$ 285,000	$ 1,565,000
Rural School Refunding	7,535,000	2.5 to 3.5	10-25-10	5-1-26	7,535,000	0	7,535,000
Rural School Refunding	2,050,000	2.5 to 3	2-25-11	5-1-18	1,775,000	350,000	1,425,000
Rural School	2,000,000	2 to 4	9-28-11	5-1-31	1,975,000	25,000	1,950,000
Total Payable through Rural Debt Service Fund					$ 13,135,000	$ 660,000	$ 12,475,000
Payable through Education Debt Service Fund							
Rural High School Refunding	4,895,000	2 to 3.875	3-1-04	3-1-18	$ 2,590,000	$ 395,000	$ 2,195,000
Rural High School Refunding	6,205,000	2.5 to 3.5	10-25-10	5-1-25	6,205,000	0	6,205,000
Rural High School Refunding	730,000	2.5	2-25-11	5-1-14	415,000	315,000	100,000
Rural High School	8,000,000	2 to 4	9-28-11	5-1-31	7,975,000	25,000	7,950,000
Total Payable through Education Debt Service Fund					$ 17,185,000	$ 735,000	$ 16,450,000
Total Bonds Payable					$ 49,860,000	$ 2,355,000	$ 47,505,000
CAPITAL LEASE PAYABLE							
Contributions Due by School Department from the General Purpose School and Other Education Special Revenue Funds to the General Debt Service Fund							
Headstart Facility	957,236	11.4	12-1-03	12-1-20	$ 645,896	$ 46,689	$ 599,207
Total Capital Lease Payable					$ 645,896	$ 46,689	$ 599,207

Exhibit L-2

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

Year Ending June 30	Notes		
	Principal	Interest	Total
2014	$ 185,208	$ 1,985	$ 187,193
2015	185,208	851	186,059
2016	155,207	0	155,207
2017	84,240	0	84,240
2018	84,240	0	84,240
2019	84,240	0	84,240
2020	84,240	0	84,240
2021	84,240	0	84,240
2022	55,709	0	55,709
2023	5,893	0	5,893
Total	$ 1,008,425	$ 2,836	$ 1,011,261

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2014	$ 242,000	$ 4,644	$ 20,039	$ 266,683
2015	251,000	4,280	18,409	273,689
2016	261,000	3,903	16,717	281,620
2017	270,000	3,512	14,958	288,470
2018	281,000	3,108	13,137	297,245
2019	291,000	2,688	11,241	304,929
2020	304,000	2,254	9,277	315,531
2021	315,000	1,801	7,223	324,024
2022	187,000	1,333	5,096	193,429
2023	193,000	1,015	3,881	197,896
2024	199,000	687	2,626	202,313
2025	205,000	349	1,333	206,682
Total	$ 2,999,000	$ 29,574	$ 123,937	$ 3,152,511

(Continued)

Exhibit L-2

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

Year Ending June 30	Bonds Principal	Bonds Interest	Bonds Total
2014	$ 1,810,000	$ 1,659,979	$ 3,469,979
2015	1,860,000	1,609,111	3,469,111
2016	1,965,000	1,555,757	3,520,757
2017	2,040,000	1,495,000	3,535,000
2018	2,095,000	1,430,650	3,525,650
2019	2,200,000	1,362,244	3,562,244
2020	2,260,000	1,294,749	3,554,749
2021	2,315,000	1,225,194	3,540,194
2022	2,530,000	1,156,644	3,686,644
2023	2,640,000	1,077,844	3,717,844
2024	2,735,000	995,743	3,730,743
2025	2,830,000	905,550	3,735,550
2026	2,960,000	808,675	3,768,675
2027	2,290,000	693,275	2,983,275
2028	2,415,000	599,613	3,014,613
2029	2,375,000	502,400	2,877,400
2030	2,485,000	407,400	2,892,400
2031	2,600,000	308,000	2,908,000
2032	1,200,000	204,000	1,404,000
2033	1,250,000	156,000	1,406,000
2034	1,300,000	106,000	1,406,000
2035	1,350,000	54,000	1,404,000
Total	$ 47,505,000	$ 19,607,828	$ 67,112,828

Year Ending June 30	Capital Lease Principal	Capital Lease Interest	Capital Lease Total
2014	$ 53,455	$ 65,574	$ 119,029
2015	61,034	59,092	120,126
2016	69,523	51,700	121,223
2017	79,033	43,287	122,320
2018	89,685	33,732	123,417
2019	101,616	22,898	124,514
2020	114,982	10,629	125,611
2021	29,879	569	30,448
Total	$ 599,207	$ 287,481	$ 886,688

Exhibit L-3

Anderson County, Tennessee
Schedule of Investments
June 30, 2013

Fund and Type	Amount
Employee Health Insurance (Internal Service) Fund	
State Treasurer's Investment Pool	$ 18,565
Total Investments	$ 18,565

Exhibit L-4

Anderson County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Anderson County School Department
For the Year Ended June 30, 2013

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General	Education Debt Service	State sharing revenue	$ 16,200
"	Solid Waste/Sanitation	To establish new fund	629,873
"	Channel 95	"	4,376
"	Public Library	Capital project	100,000
"	Highway/Public Works	"	431
General Capital Projects	General	Capital expenditures	175,564
Total Transfers Primary Government			$ 926,444
DISCRETELY PRESENTED ANDERSON COUNTY SCHOOL DEPARTMENT			
General Purpose School	Central Cafeteria	Cafeteria expenditures	$ 11,102
School Federal Projects	General Purpose School	Indirect costs	75,637
Other Education Special Revenue	"	"	60,086
"	Central Cafeteria	Cafeteria expenditures	128,204
Total Transfers Discretely Presented Anderson County School Department			$ 275,029

Exhibit L-5

Anderson County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Anderson County School Department
For the Year Ended June 30, 2013

Official	Authorization for Salary	Salary Paid During Period		Bond	Surety
County Mayor:					
Myron Iwanski (7-1-12 through 8-31-12)	Section 8-24-102, *TCA*	$ 14,124	(1)	$ 50,000	Travelers Casualty and Surety Company of America
Theresa Frank (9-1-12 through 6-30-13)	Section 8-24-102, *TCA*	70,618	(2)	50,000	RLI Insurance Company
Highway Superintendent	Section 8-24-102, *TCA*	80,707		100,000	Selective Insurance Company of America
Director of Schools	State Board of Education and County Board of Education	124,825	(3)	100,000	Auto Owners Insurance Company
Trustee	Section 8-24-102, *TCA*	73,370		2,671,633	Hartford Insurance Company
Assessor of Property:					
Vernon Long (7-1-12 through 8-31-12)	Section 8-24-102, *TCA*	12,228		50,000	RLI Insurance Company
Johnny Alley (9-1-12 through 6-30-13)		61,142		50,000	"
Director of Accounts and Budgets	County Commission	73,370		25,000	Selective Insurance Company of America
County Clerk	Section 8-24-102, *TCA*	73,370		50,000	Travelers Casualty and Surety Company of America
Circuit, General Sessions, and Juvenile Courts Clerk:					
Barry Pelizzari (7-1-12 through 9-30-12)	Section 8-24-102, *TCA*	18,342		50,000	"
Tyler Mayes (10-1-12 through 6-30-13)	Section 8-24-102, *TCA*	55,028		50,000	RLI Insurance Company
Clerk and Master	Section 8-24-102, *TCA*, and Chancery Court Judge	73,370	(4)	50,000	Travelers Casualty and Surety Company of America
Register of Deeds	Section 8-24-102, *TCA*	73,370		25,000	Selective Insurance Company of America
Sheriff	Section 8-24-102, *TCA*	81,307	(5)	25,000	RLI Insurance Company
Purchasing Agent	County Commission	52,284		25,000	Selective Insurance Company of America
Employee Blanket Bonds:					
Employee Fidelity - County Departments				150,000	Tennessee Risk Management Trust
Employee Fidelity - School Department				150,000	"

(1) Does not include a vehicle allowance of $800.
(2) Does not include a vehicle allowance of $4,000.
(3) Includes a career ladder supplement of $1,000.
(4) Does not include special commissioner fees of $12,719.
(5) Includes a law enforcement training supplement of $600.

Exhibit L-6

Anderson County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
For the Year Ended June 30, 2013

		Special Revenue Funds					
	General	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
Local Taxes							
County Property Taxes							
Current Property Tax	$ 10,597,456	$ 399,850	$ 944,675	$ 0	$ 0	$ 0	$ 419,688
Trustee's Collections - Prior Year	467,758	16,211	0	0	0	0	17,016
Trustee's Collections - Bankruptcy	23,866	822	101	0	0	0	863
Circuit/Clerk & Master Collections - Prior Years	232,660	0	0	0	0	0	0
Interest and Penalty	170,036	3,204	906	0	0	0	3,364
Payments in-Lieu-of Taxes - T.V.A.	28,724	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	715,046	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	1,681,047	0	0	0	0	0	0
County Local Option Taxes							
Local Option Sales Tax	521,567	0	0	0	0	0	297,653
Hotel/Motel Tax	0	0	0	0	275,561	0	0
Litigation Tax - General	141,893	0	0	0	0	0	0
Litigation Tax - Special Purpose	17,686	0	0	0	0	0	0
Litigation Tax - Office of Public Defender	22,280	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	9,752	0	0	0	0	0	0
Litigation Tax - Victim/Offender Mediation Center	5,581	0	0	0	0	0	0
Litigation Tax - Courtroom Security	74,881	0	0	0	0	0	0
Business Tax	996,687	0	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0	104,421
Other County Local Option Taxes	704	0	0	0	0	0	0
Statutory Local Taxes							
Bank Excise Tax	25,576	0	0	0	0	0	0
Wholesale Beer Tax	143,170	0	0	0	0	0	0
Coal Severance Tax	0	0	0	0	0	0	15,572
Interstate Telecommunications Tax	2,848	0	0	0	0	0	0
Other Statutory Local Taxes	2,284	0	0	0	0	0	0
Total Local Taxes	$ 15,881,502	$ 420,087	$ 945,682	$ 0	$ 275,561	$ 0	$ 858,577
Licenses and Permits							
Licenses							
Cable TV Franchise	$ 218,947	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Permits							
Beer Permits	2,612	0	0	0	0	0	0
Building Permits	62,724	0	0	0	0	0	0
Total Licenses and Permits	$ 284,283	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

(Continued)

Exhibit L-6

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

		Special Revenue Funds					
	General	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
Fines, Forfeitures, and Penalties							
Circuit Court							
Fines	$ 25,447	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Officers Costs	37,674	0	0	0	0	0	0
Drug Control Fines	2,542	0	0	4,216	0	0	0
Drug Court Fees	1,895	0	0	0	0	0	0
Jail Fees	16,865	0	0	0	0	0	0
DUI Treatment Fines	2,886	0	0	0	0	0	0
Data Entry Fee - Circuit Court	4,423	0	0	0	0	0	0
Courtroom Security Fee	448	0	0	0	0	0	0
Victims Assistance Assessments	5,306	0	0	0	0	0	0
Criminal Court							
Drug Court Fees	304	0	0	0	0	0	0
General Sessions Court							
Fines	185,558	0	0	0	0	0	0
Officers Costs	93,368	0	0	0	0	0	0
Drug Control Fines	2,694	0	0	6,647	0	0	0
Drug Court Fees	6,899	0	0	0	0	0	0
Jail Fees	88,353	0	0	0	0	0	0
District Attorney General Fees	8,647	0	0	0	0	0	0
Data Entry Fee - General Sessions Court	18,310	0	0	0	0	0	0
Courtroom Security Fee	3,016	0	0	0	0	0	0
Victims Assistance Assessments	25,706	0	0	0	0	0	0
Juvenile Court							
Fines	2,367	0	0	0	0	0	0
Officers Costs	21,547	0	0	0	0	0	0
Drug Court Fees	938	0	0	0	0	0	0
Jail Fees	8,470	0	0	0	0	0	0
Data Entry Fee - Juvenile Court	2,741	0	0	0	0	0	0
Courtroom Security Fee	19	0	0	0	0	0	0
Chancery Court							
Officers Costs	35,265	0	0	0	0	0	0
Data Entry Fee - Chancery Court	6,800	0	0	0	0	0	0
Courtroom Security Fee	720	0	0	0	0	0	0
Other Courts - In-county							
Fines	550	0	0	0	0	0	0
Judicial District Drug Program							
Drug Task Force Forfeitures and Seizures	0	0	0	4,995	0	0	0

(Continued)

Exhibit L-6

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

		Special Revenue Funds					
	General	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
Fines, Forfeitures, and Penalties (Cont.)							
Other Fines, Forfeitures, and Penalties							
Proceeds from Confiscated Property	$ 2,125	$ 0	$ 0	$ 136,280	$ 0	$ 0	$ 0
Total Fines, Forfeitures, and Penalties	$ 611,883	$ 0	$ 0	$ 152,138	$ 0	$ 0	$ 0
Charges for Current Services							
General Service Charges							
Convenience Waste Centers Collection Charge	$ 0	$ 0	$ 55,469	$ 0	$ 0	$ 0	$ 0
Surcharge - Host Agency	0	0	230,856	0	0	0	0
Solid Waste Disposal Fees	0	0	21,292	0	0	0	0
Health Department Collections	200,500	0	0	0	0	0	0
Other General Service Charges	1,078	0	0	0	0	0	0
Fees							
Recreation Fees	80,425	0	0	0	0	0	0
Copy Fees	341	0	0	0	0	0	0
Library Fees	0	24,073	0	0	0	0	0
Archives and Records Management Fee - County Clerk	25,584	0	0	0	0	0	0
Telephone Commissions	80,667	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	1,158	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	12,719	0
Data Processing Fee - Register	24,948	0	0	0	0	0	0
Probation Fees	655	0	0	0	0	0	0
Data Processing Fee - Sheriff	13,440	0	0	0	0	0	0
Sexual Offender Registration Fees - Sheriff	2,850	0	0	0	0	0	0
Data Processing Fee - County Clerk	5,684	0	0	0	0	0	0
Other Charges for Services							
Other Charges for Services	11,052	0	0	0	0	0	0
Total Charges for Current Services	$ 447,224	$ 24,073	$ 307,617	$ 0	$ 0	$ 13,877	$ 0
Other Local Revenues							
Recurring Items							
Investment Income	$ 10,285	$ 446	$ 0	$ 349	$ 0	$ 0	$ 0
Lease/Rentals	174,612	0	0	0	0	0	0
Sale of Materials and Supplies	7,196	170	0	0	480	0	61
Commissary Sales	32,688	0	0	0	0	0	0
Sale of Gasoline	0	0	0	0	0	0	371,749
Sale of Maps	929	0	0	0	0	0	0
Sale of Recycled Materials	0	0	27,784	0	0	0	0

(Continued)

Exhibit L-6

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

	General	Special Revenue Funds					
		Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
Other Local Revenues (Cont.)							
Recurring Items (Cont.)							
Refund of Telecommunication and Internet Fees (E-Rate)	$ 0	$ 2,217	$ 0	$ 0	$ 0	$ 0	$ 0
Miscellaneous Refunds	1,324	0	0	0	0	0	8,307
Nonrecurring Items							
Sale of Equipment	37,443	0	0	0	534	0	0
Sale of Property	1,000	0	0	0	0	0	0
Contributions and Gifts	4,847	10,331	12,000	0	4,388	0	0
Performance Bond Forfeitures	210,060	0	0	0	0	0	12,000
Other Local Revenues							
Other Local Revenues	255,184	0	0	0	0	0	0
Total Other Local Revenues	$ 735,568	$ 13,164	$ 39,784	$ 349	$ 5,402	$ 0	$ 392,117
Fees Received from County Officials							
Fees in-Lieu-of Salary							
County Clerk	$ 841,913	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
General Sessions Court Clerk	1,051,786	0	0	0	0	0	0
Clerk and Master	477,031	0	0	0	0	0	0
Register	332,386	0	0	0	0	0	0
Sheriff	63,183	0	0	0	0	0	0
Trustee	1,280,190	0	0	0	0	0	0
Total Fees Received from County Officials	$ 4,046,489	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
State of Tennessee							
General Government Grants							
Juvenile Services Program	$ 15,481	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Solid Waste Grants	0	0	32,718	0	0	0	0
Other General Government Grants	9,866	0	0	0	0	0	0
Public Safety Grants							
Law Enforcement Training Programs	34,800	0	0	0	0	0	0
Drug Control Grants	49,678	0	0	0	0	0	0
Health and Welfare Grants							
Health Department Programs	428,602	0	0	0	0	0	0
Public Works Grants							
State Aid Program	0	0	0	0	0	0	475,866
Litter Program	0	0	32,367	0	0	0	0
Other State Revenues							
Income Tax	133,562	0	0	0	0	0	0

(Continued)

Exhibit L-6

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

		Special Revenue Funds					
	General	Public Library	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
State of Tennessee (Cont.)							
Other State Revenues (Cont.)							
Beer Tax	$ 18,586	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Alcoholic Beverage Tax	95,552	0	0	0	0	0	0
Mixed Drink Tax	1,183	0	0	0	0	0	0
State Revenue Sharing - T.V.A.	239,071	0	0	0	0	0	0
Prisoner Transportation	22	0	0	0	0	0	0
Contracted Prisoner Boarding	1,278,536	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0	1,885,655
Petroleum Special Tax	0	0	0	0	0	0	54,209
Registrar's Salary Supplement	15,164	0	0	0	0	0	0
Other State Grants	0	0	7,732	0	0	0	0
Other State Revenues	114,656	0	0	0	0	0	0
Total State of Tennessee	$ 2,434,759	$ 0	$ 72,817	$ 0	$ 0	$ 0	$ 2,415,730
Federal Government							
Federal Through State							
Civil Defense Reimbursement	$ 33,409	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Homeland Security Grants	171,500	0	0	0	0	0	0
Other Federal through State	303,417	0	0	0	0	0	0
Direct Federal Revenue							
Tax Credit Bond Rebate	0	0	0	0	0	0	0
Other Direct Federal Revenue	270,734	0	0	22,190	0	0	0
Total Federal Government	$ 779,060	$ 0	$ 0	$ 22,190	$ 0	$ 0	$ 0
Other Governments and Citizens Groups							
Other Governments							
Contributions	$ 67,367	$ 130,311	$ 0	$ 0	$ 0	$ 0	$ 0
Contracted Services	45,281	0	0	0	0	0	0
Citizens Groups							
Donations	5	0	0	0	0	0	0
Total Other Governments and Citizens Groups	$ 112,653	$ 130,311	$ 0	$ 0	$ 0	$ 0	$ 0
Total	$ 25,333,421	$ 587,635	$ 1,365,900	$ 174,677	$ 280,963	$ 13,877	$ 3,666,424

(Continued)

Exhibit L-6

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

	Debt Service Funds			
	General Debt Service	Rural Debt Service	Education Debt Service	Total
Local Taxes				
County Property Taxes				
Current Property Tax	$ 1,526,132	$ 176,205	$ 1,400,343	$ 15,464,349
Trustee's Collections - Prior Year	61,491	8,368	64,129	634,973
Trustee's Collections - Bankruptcy	3,115	107	661	29,535
Circuit/Clerk & Master Collections - Prior Years	0	0	0	232,660
Interest and Penalty	12,144	1,585	12,012	203,251
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	28,724
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	715,046
Payments in-Lieu-of Taxes - Other	0	0	0	1,681,047
County Local Option Taxes				
Local Option Sales Tax	0	0	0	819,220
Hotel/Motel Tax	0	0	0	275,561
Litigation Tax - General	0	0	0	141,893
Litigation Tax - Special Purpose	0	0	0	17,686
Litigation Tax - Office of Public Defender	0	0	0	22,280
Litigation Tax - Jail, Workhouse, or Courthouse	32,471	0	0	42,223
Litigation Tax - Victim/Offender Mediation Center	0	0	0	5,581
Litigation Tax - Courtroom Security	0	0	0	74,881
Business Tax	0	0	0	996,687
Mineral Severance Tax	0	0	0	104,421
Other County Local Option Taxes	0	0	0	704
Statutory Local Taxes				
Bank Excise Tax	0	0	0	25,576
Wholesale Beer Tax	0	0	0	143,170
Coal Severance Tax	0	0	0	15,572
Interstate Telecommunications Tax	0	0	0	2,848
Other Statutory Local Taxes	0	0	0	2,284
Total Local Taxes	$ 1,635,353	$ 186,265	$ 1,477,145	$ 21,680,172
Licenses and Permits				
Licenses				
Cable TV Franchise	$ 0	$ 0	$ 0	$ 218,947
Permits				
Beer Permits	0	0	0	2,612
Building Permits	0	0	0	62,724
Total Licenses and Permits	$ 0	$ 0	$ 0	$ 284,283

(Continued)

Exhibit L-6

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

	Debt Service Funds			
	General Debt Service	Rural Debt Service	Education Debt Service	Total
Fines, Forfeitures, and Penalties				
Circuit Court				
Fines	$ 0	$ 0	$ 0	$ 25,447
Officers Costs	0	0	0	37,674
Drug Control Fines	0	0	0	6,758
Drug Court Fees	0	0	0	1,895
Jail Fees	0	0	0	16,865
DUI Treatment Fines	0	0	0	2,886
Data Entry Fee - Circuit Court	0	0	0	4,423
Courtroom Security Fee	0	0	0	448
Victims Assistance Assessments	0	0	0	5,306
Criminal Court				
Drug Court Fees	0	0	0	304
General Sessions Court				
Fines	0	0	0	185,558
Officers Costs	0	0	0	93,368
Drug Control Fines	0	0	0	9,341
Drug Court Fees	0	0	0	6,899
Jail Fees	0	0	0	88,353
District Attorney General Fees	0	0	0	8,647
Data Entry Fee - General Sessions Court	0	0	0	18,310
Courtroom Security Fee	0	0	0	3,016
Victims Assistance Assessments	0	0	0	25,706
Juvenile Court				
Fines	0	0	0	2,367
Officers Costs	0	0	0	21,547
Drug Court Fees	0	0	0	938
Jail Fees	0	0	0	8,470
Data Entry Fee - Juvenile Court	0	0	0	2,741
Courtroom Security Fee	0	0	0	19
Chancery Court				
Officers Costs	0	0	0	35,265
Data Entry Fee - Chancery Court	0	0	0	6,800
Courtroom Security Fee	0	0	0	720
Other Courts - In-county				
Fines	0	0	0	550
Judicial District Drug Program				
Drug Task Force Forfeitures and Seizures	0	0	0	4,995

(Continued)

Exhibit L-6

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

	Debt Service Funds			
	General Debt Service	Rural Debt Service	Education Debt Service	Total
Fines, Forfeitures, and Penalties (Cont.)				
Other Fines, Forfeitures, and Penalties				
Proceeds from Confiscated Property	$ 0	$ 0	$ 0	$ 138,405
Total Fines, Forfeitures, and Penalties	$ 0	$ 0	$ 0	$ 764,021
Charges for Current Services				
General Service Charges				
Convenience Waste Centers Collection Charge	$ 0	$ 0	$ 0	$ 55,469
Surcharge - Host Agency	0	0	0	230,856
Solid Waste Disposal Fees	0	0	0	21,292
Health Department Collections	0	0	0	200,500
Other General Service Charges	0	0	0	1,078
Fees				
Recreation Fees	0	0	0	80,425
Copy Fees	0	0	0	341
Library Fees	0	0	0	24,073
Archives and Records Management Fee - County Clerk	0	0	0	25,584
Telephone Commissions	0	0	0	80,667
Constitutional Officers' Fees and Commissions	0	0	0	1,158
Special Commissioner Fees/Special Master Fees	0	0	0	12,719
Data Processing Fee - Register	0	0	0	24,948
Probation Fees	0	0	0	655
Data Processing Fee - Sheriff	0	0	0	13,440
Sexual Offender Registration Fees - Sheriff	0	0	0	2,850
Data Processing Fee - County Clerk	0	0	0	5,684
Other Charges for Services				
Other Charges for Services	0	0	0	11,052
Total Charges for Current Services	$ 0	$ 0	$ 0	$ 792,791
Other Local Revenues				
Recurring Items				
Investment Income	$ 47,936	$ 147	$ 3,302	$ 62,465
Lease/Rentals	0	0	0	174,612
Sale of Materials and Supplies	0	0	0	7,907
Commissary Sales	0	0	0	32,688
Sale of Gasoline	0	0	0	371,749
Sale of Maps	0	0	0	929
Sale of Recycled Materials	0	0	0	27,784

(Continued)

Exhibit L-6

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

	Debt Service Funds			
	General Debt Service	Rural Debt Service	Education Debt Service	Total
Other Local Revenues (Cont.)				
Recurring Items (Cont.)				
Refund of Telecommunication and Internet Fees (E-Rate)	$ 0	$ 0	$ 0	$ 2,217
Miscellaneous Refunds	0	0	0	9,631
Nonrecurring Items				
Sale of Equipment	0	0	0	37,977
Sale of Property	0	0	0	1,000
Contributions and Gifts	0	0	0	31,566
Performance Bond Forfeitures	0	0	0	222,060
Other Local Revenues				
Other Local Revenues	0	0	0	255,184
Total Other Local Revenues	$ 47,936	$ 147	$ 3,302	$ 1,237,769
Fees Received from County Officials				
Fees in-Lieu-of Salary				
County Clerk	$ 0	$ 0	$ 0	$ 841,913
General Sessions Court Clerk	0	0	0	1,051,786
Clerk and Master	0	0	0	477,031
Register	0	0	0	332,386
Sheriff	0	0	0	63,183
Trustee	0	0	0	1,280,190
Total Fees Received from County Officials	$ 0	$ 0	$ 0	$ 4,046,489
State of Tennessee				
General Government Grants				
Juvenile Services Program	$ 0	$ 0	$ 0	$ 15,481
Solid Waste Grants	0	0	0	32,718
Other General Government Grants	0	0	0	9,866
Public Safety Grants				
Law Enforcement Training Programs	0	0	0	34,800
Drug Control Grants	0	0	0	49,678
Health and Welfare Grants				
Health Department Programs	0	0	0	428,602
Public Works Grants				
State Aid Program	0	0	0	475,866
Litter Program	0	0	0	32,367
Other State Revenues				
Income Tax	0	0	0	133,562

(Continued)

Exhibit L-6

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

	Debt Service Funds			
	General Debt Service	Rural Debt Service	Education Debt Service	Total
State of Tennessee (Cont.)				
Other State Revenues (Cont.)				
Beer Tax	$ 0	$ 0	$ 0	$ 18,586
Alcoholic Beverage Tax	0	0	0	95,552
Mixed Drink Tax	0	0	0	1,183
State Revenue Sharing - T.V.A.	0	0	0	239,071
Prisoner Transportation	0	0	0	22
Contracted Prisoner Boarding	0	0	0	1,278,536
Gasoline and Motor Fuel Tax	0	0	0	1,885,655
Petroleum Special Tax	0	0	0	54,209
Registrar's Salary Supplement	0	0	0	15,164
Other State Grants	0	0	0	7,732
Other State Revenues	0	0	0	114,656
Total State of Tennessee	$ 0	$ 0	$ 0	$ 4,923,306
Federal Government				
Federal Through State				
Civil Defense Reimbursement	$ 0	$ 0	$ 0	$ 33,409
Homeland Security Grants	0	0	0	171,500
Other Federal through State	0	0	0	303,417
Direct Federal Revenue				
Tax Credit Bond Rebate	32,962	0	0	32,962
Other Direct Federal Revenue	0	0	0	292,924
Total Federal Government	$ 32,962	$ 0	$ 0	$ 834,212
Other Governments and Citizens Groups				
Other Governments				
Contributions	$ 0	$ 1,247,398	$ 0	$ 1,445,076
Contracted Services	0	0	0	45,281
Citizens Groups				
Donations	0	0	0	5
Total Other Governments and Citizens Groups	$ 0	$ 1,247,398	$ 0	$ 1,490,362
Total	$ 1,716,251	$ 1,433,810	$ 1,480,447	$ 36,053,405

Exhibit L-7

Anderson County, Tennessee
Schedule of Detailed Revenues -
All Governmental Fund Types
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2013

		Special Revenue Funds			
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Total
Local Taxes					
County Property Taxes					
Current Property Tax	$ 12,763,438	$ 0	$ 0	$ 0	$ 12,763,438
Trustee's Collections - Prior Year	517,685	0	0	0	517,685
Trustee's Collections - Bankruptcy	26,634	0	0	0	26,634
Circuit/Clerk & Master Collections - Prior Years	202,731	0	0	0	202,731
Interest and Penalty	170,726	0	0	0	170,726
Payments in-Lieu-of Taxes - Other	492,000	0	0	0	492,000
County Local Option Taxes					
Local Option Sales Tax	7,089,645	0	0	0	7,089,645
Statutory Local Taxes					
Coal Severance Tax	8,991	0	0	0	8,991
Interstate Telecommunications Tax	3,721	0	0	0	3,721
Total Local Taxes	$ 21,275,571	$ 0	$ 0	$ 0	$ 21,275,571
Licenses and Permits					
Licenses					
Marriage Licenses	$ 3,399	$ 0	$ 0	$ 0	$ 3,399
Total Licenses and Permits	$ 3,399	$ 0	$ 0	$ 0	$ 3,399
Fines, Forfeitures, and Penalties					
Other Courts - In-county					
DUI Treatment Fines	$ 10,000	$ 0	$ 0	$ 0	$ 10,000
Total Fines, Forfeitures, and Penalties	$ 10,000	$ 0	$ 0	$ 0	$ 10,000
Charges for Current Services					
Fees					
Copy Fees	$ 67	$ 0	$ 0	$ 0	$ 67
Education Charges					
Tuition - Adult Education	44,106	0	0	0	44,106
Tuition - Other	0	0	0	145,061	145,061
Lunch Payments - Children	0	0	444,881	872	445,753
Lunch Payments - Adults	0	0	36,862	6	36,868
Income from Breakfast	0	0	85,213	0	85,213
Special Milk Sales	0	0	22,593	0	22,593
A la carte Sales	0	0	285,600	0	285,600
Contract for Instructional Services with Other LEAs	0	1,200	0	0	1,200
Receipts from Individual Schools	48,879	0	0	0	48,879
Community Service Fees - Adults	9,595	0	0	0	9,595
Other Charges for Services					
Other Charges for Services	0	0	11,024	0	11,024
Total Charges for Current Services	$ 102,647	$ 1,200	$ 886,173	$ 145,939	$ 1,135,959
Other Local Revenues					
Recurring Items					
Investment Income	$ 8,515	$ 0	$ 0	$ 0	$ 8,515
Sale of Materials and Supplies	4,747	0	0	0	4,747
Nonrecurring Items					
Contributions and Gifts	12,076	0	0	2,209	14,285
Other Local Revenues					
Other Local Revenues	140,410	0	0	0	140,410
Total Other Local Revenues	$ 165,748	$ 0	$ 0	$ 2,209	$ 167,957

(Continued)

Exhibit L-7

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

		Special Revenue Funds			
	General Purpose School	School Federal Projects	Central Cafeteria	Other Education Special Revenue	Total
State of Tennessee					
General Government Grants					
On-Behalf Contributions for OPEB	$ 269,742	$ 0	$ 0	$ 0	$ 269,742
State Education Funds					
Basic Education Program	28,457,725	0	0	0	28,457,725
Early Childhood Education	630,259	0	0	0	630,259
School Food Service	0	0	30,860	0	30,860
Other State Education Funds	233,253	0	0	0	233,253
Career Ladder Program	240,769	0	0	0	240,769
Career Ladder - Extended Contract	136,400	0	0	0	136,400
Other Vocational	0	13,007	0	0	13,007
Other State Revenues					
State Revenue Sharing - T.V.A.	897,500	0	0	0	897,500
Other State Grants	16,375	0	0	0	16,375
Other State Revenues	0	0	0	19,027	19,027
Total State of Tennessee	$ 30,882,023	$ 13,007	$ 30,860	$ 19,027	$ 30,944,917
Federal Government					
Federal Through State					
USDA School Lunch Program	$ 0	$ 0	$ 1,521,954	$ 0	$ 1,521,954
USDA - Commodities	0	0	162,374	0	162,374
Breakfast	0	0	574,161	0	574,161
USDA - Other	12,275	0	0	191,552	203,827
Adult Education State Grant Program	128,203	0	0	0	128,203
Vocational Education - Basic Grants to States	0	107,790	0	0	107,790
Title I Grants to Local Education Agencies	0	1,479,168	0	0	1,479,168
Special Education - Grants to States	0	1,366,959	0	0	1,366,959
Special Education Preschool Grants	0	78,952	0	0	78,952
Eisenhower Professional Development State Grants	0	307,506	0	0	307,506
Race-to-the-Top - ARRA	0	414,667	0	0	414,667
Other Federal through State	0	461,749	45,998	0	507,747
Direct Federal Revenue					
ROTC Reimbursement	73,191	0	0	0	73,191
Other Direct Federal Revenue	0	0	0	2,737,773	2,737,773
Total Federal Government	$ 213,669	$ 4,216,791	$ 2,304,487	$ 2,929,325	$ 9,664,272
Other Governments and Citizens Groups					
Citizens Groups					
Donations	$ 4,287	$ 0	$ 0	$ 0	$ 4,287
Other					
Other	0	0	1,571	0	1,571
Total Other Governments and Citizens Groups	$ 4,287	$ 0	$ 1,571	$ 0	$ 5,858
Total	$ 52,657,344	$ 4,230,998	$ 3,223,091	$ 3,096,500	$ 63,207,933

Exhibit L-8

Anderson County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2013

General Fund		
General Government		
County Commission		
Secretary to Board	$ 44,675	
Board and Committee Members Fees	101,605	
Social Security	7,383	
State Retirement	11,160	
Life Insurance	749	
Medical Insurance	65,749	
Dental Insurance	7,481	
Disability Insurance	346	
Unemployment Compensation	112	
Employer Medicare	1,728	
Communication	684	
Dues and Memberships	1,600	
Legal Notices, Recording, and Court Costs	243	
Maintenance Agreements	328	
Postal Charges	120	
Printing, Stationery, and Forms	35	
Travel	6,041	
Office Supplies	1,986	
Workers' Compensation Insurance	409	
In Service/Staff Development	2,315	
Other Equipment	5,000	
Total County Commission		$ 259,749
Board of Equalization		
Board and Committee Members Fees	$ 4,280	
Social Security	265	
Unemployment Compensation	16	
Employer Medicare	62	
Legal Notices, Recording, and Court Costs	34	
Workers' Compensation Insurance	2	
Total Board of Equalization		4,659
Other Boards and Committees		
County Official/Administrative Officer	$ 37,453	
Guards	4,720	
Secretary(ies)	6,066	
Maintenance Personnel	66,766	
Part-time Personnel	15,664	
Social Security	7,602	
State Retirement	8,088	
Life Insurance	145	
Medical Insurance	19,311	
Dental Insurance	1,253	
Disability Insurance	725	
Unemployment Compensation	594	
Employer Medicare	1,778	
Advertising	250	
Communication	2,304	
Dues and Memberships	310	
Operating Lease Payments	1,250	

(Continued)

Exhibit L-8

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

General Fund (Cont.)				
General Government (Cont.)				
Other Boards and Committees (Cont.)				
Maintenance and Repair Services - Equipment	$	2,587		
Maintenance and Repair Services - Vehicles		689		
Postal Charges		45		
Rentals		2,760		
Disposal Fees		798		
Other Contracted Services		6,250		
Crushed Stone		1,528		
Custodial Supplies		2,500		
Equipment Parts - Light		483		
Gasoline		9,927		
Office Supplies		522		
Small Tools		1,458		
Tires and Tubes		1,680		
Uniforms		1,153		
Utilities		25,267		
Water and Sewer		903		
Wood Products		1,440		
Other Supplies and Materials		18,416		
Vehicle and Equipment Insurance		4,330		
Workers' Compensation Insurance		3,830		
Motor Vehicles		20,194		
Total Other Boards and Committees			$	281,039
County Mayor/Executive				
County Official/Administrative Officer	$	84,742		
Supervisor/Director		40,268		
Clerical Personnel		20,475		
Part-time Personnel		12,862		
Other Per Diem and Fees		4,800		
Social Security		9,843		
State Retirement		4,614		
Life Insurance		96		
Medical Insurance		7,102		
Dental Insurance		915		
Disability Insurance		870		
Unemployment Compensation		411		
Employer Medicare		2,302		
Communication		36		
Dues and Memberships		2,950		
Postal Charges		170		
Printing, Stationery, and Forms		149		
Travel		290		
Office Supplies		648		
Other Supplies and Materials		260		
Workers' Compensation Insurance		325		
In Service/Staff Development		849		
Total County Mayor/Executive				194,977
Personnel Office				
Assistant(s)	$	32,219		

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
General Government (Cont.)		
Personnel Office (Cont.)		
Supervisor/Director	$ 55,367	
Clerical Personnel	10,407	
Social Security	5,618	
State Retirement	7,055	
Life Insurance	102	
Medical Insurance	11,921	
Dental Insurance	1,190	
Disability Insurance	605	
Unemployment Compensation	231	
Employer Medicare	1,314	
Dues and Memberships	459	
Legal Notices, Recording, and Court Costs	1,713	
Postal Charges	344	
Other Contracted Services	2,101	
Office Supplies	1,500	
Other Supplies and Materials	1,961	
Workers' Compensation Insurance	283	
In Service/Staff Development	1,391	
Total Personnel Office		$ 135,781
County Attorney		
County Official/Administrative Officer	$ 137,903	
Paraprofessionals	43,875	
Secretary(ies)	31,772	
Part-time Personnel	4,590	
Social Security	11,518	
State Retirement	16,310	
Life Insurance	144	
Medical Insurance	27,382	
Dental Insurance	1,438	
Disability Insurance	1,397	
Unemployment Compensation	386	
Employer Medicare	2,927	
Communication	2,224	
Dues and Memberships	1,844	
Legal Services	3,580	
Maintenance and Repair Services - Office Equipment	1,758	
Postal Charges	5,145	
Travel	374	
Other Contracted Services	3,529	
Library Books/Media	616	
Office Supplies	1,997	
Other Supplies and Materials	80	
Workers' Compensation Insurance	657	
In Service/Staff Development	500	
Total County Attorney		301,946
Election Commission		
County Official/Administrative Officer	$ 66,033	
Deputy(ies)	117,691	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
General Government (Cont.)		
Election Commission (Cont.)		
Part-time Personnel	$ 1,572	
Other Salaries and Wages	9,852	
Election Commission	8,025	
Election Workers	93,871	
Social Security	14,991	
State Retirement	14,866	
Life Insurance	292	
Medical Insurance	32,325	
Dental Insurance	3,012	
Disability Insurance	1,205	
Unemployment Compensation	665	
Employer Medicare	3,553	
Communication	4,846	
Data Processing Services	3,225	
Dues and Memberships	410	
Legal Notices, Recording, and Court Costs	7,658	
Maintenance Agreements	14,425	
Maintenance and Repair Services - Equipment	1,560	
Postal Charges	7,632	
Printing, Stationery, and Forms	6,572	
Rentals	25,535	
Travel	5,429	
Other Contracted Services	3,162	
Office Supplies	5,831	
Periodicals	316	
Other Supplies and Materials	638	
Workers' Compensation Insurance	1,408	
In Service/Staff Development	1,600	
Data Processing Equipment	8,036	
Total Election Commission		$ 466,236
Register of Deeds		
County Official/Administrative Officer	$ 73,370	
Clerical Personnel	179,712	
Part-time Personnel	4,956	
Social Security	14,973	
State Retirement	20,671	
Life Insurance	255	
Medical Insurance	32,325	
Dental Insurance	1,785	
Disability Insurance	1,765	
Unemployment Compensation	370	
Employer Medicare	3,574	
Communication	516	
Dues and Memberships	681	
Maintenance and Repair Services - Office Equipment	37,412	
Postal Charges	2,191	
Rentals	316	
Travel	3,105	
Data Processing Supplies	1,698	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
General Government (Cont.)		
Register of Deeds (Cont.)		
Duplicating Supplies	$ 838	
Office Supplies	484	
Workers' Compensation Insurance	651	
In Service/Staff Development	450	
Data Processing Equipment	9,942	
Furniture and Fixtures	310	
Total Register of Deeds		$ 392,350
Planning		
Supervisor/Director	$ 24,745	
Clerical Personnel	10,683	
Part-time Personnel	13,380	
Other Salaries and Wages	83,002	
Social Security	9,094	
State Retirement	7,414	
Life Insurance	154	
Medical Insurance	20,781	
Dental Insurance	1,451	
Disability Insurance	853	
Unemployment Compensation	515	
Employer Medicare	2,127	
Communication	2,193	
Data Processing Services	3,300	
Dues and Memberships	323	
Legal Notices, Recording, and Court Costs	1,053	
Maintenance Agreements	2,740	
Maintenance and Repair Services - Vehicles	2,628	
Postal Charges	184	
Printing, Stationery, and Forms	181	
Travel	1,564	
Other Contracted Services	161,996	
Gasoline	3,812	
Office Supplies	1,158	
Other Supplies and Materials	1,256	
Vehicle and Equipment Insurance	3,000	
Workers' Compensation Insurance	580	
In Service/Staff Development	1,421	
Data Processing Equipment	3,988	
Total Planning		365,576
Building		
Maintenance and Repair Services - Buildings	$ 2,993	
Maintenance and Repair Services - Equipment	3,975	
Other Supplies and Materials	965	
Data Processing Equipment	10,259	
Furniture and Fixtures	3,856	
Total Building		22,048
County Buildings		
Custodial Personnel	$ 131,600	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
General Government (Cont.)		
County Buildings (Cont.)		
Maintenance Personnel	$ 39,171	
Social Security	9,787	
State Retirement	13,878	
Life Insurance	275	
Medical Insurance	43,068	
Dental Insurance	2,458	
Disability Insurance	1,145	
Unemployment Compensation	553	
Employer Medicare	2,289	
Communication	3,168	
Janitorial Services	4,680	
Maintenance and Repair Services - Buildings	46,257	
Pest Control	2,460	
Disposal Fees	3,978	
Other Contracted Services	39,487	
Custodial Supplies	26,849	
Electricity	230,696	
Gasoline	2,903	
Natural Gas	28,390	
Office Supplies	232	
Tires and Tubes	622	
Uniforms	2,364	
Water and Sewer	27,890	
Other Supplies and Materials	12,573	
Workers' Compensation Insurance	7,561	
Other Charges	615	
Building Improvements	144,651	
Heating and Air Conditioning Equipment	10,730	
Other Construction	3,444	
Total County Buildings		$ 843,774
Other General Administration		
Audit Services	$ 22,539	
Contracts with Private Agencies	4,335	
Legal Services	4,008	
Legal Notices, Recording, and Court Costs	324	
Remittance of Revenue Collected	5,581	
Other Contracted Services	70,927	
Other Supplies and Materials	3,837	
Premiums on Corporate Surety Bonds	742	
Liability Claims	3,720	
Other Charges	714	
Total Other General Administration		116,727
Preservation of Records		
Clerical Personnel	$ 29,877	
Social Security	1,768	
State Retirement	2,440	
Life Insurance	37	
Medical Insurance	4,241	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
General Government (Cont.)		
Preservation of Records (Cont.)		
Dental Insurance	$ 595	
Disability Insurance	205	
Unemployment Compensation	90	
Employer Medicare	413	
Postal Charges	22	
Other Supplies and Materials	1,373	
Workers' Compensation Insurance	86	
Other Capital Outlay	89,197	
Total Preservation of Records		$ 130,344
Finance		
Accounting and Budgeting		
County Official/Administrative Officer	$ 73,370	
Accountants/Bookkeepers	310,569	
Part-time Personnel	22,740	
Social Security	22,785	
State Retirement	31,315	
Life Insurance	440	
Medical Insurance	90,802	
Dental Insurance	4,371	
Disability Insurance	2,660	
Unemployment Compensation	922	
Employer Medicare	5,329	
Communication	2,173	
Data Processing Services	2,050	
Dues and Memberships	820	
Legal Notices, Recording, and Court Costs	221	
Maintenance Agreements	29,106	
Maintenance and Repair Services - Office Equipment	978	
Postal Charges	4,515	
Printing, Stationery, and Forms	608	
Travel	839	
Other Contracted Services	419	
Office Supplies	4,118	
Workers' Compensation Insurance	1,152	
In Service/Staff Development	1,725	
Data Processing Equipment	4,395	
Total Accounting and Budgeting		618,422
Purchasing		
County Official/Administrative Officer	$ 52,284	
Purchasing Personnel	68,741	
Part-time Personnel	4,675	
Social Security	6,872	
State Retirement	9,865	
Life Insurance	153	
Medical Insurance	23,843	
Dental Insurance	1,190	
Disability Insurance	775	
Unemployment Compensation	308	

(Continued)

Exhibit L-8

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

General Fund (Cont.)				
Finance (Cont.)				
Purchasing (Cont.)				
Employer Medicare	$	1,607		
Advertising		2,094		
Communication		1,208		
Dues and Memberships		440		
Postal Charges		1,924		
Printing, Stationery, and Forms		1,150		
Rentals		1,417		
Travel		2,845		
Other Contracted Services		26,592		
Gasoline		796		
Office Supplies		1,844		
Uniforms		350		
Other Supplies and Materials		2,469		
Vehicle and Equipment Insurance		750		
Workers' Compensation Insurance		359		
In Service/Staff Development		2,226		
Data Processing Equipment		695		
Total Purchasing			$	217,472
Property Assessor's Office				
County Official/Administrative Officer	$	73,370		
Deputy(ies)		155,975		
Social Security		14,169		
State Retirement		18,697		
Life Insurance		238		
Medical Insurance		26,204		
Dental Insurance		1,870		
Disability Insurance		1,620		
Unemployment Compensation		428		
Employer Medicare		3,314		
Audit Services		40,970		
Communication		7,444		
Data Processing Services		20,293		
Operating Lease Payments		731		
Maintenance Agreements		4,875		
Postal Charges		1,546		
Travel		5,914		
Other Contracted Services		373		
Office Supplies		193		
Other Supplies and Materials		2,024		
Workers' Compensation Insurance		1,532		
In Service/Staff Development		45		
Data Processing Equipment		2,080		
Total Property Assessor's Office				383,905
Reappraisal Program				
Deputy(ies)	$	101,663		
Social Security		5,494		
State Retirement		6,365		
Life Insurance		130		

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Finance (Cont.)		
Reappraisal Program (Cont.)		
Medical Insurance	$ 12,197	
Dental Insurance	855	
Disability Insurance	587	
Unemployment Compensation	306	
Employer Medicare	1,285	
Data Processing Services	7,145	
Travel	1,996	
Gasoline	500	
Office Supplies	487	
Uniforms	525	
Other Supplies and Materials	80	
Workers' Compensation Insurance	797	
Total Reappraisal Program		$ 140,412
County Trustee's Office		
County Official/Administrative Officer	$ 73,370	
Clerical Personnel	295,390	
Part-time Personnel	17,341	
Social Security	22,623	
State Retirement	29,719	
Life Insurance	447	
Medical Insurance	44,246	
Dental Insurance	4,141	
Disability Insurance	2,489	
Unemployment Compensation	927	
Employer Medicare	5,291	
Communication	3,572	
Data Processing Services	200	
Dues and Memberships	1,056	
Legal Notices, Recording, and Court Costs	48	
Maintenance Agreements	22,000	
Postal Charges	8,867	
Printing, Stationery, and Forms	10,352	
Rentals	14,451	
Travel	5,132	
Other Contracted Services	2,109	
Gasoline	1,198	
Office Supplies	1,163	
Utilities	3,359	
Water and Sewer	686	
Other Supplies and Materials	2,330	
Workers' Compensation Insurance	1,222	
In Service/Staff Development	1,050	
Data Processing Equipment	8,016	
Furniture and Fixtures	2,052	
Office Equipment	2,079	
Total County Trustee's Office		586,926
County Clerk's Office		
County Official/Administrative Officer	$ 73,370	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Finance (Cont.)		
County Clerk's Office (Cont.)		
Clerical Personnel	$ 430,422	
Part-time Personnel	29,412	
Social Security	31,079	
State Retirement	40,762	
Life Insurance	779	
Medical Insurance	77,974	
Dental Insurance	7,550	
Disability Insurance	3,401	
Unemployment Compensation	1,639	
Employer Medicare	7,269	
Communication	7,049	
Data Processing Services	16,243	
Dues and Memberships	746	
Legal Notices, Recording, and Court Costs	1,008	
Maintenance and Repair Services - Buildings	1,028	
Postal Charges	19,946	
Printing, Stationery, and Forms	1,767	
Travel	2,500	
Other Contracted Services	590	
Data Processing Supplies	1,662	
Office Supplies	6,466	
Tires and Tubes	345	
Other Supplies and Materials	875	
Workers' Compensation Insurance	1,530	
In Service/Staff Development	250	
Data Processing Equipment	1,000	
Other Equipment	5,664	
Total County Clerk's Office		$ 772,326
Administration of Justice		
Circuit Court		
County Official/Administrative Officer	$ 73,370	
Clerical Personnel	654,804	
Part-time Personnel	39,783	
Social Security	44,917	
State Retirement	50,920	
Life Insurance	925	
Medical Insurance	105,528	
Dental Insurance	8,463	
Disability Insurance	4,767	
Unemployment Compensation	2,455	
Employer Medicare	10,505	
Communication	10,533	
Data Processing Services	41,980	
Dues and Memberships	300	
Legal Notices, Recording, and Court Costs	255	
Maintenance Agreements	14,047	
Maintenance and Repair Services - Office Equipment	4,838	
Postal Charges	18,566	
Printing, Stationery, and Forms	7,925	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
Circuit Court (Cont.)		
Transportation - Other than Students	$ 78	
Travel	4,906	
Other Contracted Services	14,229	
Data Processing Supplies	2,470	
Duplicating Supplies	4,709	
Office Supplies	8,231	
Other Supplies and Materials	5,485	
Workers' Compensation Insurance	2,272	
In Service/Staff Development	1,846	
Data Processing Equipment	119,169	
Office Equipment	4,990	
Other Capital Outlay	9,866	
Total Circuit Court		$ 1,273,132
Criminal Court		
Postal Charges	$ 17	
Duplicating Supplies	140	
Office Supplies	446	
Total Criminal Court		603
General Sessions Judge		
Judge(s)	$ 306,450	
Assistant(s)	65,075	
Other Salaries and Wages	23,663	
Social Security	19,269	
State Retirement	32,273	
Life Insurance	207	
Medical Insurance	13,750	
Dental Insurance	1,813	
Disability Insurance	2,619	
Unemployment Compensation	263	
Employer Medicare	5,570	
Dues and Memberships	900	
Printing, Stationery, and Forms	412	
Rentals	84,240	
Travel	2,395	
Disposal Fees	496	
Office Supplies	699	
Workers' Compensation Insurance	925	
In Service/Staff Development	1,124	
Other Charges	11,066	
Total General Sessions Judge		573,209
Drug Court		
County Official/Administrative Officer	$ 34,051	
Social Security	1,847	
State Retirement	2,782	
Life Insurance	51	
Medical Insurance	11,921	
Dental Insurance	595	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
Drug Court (Cont.)		
Disability Insurance	$ 239	
Unemployment Compensation	90	
Employer Medicare	432	
Communication	406	
Dues and Memberships	200	
Travel	963	
Office Supplies	591	
Other Supplies and Materials	2,584	
Workers' Compensation Insurance	97	
Total Drug Court		$ 56,849
Chancery Court		
County Official/Administrative Officer	$ 73,370	
Clerical Personnel	216,770	
Part-time Personnel	2,629	
Overtime Pay	2,192	
Social Security	17,339	
State Retirement	23,240	
Life Insurance	326	
Medical Insurance	35,003	
Dental Insurance	2,728	
Disability Insurance	1,957	
Unemployment Compensation	812	
Employer Medicare	4,055	
Communication	485	
Data Processing Services	525	
Dues and Memberships	546	
Maintenance Agreements	2,990	
Maintenance and Repair Services - Office Equipment	11,223	
Postal Charges	6,580	
Printing, Stationery, and Forms	1,348	
Data Processing Supplies	398	
Duplicating Supplies	1,229	
Office Supplies	5,389	
Other Supplies and Materials	3,806	
Premiums on Corporate Surety Bonds	50	
Workers' Compensation Insurance	861	
Data Processing Equipment	1,300	
Total Chancery Court		417,151
Juvenile Court		
Judge(s)	$ 153,225	
Other Salaries and Wages	218,367	
Social Security	19,087	
State Retirement	27,523	
Life Insurance	327	
Medical Insurance	50,207	
Dental Insurance	3,075	
Disability Insurance	2,502	
Unemployment Compensation	720	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
Juvenile Court (Cont.)		
Employer Medicare	$ 5,117	
Communication	992	
Contracts with Government Agencies	20,575	
Dues and Memberships	150	
Evaluation and Testing	1,238	
Maintenance and Repair Services - Vehicles	500	
Postal Charges	762	
Printing, Stationery, and Forms	312	
Rentals	444	
Travel	3,410	
Custodial Supplies	8	
Gasoline	782	
Office Supplies	2,040	
Other Supplies and Materials	8,344	
Vehicle and Equipment Insurance	750	
Workers' Compensation Insurance	1,260	
In Service/Staff Development	1,500	
Total Juvenile Court		$ 523,217
District Attorney General		
Other Salaries and Wages	$ 26,788	
Social Security	1,484	
State Retirement	1,713	
Life Insurance	42	
Medical Insurance	7,979	
Dental Insurance	397	
Disability Insurance	163	
Unemployment Compensation	124	
Employer Medicare	347	
Total District Attorney General		39,037
Office of Public Defender		
Part-time Personnel	$ 28,583	
Social Security	1,781	
Unemployment Compensation	226	
Employer Medicare	417	
Travel	247	
Workers' Compensation Insurance	58	
In Service/Staff Development	300	
Total Office of Public Defender		31,612
Judicial Commissioners		
Office Supplies	$ 53	
Total Judicial Commissioners		53
Probate Court		
Communication	$ 468	
Printing, Stationery, and Forms	684	
Duplicating Supplies	512	
Office Supplies	479	
Other Supplies and Materials	601	
Total Probate Court		2,744

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
Other Administration of Justice		
Supervisor/Director	$ 41,836	
Probation Officer(s)	96,896	
Social Security	8,354	
State Retirement	7,955	
Life Insurance	210	
Medical Insurance	21,477	
Dental Insurance	1,521	
Disability Insurance	1,059	
Unemployment Compensation	525	
Employer Medicare	1,954	
Communication	915	
Dues and Memberships	100	
Postal Charges	248	
Printing, Stationery, and Forms	502	
Travel	1,194	
Other Contracted Services	180,536	
Office Supplies	1,875	
Other Supplies and Materials	5,961	
Workers' Compensation Insurance	341	
In Service/Staff Development	90	
Total Other Administration of Justice		$ 373,549
Courtroom Security		
Data Processing Services	$ 1,040	
Other Contracted Services	9,981	
Law Enforcement Supplies	14,499	
Other Supplies and Materials	1,982	
Other Construction	17,401	
Total Courtroom Security		44,903
Victims Assistance Programs		
Remittance of Revenue Collected	$ 31,012	
Total Victims Assistance Programs		31,012
Public Safety		
Sheriff's Department		
County Official/Administrative Officer	$ 81,307	
Deputy(ies)	2,225,201	
Secretary(ies)	37,688	
Clerical Personnel	49,915	
School Resource Officer	276,364	
Overtime Pay	127,358	
Other Salaries and Wages	176,158	
Social Security	172,966	
State Retirement	222,616	
Life Insurance	3,535	
Medical Insurance	505,600	
Dental Insurance	31,979	
Disability Insurance	18,247	
Unemployment Compensation	6,928	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Public Safety (Cont.)		
Sheriff's Department (Cont.)		
Employer Medicare	$ 40,457	
Advertising	17	
Communication	58,861	
Contracts with Government Agencies	800	
Contracts with Private Agencies	7,684	
Data Processing Services	3,750	
Dues and Memberships	2,500	
Operating Lease Payments	5,600	
Maintenance and Repair Services - Equipment	43,436	
Maintenance and Repair Services - Office Equipment	219	
Maintenance and Repair Services - Vehicles	4,668	
Medical and Dental Services	7,281	
Postal Charges	10,289	
Printing, Stationery, and Forms	2,658	
Rentals	1,966	
Travel	4,703	
Other Contracted Services	232	
Duplicating Supplies	691	
Gasoline	198,025	
Law Enforcement Supplies	14,797	
Office Supplies	5,757	
Tires and Tubes	24,922	
Uniforms	37,856	
Utilities	4,898	
Other Supplies and Materials	854	
Liability Insurance	57,713	
Vehicle and Equipment Insurance	52,612	
Workers' Compensation Insurance	92,454	
Liability Claims	59,225	
In Service/Staff Development	2,300	
Communication Equipment	8,361	
Data Processing Equipment	7,186	
Law Enforcement Equipment	21,281	
Total Sheriff's Department		$ 4,719,915
Jail		
Guards	$ 2,589,179	
Clerical Personnel	71,777	
Cafeteria Personnel	30,083	
Overtime Pay	36,602	
Other Salaries and Wages	40,327	
Social Security	158,590	
State Retirement	195,226	
Life Insurance	3,926	
Medical Insurance	547,075	
Dental Insurance	36,227	
Disability Insurance	17,280	
Unemployment Compensation	9,486	
Employer Medicare	37,090	
Communication	21,733	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Public Safety (Cont.)		
Jail (Cont.)		
Contracts with Government Agencies	$ 2,010	
Contracts with Private Agencies	5,973	
Dues and Memberships	100	
Fiscal Agent Charges	765	
Maintenance and Repair Services - Buildings	15,306	
Maintenance and Repair Services - Equipment	2,486	
Medical and Dental Services	9,657	
Pest Control	480	
Printing, Stationery, and Forms	815	
Rentals	998	
Travel	4,063	
Disposal Fees	4,878	
Other Contracted Services	313,876	
Custodial Supplies	69,981	
Duplicating Supplies	1,236	
Electricity	88,150	
Food Preparation Supplies	180	
Food Supplies	426,916	
Gasoline	31,088	
Law Enforcement Supplies	2,595	
Natural Gas	58,702	
Office Supplies	11,717	
Prisoners Clothing	14,909	
Uniforms	19,169	
Water and Sewer	121,584	
Other Supplies and Materials	31,419	
Building and Contents Insurance	18,316	
Liability Insurance	37,346	
Medical Claims	380,168	
Vehicle and Equipment Insurance	8,805	
Workers' Compensation Insurance	86,331	
Liability Claims	23,316	
In Service/Staff Development	1,674	
Other Charges	700	
Communication Equipment	4,467	
Data Processing Equipment	1,932	
Furniture and Fixtures	3,400	
Total Jail		$ 5,600,109
Commissary		
Other Supplies and Materials	$ 22,937	
Other Equipment	3,550	
Other Capital Outlay	4,707	
Total Commissary		31,194
Civil Defense		
County Official/Administrative Officer	$ 26,208	
Other Salaries and Wages	19,727	
Social Security	2,872	
Unemployment Compensation	200	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Public Safety (Cont.)		
Civil Defense (Cont.)		
Employer Medicare	$ 672	
Communication	2,925	
Contracts with Government Agencies	2,000	
Contributions	108,715	
Maintenance and Repair Services - Equipment	160	
Maintenance and Repair Services - Office Equipment	1,000	
Maintenance and Repair Services - Vehicles	2,400	
Postal Charges	199	
Rentals	4,150	
Travel	500	
Other Contracted Services	15,000	
Gasoline	4,204	
Office Supplies	996	
Tires and Tubes	1,777	
Other Supplies and Materials	16,431	
Building and Contents Insurance	2,000	
Vehicle and Equipment Insurance	6,500	
Workers' Compensation Insurance	92	
In Service/Staff Development	413	
Other Charges	350	
Communication Equipment	171,500	
Total Civil Defense		$ 390,991
Rescue Squad		
Contributions	$ 20,000	
Total Rescue Squad		20,000
Other Emergency Management		
Dispatchers/Radio Operators	$ 413,419	
Overtime Pay	25,489	
Social Security	31,483	
State Retirement	33,710	
Life Insurance	747	
Medical Insurance	92,713	
Dental Insurance	5,863	
Disability Insurance	3,302	
Unemployment Compensation	1,930	
Employer Medicare	7,377	
Communication	663	
Contracts with Government Agencies	4,641	
Contracts with Private Agencies	3,367	
Medical and Dental Services	1,000	
Travel	1,718	
Office Supplies	988	
Workers' Compensation Insurance	1,401	
In Service/Staff Development	20	
Total Other Emergency Management		629,831
County Coroner/Medical Examiner		
Other Contracted Services	$ 110,000	
Total County Coroner/Medical Examiner		110,000

(Continued)

Exhibit L-8

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

General Fund (Cont.)				
Public Safety (Cont.)				
Public Safety Grant Programs				
Supervisor/Director	$	18,684		
Social Security		1,113		
State Retirement		914		
Life Insurance		13		
Medical Insurance		2,065		
Dental Insurance		99		
Disability Insurance		88		
Employer Medicare		260		
Communication		264		
Printing, Stationery, and Forms		385		
Travel		1,518		
Office Supplies		212		
Other Supplies and Materials		431		
Workers' Compensation Insurance		147		
In Service/Staff Development		349		
Data Processing Equipment		3,122		
Total Public Safety Grant Programs			$	29,664
Other Public Safety				
Mechanic(s)	$	72,433		
Clerical Personnel		2,116		
Part-time Personnel		8,033		
Social Security		7,184		
State Retirement		9,355		
Life Insurance		144		
Medical Insurance		28,666		
Dental Insurance		1,517		
Disability Insurance		783		
Unemployment Compensation		387		
Employer Medicare		1,680		
Communication		2,711		
Maintenance and Repair Services - Vehicles		3,486		
Rentals		8,400		
Towing Services		1,710		
Other Contracted Services		11,671		
Garage Supplies		17,282		
Gasoline		3,515		
Lubricants		14,240		
Office Supplies		668		
Small Tools		1,487		
Tires and Tubes		1,004		
Uniforms		1,388		
Utilities		12,378		
Vehicle Parts		77,453		
Other Supplies and Materials		1,487		
Vehicle and Equipment Insurance		1,443		
Workers' Compensation Insurance		5,988		
In Service/Staff Development		2,863		
Total Other Public Safety				301,472

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Public Health and Welfare		
Local Health Center		
Medical Personnel	$ 19,352	
Clerical Personnel	47,255	
Other Salaries and Wages	23,293	
Social Security	5,166	
State Retirement	5,623	
Life Insurance	153	
Medical Insurance	20,403	
Dental Insurance	1,190	
Disability Insurance	485	
Unemployment Compensation	465	
Employer Medicare	1,208	
Communication	2,756	
Contracts with Other Public Agencies	11,704	
Dues and Memberships	763	
Laundry Service	1,875	
Maintenance and Repair Services - Buildings	4,994	
Maintenance and Repair Services - Equipment	544	
Postal Charges	3,700	
Printing, Stationery, and Forms	314	
Rentals	744	
Travel	565	
Disposal Fees	640	
Other Contracted Services	1,577	
Drugs and Medical Supplies	2,756	
Electricity	31,660	
Gasoline	109	
Office Supplies	8,021	
Uniforms	398	
Other Supplies and Materials	6,674	
Building and Contents Insurance	2,400	
Workers' Compensation Insurance	859	
In Service/Staff Development	310	
Other Charges	3,274	
Building Improvements	17,835	
Heating and Air Conditioning Equipment	5,096	
Total Local Health Center		$ 234,161
Rabies and Animal Control		
Other Salaries and Wages	$ 60,213	
Social Security	3,470	
State Retirement	4,918	
Life Insurance	102	
Medical Insurance	12,589	
Dental Insurance	595	
Disability Insurance	414	
Unemployment Compensation	180	
Employer Medicare	811	
Communication	828	
Contracts with Government Agencies	26,914	
Maintenance and Repair Services - Vehicles	1,800	

(Continued)

Exhibit L-8

Anderson 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	$ 13,287	
Tires and Tubes	1,098	
Uniforms	370	
Other Supplies and Materials	3	
Vehicle and Equipment Insurance	1,500	
Workers' Compensation Insurance	2,493	
In Service/Staff Development	110	
Total Rabies and Animal Control		$ 131,695
Dental Health Program		
Medical Personnel	$ 210,291	
Social Security	11,913	
State Retirement	12,961	
Life Insurance	153	
Medical Insurance	35,764	
Dental Insurance	1,786	
Disability Insurance	1,078	
Unemployment Compensation	703	
Employer Medicare	2,852	
Communication	495	
Maintenance and Repair Services - Equipment	1,050	
Maintenance and Repair Services - Vehicles	834	
Postal Charges	500	
Travel	315	
Disposal Fees	80	
Other Contracted Services	4,000	
Drugs and Medical Supplies	12,797	
Office Supplies	2,402	
Other Supplies and Materials	10,221	
Liability Insurance	1,460	
Workers' Compensation Insurance	3,815	
Other Charges	2,928	
Motor Vehicles	4,200	
Health Equipment	16,986	
Total Dental Health Program		339,584
Alcohol and Drug Programs		
Contributions	$ 10,000	
Total Alcohol and Drug Programs		10,000
Other Local Health Services		
Medical Personnel	$ 173,099	
Clerical Personnel	99,621	
Social Security	15,631	
State Retirement	16,367	
Life Insurance	471	
Medical Insurance	50,473	
Dental Insurance	3,794	
Disability Insurance	1,620	
Unemployment Compensation	1,338	

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
Other Local Health Services (Cont.)		
Employer Medicare	$ 3,656	
Travel	10,202	
Liability Insurance	1,000	
Workers' Compensation Insurance	624	
Total Other Local Health Services		$ 377,896
Appropriation to State		
Contracts with Other Public Agencies	$ 110,782	
Total Appropriation to State		110,782
Social, Cultural, and Recreational Services		
Parks and Fair Boards		
Contributions	$ 3,000	
Total Parks and Fair Boards		3,000
Other Social, Cultural, and Recreational		
Contributions	$ 40,470	
Total Other Social, Cultural, and Recreational		40,470
Agriculture and Natural Resources		
Agriculture Extension Service		
Clerical Personnel	$ 39,418	
Social Security	1,780	
State Retirement	2,693	
Life Insurance	72	
Medical Insurance	11,921	
Dental Insurance	694	
Disability Insurance	235	
Unemployment Compensation	90	
Employer Medicare	416	
Dues and Memberships	226	
Maintenance Agreements	742	
Postal Charges	1,370	
Travel	993	
Other Contracted Services	49,594	
Workers' Compensation Insurance	133	
In Service/Staff Development	40	
Total Agriculture Extension Service		110,417
Soil Conservation		
Secretary(ies)	$ 33,819	
Social Security	1,824	
State Retirement	2,751	
Life Insurance	51	
Medical Insurance	11,921	
Dental Insurance	595	
Disability Insurance	231	
Unemployment Compensation	90	
Employer Medicare	427	
Dues and Memberships	290	
Workers' Compensation Insurance	97	
Total Soil Conservation		52,096

(Continued)

Exhibit L-8

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

General Fund (Cont.)		
Agriculture and Natural Resources (Cont.)		
Storm Water Management		
County Official/Administrative Officer	$ 22,631	
Social Security	750	
State Retirement	1,019	
Life Insurance	6	
Medical Insurance	540	
Dental Insurance	25	
Disability Insurance	60	
Employer Medicare	175	
Gasoline	1,056	
Other Supplies and Materials	78	
Workers' Compensation Insurance	1,999	
Other Charges	3,460	
Total Storm Water Management		$ 31,799
Other Operations		
Industrial Development		
Contributions	$ 162,000	
Total Industrial Development		162,000
Other Economic and Community Development		
Other Contracted Services	$ 272,230	
Total Other Economic and Community Development		272,230
Veterans' Services		
County Official/Administrative Officer	$ 47,345	
Assistant(s)	26,482	
Social Security	4,486	
State Retirement	6,023	
Life Insurance	102	
Medical Insurance	4,241	
Dental Insurance	893	
Disability Insurance	510	
Unemployment Compensation	180	
Employer Medicare	1,049	
Advertising	45	
Communication	408	
Dues and Memberships	25	
Maintenance Agreements	233	
Postal Charges	1,151	
Printing, Stationery, and Forms	473	
Rentals	444	
Travel	1,507	
Other Contracted Services	2,300	
Office Supplies	1,396	
Other Supplies and Materials	75	
Workers' Compensation Insurance	199	
Total Veterans' Services		99,567
Other Charges		
Contributions	$ 136,000	

(Continued)

Exhibit L-8

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

General Fund (Cont.)			
Other Operations (Cont.)			
Other Charges (Cont.)			
Postal Charges	$ 3,195		
Other Contracted Services	1,494		
Duplicating Supplies	1,625		
Building and Contents Insurance	5,100		
Liability Insurance	115,612		
Trustee's Commission	292,004		
Total Other Charges		$ 555,030	
Miscellaneous			
Communication	$ 82,729		
Dues and Memberships	16,550		
Total Miscellaneous		99,279	
Capital Projects			
Public Utility Projects			
Engineering Services	$ 17,797		
Other Contracted Services	226,707		
Other Construction	58,728		
Total Public Utility Projects		303,232	
Total General Fund			$ 24,368,154
Public Library Fund			
Social, Cultural, and Recreational Services			
Libraries			
Librarians	$ 176,200		
Part-time Personnel	152,863		
Social Security	19,253		
State Retirement	11,112		
Life Insurance	280		
Medical Insurance	37,771		
Dental Insurance	2,405		
Disability Insurance	1,192		
Unemployment Compensation	1,665		
Employer Medicare	4,503		
Communication	8,384		
Data Processing Services	1,838		
Dues and Memberships	265		
Maintenance Agreements	3,084		
Maintenance and Repair Services - Buildings	1,102		
Pest Control	240		
Postal Charges	2,225		
Rentals	70		
Travel	3,631		
Custodial Supplies	1,439		
Library Books/Media	39,475		
Office Supplies	2,408		
Periodicals	3,205		
Utilities	28,558		
Other Supplies and Materials	10,504		

(Continued)

Exhibit L-8

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

Public Library Fund (Cont.)			
Social, Cultural, and Recreational Services (Cont.)			
Libraries (Cont.)			
Trustee's Commission	$ 8,660		
Workers' Compensation Insurance	944		
In Service/Staff Development	2,584		
Building Construction	383,546		
Heating and Air Conditioning Equipment	13,360		
Office Equipment	363		
Total Libraries		$ 923,129	
Total Public Library Fund			$ 923,129
Solid Waste/Sanitation Fund			
Public Health and Welfare			
Sanitation Management			
County Official/Administrative Officer	$ 20,653		
Supervisor/Director	34,569		
Laborers	24,137		
Social Security	4,084		
State Retirement	5,877		
Life Insurance	106		
Medical Insurance	17,688		
Dental Insurance	967		
Disability Insurance	452		
Unemployment Compensation	180		
Employer Medicare	955		
Advertising	1,512		
Communication	855		
Maintenance and Repair Services - Vehicles	1,500		
Gasoline	4,946		
Instructional Supplies and Materials	100		
Tires and Tubes	470		
Other Supplies and Materials	183		
Trustee's Commission	22,168		
Vehicle and Equipment Insurance	1,500		
Workers' Compensation Insurance	69		
Total Sanitation Management		$ 142,971	
Convenience Centers			
Engineering Services	$ 12,100		
Maintenance and Repair Services - Buildings	1,598		
Rentals	8,602		
Other Contracted Services	500,992		
Electricity	2,620		
General Construction Materials	327		
Water and Sewer	1,341		
Fencing	1,100		
Solid Waste Equipment	3,875		
Total Convenience Centers		532,555	
Other Waste Collection			
Supervisor/Director	$ 2,700		

(Continued)

Exhibit L-8

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

Solid Waste/Sanitation Fund (Cont.)			
Public Health and Welfare (Cont.)			
Other Waste Collection (Cont.)			
Deputy(ies)	$ 32,504		
Social Security	2,131		
State Retirement	2,720		
Life Insurance	52		
Medical Insurance	4,382		
Dental Insurance	307		
Disability Insurance	232		
Unemployment Compensation	99		
Employer Medicare	498		
Communication	476		
Maintenance and Repair Services - Vehicles	2,000		
Travel	76		
Gasoline	3,715		
Instructional Supplies and Materials	5,954		
Uniforms	210		
Vehicle and Equipment Insurance	1,700		
In Service/Staff Development	50		
Total Other Waste Collection		$ 59,806	
Recycling Center			
Contracts with Private Agencies	$ 4,395		
Total Recycling Center		4,395	
Landfill Operation and Maintenance			
Contracts with Private Agencies	$ 592,023		
Contributions	9,100		
Total Landfill Operation and Maintenance		601,123	
Other Waste Disposal			
Contracts with Private Agencies	$ 70,365		
Rentals	304		
Total Other Waste Disposal		70,669	
Total Solid Waste/Sanitation Fund			$ 1,411,519
Drug Control Fund			
Public Safety			
Drug Enforcement			
Advertising	$ 44		
Communication	7,134		
Contracts with Other Public Agencies	1,400		
Contracts with Private Agencies	144		
Confidential Drug Enforcement Payments	15,000		
Dues and Memberships	300		
Maintenance and Repair Services - Vehicles	2,557		
Medical and Dental Services	367		
Towing Services	5,570		
Travel	2,360		
Veterinary Services	2,624		
Animal Food and Supplies	2,023		

(Continued)

Exhibit L-8

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

Drug Control Fund (Cont.)			
Public Safety (Cont.)			
Drug Enforcement (Cont.)			
Gasoline	$ 19,039		
Law Enforcement Supplies	3,496		
Office Supplies	453		
Uniforms	1,966		
Trustee's Commission	1,447		
Vehicle and Equipment Insurance	3,000		
In Service/Staff Development	2,120		
Other Charges	1,964		
Total Drug Enforcement		$ 73,008	
Total Drug Control Fund			$ 73,008
Other Special Revenue Fund			
Other Operations			
Tourism			
Supervisor/Director	$ 46,910		
Clerical Personnel	25,053		
Social Security	4,039		
State Retirement	3,829		
Life Insurance	51		
Medical Insurance	11,921		
Dental Insurance	595		
Disability Insurance	319		
Unemployment Compensation	323		
Employer Medicare	945		
Advertising	50,576		
Communication	3,598		
Contributions	32,281		
Data Processing Services	140		
Dues and Memberships	1,000		
Maintenance and Repair Services - Buildings	2,024		
Postal Charges	2,102		
Printing, Stationery, and Forms	406		
Travel	2,794		
Other Contracted Services	20,978		
Office Supplies	1,342		
Utilities	3,113		
Other Supplies and Materials	426		
Building and Contents Insurance	750		
Liability Insurance	911		
Trustee's Commission	2,202		
Workers' Compensation Insurance	192		
Other Charges	72		
Building Improvements	4,237		
Total Tourism		$ 223,129	
Total Other Special Revenue Fund			223,129

(Continued)

Exhibit L-8

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

Constitutional Officers - Fees Fund			
Finance			
County Trustee's Office			
Constitutional Officers' Operating Expenses	$ 655		
Total County Trustee's Office		$ 655	
Administration of Justice			
General Sessions Court			
Constitutional Officers' Operating Expenses	$ 503		
Total General Sessions Court		503	
Chancery Court			
Special Commissioner Fees/Special Master Fees	$ 12,719		
Total Chancery Court		12,719	
Total Constitutional Officers - Fees Fund			$ 13,877
Highway/Public Works Fund			
Highways			
Administration			
County Official/Administrative Officer	$ 80,707		
Clerical Personnel	70,487		
Social Security	8,858		
State Retirement	12,304		
Life Insurance	141		
Medical Insurance	28,084		
Dental Insurance	1,388		
Disability Insurance	1,038		
Unemployment Compensation	112		
Employer Medicare	2,072		
Dues and Memberships	3,534		
Licenses	750		
Maintenance Agreements	5,926		
Maintenance and Repair Services - Equipment	170		
Pest Control	240		
Postal Charges	180		
Disposal Fees	320		
Office Supplies	2,278		
Data Processing Equipment	828		
Total Administration		$ 219,417	
Highway and Bridge Maintenance			
Foremen	$ 66,864		
Equipment Operators	94,571		
Truck Drivers	106,507		
Laborers	332,633		
Overtime Pay	74,182		
Social Security	39,106		
State Retirement	44,465		
Life Insurance	979		
Medical Insurance	134,287		
Dental Insurance	9,122		
Disability Insurance	3,702		

(Continued)

Exhibit L-8

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

Highway/Public Works Fund (Cont.)		
Highways (Cont.)		
Highway and Bridge Maintenance (Cont.)		
Unemployment Compensation	$ 1,504	
Employer Medicare	9,146	
Contracts with Private Agencies	940	
Rentals	1,051	
Other Contracted Services	14,144	
Asphalt	756,274	
Crushed Stone	141,141	
Custodial Supplies	4,005	
Other Road Supplies	170	
Pipe - Metal	10,171	
Road Signs	11,507	
Uniforms	2,845	
Other Supplies and Materials	329	
Total Highway and Bridge Maintenance		$ 1,859,645
Operation and Maintenance of Equipment		
Mechanic(s)	$ 30,698	
Nightwatchmen	48,997	
Overtime Pay	56	
Social Security	4,575	
State Retirement	5,326	
Life Insurance	137	
Medical Insurance	19,119	
Dental Insurance	1,041	
Disability Insurance	616	
Unemployment Compensation	236	
Employer Medicare	1,070	
Maintenance and Repair Services - Equipment	30,498	
Other Contracted Services	180	
Equipment and Machinery Parts	112,528	
Garage Supplies	250	
Gasoline	525,976	
Lubricants	7,954	
Tires and Tubes	14,395	
Other Supplies and Materials	16,160	
Total Operation and Maintenance of Equipment		819,812
Other Charges		
Communication	$ 3,021	
Electricity	10,825	
Natural Gas	8,012	
Water and Sewer	506	
Building and Contents Insurance	1,000	
Liability Insurance	56,212	
Trustee's Commission	32,346	
Vehicle and Equipment Insurance	47,612	
Workers' Compensation Insurance	55,785	
Liability Claims	12,426	
Total Other Charges		227,745

(Continued)

Exhibit L-8

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

Highway/Public Works Fund (Cont.)			
Highways (Cont.)			
Capital Outlay			
Engineering Services	$ 26,070		
Highway Construction	590,039		
Highway Equipment	90,643		
Total Capital Outlay		$ 706,752	
Total Highway/Public Works Fund			$ 3,833,371
General Debt Service Fund			
Principal on Debt			
General Government			
Principal on Bonds	$ 960,000		
Principal on Notes	40,000		
Principal on Other Loans	233,000		
Total General Government		$ 1,233,000	
Interest on Debt			
General Government			
Interest on Bonds	$ 707,888		
Interest on Notes	3,285		
Interest on Other Loans	30,048		
Total General Government		741,221	
Other Debt Service			
General Government			
Accounting Services	$ 250		
Fiscal Agent Charges	4,370		
Trustee's Commission	32,796		
Total General Government		37,416	
Total General Debt Service Fund			2,011,637
Rural Debt Service Fund			
Principal on Debt			
Education			
Principal on Bonds	$ 660,000		
Principal on Notes	219,326		
Principal on Capital Leases	46,689		
Total Education		$ 926,015	
Interest on Debt			
Education			
Interest on Bonds	$ 421,514		
Interest on Notes	1,281		
Interest on Capital Leases	71,242		
Total Education		494,037	
Other Debt Service			
Education			
Fiscal Agent Charges	$ 1,780		
Trustee's Commission	3,727		
Total Education		5,507	
Total Rural Debt Service Fund			1,425,559

(Continued)

Exhibit L-8

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

Education Debt Service Fund			
Principal on Debt			
Education			
Principal on Bonds	$ 735,000		
Total Education		$ 735,000	
Interest on Debt			
Education			
Interest on Bonds	$ 587,423		
Total Education		587,423	
Other Debt Service			
Education			
Fiscal Agent Charges	$ 1,780		
Trustee's Commission	29,618		
Total Education		31,398	
Total Education Debt Service Fund			$ 1,353,821
General Capital Projects Fund			
Capital Projects			
Public Safety Projects			
Architects	$ 99,278		
Building Construction	5,775,146		
Other Construction	217,658		
Total Public Safety Projects		$ 6,092,082	
Total General Capital Projects Fund			6,092,082
Total Governmental Funds - Primary Government			$ 41,729,286

Exhibit L-9

Anderson County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Anderson County School Department
For the Year Ended June 30, 2013

General Purpose School Fund		
Instruction		
Regular Instruction Program		
Teachers	$ 16,004,910	
Career Ladder Program	120,040	
Career Ladder Extended Contracts	130,770	
Homebound Teachers	65,794	
Educational Assistants	549,302	
Certified Substitute Teachers	55,933	
Non-certified Substitute Teachers	182,443	
Social Security	986,255	
State Retirement	1,461,263	
Life Insurance	19,716	
Medical Insurance	1,815,461	
Unemployment Compensation	31,024	
Employer Medicare	233,359	
Payments to Retirees	29,274	
Maintenance and Repair Services - Equipment	8,108	
Other Contracted Services	55,630	
Instructional Supplies and Materials	423,541	
Textbooks	635,814	
Other Supplies and Materials	25,103	
Refund to Applicant for Criminal Investigation	5,508	
Other Charges	21,902	
Regular Instruction Equipment	72,442	
Total Regular Instruction Program		$ 22,933,592
Special Education Program		
Teachers	$ 3,412,276	
Career Ladder Program	28,000	
Homebound Teachers	26,323	
Educational Assistants	628,264	
Speech Pathologist	290,739	
Other Salaries and Wages	314,511	
Certified Substitute Teachers	5,640	
Non-certified Substitute Teachers	22,598	
Social Security	277,153	
State Retirement	409,069	
Life Insurance	6,468	
Medical Insurance	484,488	
Unemployment Compensation	6,760	
Employer Medicare	64,836	
Payments to Retirees	2,268	
Dues and Memberships	239	
Other Contracted Services	44,992	
Instructional Supplies and Materials	28,784	
Other Supplies and Materials	7,001	
Total Special Education Program		6,060,409
Vocational Education Program		
Teachers	$ 2,106,510	
Career Ladder Program	14,000	

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)		
Instruction (Cont.)		
Vocational Education Program (Cont.)		
Clerical Personnel	$ 97,186	
Other Salaries and Wages	37,863	
Certified Substitute Teachers	9,420	
Non-certified Substitute Teachers	22,445	
Social Security	134,102	
State Retirement	196,425	
Life Insurance	2,575	
Medical Insurance	224,962	
Unemployment Compensation	2,714	
Employer Medicare	31,438	
Payments to Retirees	5,808	
Maintenance and Repair Services - Equipment	23,744	
Instructional Supplies and Materials	99,138	
Other Supplies and Materials	13,554	
Vocational Instruction Equipment	99,932	
Other Equipment	8,703	
Total Vocational Education Program		$ 3,130,519
Student Body Education Program		
Teachers	$ 54,680	
Career Ladder Program	1,000	
Social Security	3,360	
State Retirement	4,944	
Life Insurance	50	
Medical Insurance	4,968	
Unemployment Compensation	53	
Employer Medicare	786	
Instructional Supplies and Materials	13,468	
Other Charges	433	
Total Student Body Education Program		83,742
Adult Education Program		
Supervisor/Director	$ 43,815	
Teachers	63,220	
Career Ladder Program	500	
Other Salaries and Wages	21,653	
Social Security	7,678	
State Retirement	11,318	
Life Insurance	126	
Medical Insurance	7,403	
Unemployment Compensation	144	
Employer Medicare	1,796	
Advertising	495	
Communication	1,299	
Travel	4,583	
Instructional Supplies and Materials	3,818	
Other Supplies and Materials	766	
In Service/Staff Development	970	
Other Charges	39	
Total Adult Education Program		169,623

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)				
Support Services				
Attendance				
Supervisor/Director	$	76,949		
Career Ladder Program		3,000		
Clerical Personnel		32,402		
Other Salaries and Wages		257,227		
Social Security		17,199		
State Retirement		19,456		
Life Insurance		252		
Medical Insurance		7,503		
Unemployment Compensation		418		
Employer Medicare		5,259		
Travel		2,228		
Other Supplies and Materials		112		
Other Equipment		1,851		
Total Attendance			$	423,856
Health Services				
Medical Personnel	$	306,983		
Social Security		17,051		
State Retirement		25,501		
Life Insurance		529		
Medical Insurance		50,213		
Unemployment Compensation		772		
Employer Medicare		4,025		
Travel		2,231		
Drugs and Medical Supplies		14,984		
Other Supplies and Materials		818		
Other Equipment		2,118		
Total Health Services				425,225
Other Student Support				
Career Ladder Program	$	4,000		
Guidance Personnel		905,366		
Medical Personnel		74,259		
Social Security		57,475		
State Retirement		87,346		
Life Insurance		1,025		
Medical Insurance		87,398		
Unemployment Compensation		1,474		
Employer Medicare		13,441		
Communication		780		
Contracts with Government Agencies		185,173		
Printing, Stationery, and Forms		1,407		
Travel		14,515		
Other Supplies and Materials		26,132		
In Service/Staff Development		1,099		
Other Charges		17,334		
Furniture and Fixtures		4,963		
Motor Vehicles		14,684		
Total Other Student Support				1,497,871

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Regular Instruction Program		
Supervisor/Director	$ 88,660	
Career Ladder Program	9,500	
Librarians	584,505	
Secretary(ies)	35,709	
Other Salaries and Wages	89,236	
Social Security	45,968	
State Retirement	69,593	
Life Insurance	1,006	
Medical Insurance	95,370	
Unemployment Compensation	1,413	
Employer Medicare	10,956	
Maintenance and Repair Services - Equipment	645	
Travel	3,566	
Library Books/Media	38,981	
Other Supplies and Materials	39,153	
In Service/Staff Development	28,216	
Total Regular Instruction Program		$ 1,142,477
Special Education Program		
Supervisor/Director	$ 87,492	
Career Ladder Program	2,700	
Psychological Personnel	167,857	
Clerical Personnel	101,594	
Social Security	21,112	
State Retirement	31,150	
Life Insurance	378	
Medical Insurance	36,338	
Unemployment Compensation	681	
Employer Medicare	4,938	
Consultants	34,953	
Travel	5,788	
In Service/Staff Development	5,175	
Total Special Education Program		500,156
Vocational Education Program		
Supervisor/Director	$ 89,384	
Career Ladder Program	1,000	
Other Salaries and Wages	75,637	
Social Security	9,208	
State Retirement	14,206	
Life Insurance	202	
Medical Insurance	29,637	
Unemployment Compensation	209	
Employer Medicare	2,154	
Travel	37,874	
In Service/Staff Development	2,644	
Total Vocational Education Program		262,155

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Adult Programs		
Other Salaries and Wages	$ 62,936	
Social Security	3,902	
State Retirement	5,142	
Life Insurance	101	
Medical Insurance	767	
Unemployment Compensation	141	
Employer Medicare	913	
Communication	646	
Postal Charges	91	
Travel	930	
Other Supplies and Materials	17,139	
In Service/Staff Development	900	
Total Adult Programs		$ 93,608
Other Programs		
On-Behalf Payments to OPEB	$ 269,742	
Instructional Supplies and Materials	1,204	
Total Other Programs		270,946
Board of Education		
Secretary to Board	$ 6,000	
Board and Committee Members Fees	43,700	
Social Security	2,696	
State Retirement	1,372	
Life Insurance	403	
Unemployment Compensation	854	
Employer Medicare	716	
Advertising	904	
Audit Services	15,600	
Consultants	3,250	
Contributions	25,000	
Dues and Memberships	7,537	
Legal Services	8,585	
Travel	21,022	
Liability Insurance	150,938	
Trustee's Commission	439,204	
Workers' Compensation Insurance	269,667	
Other Charges	10,398	
Total Board of Education		1,007,846
Director of Schools		
County Official/Administrative Officer	$ 123,825	
Career Ladder Program	1,000	
Secretary(ies)	32,448	
Social Security	8,498	
State Retirement	13,736	
Life Insurance	101	
Medical Insurance	12,642	
Unemployment Compensation	209	

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Director of Schools (Cont.)		
Employer Medicare	$ 2,120	
Communication	90,736	
Dues and Memberships	2,773	
Postal Charges	7,029	
Travel	2,270	
Office Supplies	865	
Other Supplies and Materials	286	
Other Charges	10,489	
Total Director of Schools		$ 309,027
Office of the Principal		
Principals	$ 1,316,075	
Career Ladder Program	15,000	
Assistant Principals	689,023	
Secretary(ies)	592,446	
Social Security	152,514	
State Retirement	226,488	
Life Insurance	2,818	
Medical Insurance	254,454	
Unemployment Compensation	4,001	
Employer Medicare	35,670	
Payments to Retirees	7,375	
Communication	25,558	
Travel	10,344	
Other Contracted Services	3,630	
Other Supplies and Materials	6,981	
In Service/Staff Development	8,544	
Other Charges	1,700	
Administration Equipment	14,162	
Total Office of the Principal		3,366,783
Fiscal Services		
Supervisor/Director	$ 83,734	
Accountants/Bookkeepers	234,017	
Social Security	17,473	
State Retirement	24,366	
Life Insurance	265	
Medical Insurance	32,116	
Unemployment Compensation	4,817	
Employer Medicare	4,369	
Payments to Retirees	1,984	
Travel	3,417	
Office Supplies	3,444	
Other Supplies and Materials	14,653	
Total Fiscal Services		424,655
Human Services/Personnel		
Supervisor/Director	$ 63,525	
Secretary(ies)	31,279	

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)				
Support Services (Cont.)				
Human Services/Personnel (Cont.)				
Social Security	$	5,878		
State Retirement		7,746		
Life Insurance		151		
Unemployment Compensation		140		
Employer Medicare		1,375		
Travel		944		
Other Contracted Services		7,608		
Office Supplies		2,236		
Other Supplies and Materials		1,262		
In Service/Staff Development		997		
Total Human Services/Personnel			$	123,141
Operation of Plant				
Supervisor/Director	$	76,526		
Custodial Personnel		1,437,337		
Social Security		86,355		
State Retirement		121,070		
Life Insurance		2,961		
Medical Insurance		281,379		
Unemployment Compensation		3,198		
Employer Medicare		20,408		
Maintenance and Repair Services - Vehicles		15,286		
Rentals		84,824		
Disposal Fees		51,868		
Other Contracted Services		58,811		
Custodial Supplies		180,276		
Electricity		1,693,678		
Natural Gas		256,683		
Water and Sewer		278,698		
Other Supplies and Materials		14,522		
Building and Contents Insurance		222,702		
Plant Operation Equipment		28,945		
Total Operation of Plant				4,915,527
Maintenance of Plant				
Supervisor/Director	$	66,923		
Maintenance Personnel		460,436		
Social Security		30,014		
State Retirement		42,004		
Life Insurance		706		
Medical Insurance		87,982		
Unemployment Compensation		1,474		
Employer Medicare		7,019		
Communication		196,291		
Maintenance and Repair Services - Buildings		28,007		
Maintenance and Repair Services - Equipment		21,143		
Other Contracted Services		54,400		
Custodial Supplies		9,948		
Gasoline		88,361		

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Maintenance of Plant (Cont.)		
Office Supplies	$ 1,572	
Other Supplies and Materials	188,732	
Total Maintenance of Plant		$ 1,285,012
Transportation		
Supervisor/Director	$ 43,815	
Career Ladder Program	500	
Social Security	2,509	
State Retirement	3,935	
Life Insurance	25	
Medical Insurance	4,704	
Unemployment Compensation	100	
Employer Medicare	587	
Contracts with Vehicle Owners	2,909,742	
Travel	1,672	
Other Contracted Services	8,541	
Other Supplies and Materials	22,124	
In Service/Staff Development	250	
Total Transportation		2,998,504
Central and Other		
Supervisor/Director	$ 87,629	
Career Ladder Program	3,000	
Secretary(ies)	29,619	
Other Salaries and Wages	296,637	
Social Security	24,855	
State Retirement	34,482	
Life Insurance	378	
Medical Insurance	36,467	
Unemployment Compensation	527	
Employer Medicare	5,813	
Dues and Memberships	30	
Travel	6,607	
Other Contracted Services	217,078	
Other Supplies and Materials	47,434	
In Service/Staff Development	2,814	
Administration Equipment	14,522	
Data Processing Equipment	62,994	
Total Central and Other		870,886
Operation of Non-Instructional Services		
Community Services		
Other Salaries and Wages	$ 4,868	
Social Security	302	
Life Insurance	4	
Employer Medicare	70	
Communication	912	
Travel	350	
Other Contracted Services	2,272	

(Continued)

Exhibit L-9

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

General Purpose School Fund (Cont.)			
Operation of Non-Instructional Services (Cont.)			
Community Services (Cont.)			
Utilities	$ 2,766		
Other Supplies and Materials	1,254		
Total Community Services		$ 12,798	
Early Childhood Education			
Supervisor/Director	$ 12,864		
Teachers	270,623		
Secretary(ies)	12,328		
Clerical Personnel	10,718		
Educational Assistants	128,052		
Other Salaries and Wages	8,097		
Certified Substitute Teachers	270		
Non-certified Substitute Teachers	468		
Social Security	26,405		
State Retirement	37,925		
Life Insurance	693		
Medical Insurance	45,950		
Unemployment Compensation	950		
Employer Medicare	6,175		
Communication	776		
Maintenance and Repair Services - Office Equipment	257		
Postal Charges	270		
Other Contracted Services	2,808		
Drugs and Medical Supplies	1,127		
Food Supplies	289		
Instructional Supplies and Materials	3,118		
Natural Gas	3,174		
Office Supplies	2,547		
Other Supplies and Materials	1,530		
Building and Contents Insurance	40		
Workers' Compensation Insurance	2,130		
In Service/Staff Development	35		
Refund to Applicant for Criminal Investigation	84		
Other Charges	4,153		
Other Equipment	1,746		
Total Early Childhood Education		585,602	
Capital Outlay			
Regular Capital Outlay			
Architects	$ 4,966		
Contributions	38,319		
Building Improvements	86,719		
Total Regular Capital Outlay		130,004	
Other Debt Service			
Education			
Debt Service Contribution to Primary Government	$ 1,147,649		
Other Debt Service	337		
Total Education		1,147,986	
Total General Purpose School Fund			$ 54,171,950

(Continued)

Exhibit L-9

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

School Federal Projects Fund		
Instruction		
Regular Instruction Program		
Teachers	$ 681,203	
Other Salaries and Wages	206,341	
Social Security	50,805	
State Retirement	76,283	
Life Insurance	930	
Medical Insurance	72,225	
Unemployment Compensation	1,264	
Employer Medicare	12,197	
Other Fringe Benefits	2,734	
Instructional Supplies and Materials	152,478	
Regular Instruction Equipment	26,203	
Total Regular Instruction Program		$ 1,282,663
Special Education Program		
Teachers	$ 303,080	
Educational Assistants	187,016	
Speech Pathologist	44,897	
Other Salaries and Wages	64,541	
Certified Substitute Teachers	415	
Non-certified Substitute Teachers	4,768	
Social Security	31,100	
State Retirement	43,696	
Life Insurance	1,126	
Medical Insurance	98,793	
Unemployment Compensation	2,368	
Employer Medicare	8,163	
Evaluation and Testing	15,796	
Travel	266	
Instructional Supplies and Materials	85,874	
Other Supplies and Materials	2,499	
Workers' Compensation Insurance	4,095	
Special Education Equipment	12,963	
Total Special Education Program		911,456
Vocational Education Program		
Other Supplies and Materials	$ 18,832	
Refunds	439	
Vocational Instruction Equipment	60,988	
Total Vocational Education Program		80,259
Support Services		
Other Student Support		
Travel	$ 29,007	
Other Supplies and Materials	15,476	
In Service/Staff Development	11,970	
Total Other Student Support		56,453
Regular Instruction Program		
Supervisor/Director	$ 112,999	

(Continued)

Exhibit L-9

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

School Federal Projects Fund (Cont.)		
Support Services (Cont.)		
Regular Instruction Program (Cont.)		
Secretary(ies)	$ 29,719	
Other Salaries and Wages	527,171	
Certified Substitute Teachers	90	
Non-certified Substitute Teachers	2,338	
Social Security	38,282	
State Retirement	59,275	
Life Insurance	601	
Medical Insurance	78,551	
Unemployment Compensation	913	
Employer Medicare	8,960	
Other Fringe Benefits	2,364	
Communication	1,418	
Contracts with Other Public Agencies	289,769	
Postal Charges	807	
Travel	30,171	
Other Contracted Services	4,276	
Other Supplies and Materials	14,404	
In Service/Staff Development	32,931	
Other Charges	460	
Other Equipment	10,725	
Total Regular Instruction Program		$ 1,246,224
Special Education Program		
Psychological Personnel	$ 98,289	
Clerical Personnel	55,839	
Social Security	8,892	
State Retirement	15,278	
Life Insurance	202	
Medical Insurance	15,237	
Unemployment Compensation	352	
Employer Medicare	2,080	
Maintenance and Repair Services - Equipment	4,434	
Travel	48,616	
Other Contracted Services	125,941	
Other Supplies and Materials	4,998	
Workers' Compensation Insurance	979	
In Service/Staff Development	6,233	
Other Equipment	18,697	
Total Special Education Program		406,067
Board of Education		
Workers' Compensation Insurance	$ 150	
Total Board of Education		150
Director of Schools		
Postal Charges	$ 200	
Total Director of Schools		200

(Continued)

Exhibit L-9

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

School Federal Projects Fund (Cont.)			
Support Services (Cont.)			
Office of the Principal			
Communication	$ 2,700		
Total Office of the Principal		$ 2,700	
Transportation			
Bus Drivers	$ 7,641		
Social Security	433		
State Retirement	570		
Unemployment Compensation	59		
Employer Medicare	101		
Contracts with Private Agencies	62,225		
Contracts with Parents	7,609		
Maintenance and Repair Services - Vehicles	6,956		
Gasoline	31,154		
Workers' Compensation Insurance	37		
Other Charges	18		
Transportation Equipment	21,797		
Total Transportation		138,600	
Operation of Non-Instructional Services			
Community Services			
Other Salaries and Wages	$ 28,195		
Social Security	1,721		
State Retirement	1,664		
Life Insurance	29		
Medical Insurance	1,533		
Employer Medicare	409		
Other Supplies and Materials	713		
In Service/Staff Development	3,200		
Total Community Services		37,464	
Total School Federal Projects Fund			$ 4,162,236
Central Cafeteria Fund			
Operation of Non-Instructional Services			
Food Service			
Supervisor/Director	$ 65,448		
Accountants/Bookkeepers	83,625		
Clerical Personnel	433,109		
Cafeteria Personnel	679,587		
Other Salaries and Wages	13,298		
Social Security	73,401		
State Retirement	74,527		
Life Insurance	2,604		
Medical Insurance	187,356		
Unemployment Compensation	2,000		
Employer Medicare	17,167		
Architects	958		
Bank Charges	1,412		
Communication	14,245		

(Continued)

Exhibit L-9

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

Central Cafeteria Fund (Cont.)			
Operation of Non-Instructional Services (Cont.)			
Food Service (Cont.)			
Dues and Memberships	$ 1,327		
Licenses	1,628		
Maintenance and Repair Services - Equipment	20,444		
Postal Charges	1,748		
Printing, Stationery, and Forms	1,555		
Travel	9,587		
Other Contracted Services	37,289		
Food Supplies	1,181,185		
Office Supplies	5,640		
USDA - Commodities	162,374		
Other Supplies and Materials	17,907		
Workers' Compensation Insurance	27,000		
In Service/Staff Development	5,249		
Refund to Applicant for Criminal Investigation	84		
Other Charges	93		
Building Improvements	144,931		
Food Service Equipment	82,083		
Motor Vehicles	15,682		
Total Food Service		$ 3,364,543	
Total Central Cafeteria Fund			$ 3,364,543
Other Education Special Revenue Fund			
Operation of Non-Instructional Services			
Community Services			
Supervisor/Director	$ 72,895		
Teachers	180,509		
Social Workers	42,794		
Medical Personnel	3,328		
Secretary(ies)	63,252		
Educational Assistants	1,009,352		
Other Salaries and Wages	91,490		
Certified Substitute Teachers	1,230		
Non-certified Substitute Teachers	786		
Social Security	82,294		
State Retirement	108,389		
Life Insurance	2,817		
Medical Insurance	191,185		
Unemployment Compensation	4,730		
Employer Medicare	19,664		
Advertising	141		
Communication	14,307		
Contracts with Other School Systems	722,085		
Contributions	100		
Dues and Memberships	1,576		
Operating Lease Payments	5,100		
Maintenance and Repair Services - Office Equipment	2,657		
Maintenance and Repair Services - Vehicles	2,972		
Pest Control	720		

(Continued)

Exhibit L-9

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

Other Education Special Revenue Fund (Cont.)			
Operation of Non-Instructional Services (Cont.)			
Community Services (Cont.)			
Postal Charges	$ 945		
Travel	9,539		
Other Contracted Services	31,535		
Drugs and Medical Supplies	2,850		
Electricity	15,115		
Food Supplies	47,285		
Gasoline	4,382		
General Construction Materials	370		
Instructional Supplies and Materials	10,695		
Natural Gas	2,421		
Office Supplies	4,949		
Water and Sewer	1,172		
Other Supplies and Materials	21,174		
Building and Contents Insurance	2,249		
Vehicle and Equipment Insurance	4,500		
Workers' Compensation Insurance	7,488		
In Service/Staff Development	24,500		
Refund to Applicant for Criminal Investigation	42		
Other Charges	23,766		
Total Community Services		$ 2,839,350	
Other Debt Service			
Education			
Debt Service Contribution to Primary Government	$ 99,749		
Total Education		99,749	
Total Other Education Special Revenue Fund			$ 2,939,099
Education Capital Projects Fund			
Capital Outlay			
Regular Capital Outlay			
Architects	$ 30,172		
Building Construction	1,311,228		
Building Improvements	1,181,162		
Data Processing Equipment	202,187		
Total Regular Capital Outlay		$ 2,724,749	
Total Education Capital Projects Fund			2,724,749
Total Governmental Funds - Anderson County School Department			$ 67,362,577

Exhibit L-10

Anderson County, Tennessee
Schedule of Detailed Receipts, Disbursements, and Changes in Cash Balances - City Agency Funds
For the Year Ended June 30, 2013

	Cities - Sales Tax Fund	City School ADA - Clinton Fund	City School ADA - Oak Ridge Fund	Total
Cash Receipts				
Current Property Taxes	$ 0	$ 1,681,769	$ 7,494,824	$ 9,176,593
Trustee's Collections - Prior Years	0	78,656	350,449	429,105
Trustee's Collections - Bankruptcy	0	3,519	15,706	19,225
Circuit/Clerk and Master Collections - Prior Years	0	27,165	119,095	146,260
Interest and Penalty	0	22,345	100,939	123,284
Local Option Sales Tax	11,416,416	939,091	4,185,059	16,540,566
Coal Severance Tax	0	457	2,038	2,495
Interstate Telecommunications Tax	0	470	2,093	2,563
Marriage Licenses	0	451	2,002	2,453
Total Cash Receipts	$ 11,416,416	$ 2,753,923	$ 12,272,205	$ 26,442,544
Cash Disbursements				
Remittance of Revenues Collected	$ 11,302,252	$ 2,708,813	$ 12,071,800	$ 26,082,865
Trustee's Commission	114,164	45,343	202,070	361,577
Total Cash Disbursements	$ 11,416,416	$ 2,754,156	$ 12,273,870	$ 26,444,442
Excess of Cash Receipts Over (Under) Cash Disbursements	$ 0	$ (233)	$ (1,665)	$ (1,898)
Cash Balance, July 1, 2012	0	2,869	13,411	16,280
Cash Balance, June 30, 2013	$ 0	$ 2,636	$ 11,746	$ 14,382

STATISTICAL SECTION

This part of Anderson County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

	Tables	Pages
Financial Trends:		
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	1-6	221-227
Revenue Capacity:		
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	7-10	228-231
Debt Capacity:		
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	11-15	232-236
Demographic and Economic Information:		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	16-17	237-238
Operating Information:		
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	18-20	239-241

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Table 1

Anderson County, Tennessee
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities:										
Net Investment in Capital Assets	$ 3,677,748	$ 4,795,772	$ 7,485,543	$ 9,187,426	$ 11,364,951	$ 15,163,056	$ 15,002,377	$ 15,962,344	$ 14,532,349	$ 14,886,641
Restricted for:										
General Government	0	0	0	0	0	0	0	22,823	164,343	233,741
Finance	0	0	0	0	0	0	0	15,002	20,668	26,352
Administration of Justice	0	0	0	0	0	0	0	323,830	357,587	376,066
Public Safety	0	0	0	0	0	0	0	504,844	366,463	474,254
Public Health and Welfare	0	0	0	0	0	0	0	101,338	223,471	220,066
Social, Cultural, and Recreational Services	0	0	0	0	0	0	0	341,130	331,713	289,789
Other Operations	439,064	606,468	797,752	303,040	195,536	347,467	387,877	8,000	4,826	0
Highway/Public Works	967,776	1,740,500	1,379,754	971,846	870,595	961,417	972,780	1,286,623	1,496,633	1,939,581
Debt Service	514,489	797,035	947,042	1,084,976	1,465,266	2,061,209	2,653,340	2,861,253	2,661,622	2,338,760
Capital Projects	0	0	0	0	0	0	0	0	65,443	0
Courthouse and Jail (1)	0	0	0	57,551	86,728	93,109	93,109	0	0	0
Public Library (1)	0	0	0	109,136	109,059	223,052	249,191	0	0	0
Solid Waste (1)	0	0	0	198,665	183,051	385,169	241,030	0	0	0
Drug Control (1)	0	0	0	99,497	82,630	91,807	165,820	0	0	0
Tourism (1)	0	0	0	0	100,279	61,626	88,919	0	0	0
Unrestricted	(20,570,791)	(17,603,786)	(14,374,348)	(9,992,846)	(6,996,196)	(7,484,171)	(7,666,758)	(7,588,444)	(22,981,735)	(21,919,871)
Subtotal Governmental Activities Net Position	$ (14,971,714)	$ (9,664,011)	$ (3,764,257)	$ 2,019,291	$ 7,461,899	$ 11,903,741	$ 12,187,685	$ 13,838,743	$ (2,756,617)	$ (1,134,621)
Business-type Activities: (3) (4)										
Net Investment in Capital Assets	$ 9,663,218	$ 10,053,279	$ 10,749,737	$ 10,592,256	$ 10,518,405	$ 0	$ 0	$ 0	$ 0	$ 0
Invested in Capital Assets	0	0	0	0	0	0	1,526,540	1,370,128	1,403,609	1,139,613
Unrestricted	1,312,134	1,340,772	1,287,859	1,393,488	1,544,982	0	1,398,449	1,173,406	1,155,461	1,119,672
Subtotal Business-type Activities Net Position	$ 10,975,352	$ 11,394,051	$ 12,037,596	$ 11,985,744	$ 12,063,387	$ 0	$ 2,924,989	$ 2,543,534	$ 2,559,070	$ 2,259,285
Primary Government:										
Net Investment in Capital Assets	$ 13,340,966	$ 14,849,051	$ 18,235,280	$ 19,779,682	$ 21,883,356	$ 15,163,056	$ 15,002,377	$ 15,962,344	$ 14,532,349	$ 14,886,641
Investment in Capital Assets	0	0	0	0	0	0	1,526,540	1,370,128	1,403,609	1,139,613
Restricted for:										
General Government	0	0	0	0	0	0	0	22,823	164,343	233,741
Finance	0	0	0	0	0	0	0	15,002	20,668	26,352
Administration of Justice	0	0	0	0	0	0	0	323,830	357,587	376,066
Public Safety	0	0	0	0	0	0	0	504,844	366,463	474,254
Public Health and Welfare	0	0	0	0	0	0	0	101,338	223,471	220,066
Social, Cultural, and Recreational Services	0	0	0	0	0	0	0	341,130	331,713	289,789
Other Operations	0	0	0	0	0	0	0	8,000	4,826	0
Highway/Public Works	967,776	1,740,500	1,379,754	971,846	870,595	961,417	972,780	1,286,623	1,496,633	1,939,581
Debt Service	514,489	797,035	947,042	1,084,976	1,465,266	2,061,209	2,653,340	2,861,253	2,661,622	2,338,760
Capital Projects	0	0	0	0	0	0	0	0	65,443	0
Courthouse and Jail (1)	0	0	0	57,551	86,728	93,109	93,109	0	0	0
Public Library (1)	0	0	0	109,136	109,059	223,052	249,191	0	0	0
Solid Waste (1)	0	0	0	198,665	183,051	385,169	241,030	0	0	0
Drug Control (1)	0	0	0	99,497	82,630	91,807	165,820	0	0	0
Tourism (1)	0	0	0	0	100,279	61,626	88,919	0	0	0
Other Purposes	439,064	606,468	797,752	303,040	195,536	347,467	387,877	0	0	0
Unrestricted	(19,258,657)	(16,263,014)	(13,086,489)	(8,599,358)	(5,451,214)	(7,484,171)	(6,268,309)	(6,415,038)	(21,826,274)	(20,800,199)
Total Primary Government Net Position (2)	$ (3,996,362)	$ 1,730,040	$ 8,273,339	$ 14,005,035	$ 19,525,286	$ 11,903,741	$ 15,112,674	$ 16,382,277	$ (197,547)	$ 1,124,664

(1) Prior to fiscal years 2007 and 2008, amounts included in Other Purposes. Since GASB No. 54 they are now included in the appropriate functions.
(2) See Table 2 for changes in net position from year to year.
(3) As of December 31, 2009, Anderson County Utility Board merged with Anderson County Water Authority.
(4) At the beginning of July 1, 2010, the Business-type Activity is now Anderson County Emergency Medical Services.

Table 2

Anderson County, Tennessee
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental Activities:										
General Government	$ 2,958,476	$ 3,043,074	$ 3,625,905	$ 3,382,567	$ 3,825,776	$ 3,678,421	$ 3,806,607	$ 3,685,858	$ 3,548,769	$ 3,716,551
Finance	2,264,600	2,353,548	2,289,764	2,500,844	2,582,694	2,772,399	2,795,163	2,791,197	2,710,791	2,719,335
Administration of Justice	2,487,842	2,396,649	2,499,792	2,354,901	2,227,931	2,601,237	2,867,590	2,912,864	3,122,189	3,336,291
Public Safety	6,525,846	6,550,593	7,265,640	7,634,445	9,474,855	10,629,849	11,073,910	11,594,279	11,914,342	12,297,181
Public Health and Welfare	4,821,032	5,490,734	5,700,376	5,847,219	6,087,420	6,830,198	2,847,206	2,677,855	4,308,053	2,985,437
Social, Cultural and Recreational Services	274,330	290,638	305,178	395,711	363,662	543,805	606,085	672,862	686,748	593,389
Agriculture and Natural Resources	160,814	158,093	256,550	259,270	194,110	191,929	198,699	279,392	286,919	191,813
Other Operations	950,493	784,386	1,101,170	1,168,858	1,814,950	1,393,097	1,252,748	1,211,879	1,577,100	1,428,085
Highways	3,965,497	2,830,170	3,315,744	4,355,441	3,744,401	3,777,430	3,887,060	3,405,748	3,974,540	4,271,823
Education	0	0	103,464	0	0	0	0	0	18,622,722	0
Interest on Long-term Debt	1,631,665	1,543,338	1,774,242	1,787,493	1,561,094	1,056,082	758,747	861,452	1,603,475	1,738,298
Other Debt Service	233,936	128,947	215,508	262,708	123,866	117,537	53,825	244,402	261,308	158,803
Total Governmental Activities Expenses	$ 26,274,531	$ 25,570,170	$ 28,453,333	$ 29,949,457	$ 32,000,759	$ 33,591,984	$ 30,147,640	$ 30,337,788	$ 52,616,956	$ 33,437,006
Business-type Activities										
Water and Sewer (3)	$ 1,962,176	$ 2,069,838	$ 2,238,689	$ 2,402,422	$ 2,368,759	$ 1,475,798	$ 0	$ 0	$ 0	$ 0
Ambulance Service (4)	0	0	0	0	0	0	4,411,487	5,189,348	5,523,704	5,629,430
Total Business-type Activities Expenses	$ 1,962,176	$ 2,069,838	$ 2,238,689	$ 2,402,422	$ 2,368,759	$ 1,475,798	$ 4,411,487	$ 5,189,348	$ 5,523,704	$ 5,629,430
Total Primary Government Expenses	$ 28,236,707	$ 27,640,008	$ 30,692,022	$ 32,351,879	$ 34,369,518	$ 35,067,782	$ 34,559,127	$ 35,527,136	$ 58,140,660	$ 39,066,436
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	$ 1,125,816	$ 1,026,912	$ 1,044,089	$ 1,211,133	$ 1,053,338	$ 1,160,416	$ 1,185,031	$ 866,276	$ 944,164	$ 1,113,133
Finance	1,630,854	1,754,221	1,813,917	1,972,724	1,987,292	2,043,580	2,034,646	2,092,261	2,170,181	2,135,245
Administration of Justice	1,656,494	1,802,240	1,927,388	1,835,139	1,685,908	1,937,762	1,965,338	1,837,826	2,257,404	2,333,626
Public Safety	552,327	503,359	554,705	502,858	515,637	718,661	556,712	159,292	1,018,448	1,386,581
Public Health and Welfare (1)	3,530,284	3,847,134	4,530,165	4,832,207	5,142,663	5,849,858	128,311	662,670	622,962	617,232
Social, Cultural and Recreational Services	53,948	53,712	59,388	61,976	190,913	68,771	71,417	78,901	90,886	143,668
Other Operations	0	0	0	0	0	140,187	0	661	434	0
Highways	205,001	272,479	350,675	406,180	560,649	522,822	513,164	602,453	868,539	383,810
Debt Service:										
Interest on Long-term Debt	0	0	0	338,925	326,092	158,325	69,580	0	0	0
Operating Grants and Contributions	3,426,740	3,174,796	2,643,078	2,852,540	3,257,888	3,061,445	3,457,014	4,137,178	3,603,825	3,644,441
Capital Grants and Contributions (2)	352,265	292,704	2,087,387	897,373	893,945	985,527	1,556,900	880,110	1,426,256	817,300
Total Governmental Activities Program Revenues	$ 12,533,729	$ 12,727,557	$ 15,010,792	$ 14,911,055	$ 15,614,325	$ 16,647,354	$ 11,538,113	$ 11,317,628	$ 13,003,099	$ 12,575,036
Business-type Activities:										
Charges for Services:										
Water and Sewer	$ 1,719,379	$ 1,818,137	$ 1,967,035	$ 2,279,290	$ 2,431,402	$ 1,247,504	$ 0	$ 0	$ 0	$ 0
Ambulance Service	0	0	0	0	0	0	5,534,480	4,805,793	5,536,443	5,329,645
Capital Grants and Contributions	423,375	425,000	940,801	0	0	0	0	0	0	0
Total Business-type Activities Program Revenues	$ 2,142,754	$ 2,243,137	$ 2,907,836	$ 2,279,290	$ 2,431,402	$ 1,247,504	$ 5,534,480	$ 4,805,793	$ 5,536,443	$ 5,329,645
Total Primary Government Program Revenues	$ 14,676,483	$ 14,970,694	$ 17,918,628	$ 17,190,345	$ 18,045,727	$ 17,894,858	$ 17,072,593	$ 16,123,421	$ 18,539,542	$ 17,904,681

(Continued)

Table 2

Anderson County, Tennessee
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting) (cont.)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net (Expense)/Revenue										
Governmental Activities	$ (13,740,802)	$ (12,842,613)	$ (13,442,541)	$ (15,038,402)	$ (16,386,434)	$ (16,944,630)	$ (18,609,527)	$ (19,020,160)	$ (39,613,857)	$ (20,861,970)
Business-type Activities	180,578	173,299	669,147	(123,132)	62,643	(228,294)	1,122,993	(383,555)	12,739	(299,785)
Total Primary Government Net Expense	$ (13,560,224)	$ (12,669,314)	$ (12,773,394)	$ (15,161,534)	$ (16,323,791)	$ (17,172,924)	$ (17,486,534)	$ (19,403,715)	$ (39,601,118)	$ (21,161,755)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	$ 13,040,094	$ 12,735,886	$ 12,833,697	$ 13,117,940	$ 13,464,967	$ 14,075,895	$ 13,839,528	$ 14,156,678	$ 16,408,402	$ 16,530,753
Sales Taxes	722,130	805,743	843,717	985,038	1,016,987	926,173	934,132	910,270	673,151	806,190
Other Taxes	886,672	1,439,492	1,426,737	1,983,801	1,683,405	1,984,125	1,852,972	2,069,023	2,402,726	1,927,167
Grants and Contributions not Restricted to Specific Programs	3,707,744	3,081,497	3,538,483	4,140,252	5,150,780	4,198,585	3,959,502	3,429,501	3,625,716	4,067,113
Unrestricted Investment Income	203,825	276,969	504,488	559,351	484,487	160,454	50,899	37,857	67,991	62,758
Gain (Loss) on Sale of Capital Assets	0	0	96,514	0	0	0	0	0	0	0
Miscellaneous	74,167	49,095	58,769	70,568	43,416	41,240	58,435	67,889	40,182	54,387
Transfers	0	(238,366)	39,890	(35,000)	(15,000)	0	(1,801,996)	0	(1,812)	0
Total Governmental Activities	$ 18,634,632	$ 18,150,316	$ 19,342,295	$ 20,821,950	$ 21,829,042	$ 21,386,472	$ 18,893,472	$ 20,671,218	$ 23,216,356	$ 23,448,368
Business-type Activities:										
Sales Taxes	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Unrestricted Investment Income	3,776	7,034	14,288	36,280	0	4,190	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0	2,100	985	0
Transfers	0	238,366	(39,890)	35,000	15,000	0	1,801,996	0	1,812	0
Total Business-type Activities	$ 3,776	$ 245,400	$ (25,602)	$ 71,280	$ 15,000	$ 4,190	$ 1,801,996	$ 2,100	$ 2,797	$ 0
Total Primary Government	$ 18,638,408	$ 18,395,716	$ 19,316,693	$ 20,893,230	$ 21,844,042	$ 21,390,662	$ 20,695,468	$ 20,673,318	$ 23,219,153	$ 23,448,368
Change in Net Position										
Governmental Activities	$ 4,893,830	$ 5,307,703	$ 5,899,754	$ 5,783,548	$ 5,442,608	$ 4,441,842	$ 283,945	$ 1,651,058	$ (16,397,501)	$ 2,586,398
Business-type Activities	184,354	418,699	643,545	(51,852)	77,643	(224,104)	2,924,989	(381,455)	15,536	(299,785)
Total Primary Government (5)	$ 5,078,184	$ 5,726,402	$ 6,543,299	$ 5,731,696	$ 5,520,251	$ 4,217,738	$ 3,208,934	$ 1,269,603	$ (16,381,965)	$ 2,286,613

(1) The majority of the annual increases from fiscal years ending 2004 thru 2009 can be attributed to the ambulance service operations. The decline in 2010 is a result of the ambulance service being classified as a Business-type Activity.

(2) This amount for the year 2006 includes:

Community Development Block Grant	$ 359,981
Homeland Security Cluster Grant	882,049
Helping America Vote Act Requirement Payments	312,500
	$ 1,554,530

(3) As of December 31, 2009, Anderson County Utility Board merged with Anderson County Water Authority.

(4) The Business-type Activity is now Anderson County Emergency Medical Services.

(5) The fiscal year ending 2012 has a negative change in the Net Position primarily due to the issuance of $14,750,000 of bonds.

Table 3

Anderson County, Tennessee
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax (1)	Local Option Sales Tax	Interstate Communi-cations Tax	Hotel Motel Tax	Local Litigation Tax	Business Tax	Mineral, Coal Gas & Oil Severance Tax	Other Local Tax	Total
2004	$ 13,040,094	$ 722,130	$ 5,349	$ 129,939	$ 280,883	$ 333,822	$ 132,095	$ 4,584	$ 14,648,896
2005	12,735,886	805,743	5,364	134,738	327,692	756,324 (2)	198,865	16,509	14,981,121
2006	12,833,697	843,717	5,479	139,225	294,356	793,956	189,147	4,574	15,104,151
2007	13,117,940	985,038	5,125	177,196	289,691	1,307,583	181,814	22,392	16,086,779
2008	13,464,967	1,016,987	4,084	180,233	296,065	1,028,801	149,665	24,557	16,165,359
2009	14,075,895	926,173	3,753	178,023	290,851	1,008,018	466,144 (3)	3,251	16,952,108
2010	13,839,528	934,132	5,735	178,023	290,851	1,008,018	350,342	20,003	16,626,632
2011	14,156,678	910,270	3,746	324,673	356,430	1,120,438	261,267	6,215	17,139,717
2012	16,408,402	673,151	2,061	267,425	329,676	1,314,279	322,140	169,206 (4)	19,486,340
2013	16,530,753	806,190	2,848	275,561	304,544	996,687	201,211	146,316	19,264,110

(1) Includes current year, prior year, interest and penalty, and in-lieu-of property taxes.
(2) Prior to fiscal year 2005, business tax was distributed based on property tax distribution, which included the Discretely Presented Anderson County School Department.
(3) This is the first year that Gas and Oil Severance Tax was collected and included in this figure.
(4) Wholesale Beer Tax was reallocated to the primary government for fiscal year 2012.

Table 4

Anderson County, Tennessee
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011 (4)	2012	2013
General Fund:										
Nonspendable (1)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 560,530	$ 405,685	$ 274,773
Restricted (1)	0	0	0	0	0	0	0	608,426	1,276,846	1,033,728
Committed (1)	0	0	0	0	0	0	0	1,289,938	1,543,171	1,421,797
Assigned (1)	0	0	0	0	0	0	0	1,800	9,250	515,449
Reserved	296,073	755,557	279,141	324,579	618,661	759,326	1,165,325	0	0	0
Unassigned(2)	4,000,725	4,156,848	5,286,117	7,019,488	7,715,751	4,360,374	3,064,517	1,388,910	2,500,862	2,895,154
Total General Fund	$ 4,296,798	$ 4,912,405	$ 5,565,258	$ 7,344,067	$ 8,334,412	$ 5,119,700	$ 4,229,842	$ 3,849,604	$ 5,735,814	$ 6,140,901
All Other Governmental Funds:										
Nonspendable (1)										
Special Revenue Funds	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 57,433	$ 57,910	$ 45,565
Debt Service Funds	0	0	0	0	0	0	0	0	0	7,020
Restricted (1)										
Special Revenue Funds	0	0	0	0	0	0	0	1,574,076	1,798,331	2,390,140
Debt Service Funds	0	0	0	0	0	0	0	12,623,723	4,810,991	4,605,200
Capital Projects Funds	0	0	0	0	0	0	0	0	11,423,181	5,155,535
Committed (1)										
Special Revenue Funds	0	0	0	0	0	0	0	497,673	819,227	558,071
Debt Service Funds	0	0	0	0	0	0	0	47,657	112,511	166,973
Capital Projects Funds	0	0	0	0	0	0	0	25,427	0	0
Reserved	385,599	4,598,932	7,147,825	9,729,622	9,468,991	8,776,515	8,855,295	0	0	0
Unreserved, Reported in:										
Special Revenue Funds	1,415,124	1,277,166	2,164,596	1,320,239	1,213,829	1,608,528	1,476,166	0	0	0
Debt Service Funds	1,790,559	2,617,523	2,831,162	3,048,646	3,648,132	4,523,342	4,815,007	0	0	0
Capital Projects Funds	0	0	47,960	(190,806)	0	0	194,427	0	0	0
Total Other Governmental Funds	$ 3,591,282	$ 8,493,621	$ 12,191,543	$ 13,907,701	$ 14,330,952	$ 14,908,385	$ 15,340,895	$ 14,825,989	$ 19,022,151	$ 12,928,504
Total Governmental Funds (3)	$ 7,888,080	$ 13,406,026	$ 17,756,801	$ 21,251,768	$ 22,665,364	$ 20,028,085	$ 19,570,737	$ 18,675,593	$ 24,757,965	$ 19,069,405

(1) See Exhibit C-1 for details of fund balances.
(2) Prior to fiscal year 2011 Unassigned was known as Unreserved.
(3) See Table 5 for changes in fund balances from year to year.
(4) GASB No. 54 has been implemented in the fiscal year 2011.

Table 5

Anderson County, Tennessee
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues:										
Local Taxes	$ 15,402,349	$ 15,973,264	$ 15,901,248	$ 17,453,374	$ 17,758,428	$ 17,931,124	$ 18,702,680	$ 19,492,053	$ 21,646,045	$ 21,680,172
Licenses and Permits	303,338	312,175	277,564	435,207	334,781	364,232	426,596	298,821	362,401	284,283
Fines, Forfeitures, and Penalties	427,735	494,129	464,091	472,529	416,581	504,416	632,630	567,429	575,999	764,021
Charges for Current Services	5,839,958	6,228,056	6,930,644	4,984,369	5,453,574	5,951,297	810,065	849,905	833,953	792,791
Other Local Revenues	849,065	963,584	1,369,514	1,747,527	2,069,933	1,620,956	1,349,716	1,215,914	1,840,992	1,237,769
Fees Received from County Officials (1)	1,277,573	1,323,177	1,354,986	3,693,734	3,677,288	3,862,048	3,692,571	3,667,789	4,156,362	4,046,489
State of Tennessee	3,483,171	3,438,717	3,401,578	3,686,942	4,035,130	3,869,497	3,840,768	4,417,699	3,903,351	4,923,306
Federal Government	678,092	231,108	1,833,543	642,244	600,570	523,594	537,182	451,533	1,850,041	834,212
Other Governments and Citizens Groups	2,966,178	2,174,828	2,574,130	2,382,651	3,317,542	2,491,489	1,782,115	530,604	1,091,979	1,490,362
Total Revenues	$ 31,227,459	$ 31,139,038	$ 34,107,298	$ 35,498,577	$ 37,663,827	$ 37,118,653	$ 31,774,323	$ 31,491,747	$ 36,261,123	$ 36,053,405
Expenditures:										
General Government	$ 2,994,719	$ 3,167,562	$ 3,459,948	$ 3,290,754	$ 3,444,613	$ 3,478,014	$ 3,530,085	$ 4,072,604	$ 3,179,117	$ 3,515,206
Finance	2,213,122	2,293,211	2,263,540	2,495,518	2,602,777	2,757,148	2,778,596	2,755,700	2,679,473	2,720,118
Administration of Justice	2,358,261	2,330,126	2,472,047	2,355,187	2,429,489	2,710,219	2,795,870	2,913,006	3,135,634	3,380,293
Public Safety	6,222,472	6,340,657	7,821,651	7,809,510	9,450,720	10,710,833	10,627,558	11,328,197	11,643,265	11,906,184
Public Health and Welfare	5,043,678	5,264,081	5,245,520	5,742,633	6,280,097	7,702,019	2,688,777	2,494,491	2,523,813	2,615,637
Social, Cultural, and Recreational Services	268,495	287,399	298,894	318,068	359,240	538,636	598,734	694,235	673,710	966,599
Agricultural and Natural Resources	167,853	153,674	255,659	257,428	189,683	196,294	197,427	275,149	283,632	194,312
Other Operations	939,409	777,750	1,057,494	1,157,513	1,587,847	1,378,998	1,244,342	1,293,053	1,597,043	1,411,235
Highways	2,443,708	2,470,425	3,545,565	3,897,183	3,591,901	3,393,640	3,501,270	3,378,288	3,556,381	3,833,371
Debt Service:										
Principal on Debt	4,756,275	4,060,229	4,097,347	4,215,281	4,195,683	4,316,371	4,405,900	1,081,000	2,502,553	2,894,015
Interest on Debt	1,640,404	1,534,095	1,714,639	1,700,799	1,480,507	1,006,019	717,066	880,081	1,482,214	1,822,681
Other Debt Service	284,776	90,211	252,051	221,390	83,246	76,568	78,513	389,779	635,401	74,321
Capital Projects	1,228,570	778,751	975,440	3,949,006	650,169	1,534,296	1,570,112	1,191,527	22,062,520	6,395,314
Total Expenditures	$ 30,561,742	$ 29,548,171	$ 33,459,795	$ 37,410,270	$ 36,345,972	$ 39,799,055	$ 34,734,250	$ 32,747,110	$ 55,954,756	$ 41,729,286
Excess of Revenues Over (Under) Expenditures	$ 665,717	$ 1,590,867	$ 647,503	$ (1,911,693)	$ 1,317,855	$ (2,680,402)	$ (2,959,927)	$ (1,255,363)	$ (19,693,633)	$ (5,675,881)
Other Financing Sources (Uses):										
Bonds Issued	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 24,750,000	$ 0
Notes Issued	8,395,000	300,000	0	0	0	0	2,450,000	0	644,574	0
Capital Leases Issued	318,291	0	0	0	0	0	0	0	0	0
Refunding Debt Issued	0	0	4,580,000	0	0	0	0	19,055,000	0	0
Other Loans Issued	0	3,344,356	3,856,132	5,499,975	81,245	0	0	0	0	0
Proceeds from Sale of Capital Assets	0	0	0	0	0	0	13,115	11,220	1,100	7,307
Premiums on Bonds Sold	0	0	0	0	29,496	0	0	359,660	578,835	0
Insurance Recovery	0	0	0	41,685	0	43,123	19,525	2,648	1,496	8,135
Transfers In (1)	1,380,648	1,809,005	1,549,975	2,100,128	1,497,380	1,955,218	1,869,414	467,150	16,107	922,068
Transfers Out (1)	(1,380,648)	(2,109,005)	(1,710,085)	(2,235,128)	(1,512,380)	(1,955,218)	(1,849,475)	(467,150)	(216,107)	(926,444)
Redemption of Refunded Debt	(8,185,474)	0	(4,572,750)	0	0	0	0	(19,068,309)	0	0
Total Other Financing Sources (Uses)	$ 527,817	$ 3,344,356	$ 3,703,272	$ 5,406,660	$ 95,741	$ 43,123	$ 2,502,579	$ 360,219	$ 25,776,005	$ 11,066
Net Change in Fund Balances	$ 1,193,534	$ 4,935,223	$ 4,350,775	$ 3,494,967	$ 1,413,596	$ (2,637,279)	$ (457,348)	$ (895,144)	$ 6,082,372	$ (5,664,815)
Debt service as a percentage of noncapital expenditures	21.8%	19.4%	17.9%	17.7%	15.9%	14.8%	16.2%	6.5%	7.6%	13.6%

(1) Prior to July 1, 2004, fees collected by the individual constitutional officers were presented in total as charges for current services in a special revenue fund with the amount of funds remitted to the General Fund being reflected as transfers between funds. Subsequent to that date, the amount of funds remitted by the constitutional officers to the General Fund is shown as revenue directly into the General Fund and not in the special revenue fund.

Table 6

Anderson County, Tennessee
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Local Option Sales Tax	Interstate Communi-cations Tax	Hotel Motel Tax	Local Litigation Tax	Business Tax	Mineral Severance Tax	Coal Severance Tax	Other Local Tax	Total
2004	$ 12,984,453	$ 724,201	$ 5,349	$ 129,939	$ 280,883	$ 333,822	$ 132,095	$ 3,341	$ 1,243	$ 14,595,326
2005	12,853,661	796,107	5,292	134,738	327,692	756,324	198,865	15,723	786	15,089,188
2006	12,770,676	828,239	5,473	139,225	294,356	793,956	189,147	3,509	1,065	15,025,646
2007	13,118,321	964,365	5,248	177,196	289,691	1,307,583	181,814	20,092	2,300	16,066,610
2008	13,604,976	1,016,987	4,084	180,233	296,065	1,028,801	149,665	21,827	2,730	16,305,368
2009	13,737,972	942,886	3,852	168,321	297,034	1,045,622	126,280	40,612	2,284	16,364,863
2010	13,920,827	940,492	5,735	178,023	290,851	1,008,018	138,958	68,597	10,571	16,562,072
2011	14,202,539	927,865	3,746	325,250	356,430	1,120,438	149,196	112,071	1,979	17,199,514
2012	16,225,512	655,449	2,061	267,425	329,676	1,314,279	117,727	95,216	182,383 (1)	19,189,728
2013	16,564,768	819,924	2,848	275,561	304,544	996,687	104,421	15,572	171,030	19,255,355

(1) Wholesale Beer Tax was reallocated to the primary government for fiscal year 2012.

Table 7

Anderson County, Tennessee
Appraised and Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Tax Year	(1a) Real Property Appraised Value	(1a) Real Property Assessed Value	(1b) Personal Property Appraised Value	(1b) Personal Property Assessed Value	(1c) Public Utility Property Appraised Value	(1c) Public Utility Property Assessed Value	Total Appraised Value	Total Assessed Value	Total Direct Tax Rate	Ratio of Total Assessed to Total Appraised Value
2004	2003	$ 3,012,353,000	$ 863,322,920	$ 306,978,956	$ 82,335,143	$ 52,690,385	$ 28,979,712	$ 3,372,022,341	$ 974,637,775	$ 3.40	28.90%
2005	(2) 2004	3,050,012,600	872,896,130	312,102,890	83,469,007	53,459,049	29,402,477	3,415,574,539	985,767,614	3.40	28.86%
2006	2005	3,809,604,800	1,077,413,360	324,661,031	97,398,417	74,055,042	40,730,273	4,208,320,873	1,215,542,050	2.82	28.88%
2007	2006	3,904,492,300	1,102,774,960	353,263,679	105,979,217	72,689,618	39,979,290	4,330,445,597	1,248,733,467	2.82	28.84%
2008	2007	4,043,862,400	1,149,011,110	389,371,776	100,002,700	64,086,782	35,247,730	4,497,320,958	1,284,261,540	2.82	28.56%
2009	2008	4,134,408,100	1,177,967,050	389,765,798	100,456,659	65,417,775	35,979,776	4,589,591,673	1,314,403,485	2.82	28.64%
2010	2009	4,203,971,000	1,198,159,565	413,123,786	103,947,656	60,168,982	33,092,940	4,677,263,768	1,335,200,161	2.82	28.55%
2011	2010	5,072,033,400	1,438,571,130	420,909,761	126,273,011	40,289,379	22,159,158	5,533,232,540	1,587,003,299	2.37	28.68%
2012	2011	5,103,304,200	1,447,259,535	405,505,830	121,651,846	61,665,568	33,916,062	5,570,475,598	1,602,827,443	2.532	28.77%
2013	2012	5,542,958,171	1,449,714,920	430,114,371	129,034,404	41,628,886	22,895,887	6,014,701,428	1,601,645,211	2.532	26.63%

(1) Assessment Rates are set by Tennessee State Law as follows:
(a) Real Property: Residential and Farm at 25 percent of value.
Commercial and Industrial at 40 percent of value.
(b) Personal Property at 30 percent of value.
(c) Railroads at 40 percent of value and other Public Utilities at 55 percent of value.
(2) In fiscal years 2005 and 2010, county-wide reappraisals of real property were conducted by the State of Tennessee, Division of Property Assessments. Also, the county-wide reappraisals of real property were completed during tax years 2005 and 2010.

Table 8

Anderson County, Tennessee
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

		County Direct Rates											Overlapping Rates				
Fiscal Year	Tax Year	General Fund	(4) Library Fund	(4) Highway Dept	(5) Solid Waste	General Purpose School Fund	General Debt Service Fund	Rural Debt Service	Education Debt Service	Total Direct Tax Rate	Total Direct Inside Clinton	Total Direct Inside Oak Ridge	Total Direct Remainder of Anderson County	City of Clinton	City of Oak Ridge	City of Norris	City of Lake City
2004	2003	$0.96	$0.00	$0.00	$0.00	$1.92	$0.26	$0.01	$0.17	$3.32	$3.31	$3.14	$3.32	$0.89	$2.87	$1.89	$1.60
2005	(3) 2004	0.93	0.00	0.00	0.00	2.06	0.23	0.01	0.17	3.40	3.39	3.22	3.40	0.89	2.87	1.60	1.60
2006	2005	0.78	0.00	0.00	0.00	1.72	0.19	0.01	0.13	2.82	2.81	2.68	2.83	0.89	2.87	1.60	1.60
2007	2006	0.78	0.00	0.00	0.00	1.71	0.19	0.01	0.13	2.82	2.81	2.68	2.82	0.73	2.55	1.53	1.60
2008	2007	0.78	0.00	0.00	0.00	1.71	0.19	0.01	0.13	2.82	2.81	2.68	2.82	0.73	2.65	1.53	1.60
2009	2008	0.79	0.00	0.00	0.00	1.71	0.18	0.01	0.13	2.82	2.81	2.68	2.82	0.78	2.77	1.98	1.60
2010	(3) 2009	0.79	0.00	0.00	0.00	1.71	0.18	0.01	0.13	2.82	2.81	2.68	2.82	0.76	2.39	1.55	1.60
2011	2010	0.7163	0.0262	0.0275	0.00	1.44	0.05	0.01	0.10	2.37	2.36	2.26	2.37	0.76	2.39	1.55	1.60
2012	2011	0.7563	0.0262	0.0275	0.00	1.44	0.10	0.029	0.153	2.532	2.503	2.35	2.532	0.76	2.39	1.55	1.60
2013	2012	0.6944	0.0262	0.0275	0.0619	1.44	0.10	0.029	0.153	2.532	2.503	2.35	2.532	0.76	2.39	1.55	1.60

(1) Tax rates are in dollars per $100 of assessed value.
(2) City residents pay county taxes in addition to city taxes.
(3) In fiscal years 2005 and 2010, county-wide reappraisals of real property were conducted by the State of Tennessee, Division of Property Assessments.
Also, the county-wide reappraisals of real property were completed during tax years 2005 and 2010.
(4) Since the implementation of GASB No. 54 for the Library and Highway Department to remain Special Revenue Funds, they had to receive property taxes instead of transfers from the General Fund.
(5) The Solid Waste/Sanitation Fund was added to the property tax distribution in 2013 in order to comply with GASB No. 54.

Table 9

Anderson County, Tennessee
Principal Property Taxpayers (1)
Current Year and Nine Years Ago

	2013			2004		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value (2)	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value (3)
Lawler-Wood LLC	$ 37,011,568	1	2.31%			
Magna International	19,694,591	2	1.23%			
Summit Properties	14,122,320	3	0.88%	$ 10,754,440	3	1.10%
SL Corp	10,769,698	4	0.67%	8,951,474	4	0.92%
Bell South	9,687,473	5	0.60%	14,778,825	1	1.52%
Methodist Medical Center	9,611,210	6	0.60%			
Wal-Mart	9,164,147	7	0.57%	6,774,160	7	0.70%
Carlisle Tire	8,721,316	8	0.54%			
Food Lion	8,565,472	9	0.53%			
Norfold Southern	7,882,795	10	0.49%			
Boeign, Incorportated				11,740,089	2	1.20%
Crown American Corporation				7,198,000	5	0.74%
D H Compound				6,960,521	6	0.71%
Carlisle Tire, Incorporated				6,210,752	8	0.64%
Oak Ridge Corporate				4,916,440	9	0.50%
Richard Chinn				4,392,700	10	0.45%
Totals (5)	$ 135,230,590		8.44%	$ 82,677,401		8.48%

(1) Taken from the records of the Anderson County Trustee's Office.
(2) Total taxable value including real, personal, and public utility property for tax year 2012 (fiscal year 2013) is $1,601,645,211.
(3) Total taxable value including real, personal, and public utility property for tax year 2003 (fiscal year 2004) is $974,637,775.
(4) Prior to this fiscal year, Lawler-Wood LLC was known as Oak Ridge Project LLC.
(5) Other significant sources of revenue that should be considered include in-lieu-of Taxes:
Aisin Automotive $1,021,657 and USEC Inc. $204,793.

Table 10

Anderson County, Tennessee
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Tax Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (1)	Total Collections to Date		Uncollected Taxes to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2004	2003	$ 31,541,534	$ 29,710,989	94.20%	$ 1,803,552	$ 31,514,541	99.91%	$ 26,993	0.09%
2005	2004	32,691,543	31,110,500	95.16	1,541,633	32,652,133	99.88	39,410	0.12
2006	2005	33,550,148	31,908,542	95.11	1,621,238	33,529,780	99.94	20,368	0.06
2007	2006	34,484,834	32,724,486	94.90	1,744,444	34,468,930	99.95	15,904	0.05
2008	2007	34,479,582	33,772,795	97.95	685,805	34,458,600	99.94	20,982	0.06
2009	2008	35,271,646	34,150,225	96.82	1,089,557	35,239,782	99.91	31,864	0.09
2010	2009	35,939,486	34,723,573	96.62	1,159,813	35,883,386	99.84	56,100	0.16
2011	2010	36,336,767	35,100,300	96.60	945,120	36,045,420	99.20	291,347	1.73
2012	2011	39,418,410	36,853,130	93.49	1,937,885	38,791,015	98.41	627,395	1.59
2013	2012	39,767,690	37,296,389	93.79	0	37,296,389	93.79	1,186,925	2.98

(1) Collections in subsequent years include amounts collected by the Trustee's Office after June 30 of each year and amounts collected by the Clerk and Master in Chancery Court.

Table 11

Anderson County, Tennessee
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities			Business-type Activities				
Fiscal Year	General Obligation Bonds (1)	Capital Outlay Notes	Capital Leases	Water and Sewer Revenue Bonds (1)	Capital Outlay Notes	Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
2004	$ 40,603,340	$ 899,284	$ 148,719	$ 1,253,963	$ 102,119	$ 43,007,425	2.19%	$ 595
2005	40,383,107	835,474	16,889	1,250,367	42,800	42,528,637	1.98%	589
2006	40,487,589	521,666	0	1,177,475	10,000	42,196,730	1.96%	582
2007	41,958,949	335,000	0	1,102,755	0	43,396,704	1.98%	590
2008	37,899,511	280,000	0	1,022,723	0	39,202,234	1.77%	527
2009	33,638,140	225,000	0	0	0	33,863,140	1.50%	453
2010	31,727,241	180,000	0	0	0	31,907,241	1.48%	426
2011	30,776,000	140,000	0	0	0	30,916,000	1.43%	412
2012	53,092,000	913,880	0	0	0	54,005,880	2.12%	719
2013	51,302,991	1,008,425	599,207	0	0	52,910,623	2.89%	702

(1) Includes long-term loans payable financed by PBA loan agreements.
(2) See Table 16 for personal income and population data.

Table 12

Anderson County, Tennessee
Ratios of General Bonded Debt Outstanding (1)
Last Ten Fiscal Years

Fiscal Year	Estimated Population	Assessed Property Value	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2004	72,244	$ 974,637,775	$ 40,603,340	$ 2,373,282	$ 38,230,058	3.92%	$ 529
2005	72,244	985,767,614	40,383,107	2,637,523	37,745,584	3.83%	522
2006	72,469	1,215,542,050	40,487,589	2,877,398	37,610,191	3.09%	519
2007	73,579	1,248,733,467	41,958,949	3,048,646	38,910,303	3.12%	529
2008	74,446	1,284,261,540	37,899,511	3,648,132	34,251,379	2.67%	460
2009	74,738	1,314,403,485	33,638,140	4,523,342	29,114,798	2.22%	390
2010	74,849	1,335,200,161	31,727,241	4,815,007	26,912,234	2.02%	360
2011	75,129	1,587,003,299	30,776,000	4,778,380	25,997,620	1.64%	346
2012	75,129	1,602,827,443	53,092,000	4,923,502	48,168,498	3.01%	641
2013	75,411	1,601,645,211	51,302,991	4,779,193	46,523,798	2.90%	617

(1) Includes long-term loans payable financed by PBA loan agreements.

Table 13

Anderson County, Tennessee
Direct and Overlapping Governmental Activities Debt
As of June 30, 2013

Direct General Bonded Debt, Loans, Notes, and Capital Leases Payable:			
Anderson County	$	52,910,623	
Less: Amount Available in Debt Service Funds		(4,779,193)	
Total Direct General Bonded Debt, Loans, Notes, and Capital Leases Payable - Net	$	48,131,430	
Overlapping General Bonded Debt:			
City of Oak Ridge	$	84,160,206	(1)
City of Clinton		12,746,000	(1)
City of Lake City		517,498	(1)
Total Overlapping General Bonded Debt	$	97,423,704	
TOTAL DIRECT GENERAL BONDED DEBT AND LOANS PAYABLE AND OVERLAPPING GENERAL BONDED DEBT	$	145,555,134	

Method used to calculate overlapping debt:
Information on the county's bonded debt and loans payable is taken from information on Exhibit K-1 under the Miscellaneous Schedules section of this audit.

The amounts available in the fund balances of the debts services on Exhibit C-1 under the Basic Financial Statements is then removed from the total bonded debt.

The overlapping General Bonded Debt is obtained from each individual city in Anderson County. Their totals are then added to the county's direct general bonded debt and loans payable - net to obtain Total Direct General Bonded Debt and Loans Payable and Overlapping General Bonded Debt.

Footnotes:
(1) Includes general bonded debt only.

Table 14

Anderson County, Tennessee
Legal Debt Margin Information
June 30, 2013

Not Applicable to Anderson County, Tennessee

NOTE:

Section 9-21-103 of the laws of the State of Tennessee provides that bonds or notes may be issued without regard to any limit on indebtedness for Tennessee counties.

Table 15

Anderson County, Tennessee
Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Total Revenues (1)	Less Operating Expenses (2)	Net Available Revenue	Debt Service Requirements (3) Bonds (4)	Notes	Total	Coverage
2004	$ 1,723,155	$ 1,456,902	$ 266,253	$ 126,310	$ 60,418	$ 186,728	1.43
2005	1,825,171	1,566,766	258,405	132,010	61,841	193,851	1.33
2006	1,981,323	1,714,328	266,995	137,233	34,122	171,355	1.56
2007	2,350,570	1,858,103	492,467	130,277	10,382	140,659	3.50
2008	2,444,516	1,819,125	625,391	131,294	0	131,294	4.76
2009 (5)	0	0	0	0	0	0	0

This table only includes the Water and Revenue Bonds of the Public Utility Fund (Enterprise Fund).

Notes:
(1) Includes operating revenues and nonoperating revenues excluding capital grants and contributions from developers.
(2) Does not include depreciation expense.
(3) Includes principal and interest amounts.
(4) Includes other loans payable.
(5) On December 31, 2008, Anderson County Utility Board (ACUB) merged with Anderson County Water Authority Board. All debt requirements transferred with ACUB.

Table 16

Anderson County, Tennessee
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (amounts expressed in thousands) (1)	Per Capita Personal Income (1)	Median Age (1)	School Attendance (2)	Unemployment Rate (3)
2004	72,244	$ 1,964,603	$ 27,194	39.9	8,486	5.1%
2005	72,244	2,151,426	29,780	39.2	8,431	5.8%
2006	72,469	2,158,127	29,780	40.7	8,336	5.3%
2007	73,579	2,191,183	29,780	41.4	8,528	3.6%
2008	74,446	2,217,002	29,780	41.4	8,694	5.4%
2009	74,738	2,258,433	30,218	41.4	8,541	10.8%
2010	74,849	2,154,154	28,780	39.2	8,117	9.4%
2011	75,129	2,162,213	28,780	39.9	8,186	9.4%
2012	75,129	2,543,192	33,851	39.5	8,141	8.6%
2013	75,411	1,828,113	24,242	40.5	8,081	8.6%

Data Sources:
(1) Tennessee Advisory Commission on Intergovernmental Relations (TACIR) (tn.gov).
(2) Anderson County Schools.
(3) Tennessee Department of Labor and Workforce Development.
(4) Anderson County Chamber of Commerce web site.

Table 17

Anderson County, Tennessee
Principal Employers
Current Year and Nine Years Ago

	2013			2004		
Employer	Employees	Rank	Percentage of County Work Force	Employees	Rank	Percentage of County Work Force
BWXT - Y12 (1)	5,000	1	13.48%	4,700	1	(2)
UT Battelle (1)	4,500	2	12.13%	3,883	2	(2)
Anderson County Government	1,716	3	4.63%	1,259	3	(2)
Methodist Medical Center	1,350	4	3.64%	1,250	4	(2)
UCOR (Bechtel Jacobs)	1,337	5	3.60%	1,105	6	(2)
SAIC	1,000	6	2.70%	885	7	(2)
Oak Ridge Associated Universities	1,000	7	2.70%	722	9	
Energy Solutions	620	8	1.67%			
SiTel	600	9	1.62%			
City of Oak Ridge	450	10	1.21%			
BNFL, Inc.	-		-	1,200	5	(2)
Eagle Bend Manufacturing	-		-	750	8	(2)
Wackenhut-Oak Ridge Team	-		-	720	10	
Total	17,573		47.37%	16,474		

Source(s): Tennessee Department of Economic and Community Development and Tennessee Department of Labor and Workforce Development.

(1) In 1997, Lockheed Martin Energy System, Inc., was the Department of Energy contract manager for the Y-12 and X-10 sites in Oak Ridge. In 2006, those sites were managed by BWXT-Y12 and UT Battelle.
(2) Due to unavailability of total county work force, percentage is not calculated.

Table 18

Anderson County, Tennessee
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of June 30									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government	38.5	39.7	43.7	42.3	42.0	40.0	39.0	51.0	48.0	50.0
Finance	50.7	49.0	48.3	50.3	45.4	48.0	47.0	44.0	44.0	43.0
Administration of Justice	52.9	51.7	54.1	43.7	47.6	46.0	46.0	47.0	49.0	49.0
Public Safety	112.9	111.5	121.0	131.8	147.6	159.0	167.0	164.0	171.0	177.0
Public Health and Welfare	92.8	90.5	92.8	93.8	105.1	87.0	75.0	85.0	86.0	76.0
Social, Cultural, and Recreational Services	11.3	11.3	12.8	13.7	12.8	8.0	6.0	7.0	8.0	5.0
Agriculture and Natural Resources	2.7	2.5	2.7	3.0	3.0	3.0	3.0	3.0	3.0	2.0
Other Operations	4.3	3.3	4.5	6.1	6.1	6.0	4.0	4.0	4.0	3.0
Solid Waste	3.0	3.0	3.0	2.4	3.0	3.0	3.0	1.0	3.0	3.0
Highways	36.8	33.2	33.1	33.0	33.8	34.0	30.0	33.0	35.0	31.0
Water and Sewer (1)	15.9	14.8	16.4	18.2	21.3	0.0	0.0	0.0	0.0	0.0
TOTAL	421.8	410.5	432.4	438.3	467.7	434.0	420.0	439.0	451.0	439.0

(1) On December 31, 2008, Anderson County Utility Board (ACUB) merged with Anderson County Water Authority; therefore, ACUB employees will not be reflected on this report subsequent to 2008.

Table 19

Anderson County, Tennessee
Operating Indicators by Function
Last Ten Fiscal Years

Function:	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Register of Deeds										
Documents Filed	18,000	15,500	17,000	16,100	14,708	14,042	12,793	11,114	11,341	14,824
Chancery Court										
Cases Filed	1,670	1,565	1,704	1,655	2,121	2,396	2,215	2,167	2,102	2,066
Case Dispositions	1,448	1,390	2,117	1,564	1,704	2,146	1,889	1,951	1,744	2,293
General Sessions Court I										
Civil Cases Filed	1,522	1,320	1,439	1,679	2,087	2,185	2,138	2,062	1,959	1,369
Criminal Cases Files	8,641	8,710	6,246	7,478	7,887	7,671	7,825	7,491	7,462	5,131
General Sessions Court II										
Civil Cases Filed	419	429	420	560	519	700	615	607	748	979
Criminal Cases Files	6,201	5,702	5,423	5,182	4,584	5,442	5,104	5,121	5,158	3,540
Circuit Court										
Cases Filed	839	757	858	750	713	638	606	571	455	337
Case Dispositions	NA	772	785	926	880	741	664	655	566	391
Criminal Court										
Cases Filed	1,025	922	934	911	1,729	1,640	2,441	2,651	2,609	1,084
Case Dispositions	835	974	980	617	519	1,411	1,691	1,289	1,337	1,275
Sheriff's Department										
Physical Arrests	910	768	803	2,363	2,717	3,157	2,779	3,551	3,323	2,371
Traffic Violations	1,997	1,042	576	274	406	702	674	950	979	790
Back-Up Units Required	6,283	5,856	5,974	5,974	7,985	9,836	9,357	9,234	7,680	8,296
Emergency Dispatch										
Calls for Service										
Sherriff	25,661	25,205	12,602	24,795	28,645	34,016	36,115	34,357	29,925	27,387
Ambulance	19,327	20,953	10,476	22,446	22,101	25,440	29,373	29,982	22,313	32,908
Fire and Rescue Calls	NA	NA	2,135	5,121	4,152	4,992	4,490	4,158	4,152	5,383
Ambulance Service										
Transports (1)	13,043	14,760	15,843	15,797	17,875	20,505	15,319	25,815	19,195	17,777
Highway Department										
Road Resurfacing (miles)	14	32	36	28	17	14	14	4	9.3	13.8
Water										
New Connections	88	100	100	125	209	(2)	(2)	(2)	(2)	(2)
Gallons Produced and Purchased	455,233	485,515	483,672	439,240	476,752	(2)	(2)	(2)	(2)	(2)
Gallons Sold	334,293	338,187	338,670	360,308	376,930	(2)	(2)	(2)	(2)	(2)
Wastewater										
Average Daily Sewage Treatment (thousands of gallons)	65	67	69	78	80	(2)	(2)	(2)	(2)	(2)

Sources: Various government departments.
NA Information not available.
(1) These numbers only represent actual transports of patients. They do not represent any calls that had no transports or a stand-by. Fiscal years 2008 and 2009 include all responses.
(2) These numbers are not available due to the merger of Anderson County Water Authority and Anderson County Utility Board on December 31, 2008.

Table 20

Anderson County, Tennessee
Capital Assets Statistics by Function
Last Ten Fiscal Years

	Fiscal Year Ending									
Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Buildings	5	5	5	5	5	5	5	5	5	5
Vehicles	6	6	5	5	6	6	8	9	9	11
Administration of Justice										
Vehicles	1	1	1	1	1	1	1	1	1	1
Public Safety										
Buildings	2	2	2	3	4	4	4	4	5	6
Vehicles	77	81	71	77	91	110	115	123	137	111
Haz-mat Vehicle	0	0	1	1	1	1	1	1	1	1
Public Health and Welfare										
Buildings	2	2	2	2	2	3	3	3	3	3
Ambulances	14	16	18	16	19	21	19	20	22	22
Vehicles	3	3	4	4	5	9	7	8	8	9
Social, Cultural, and Recreational										
Buildings	1	1	1	1	1	1	1	1	1	1
Parks	8	8	7	7	7	7	7	7	7	7
Highway										
Buildings	1	1	1	1	1	1	1	1	1	1
Bridges	65	65	65	65	66	66	67	68	68	69
Roads (miles)	501	534	535	535	536	538	504	530	506	506
Water										
Water Mains (miles)	450	460	465	475	480	(1)	(1)	(1)	(1)	(1)
Fire Hydrants	160	180	188	205	220	(1)	(1)	(1)	(1)	(1)
Sewer										
Sanitary Sewers (miles)	43	43	50	57	57	(1)	(1)	(1)	(1)	(1)

Sources: Various government departments.

(1) These assets were transferred to Anderson County Water Authority during the merger with Anderson County Utility Board on December 31, 2008.

SINGLE AUDIT SECTION

STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT 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*

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anderson County, Tennessee, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Anderson County's basic financial statements, and have issued our report thereon dated November 27, 2013. Our report includes a reference to other auditors who audited the financial statements of the Anderson County Emergency Communications District, as described in our report on Anderson County's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Anderson County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Anderson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Anderson County's internal control.

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 a 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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Anderson County's financial statements are free from 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: 2013-001, 2013-002, 2013-003, and 2013-004.

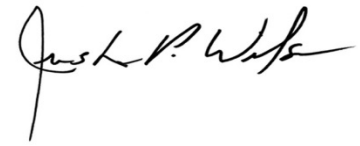
Anderson County's Response to Findings

Anderson County's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Anderson County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Anderson County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

November 27, 2013

JPW/sb

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

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Anderson County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Anderson County's major federal programs for the year ended June 30, 2013. Anderson County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Anderson County's major federal programs based on our audit of the types of compliance requirements referred to above. 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 Anderson 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 on compliance for each major federal program. However, our audit does not provide legal determination of Anderson County's compliance.

Opinion on Each Major Federal Program

In our opinion, Anderson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of Anderson County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Anderson County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 Anderson 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

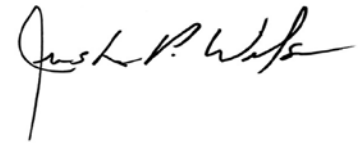
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Anderson County, Tennessee, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Anderson County's basic financial statements. We issued our report thereon dated November 27, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

November 27, 2013

JPW/sb

Anderson County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants - (1)
For the Year Ended June 30, 2013

Federal/Pass-through Agency/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	
U.S. Department of Agriculture:				
Passed-through State Department of Agriculture:				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	$ 162,374	(3)
Passed-through State Department of Education:				
Fresh Fruit and Vegetable Program	10.582	N/A	45,998	
Child Nutrition Cluster:				
School Breakfast Program	10.553	N/A	574,161	
National School Lunch Program	10.555	N/A	1,521,954	(3)
Passed-through State Department of Human Services:				
Child and Adult Care Food Program	10.558	(2)	191,552	
Child Nutrition Cluster:				
Summer Food Service Program for Children	10.559	N/A	12,275	
Total U.S. Department of Agriculture			$ 2,508,314	
U.S. Department of Housing and Urban Development:				
Passed-through Tennessee Housing Development Agency:				
Home Investment Partnerships Program	14.239	(2)	$ 257,481	
Total U.S. Department of Housing and Urban Development			$ 257,481	
U.S. Department of Justice:				
Passed-through Tennessee Bureau of Investigation:				
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	2009-SB-B9-2869	$ 52,047	
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	NA	122,844	
Total U.S. Department of Justice			$ 174,891	
U.S. Department of Transportation:				
Passed-through State Department of Transportation:				
State and Community Highway Safety	20.600	Z13GHSO10	$ 34,002	
Total U.S. Department of Transportation			$ 34,002	
Appalachian Regional Commission:				
Direct Program:				
Appalachian Area Development	23.002	N/A	$ 114,407	
Total Appalachian Regional Commission			$ 114,407	
U.S. Department of Education:				
Passed-through State Department of Labor and Workforce Development:				
Adult Education - Basic Grants to States	84.002	N/A	$ 128,203	
Passed-through State Department of Education:				
Title I Cluster:				
Title I Grants to Local Educational Agencies	84.010	N/A	1,479,168	
Special Education Cluster:				
Special Education - Grants to States	84.027	N/A	1,366,929	
Special Education - Preschool Grants	84.173	N/A	79,793	
Career and Technical Education - Basic Grants to States	84.048	N/A	107,790	
Safe and Drug-free Schools and Communities	84.184	N/A	37,464	
Funds for the Improvement of Education	84.215	N/A	296,786	
Improving Teacher Quality State Grants	84.367	N/A	309,702	
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	88,634	

(Continued)

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

Federal/Pass-through Agency/Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education (Cont.):			
State Fiscal Stabilization Funds (SFSF) - Race-to-the-Top Incentive Grants Recovery Act	84.395	N/A	$ 414,071
Education Jobs Fund	84.410	(2)	10
Passed-through State Department of Human Services:			
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	N/A	42,106
Total U.S. Department of Education			$ 4,350,656
U.S. Department of Health and Human Services:			
Direct Program:			
Head Start	93.600	N/A	$ 2,737,773
Total U.S. Department of Health and Human Services			$ 2,737,773
Executive Office of the President:			
Direct Program:			
High Intensity Drug Trafficking Areas Program	95.001	N/A	$ 37,951
Total Executive Office of the President			$ 37,951
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Cluster:			
Emergency Management Performance Grants	97.042	(2)	$ 33,409
Homeland Security Grant Program	97.067	(2)	171,500
Total U.S. Department of Homeland Security			$ 204,909
Total Expenditures of Federal Awards			$ 10,420,384

State Grants		Contract Number	
Juvenile Services Program - State Children's Services Commission	N/A	(2)	$ 15,481
Litter Program - State Department of Transportation	N/A	(2)	32,367
Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	32,718
Law Enforcement Training Program	N/A	(2)	34,800
Drug Court Grant - State Department of Finance and Administration	N/A	(2)	49,678
Health Department Grants - State Department of Health	N/A	(2)	428,602
Library Construction Grant	N/A	(2)	100,000
Early Childhood Education - Pilot - State Department of Education	N/A	(2)	630,259
Total State Grants			$ 1,323,905

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) Total for CFDA No. 10.555 is $1,684,328.

SUBRECIPIENT

Program Title	Federal CFDA Number	Amount Provided to Subrecipient	Subrecipient
Head Start	93.600	$712,969	City of Oak Ridge

Anderson County, Tennessee
Schedule of Audit Findings Not Corrected
June 30, 2013

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. There are no findings from the Comprehensive Annual Financial Report for Anderson County, Tennessee, for the year ended June 30, 2012, which have not been corrected.

ANDERSON COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2013

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the financial statements of Anderson County is unmodified.

2. The audit of the financial statements of Anderson County disclosed no significant deficiencies in internal control.

3. The audit disclosed no instances of noncompliance that are material to the financial statements of Anderson County.

4. The audit disclosed no significant deficiencies in internal control over major programs.

5. An unmodified 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 Head Start Program (CFDA No. 93.600) and the State Fiscal Stabilization Fund – Race-to-the-Top Incentive Grants, Recovery Act (CFDA No. 84.395) were determined to be major programs.

8. A $312,612 threshold was used to distinguish between Type A and Type B federal programs.

9. Anderson County qualified 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 county mayor and director of accounts and budgets provided a written response, which is paraphrased in this report. Other management officials did not provide responses for inclusion in this report.

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2013-001 **A SALARY FOR A PART TIME POSITION IN THE OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS TOTALING $22,740 WAS EXPENDED DESPITE THE DENIAL OF THE APPROPRIATION BY THE COUNTY COMMISSION**
(Noncompliance Under *Government Auditing Standards*)

A salary for a part-time position totaling $22,740 was expended in the Accounting and Budgeting major appropriation category of the General Fund despite denial of the appropriation for this salary by the County Commission.

In December 2012, the director of accounts and budgets requested a budget amendment to transfer appropriations from the Other Administration of Justice major appropriation category to fund a part-time position in the Accounts and Budgets Department. On December 10, 2012, the county's Budget Committee approved the amendment and referred the amendment to the full County Commission for its approval. However, on December 17, 2012, the amendment was denied by the County Commission. While the appropriation to fund this position was not requested until December, an employee had already been hired to fill this position in late November.

In May 2013, the director of accounts and budgets again requested a budget amendment to provide funding for this position. This amendment requested a transfer of appropriations from other line-items within the Accounting and Budgeting major category. On May 8, 2013, the county's Budget Committee passed the amendment and referred the amendment to the County Commission for its approval. On May 20, 2013, the County Commission again denied the amendment.

Section 5-9-401, *Tennessee Code Annotated,* states that "All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various county departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies."

Also, the budget resolution approved by the County Commission states that the salary, wages, or remuneration of each officer, employee, or agent of the county shall not be in excess of the amounts set forth in the estimate of expenditures that accompanies this resolution.

This deficiency exists because management failed to hold spending to the limits authorized by the County Commission, which resulted in unauthorized expenditures.

RECOMMENDATION

Expenditures should be held within appropriations approved by the County Commission.

OFFICES OF COUNTY MAYOR, HIGHWAY SUPERINTENDENT, DIRECTOR OF SCHOOLS, AND DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2013-002 **THE OFFICES HAD BUDGET DEFICIENCIES**
(Noncompliance Under *Government Auditing Standards*)

We noted the following deficiencies in the budget operations of the offices:

A. Expenditures exceeded appropriations in the following funds' major appropriation categories (the legal level of control):

Fund/Major Appropriation Category	Amount Overspent
General:	
Victims Assistance Programs	$ 13,012
Appropriation to State	4,942
Miscellaneous	4,889
School Federal Projects:	
Office of the Principal	100

B. In addition to the unauthorized specific salary expenditure discussed in Finding 2013-001, other salary accounts expenditures exceeded line-item appropriations in the General, Public Library, Solid Waste/Sanitation, Highway/Public Works, General Purpose School, School Federal Projects, Central Cafeteria, and Other Education Special Revenue funds by amounts ranging from $1 to $25,768.

Section 5-9-401, *Tennessee Code Annotated,* states that "All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various county departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies."

Also, the budget resolution approved by the County Commission states that the salary, wages, or remuneration of each officer, employee, or agent of the county shall not be in excess of the amounts set forth in the estimate of expenditures that accompanies this

resolution. Therefore, the salaries that exceeded line-item appropriations were expenditures not approved by the County Commission.

These deficiencies exist because management failed to hold spending to the limits authorized by the County Commission and Board of Education, which resulted in unauthorized expenditures.

RECOMMENDATION

Expenditures should be held within appropriations approved by the County Commission and Board of Education.

MANAGEMENT'S RESPONSE TO FINDINGS 2013-001 AND 2013-002 – COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

Regarding Finding 2013-001, while we agree and understand that a payroll code was overspent, we feel it is an omission of pertinent fact to the reader of the audit report not to recognize that the function 52100 (Accounts and Budgets) was not overspent. We also feel that the detail given and length of the written finding is unprecedented. Several concessions and budget cost savings measures were implemented in order to make available the funding within the Accounts and Budgets Office for the part-time position. The commission chose not to approve the transfer request that the Budget Committee had approved in May after it was apparent that cost savings measures were achieved without the need for an appropriation request.

Related to Finding 2013-001, Finding 2013-002 is basically the same finding for several other departments; however, it was not detailed like Finding 2013-001. The finding on the Accounts and Budgets Office totaled $22,740, but the Findings in 2013-002 relating to several departments were much greater, one department overspent a part-time code by over $25,000. We feel it is inconsistent to detail one finding and not the other.

AUDITOR'S COMMENT

Regardless of cost-saving measures that have been put in place, it is still the County Commission's authority to approve or deny transfer requests brought before them.

As stated in Finding 2013-002, expenditures exceeded appropriations for several line items in different funds. The director of accounts and budgets is responsible, along with the applicable department heads, to monitor the budget and limit expenditures to amounts approved by the County Commission. We have not attempted to minimize the importance of this issue.

The issue addressed in Finding 2013-001 is different in that it deals with an appropriation transfer request for a position within the office responsible for maintaining budgetary records for all departments; the budgetary account for the position contained no appropriation whatsoever; and the budget transfer request was specifically denied twice by the County Commission. In our opinion, these factors merited a separate finding.

OFFICES OF DIRECTOR OF SCHOOLS AND DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2013-003 **A REVENUE ANTICIPATION NOTE WAS NOT RETIRED IN COMPLIANCE WITH STATE STATUTES**
(Noncompliance Under *Government Auditing Standards*)

During the period under examination, the School Federal Projects Fund borrowed $300,000 from the General Purpose School Fund in the form of a revenue anticipation note to provide cash flow for the payment of federal grant expenditures. Of this amount, only $250,000 was paid back during the fiscal year. Therefore, $50,000 of this note was not retired by June 30, 2013, due to the lack of available funds. Section 9-21-801, *Tennessee Code Annotated*, provides that revenue anticipation notes shall mature not later than the close of the fiscal year issued. This note has been reflected in the financial statements of this report as Due from Other Funds in the General Purpose School Fund and as Due to Other Funds in the School Federal Projects Fund.

RECOMMENDATION

Revenue anticipation notes should be retired prior to the end of the fiscal year issued as required by state statute.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2013-004 **DEFICIENCIES WERE NOTED IN THE OPERATION OF THE AFTER-SCHOOL PROGRAM RESULTING IN A CASH SHORTAGE OF AT LEAST $280**
(Noncompliance Under *Government Auditing Standards*)

Deficiencies were noted in the operation of the after-school program resulting in a cash shortage of at least $280. This cash shortage is reflected in the Other Education Special Revenue Fund of the discretely presented School Department in the financial statements of this report. Further details of the cash shortage and related deficiencies in internal control and compliance can be found in the report issued August 28, 2013, by the Comptroller of the Treasury's Division of Investigations at www.comptroller.tn.gov.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs for federal awards.

ANDERSON COUNTY, TENNESSEE
AUDITEE REPORTING RESPONSIBILITIES
For the Year Ended June 30, 2013

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