

ANNUAL FINANCIAL REPORT
TIPTON COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2015



DIVISION OF LOCAL GOVERNMENT AUDIT



**ANNUAL FINANCIAL REPORT
TIPTON COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2015**

***COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON***

***DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director***

***JAN PAGE, CPA, CFE
Audit Manager***

***LEE ANN WEST, CPA, CGFM
Auditor 4***

***JUSTIN NEAL, CPA
ELISHA CROWELL, CISA, CFE
State Auditors***

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

TIPTON COUNTY, TENNESSEE

TABLE OF CONTENTS

	Exhibit	Page(s)
Summary of Audit Findings		6
<u>INTRODUCTORY SECTION</u>		7
Tipton County Officials		8
<u>FINANCIAL SECTION</u>		9
Independent Auditor's Report		10-13
BASIC FINANCIAL STATEMENTS:		14
Government-wide Financial Statements:		
Statement of Net Position	A	15-16
Statement of Activities	B	17-18
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	19-20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C-2	21
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	22-23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	24
Statements of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Fund	C-5	25-27
Highway/Public Works Fund	C-6	28
Fiduciary Funds:		
Statement of Fiduciary Assets and Liabilities	D	29
Index and Notes to the Financial Statements		30-72
REQUIRED SUPPLEMENTARY INFORMATION:		73
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	E-1	74
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	E-2	75
Schedule of Contributions Based on Participation in the Teacher Retirement Plan of TCRS – Discretely Presented Tipton County School Department	E-3	76
Schedule of Contributions Based on Participation in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Tipton County School Department	E-4	77

	Exhibit	Page(s)
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Legacy Pension Plan of TCRS – Discretely Presented Tipton County School Department	E-5	78
Schedule of Funding Progress – Other Postemployment Benefits Plans – Primary Government and Discretely Presented Tipton County School Department	E-6	79
Notes to the Required Supplementary Information		80
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		81
Nonmajor Governmental Funds:		82
Combining Balance Sheet	F-1	83
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	F-2	84
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
Solid Waste/Sanitation Fund	F-3	85
Drug Control Fund	F-4	86
Major Governmental Fund:		87
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget:		
General Debt Service Fund	G	88
Fiduciary Funds:		89
Combining Statement of Fiduciary Assets and Liabilities	H-1	90
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	H-2	91
Component Unit:		
Discretely Presented Tipton County School Department:		92
Statement of Activities	I-1	93
Balance Sheet – Governmental Funds	I-2	94
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	I-3	95
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	I-4	96
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	I-5	97
Combining Balance Sheet – Nonmajor Governmental Funds	I-6	98
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	I-7	99
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Purpose School Fund	I-8	100-101
School Federal Projects Fund	I-9	102
Central Cafeteria Fund	I-10	103
Miscellaneous Schedules:		104
Schedule of Changes in Long-term Other Loans and Bonds	J-1	105
Schedule of Long-term Debt Requirements by Year	J-2	106
Schedule of Transfers – Primary Government and Discretely Presented Tipton County School Department	J-3	107

	Exhibit	Page(s)
Schedule of Salaries and Official Bonds of Principal Officials – Primary Government and Discretely Presented Tipton County School Department	J-4	108
Schedule of Detailed Revenues – All Governmental Fund Types	J-5	109-122
Schedule of Detailed Revenues – All Governmental Fund Types – Discretely Presented Tipton County School Department	J-6	123-126
Schedule of Detailed Expenditures – All Governmental Fund Types	J-7	127-149
Schedule of Detailed Expenditures – All Governmental Fund Types – Discretely Presented Tipton County School Department	J-8	150-160
Schedule of Detailed Receipts, Disbursements, and Changes in Cash Balance – City Agency Fund	J-9	161
 <u>SINGLE AUDIT SECTION</u>		 162
Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		163-164
Auditor's Report on Compliance for Each Major Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133		165-167
Schedule of Expenditures of Federal Awards and State Grants		168-169
Schedule of Audit Findings Not Corrected		170
Schedule of Findings and Questioned Costs		171-173
Best Practice		174
Auditee Reporting Responsibilities		175

Summary of Audit Findings

Annual Financial Report
Tipton County, Tennessee
For the Year Ended June 30, 2015

Scope

We have audited the basic financial statements of Tipton County as of and for the year ended June 30, 2015.

Results

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

Our audit resulted in no findings and recommendations.

INTRODUCTORY SECTION

Tipton County Officials
June 30, 2015

Officials

Jeff Huffman, County Executive
Shannon Reed, Director of Public Works
Dr. William Bibb, Jr., Director of Schools
Kristie Maxwell, Trustee
Rose Cousar, Assessor of Property
Mary Gaither, County Clerk
Mike Forbess, Circuit, General Sessions, and Juvenile Courts Clerk
Virginia Gray, Clerk and Master
Claudia Peeler, Register of Deeds
Jeffrey Chumley, Sheriff
Walter Thomas Bailey, Director of Accounts and Budget

Board of County Commissioners

Jeff Huffman, County Executive, Chairman	Jeff Mason
James Adkins	Arnold McIntyre
Quincy Barlow	Dale Smith
Steve Bringle	James Lamont Sneed
John Delancey	Mike Sterling
Thomas Dunavant	Glenn Turner
Courtney Fee	Harold Twisdale
Johnnie Jones	Robert Wilson
Carl Knight	Rusty Wooten

Board of Education

Marty Burlison, Chairman	Richard Ellis Joyner
Steve Clark	Kay Scott
Alvis Ferrell	Phillip Grant Shipley, Jr.
Marty Haywood	Farrel Vincent

Audit Committee

Arnold McIntyre, Chairman
Quincy Barlow
Robert Wilson

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

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

To the County Executive and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tipton County, Tennessee, as of and for the year ended June 30, 2015, 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 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tipton County, Tennessee, as of June 30, 2015, and the respective changes in financial position and the respective budgetary comparisons 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.

Change in Accounting Principle

As described in Note V.B., Tipton County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*; GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*; and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

Emphasis of Matter

We draw attention to Note I.D.8. to the financial statements, which describes a restatement to the beginning Governmental Activities net position totaling (\$505,123) and the discretely presented Tipton County School Department net position totaling (\$15,951,821) on the Government-wide Statement of Activities. These restatements were necessary because of the transitional requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability and related ratios, schedules of county and school contributions, schedule of school's proportionate share of the net pension asset, and schedule of funding progress - other postemployment benefits plans on pages 74-80 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 Tipton 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 Tipton County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Tipton 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

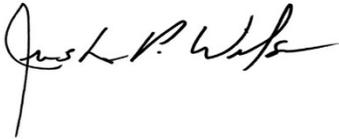
in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Tipton 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 section has 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 September 22, 2015, on our consideration of Tipton 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 Tipton County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

September 22, 2015

JPW/kp

BASIC FINANCIAL STATEMENTS

Exhibit A

Tipton County, Tennessee
Statement of Net Position
June 30, 2015

	Primary Government Governmental Activities	Component Unit Tipton County School Department
<u>ASSETS</u>		
Cash	\$ 32,036	\$ 0
Equity in Pooled Cash and Investments	27,506,117	15,969,543
Accounts Receivable	82,260	0
Due from Other Governments	949,276	1,074,593
Property Taxes Receivable	12,667,080	11,431,664
Allowance for Uncollectible Property Taxes	(438,369)	(395,609)
Accrued Interest Receivable	16,157	0
Net Pension Asset - Agent Plan	672,356	1,504,962
Net Pension Asset - Cost-Sharing Plan	0	180,723
Capital Assets Not Depreciated:		
Land	2,228,266	3,596,156
Construction in Progress	1,291,023	605,380
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	2,004,334	24,708,941
Infrastructure	8,746,977	135,064
Other Capital Assets	3,020,565	4,177,851
Total Assets	<u>\$ 58,778,078</u>	<u>\$ 62,989,268</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Pension Changes in Experience	\$ 0	\$ 438,753
Pension Contributions after Measurement Date	875,236	4,745,564
Total Deferred Outflows of Resources	<u>\$ 875,236</u>	<u>\$ 5,184,317</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 31	\$ 3,108
Payroll Deductions Payable	11,702	2,449,818
Contracts Payable	120,376	0
Retainage Payable	5,999	0
Accrued Interest Payable	45,931	0
Noncurrent Liabilities:		
Due Within One Year	3,186,130	181,770
Due in More Than One Year	26,955,195	3,684,153
Total Liabilities	<u>\$ 30,325,364</u>	<u>\$ 6,318,849</u>

(Continued)

Exhibit A

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

	Primary Government <u>Governmental Activities</u>	Component Unit <u>Tipton County School Department</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 11,933,011	\$ 10,769,204
Pension Changes in Experience	102,892	230,306
Pension Changes in Investment Earnings	1,071,344	17,288,517
Pension Other Deferrals	0	338,727
Total Deferred Inflows of Resources	<u>\$ 13,107,247</u>	<u>\$ 28,626,754</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 15,253,165	\$ 33,223,392
Restricted for:		
General Government	208,533	0
Finance	10,302	0
Administration of Justice	175,025	0
Public Safety	221,698	0
Public Health and Welfare	8,016	0
Highway/Public Works	1,516,281	0
Debt Service	9,998,764	0
Capital Projects	2,784,557	902,486
Education	0	335,864
Operation of Non-instructional Services	0	2,141,554
Unrestricted	<u>(13,955,638)</u>	<u>(3,375,314)</u>
Total Net Position	<u>\$ 16,220,703</u>	<u>\$ 33,227,982</u>

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

Exhibit B

Tipton County, Tennessee
Statement of Activities
For the Year Ended June 30, 2015

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government	
				Capital Grants and Contributions	Government Total
				Governmental Activities	Tipton County School Department
Primary Government:					
Governmental Activities:					
General Government	\$ 3,517,668	\$ 386,582	\$ 528,664	\$ 168,351	\$ (2,434,071)
Finance	1,440,851	1,268,120	0	0	(172,731)
Administration of Justice	1,618,606	1,345,111	15,300	0	(258,195)
Public Safety	8,510,763	521,610	119,956	1,230,337	(6,638,860)
Public Health and Welfare	2,061,828	435,265	412,097	0	(1,214,466)
Social, Cultural, and Recreational Services	380,932	16,860	17,935	0	(346,137)
Agriculture and Natural Resources	181,881	0	0	0	(181,881)
Highways/Public Works	4,460,613	2,470	2,021,143	345,650	(2,091,350)
Interest on Long-term Debt	240,613	0	0	0	(240,613)
Total Primary Government	\$ 22,413,755	\$ 3,976,018	\$ 3,115,095	\$ 1,744,338	\$ (13,578,304)
Component Unit:					
Tipton County School Department	\$ 87,164,129	\$ 2,376,524	\$ 10,299,886	\$ 26,986	\$ (74,460,733)
Total Component Unit	\$ 87,164,129	\$ 2,376,524	\$ 10,299,886	\$ 26,986	\$ (74,460,733)

(Continued)

Exhibit B

Tipton County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component Unit
				Government Total Governmental Activities	Tipton County School Department
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes				\$ 9,605,027	\$ 11,273,910
Property Taxes Levied for Debt Service				3,550,794	0
Local Option Sales Taxes				421,647	4,477,917
Wheel Tax				3,219,382	0
Litigation Tax				258,284	0
Business Tax				199,861	182,607
Wholesale Beer Tax				177,463	0
Other Local Taxes				137,325	32,996
Grants and Contributions Not Restricted to Specific Programs				1,107,398	61,607,596
Unrestricted Investment Income				313,377	0
Miscellaneous				123,966	202,655
Pension Income				3,243	218,709
Total General Revenues				\$ 19,117,767	\$ 77,996,390
Change in Net Position				\$ 5,539,463	\$ 3,535,657
Net Position, July 1, 2014				11,186,363	45,644,146
Restatement - Pension Liability (see Note I.D.8)				(505,123)	(15,951,821)
Net Position, June 30, 2015				\$ 16,220,703	\$ 33,227,982

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

Tipton County, Tennessee
Balance Sheet
Governmental Funds
June 30, 2015

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Governmental Funds	Governmental Funds	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 32,036	\$ 32,036	\$ 32,036
Equity in Pooled Cash and Investments	11,172,325	1,583,414	9,944,338	4,806,040	27,506,117	27,506,117
Accounts Receivable	39,820	0	0	42,440	82,260	82,260
Due from Other Governments	273,467	485,208	58	190,543	949,276	949,276
Due from Other Funds	74,138	0	0	0	74,138	74,138
Property Taxes Receivable	8,341,690	720,898	3,604,492	0	12,667,080	12,667,080
Allowance for Uncollectible Property Taxes	(288,681)	(24,948)	(124,740)	0	(438,369)	(438,369)
Accrued Interest Receivable	0	0	16,157	0	16,157	16,157
Total Assets	\$ 19,612,759	\$ 2,764,572	\$ 13,440,305	\$ 5,071,059	\$ 40,888,695	\$ 40,888,695

LIABILITIES

Accounts Payable	\$ 31	\$ 0	\$ 0	\$ 0	\$ 31
Payroll Deductions Payable	11,702	0	0	0	11,702
Contracts Payable	1,375	0	0	119,001	120,376
Retainage Payable	0	0	0	5,999	5,999
Due to Other Funds	0	0	0	74,138	74,138
Total Liabilities	\$ 13,108	\$ 0	\$ 0	\$ 199,138	\$ 212,246

DEFERRED INFLOWS OF RESOURCES

Deferred Current Property Taxes	\$ 7,858,279	\$ 679,122	\$ 3,395,610	\$ 0	\$ 11,933,011
Deferred Delinquent Property Taxes	143,030	12,512	62,557	0	218,099
Other Deferred/Unavailable Revenue	81,605	168,500	0	0	250,105
Total Deferred Inflows of Resources	\$ 8,082,914	\$ 860,134	\$ 3,458,167	\$ 0	\$ 12,401,215

(Continued)

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other	Governmental Funds	
Restricted:						
Restricted for Finance	\$ 10,302	\$ 0	\$ 0	\$ 0	\$ 0	10,302
Restricted for Administration of Justice	175,025	0	0	0	0	175,025
Restricted for Public Safety	35,568	0	0	186,130	0	221,698
Restricted for Public Health and Welfare	30,042	0	0	0	0	30,042
Restricted for Other Operations	208,533	0	0	0	0	208,533
Restricted for Highways/Public Works	0	1,431,222	0	0	0	1,431,222
Restricted for Debt Service	0	0	9,982,138	0	0	9,982,138
Restricted for Capital Projects	0	0	0	2,784,557	0	2,784,557
Committed:						
Committed for Public Health and Welfare	0	0	0	1,901,234	0	1,901,234
Committed for Highways/Public Works	0	473,216	0	0	0	473,216
Committed for Other Purposes	435,940	0	0	0	0	435,940
Assigned:						
Assigned for General Government	3,311	0	0	0	0	3,311
Assigned for Finance	16,265	0	0	0	0	16,265
Assigned for Administration of Justice	28,327	0	0	0	0	28,327
Assigned for Public Safety	10,857	0	0	0	0	10,857
Assigned for Public Health and Welfare	903,115	0	0	0	0	903,115
Assigned for Social, Cultural, and Recreational Services	12,803	0	0	0	0	12,803
Assigned for Agriculture and Natural Resources	136	0	0	0	0	136
Assigned for Other Operations	3,950	0	0	0	0	3,950
Unassigned	9,642,563	0	0	0	0	9,642,563
Total Fund Balances	\$ 11,516,737	\$ 1,904,438	\$ 9,982,138	\$ 4,871,921	\$ 0	\$ 28,275,234
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 19,612,759	\$ 2,764,572	\$ 13,440,305	\$ 5,071,059	\$ 0	\$ 40,888,695

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

Exhibit C-2

Tipton County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2015

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)	\$	28,275,234
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$	2,228,266
Add: construction in progress		1,291,023
Add: buildings and improvements net of accumulated depreciation		2,004,334
Add: infrastructure net of accumulated depreciation		8,746,977
Add: other capital assets net of accumulated depreciation		<u>3,020,565</u>
		17,291,165
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: other loans payable	\$	(19,423,089)
Less: bonds payable		(4,250,000)
Less: compensated absences payable		(572,848)
Less: landfill closure/postclosure care costs		(331,061)
Less: other postemployment benefits liability		(5,564,327)
Less: accrued interest on bonds		<u>(45,931)</u>
		(30,187,256)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.		
Add: deferred outflows of resources related to pensions	\$	875,236
Less: deferred inflows of resources related to pensions		<u>(1,174,236)</u>
		(299,000)
(4) Net pension assets of the agent plan are not current financial resources and are therefore not reported in the governmental funds.		672,356
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>468,204</u>
Net position of governmental activities (Exhibit A)	\$	<u><u>16,220,703</u></u>

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

Exhibit C-3

Tipton County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2015

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Governmental Funds		
<u>Revenues</u>						
Local Taxes	\$ 11,444,208	\$ 2,350,411	\$ 3,815,287	\$ 0	\$ 0	\$ 17,609,906
Licenses and Permits	152,208	0	0	0	0	152,208
Fines, Forfeitures, and Penalties	372,303	0	0	64,842	0	437,145
Charges for Current Services	221,138	2,470	0	301,616	0	525,224
Other Local Revenues	177,872	20,653	313,377	108,302	0	620,204
Fees Received from County Officials	2,378,272	0	0	0	0	2,378,272
State of Tennessee	981,366	2,147,897	0	891,727	0	4,020,990
Federal Government	101,659	208,896	0	1,039,164	0	1,349,719
Other Governments and Citizens Groups	237,899	0	500,000	0	0	737,899
Total Revenues	\$ 16,066,925	\$ 4,730,327	\$ 4,628,664	\$ 2,405,651	\$ 0	\$ 27,831,567

<u>Expenditures</u>						
Current:						
General Government	\$ 1,802,453	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,802,453
Finance	1,513,817	0	0	0	0	1,513,817
Administration of Justice	1,623,924	0	0	28,800	0	1,652,724
Public Safety	8,353,164	0	0	151,401	0	8,504,565
Public Health and Welfare	966,591	0	0	33,574	0	1,000,165
Social, Cultural, and Recreational Services	377,434	0	0	0	0	377,434
Agriculture and Natural Resources	187,011	0	0	0	0	187,011
Other Operations	951,808	0	0	0	0	951,808
Highways	0	4,841,440	0	1,143,632	0	5,985,072
Debt Service:						
Principal on Debt	0	0	2,547,100	0	0	2,547,100
Interest on Debt	0	0	244,731	0	0	244,731
Other Debt Service	0	0	215,693	0	0	215,693

(Continued)

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other	Governmental Funds	
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 1,709,403	\$ 1,709,403	\$ 1,709,403
Total Expenditures	\$ 15,776,202	\$ 4,841,440	\$ 3,007,524	\$ 3,066,810	\$ 26,691,976	\$ 26,691,976
Excess (Deficiency) of Revenues Over Expenditures	\$ 290,723	\$ (111,113)	\$ 1,621,140	\$ (661,159)	\$ 1,139,591	\$ 1,139,591
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 26,515	\$ 0	\$ 0	\$ 0	\$ 0	\$ 26,515
Transfers In	0	0	0	2,000,000	2,000,000	2,000,000
Transfers Out	0	0	(2,000,000)	0	(2,000,000)	(2,000,000)
Total Other Financing Sources (Uses)	\$ 26,515	\$ 0	\$ (2,000,000)	\$ 2,000,000	\$ 26,515	\$ 26,515
Net Change in Fund Balances	\$ 317,238	\$ (111,113)	\$ (378,860)	\$ 1,338,841	\$ 1,166,106	\$ 1,166,106
Fund Balance, July 1, 2014	11,199,499	2,015,551	10,360,998	3,533,080	27,109,128	27,109,128
Fund Balance, June 30, 2015	\$ 11,516,737	\$ 1,904,438	\$ 9,982,138	\$ 4,871,921	\$ 28,275,234	\$ 28,275,234

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

Exhibit C-4

Tipton 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, 2015

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)		\$ 1,166,106
(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	\$ 2,854,929	
Less: current-year depreciation expense	<u>(1,522,113)</u>	1,332,816
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized		107,000
(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, 2015	\$ 468,204	
Less: deferred delinquent property taxes and other deferred June 30, 2014	<u>(456,796)</u>	11,408
(4) The issuance of long-term debt (e.g., other loans, bonds, etc.) 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 net effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on other loans	\$ 2,047,100	
Add: principal payments on bonds	<u>500,000</u>	2,547,100
(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	\$ 4,118	
Change in compensated absences payable	(27,611)	
Change in landfill closure/postclosure care costs	28,521	
Change in other postemployment benefits liability	(508,474)	
Change in net pension asset	1,177,479	
Change in deferred outflows related to pensions	875,236	
Change in deferred inflows related to pensions	<u>(1,174,236)</u>	<u>375,033</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 5,539,463</u>

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

Exhibit C-5

Tipton County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 11,444,208	\$ 0	\$ 0	\$ 11,444,208	\$ 10,822,936	\$ 10,822,936	\$ 621,272
Licenses and Permits	152,208	0	0	152,208	131,000	131,000	21,208
Fines, Forfeitures, and Penalties	372,303	0	0	372,303	353,785	353,785	18,518
Charges for Current Services	221,138	0	0	221,138	184,150	184,150	36,988
Other Local Revenues	177,872	0	0	177,872	112,550	112,550	65,322
Fees Received from County Officials	2,378,272	0	0	2,378,272	2,255,000	2,255,000	123,272
State of Tennessee	981,366	0	0	981,366	1,052,058	1,052,058	(70,692)
Federal Government	101,659	0	0	101,659	93,948	93,948	7,711
Other Governments and Citizens Groups	237,899	0	0	237,899	197,909	197,909	39,990
Total Revenues	\$ 16,066,925	\$ 0	\$ 0	\$ 16,066,925	\$ 15,203,336	\$ 15,203,336	\$ 863,589
Expenditures							
General Government							
County Commission	\$ 163,743	(224)	925	\$ 164,444	\$ 175,485	\$ 175,485	\$ 11,041
Beer Board	2,333	0	0	2,333	3,380	3,380	1,047
County Mayor/Executive	239,649	0	0	239,649	316,852	316,852	77,203
Election Commission	344,415	(583)	28	343,860	390,292	390,292	46,432
Register of Deeds	302,766	0	0	302,766	318,747	318,747	15,981
Planning	295,231	0	0	295,231	305,598	305,598	10,367
Building	238,617	(196)	18	238,439	317,764	317,764	79,325
Codes Compliance	12,470	0	0	12,470	13,235	13,235	765
Geographical Information Systems	156,578	0	0	156,578	163,642	163,642	7,064
County Buildings	46,651	(70)	2,340	48,921	97,120	97,120	48,199
Finance							
Accounting and Budgeting	241,853	0	0	241,853	274,765	274,765	32,912
Property Assessor's Office	405,835	(7,400)	16,265	414,700	482,399	482,399	67,699
Reappraisal Program	35,226	0	0	35,226	51,476	51,476	16,250
County Trustee's Office	349,317	0	0	349,317	381,937	381,937	32,620
County Clerk's Office	481,586	0	0	481,586	492,490	492,490	10,904

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Administration of Justice</u>							
Circuit Court	\$ 671,273	\$ (132)	\$ 378	\$ 671,519	\$ 700,685	\$ 700,685	\$ 29,166
Criminal Court	47,988	0	0	47,988	51,760	51,760	3,772
General Sessions Court	305,771	0	0	305,771	311,383	311,383	5,612
Drug Court	0	0	0	0	15,000	15,000	15,000
Chancery Court	270,407	0	0	270,407	338,118	338,118	67,711
Juvenile Court	146,488	(5,187)	27,949	169,250	151,316	181,316	12,066
Probate Court	105,339	0	0	105,339	117,703	117,703	12,364
Other Administration of Justice	39,180	0	0	39,180	54,110	49,110	9,930
Victims Assistance Programs	37,478	0	0	37,478	39,400	44,400	6,922
<u>Public Safety</u>							
Sheriff's Department	4,934,755	(6,748)	10,671	4,938,678	4,886,215	5,050,190	111,512
Administration of the Sexual Offender Registry	4,738	0	0	4,738	8,000	8,000	3,262
Jail	2,492,386	(46,126)	186	2,446,446	2,640,072	2,516,572	70,126
Workhouse	254,933	(607)	0	254,326	288,470	288,470	34,144
Fire Prevention and Control	230,779	0	0	230,779	270,480	270,480	39,701
Civil Defense	208,290	0	0	208,290	224,073	261,573	53,283
Other Emergency Management	227,283	0	0	227,283	228,060	228,060	777
<u>Public Health and Welfare</u>							
Local Health Center	80,989	(319)	0	80,670	98,235	98,235	17,565
Rabies and Animal Control	295,570	0	0	295,570	319,590	319,590	24,020
Ambulance/Emergency Medical Services	128,300	0	0	128,300	131,000	136,000	7,700
Dental Health Program	316,174	0	0	316,174	354,335	354,335	38,161
General Welfare Assistance	23,162	0	0	23,162	24,163	24,163	1,001
Sanitation Management	122,396	(168)	0	122,228	139,112	139,112	16,884
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	62,000	0	0	62,000	62,000	62,000	0
Libraries	288,257	(1,114)	12,803	299,946	344,705	344,705	44,759
Parks and Fair Boards	19,677	0	0	19,677	27,500	27,500	7,823
Other Social, Cultural, and Recreational	7,500	0	0	7,500	7,500	7,500	0

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	\$ 88,904	\$ 0	\$ 136	\$ 89,040	\$ 106,710	\$ 106,710	\$ 17,670
Soil Conservation	98,107	0	0	98,107	105,916	105,916	7,809
<u>Other Operations</u>							
Tourism	68,000	0	0	68,000	68,000	68,000	0
Industrial Development	361,625	0	0	361,625	469,409	464,409	102,784
Other Economic and Community Development	99,932	0	0	99,932	137,190	126,715	26,783
Veterans' Services	19,889	(644)	0	19,245	23,616	23,616	4,371
Employee Benefits	5,957	0	0	5,957	10,000	10,000	4,043
Miscellaneous	396,405	(18)	3,950	400,337	497,300	497,300	96,963
Total Expenditures	\$ 15,776,202	\$ (69,536)	\$ 75,649	\$ 15,782,315	\$ 17,036,308	\$ 17,133,808	\$ 1,351,493
Excess (Deficiency) of Revenues Over Expenditures	\$ 290,723	\$ 69,536	\$ (75,649)	\$ 284,610	\$ (1,832,972)	\$ (1,930,472)	\$ 2,215,082
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 26,515	\$ 0	\$ 0	\$ 26,515	\$ 0	\$ 0	\$ 26,515
Transfers In	0	0	0	0	85,000	85,000	(85,000)
Total Other Financing Sources	\$ 26,515	\$ 0	\$ 0	\$ 26,515	\$ 85,000	\$ 85,000	\$ (58,485)
Net Change in Fund Balance	\$ 317,238	\$ 69,536	\$ (75,649)	\$ 311,125	\$ (1,747,972)	\$ (1,845,472)	\$ 2,156,597
Fund Balance, July 1, 2014	11,199,499	(69,536)	0	11,129,963	8,619,780	8,619,780	2,510,183
Fund Balance, June 30, 2015	\$ 11,516,737	\$ 0	\$ (75,649)	\$ 11,441,088	\$ 6,871,808	\$ 6,774,308	\$ 4,666,780

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

Exhibit C-6

Tipton 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, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 2,350,411	\$ 0	\$ 2,350,411	\$ 2,329,075	\$ 2,329,075	\$ 21,336
Charges for Current Services	2,470	0	2,470	3,000	3,000	(530)
Other Local Revenues	20,653	0	20,653	31,670	31,670	(11,017)
State of Tennessee	2,147,897	0	2,147,897	2,723,230	2,723,230	(575,333)
Federal Government	208,896	0	208,896	700,000	700,000	(491,104)
Total Revenues	\$ 4,730,327	\$ 0	\$ 4,730,327	\$ 5,786,975	\$ 5,786,975	\$ (1,056,648)
<u>Expenditures</u>						
<u>Highways</u>						
Administration	\$ 510,636	\$ 0	\$ 510,636	\$ 538,846	\$ 535,346	\$ 24,710
Highway and Bridge Maintenance	2,099,933	0	2,099,933	2,238,400	2,382,900	282,967
Operation and Maintenance of Equipment	537,484	(39)	537,445	696,400	685,400	147,955
Other Charges	299,260	0	299,260	310,570	310,570	11,310
Employee Benefits	772,480	0	772,480	823,000	823,000	50,520
Capital Outlay	621,647	(82,100)	539,547	1,156,500	1,026,500	486,953
Total Expenditures	\$ 4,841,440	\$ (82,139)	\$ 4,759,301	\$ 5,763,716	\$ 5,763,716	\$ 1,004,415
Excess (Deficiency) of Revenues Over Expenditures	\$ (111,113)	\$ 82,139	\$ (28,974)	\$ 23,259	\$ 23,259	\$ (52,233)
Net Change in Fund Balance Fund Balance, July 1, 2014	\$ (111,113)	\$ 82,139	\$ (28,974)	\$ 23,259	\$ 23,259	\$ (52,233)
Fund Balance, June 30, 2015	2,015,551	(82,139)	1,933,412	2,150,473	2,150,473	(217,061)
Fund Balance, June 30, 2015	\$ 1,904,438	\$ 0	\$ 1,904,438	\$ 2,173,732	\$ 2,173,732	\$ (269,294)

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

Exhibit D

Tipton County, Tennessee
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2015

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 2,747,426
Due from Other Governments	<u>675,424</u>
Total Assets	<u>\$ 3,422,850</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 675,424
Due to Litigants, Heirs, and Others	<u>2,747,426</u>
Total Liabilities	<u>\$ 3,422,850</u>

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

TIPTON COUNTY, TENNESSEE
Index of Notes to the Financial Statements

Note	Page(s)
I. Summary of Significant Accounting Policies	
A. Reporting Entity	31
B. Government-wide and Fund Financial Statements	32
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	33
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	
1. Deposits and Investments	35
2. Receivables and Payables	36
3. Capital Assets	36
4. Deferred Outflows/Inflows of Resources	37
5. Compensated Absences	38
6. Long-term Obligations	38
7. Net Position and Fund Balance	39
8. Restatements	40
E. Pension Plans	41
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	41
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	42
III. Stewardship, Compliance, and Accountability	
Budgetary Information	42
IV. Detailed Notes on All Funds	
A. Deposits and Investments	43
B. Capital Assets	44
C. Construction Commitments	46
D. Interfund Receivables, Payables, and Transfers	46
E. Long-term Obligations	47
F. On-Behalf Payments	51
V. Other Information	
A. Risk Management	52
B. Accounting Changes	53
C. Contingent Liabilities	54
D. Landfill Closure/Postclosure Care Costs	54
E. Joint Ventures	54
F. Retirement Commitments	55
G. Other Postemployment Benefits (OPEB)	69
H. Purchasing Laws	72

TIPTON COUNTY, TENNESSEE
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Tipton 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 Tipton County:

A. Reporting Entity

Tipton County is a public municipal corporation governed by an elected 18-member board. As required by GAAP, these financial statements present Tipton 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 Tipton County School Department operates the public school system in the county, and the voters of Tipton 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. 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 Tipton County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Tipton County, and the Tipton County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval. The financial statements of the Tipton County Emergency Communications District were not available from other auditors in time for inclusion in this report; however, in our opinion, this omission is not material to the component units' opinion unit.

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

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

Administrative Office:

Tipton County Emergency Communications District
220 Highway 51 North, Suite 4
Covington, TN 38019

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. However, the primary government of Tipton County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Tipton 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.

Tipton County issues all debt for the discretely presented Tipton County School Department. There were no debt issues contributed by the county to the School Department during the year ended June 30, 2015.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary funds financial statements, except for agency funds, which have no measurement focus. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year 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 Tipton 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 outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. However, Tipton County has no proprietary funds to report. An emphasis is placed on major funds within the governmental category.

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

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

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

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

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

Tipton 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 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 long-term general obligation debt of governmental funds.

Additionally, Tipton County reports the following fund types:

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

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

The discretely presented Tipton 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 Tipton 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 building construction and renovations of the School Department.

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.

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

1. Deposits and Investments

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

The county trustee maintains a cash and internal investment pool that is used by all funds, and the discretely presented Tipton 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. Most income from these pooled investments is assigned to the General Debt Service Fund. Tipton 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 for unremitted current collections outstanding at the end of the fiscal year is referred to as due to/from other funds.

Property taxes receivables are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 1.79 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 a 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.

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

3. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$15,000 or more and an estimated useful life of more than 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:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	25
Other Capital Assets	5, 10, or 12
Infrastructure:	
Roads	10 or 20
Bridges	5, 15, or 30

4. 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. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. 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 items are for pension changes in experience as well as employer contributions made to the pension plan after the measurement date.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent 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 items are from the following sources: current and delinquent property taxes, pension changes in experience and investment earnings, pension changes in proportionate share of contributions, 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.

5. Compensated Absences

It is the county's and the discretely presented School Department's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Tipton County and the School Department do not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county and the 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.

6. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and amortized over the life of the new debt using the straight-line method. 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, landfill postclosure care costs, and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

7. Net Position and Fund Balance

In the government-wide 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.
- d. 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, 2015, Tipton County had \$21,635,089 in outstanding debt for capital purposes for the discretely presented Tipton County School Department. The debt is a liability of Tipton County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Tipton County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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. 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 Commission has by resolution authorized the county's Budget Committee to make assignments for the general government. The Board of Education makes assignments 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.

8. **Restatements**

In prior years, the government was not required to recognize a liability for its defined benefit pension plans. However, with the implementation of GASB Statement No. 68, government employers are required to recognize a net pension liability in their Statement of Net Position. Therefore, a restatement to Tipton County's and the Tipton County School Department's beginning net position has been recognized on the Statement of Activities totaling (\$505,123) and (\$15,951,821), respectively.

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Tipton County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Tipton County's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

Discretely Presented Tipton County School Department

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement Plan and the Teacher Legacy Pension Plan in the Tennessee Consolidated Retirement System, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Retirement Plan and the Teacher Legacy Pension Plan. Investments are reported at fair value.

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 Tipton County School Department

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

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

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

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

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

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Tipton County and the Tipton 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 reflected on the balance sheets or statements of net position represents nonpooled amounts held separately by individual funds.

Deposits

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

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

Investments

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

agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

The county had no pooled and nonpooled investments as of June 30, 2015.

B. Capital Assets

Capital assets activity for the year ended June 30, 2015, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 2,228,266	\$ 0	\$ 0	\$ 2,228,266
Construction in Progress	0	1,291,023	0	1,291,023
Total Capital Assets Not Depreciated	\$ 2,228,266	\$ 1,291,023	\$ 0	\$ 3,519,289
Capital Assets Depreciated:				
Buildings and Improvements	\$ 5,862,827	\$ 30,000	\$ 0	\$ 5,892,827
Infrastructure	28,844,490	723,579	0	29,568,069
Other Capital Assets	10,027,843	917,327	(236,120)	10,709,050
Total Capital Assets Depreciated	\$ 44,735,160	\$ 1,670,906	\$ (236,120)	\$ 46,169,946
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 3,687,131	\$ 201,362	\$ 0	\$ 3,888,493
Infrastructure	20,095,446	725,646	0	20,821,092
Other Capital Assets	7,329,500	595,105	(236,120)	7,688,485
Total Accumulated Depreciation	\$ 31,112,077	\$ 1,522,113	\$ (236,120)	\$ 32,398,070
Total Capital Assets Depreciated, Net	\$ 13,623,083	\$ 148,793	\$ 0	\$ 13,771,876
Governmental Activities Capital Assets, Net	\$ 15,851,349	\$ 1,439,816	\$ 0	\$ 17,291,165

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

Governmental Activities:

General Government	\$ 148,892
Administration of Justice	52,586
Public Safety	328,173
Public Health and Welfare	13,079
Social, Cultural, and Recreational Services	6,603
Highways/Public Works	<u>972,780</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 1,522,113</u></u>

Discretely Presented Tipton County School Department

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 3,596,156	\$ 0	\$ 0	\$ 3,596,156
Construction in Progress	28,250	577,130	0	605,380
Total Capital Assets Not Depreciated	<u>\$ 3,624,406</u>	<u>\$ 577,130</u>	<u>\$ 0</u>	<u>\$ 4,201,536</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 114,004,246	\$ 0	\$ 0	\$ 114,004,246
Infrastructure	92,296	74,779	0	167,075
Other Capital Assets	11,337,666	746,755	(314,366)	11,770,055
Total Capital Assets Depreciated	<u>\$ 125,434,208</u>	<u>\$ 821,534</u>	<u>\$ (314,366)</u>	<u>\$ 125,941,376</u>

Governmental Activities (Cont.):

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 86,672,854	\$ 2,622,451	\$ 0	\$ 89,295,305
Infrastructure	26,150	5,861	0	32,011
Other Capital Assets	7,121,808	784,762	(314,366)	7,592,204
Total Accumulated Depreciation	<u>\$ 93,820,812</u>	<u>\$ 3,413,074</u>	<u>\$ (314,366)</u>	<u>\$ 96,919,520</u>
Total Capital Assets Depreciated, Net	<u>\$ 31,613,396</u>	<u>\$ (2,591,540)</u>	<u>\$ 0</u>	<u>\$ 29,021,856</u>
Governmental Activities Capital Assets, Net	<u>\$ 35,237,802</u>	<u>\$ (2,014,410)</u>	<u>\$ 0</u>	<u>\$ 33,223,392</u>

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

Governmental Activities:

Instruction	\$ 2,250,892
Support Services	928,066
Operation of Non-instructional Services	<u>234,116</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,413,074</u>

C. Construction Commitments

At June 30, 2015, the General Capital Projects Fund had uncompleted construction contracts of approximately \$568,323 for the construction of an emergency management building and for jail expansion. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2015, was as follows:

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor governmental	\$ 74,138

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

Interfund Transfers:

Interfund transfers for the year ended June 30, 2015, consisted of the following amounts:

Primary Government

<u>Transfer Out</u>	<u>Transfer In Nonmajor Governmental Fund</u>
General Debt Service Fund	\$ 2,000,000

Discretely Presented Tipton County School Department

<u>Transfer Out</u>	<u>Transfer In General Purpose School Fund</u>
Nonmajor governmental fund	\$ 40,972

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.

E. Long-term Obligations

Primary Government

General Obligation Bonds and Other Loans

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

General obligation bonds and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds and other loans outstanding were issued for original terms of up to 20 years for bonds and up to 20 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds and other loans included in long-term debt as of June 30, 2015, will be retired from the General Debt Service Fund.

General obligation bonds and other loans outstanding as of June 30, 2015, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-15
General Obligation Bonds	2.5 to 4.625 %	4-1-22	\$ 9,000,000	\$ 4,250,000
Other Loans	Variable	5-25-27	30,097,089	19,423,089

During the 1998-99 year, Tipton County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned Tipton County \$5,897,089. This loan is repayable at a variable interest rate based on the weekly Bank of America Thursday National Non-AMT Index (BOA). In addition, the county pays various other fees (administration, debt remarketing, etc.) in connection with this loan. At June 30, 2015, the variable interest rate was .30 percent based on the BOA rate, and other fees totaled .58 percent of the outstanding loan principal.

During the 2004-05 year, Tipton County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$5,100,000 to Tipton County for school construction. This loan is repayable at a variable interest rate based on the daily London Interbank Offer Rate (LIBOR). In addition, the county pays various other fees (administration, debt remarketing, etc.) in connection with this loan. At June 30, 2015, the variable interest rate was .26 percent based on the LIBOR rate, and other fees totaled .58 percent of the outstanding loan principal.

During the 2006-07 year, Tipton County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$16,000,000 to Tipton County for school construction. This loan is repayable at a variable interest rate based on the daily LIBOR. In addition, the county pays various other fees (administration, debt remarketing, etc.) in connection with this loan. At June 30, 2015, the

variable interest rate was .26 percent based on the LIBOR rate, and other fees totaled .58 percent of the outstanding loan principal.

During the 2010-11 year, Tipton County entered into a loan agreement with the Montgomery County Public Building Authority. Under this loan agreement, the authority loaned \$3,100,000 to Tipton County for various capital projects. This loan is repayable at a variable interest rate based on the daily LIBOR. In addition, the county pays various other fees (administration, debt remarketing, etc.) in connection with this loan. At June 30, 2015, the variable interest rate was .08 percent based on the LIBOR rate, and other fees totaled one percent of the outstanding loan principal.

The annual requirements to amortize all general obligation bonds and other loans outstanding as of June 30, 2015, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 525,000	\$ 183,725	\$ 708,725
2017	550,000	162,725	712,725
2018	575,000	140,175	715,175
2019	600,000	116,025	716,025
2020	650,000	90,225	740,225
2021-2022	1,350,000	94,000	1,444,000
Total	\$ 4,250,000	\$ 786,875	\$ 5,036,875

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2016	\$ 2,336,000	\$ 48,619	\$ 125,077	\$ 2,509,696
2017	2,394,000	42,925	108,837	2,545,762
2018	2,452,000	37,119	93,652	2,582,771
2019	2,412,089	31,202	78,064	2,521,355
2020	1,579,000	25,474	62,435	1,666,909
2021-2025	5,940,000	73,884	170,029	6,183,913
2026-2027	2,310,000	9,074	20,796	2,339,870
Total	\$ 19,423,089	\$ 268,297	\$ 658,890	\$ 20,350,276

There is \$9,982,138 available in the General Debt Service Fund to service long-term debt. Debt per capita, including bonds and other loans totaled \$388, based on the 2010 federal census.

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2015, was as follows:

Governmental Activities:

	Bonds	Other Loans	Compensated Absences
Balance, July 1, 2014	\$ 4,750,000	\$ 21,470,189	\$ 545,237
Additions	0	0	328,753
Reductions	(500,000)	(2,047,100)	(301,142)
Balance, June 30, 2015	<u>\$ 4,250,000</u>	<u>\$ 19,423,089</u>	<u>\$ 572,848</u>
Balance Due Within One Year	<u>\$ 525,000</u>	<u>\$ 2,336,000</u>	<u>\$ 291,556</u>

	Landfill Postclosure Care Costs	Other Postemployment Benefits
Balance, July 1, 2014	\$ 359,582	\$ 5,055,853
Additions	5,053	546,209
Reductions	(33,574)	(37,735)
Balance, June 30, 2015	<u>\$ 331,061</u>	<u>\$ 5,564,327</u>
Balance Due Within One Year	<u>\$ 33,574</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 30,141,325
Less: Balance Due Within One Year	<u>(3,186,130)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 26,955,195</u>

Compensated absences will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill postclosure care costs will be paid from the Solid Waste/Sanitation Fund. Other postemployment benefits will be paid from the employing funds, primarily the General Fund.

Discretely Presented Tipton County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Tipton County School Department for the year ended June 30, 2015, was as follows:

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2014	\$ 584,405	\$ 3,631,001
Additions	225,543	809,741
Reductions	(628,178)	(756,589)
Balance, June 30, 2015	<u>\$ 181,770</u>	<u>\$ 3,684,153</u>
Balance Due Within One Year	<u>\$ 181,770</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 3,865,923
Less: Balance Due Within One Year	<u>(181,770)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 3,684,153</u>

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

F. On-Behalf Payments - Discretely Presented Tipton County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Tipton 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, 2015, were \$151,273 and \$42,600, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Primary Government

Liability, Property, and Casualty

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

Workers' Compensation Insurance

Tipton County participates in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established under the provisions of Section 29-20-401, *Tennessee Code Annotated (TCA)*, by the Tennessee County Services Association to provide a program of workers' compensation coverage to employees of local governments. The county pays annual premiums to the LGWCF for its workers' compensation insurance coverage. The LGWCF is to be self-sustaining through member premiums. The LGWCF reinsures through commercial insurance companies for claims exceeding \$300,000.

Employee Health Insurance

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

Discretely Presented Tipton County School Department

Liability, Property, and Casualty

The discretely presented Tipton County School Department participates in the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The School Department pays annual

premiums to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims in excess of \$100,000 for each insured event.

Workers' Compensation Insurance

The School Department does not provide workers' compensation insurance coverage for its employees.

Employee Health Insurance

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

B. Accounting Changes

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No. 27*; Statement No. 69, *Government Combinations and Disposals of Government Operations*; and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment of GASB Statement No. 68* became effective for the year ended June 30, 2015.

GASB Statement No. 68, replaces the requirements of Statements No. 27 and No. 50 as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not covered by the scope of this statement. This statement establishes standards for measuring and recognizing liabilities, deferred outflows/inflows, and expenses/expenditures.

GASB Statement No. 69, establishes accounting and financial reporting standards related to government combinations and disposals of government operations such as mergers, acquisitions, and transfer of operations.

GASB Statement No. 71, addresses issues related to amounts of contributions made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

C. Contingent Liabilities

The attorneys for the county and School Department advised that there were no pending lawsuits, unasserted claims, or assessments that would materially affect the county or School Department's financial statements.

D. Landfill Closure/Postclosure Care Costs

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Tipton County closed its sanitary landfill in 1998. The \$331,061 reported as postclosure care liability at June 30, 2015, represents amounts based on what it would cost to perform all postclosure care in 2015. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. Joint Ventures

The Twenty-fifth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-fifth Judicial District, Fayette, Hardeman, Lauderdale, McNairy and Tipton counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district.

The HTL Advantage is a joint venture between Haywood, Tipton, and Lauderdale counties and the cities of Brownsville, Ripley, and Covington. The board comprises ten members and consists of the mayors from each of the counties and cities, and one member from the Southwest Tennessee Electric Cooperative, the Covington Electric System, Ripley Power and Light, and the Brownsville Electric System. The purpose of the board is to establish and operate an office that markets the entire defined region for economic development and to bring the region attention of prospective industrial and commercial interests, which would be beneficial for the common good of all

entities involved herein. The counties, cities, and electric systems provide the funding for the board. Tipton County contributed \$50,000 to HTL Advantage during the year.

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

Administrative Offices:

Office of District Attorney General
Twenty-fifth Judicial District Drug Task Force
121 North Main
Ripley, TN 38063

HTL Advantage
1469 South Main Street
Covington, TN 38019

F. Retirement Commitments

Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Tipton County and non-certified employees of the discretely presented Tipton County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 30.88 percent and the non-certified employees of the discretely present School Department comprise 69.12 percent of the plan based on census data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year

average compensation and the member’s years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2014, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	242
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	333
Active Employees	680
 Total	 <u><u>1,255</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Tipton County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2015, employer contributions for Tipton County were \$1,995,624 based on a rate of 9.71 percent of pensionable payroll. By law, employer contributions are required to be paid. The TCRS may intercept Tipton County’s state shared taxes if required employer contributions are not remitted. The employer’s actuarially determined contribution (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Tipton County's net pension liability (asset) was measured as of June 30, 2014, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25%
Investment Rate of Return	7.5%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.5%

Mortality rates were based on actual experience from the June 30, 2012, actuarial experience study, adjusted for some of the expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2014, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2012, actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of three percent. The target allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity	6.46 %	33 %
Developed Market International Equity	6.26	17
Emerging Market International Equity	6.40	5
Private Equity and Strategic Lending	4.61	8
U.S. Fixed Income	0.98	29
Real Estate	4.73	7
Short-term Securities	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the three factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assume that employee contributions will be made at the current rate and that contributions from Tipton County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, July 1, 2013	\$ 50,753,702	\$ 47,346,653	\$ 3,407,049
Changes for the year:			
Service Cost	\$ 1,539,402	\$ 0	\$ 1,539,402
Interest	3,848,940	0	3,848,940
Differences Between Expected and Actual Experience	(399,838)	0	(399,838)
Contributions-Employer	0	1,771,288	(1,771,288)
Contributions-Employees	0	913,650	(913,650)
Net Investment Income	0	7,914,371	(7,914,371)
Benefit Payments, Including Refunds of Employee Contributions	(1,947,793)	(1,947,793)	0
Administrative Expense	0	(26,438)	26,438
Other Changes	0	0	0
Net Changes	\$ 3,040,711	\$ 8,625,078	\$ (5,584,367)
Balance, June 30, 2014	\$ 53,794,413	\$ 55,971,731	\$ (2,177,318)

Allocation of Agent Plan Changes in the Net Pension Liability (Asset)

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	30.88%	\$ 16,611,715	\$ 17,284,071	\$ (672,356)
School Department	69.12%	37,182,698	38,687,660	(1,504,962)
Total		\$ 53,794,413	\$ 55,971,731	\$ (2,177,318)

Sensitivity of the Net Position Liability (Asset) to Changes in the Discount Rate.
The following presents the net pension liability (asset) of Tipton County calculated using the discount rate of 7.5 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

Tipton County	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
Net Pension Liability	\$ 4,923,557	\$ (2,177,318)	\$ (8,083,458)

Pension Expense (Income) and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions

Pension Income. For the year ended June 30, 2015, Tipton County recognized pension income of \$10,504.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, Tipton County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 0	\$ 333,198
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	3,469,377
Contributions Subsequent to the Measurement Date of June 30, 2014 (1)	<u>1,995,624</u>	<u>N/A</u>
Total	<u>\$ 1,995,624</u>	<u>\$ 3,802,575</u>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2014,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Allocation of Agent Plan Deferred Outflows of Resources and
Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 875,236	\$ 1,174,236
School Department	1,120,388	2,628,339
Total	<u>\$ 1,995,624</u>	<u>\$ 3,802,575</u>

Amounts reported as deferred outflows of resources, with the exception of contributions after the measurement date, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2016	\$ (933,984)
2017	(933,984)
2018	(933,984)
2019	(933,984)
2020	(66,639)
Thereafter	0

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

Discretely Presented Tipton County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Tipton County and non-certified employees of the discretely presented Tipton County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 30.88 percent and the non-certified employees of the discretely present School Department comprise 69.12 percent of the plan based on census data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Tipton County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Members of the Teachers Retirement Plan are entitled to receive unreduced service retirement benefits, which are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute five percent of salary. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2015, to the Teacher Retirement Plan were \$48,968, which is four percent of pensionable payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities. Since the measurement date is June 30, 2014, which is prior to the July 1, 2014, inception of the Teacher Retirement Plan, there is no net pension liability to report at June 30, 2015.

Pension Expense. Since the measurement date is June 30, 2014, the Tipton County School Department did not recognize any pension expense at June 30, 2015.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, the Tipton County School Department reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>Resources</u>	<u>Resources</u>
LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	\$ 48,968	N/A

The Tipton County School Department’s employer contributions of \$48,968 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction of net pension liability in the year ending June 30, 2016.

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Tipton County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute five percent of salary. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The

TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Tipton County School Department for the year ended June 30, 2015, to the Teacher Legacy Pension Plan were \$3,576,208, which is 9.04 percent of pensionable payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Assets. At June 30, 2015, the Tipton County School Department reported an asset of \$180,723 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Tipton County School Department's proportion of the net pension asset was based on the Tipton County School Department's employer contributions to the pension plan during the year ended June 30, 2014, relative to the contributions of all LEAs for the year ended June 30, 2014. At the June 30, 2014, measurement date, the Tipton County School Department's proportion was 1.112178 percent. The proportion measured as of June 30, 2013, was 1.136192 percent.

Pension Income. For the year ended June 30, 2015, the Tipton County School Department recognized a pension income of \$211,448.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, the Tipton County School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 438,753	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	14,890,484
Changes in Proportion of Net Pension Liability (Asset)	0	338,727
LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	<u>3,576,208</u>	<u>N/A</u>
Total	<u>\$ 4,014,961</u>	<u>\$ 15,229,211</u>

The Tipton County School Department's employer contributions of \$3,576,208 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase in net pension asset in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2016	\$ (3,705,950)
2017	(3,705,950)
2018	(3,705,950)
2019	(3,705,950)
2020	16,671
Thereafter	16,671

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions. The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25%
Investment Rate of Return	7.5%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.5%

Mortality rates are customized based on the June 30, 2012, actuarial experience study and some included adjustment for expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2014, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2012, actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of three percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	6.46 %	33 %
International Equity Emerging Market	6.26	17
International Equity Private Equity and Strategic Lending	6.40	5
U.S. Fixed Income Real Estate	4.61	8
Real Estate	0.98	29
Short-term Securities	4.73	7
	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the four factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Position Liability (Asset) to Changes in the Discount Rate. The following presents Tipton County School Department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.5 percent, as well as what Tipton County School Department's proportionate share of the net pension liability (asset) would be if it was calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
--	---------------------	-------------------------------	---------------------

Net Pension Liability \$ 30,481,097 \$ (180,723) \$ (25,565,387)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan’s fiduciary net position is available in a separately issued TCRS financial report.

G. Other Postemployment Benefits (OPEB)

Plan Description

Tipton County and the School Department participate in the state-administered Local Education Group Insurance Plan and Local Government Group Insurance Plan for health care benefits. For accounting purposes, the plans are agent multiple-employer defined benefit OPEB plans. Benefits are established and amended by an insurance committee created by Section 8-27-302, *Tennessee Code Annotated (TCA)*, for local education employees, and Section 8-27-207, *TCA* for local governments. Prior to reaching the age of 65, all members have the option of choosing between the standard or partnership preferred provider organization (PPO) plan for health care 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 plans are self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in each plan develop a contribution policy in terms of subsidizing active employees or retired employees’ premiums since the committee is not prescriptive on that issue. The state does not provide a subsidy for local government participants; however, the state does provide a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. Tipton County makes a contribution toward the health insurance premium of the Local Government Group Plan for employees who retire with at least ten years of service and have reached age 55. The county only makes this contribution for two years or until the employee reaches age 65, whichever comes first. The School Department makes a contribution toward the health insurance premium of the Local Education

Group Plan for employees who retire with 20 years of service. This contribution continues until the employee reaches age 65 and is Medicare eligible. Retirees' contributions vary depending on the insurance options they select. During the year ended June 30, 2015, Tipton County and the School Department contributed \$37,735 and \$756,589, respectively, for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	Local Education Group Plan	Local Government Group Plan
ARC	\$ 806,000	\$ 541,000
Interest on the NOPEBO	145,240	202,234
Adjustment to the ARC	(141,499)	(197,025)
Annual OPEB cost	\$ 809,741	\$ 546,209
Less: Amount of contribution	(756,589)	(37,735)
Increase/decrease in NOPEBO	\$ 53,152	\$ 508,474
Net OPEB obligation, 7-1-14	3,631,001	5,055,853
Net OPEB obligation, 6-30-15	<u>\$ 3,684,153</u>	<u>\$ 5,564,327</u>

Fiscal Year Ended	Plans	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-13	Local Education Group	\$ 1,464,932	46	% \$ 3,668,788
6-30-14	"	782,781	105	3,631,001
6-30-15	"	809,741	93	3,684,153
6-30-13	Local Government Group	710,540	3	4,537,107
6-30-14	"	526,675	2	5,055,853
6-30-15	"	546,209	7	5,564,327

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2013, was as follows:

	Local Education Group Plan	Local Government Group Plan
Actuarial valuation date	7-1-13	7-1-13
Actuarial accrued liability (AAL)	\$ 6,576,000	\$ 3,490,000
Actuarial value of plan assets	\$ 0	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 6,576,000	\$ 3,490,000
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	\$ 53,163,303	\$ 7,792,964
UAAL as a % of covered payroll	12%	45%

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, 2013, actuarial valuation for the Local Government Plan and 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 health care cost trend rate of seven percent for fiscal year 2015. The trend rate will decrease to 6.5 percent in 2016, and then be reduced by decrements to an ultimate rate of 4.7 percent by fiscal year 2044. The annual health care cost trend rate for the Medicare Supplement Plan was six percent in fiscal year 2015 and then will be reduced by decrements to an ultimate rate of 4.2 percent by fiscal year 2044. Both rates include 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.

H. Purchasing Laws

Office of County Executive

Purchasing procedures for the County Executive's Office are governed by provisions of Chapter 518, Private Acts of 1941, as amended. This act provides for the Purchasing Committee to make all purchases estimated to exceed \$10,000. Purchases estimated to be \$10,000 or less may be made by the county executive or other county officials. This act also requires that competitive bids be solicited by the Purchasing Committee through advertisement in a local newspaper on all purchases estimated to exceed \$10,000.

Office of Director of Public Works

Purchasing procedures for the Public Works Department are governed by provisions of Chapter 114, Private Acts of 1973, as amended, and the Uniform Road Law, Section 54-7-113, *Tennessee Code Annotated (TCA)*. These statutes provide for the Public Works Committee to make all purchases, and all purchases exceeding \$10,000 are to be made on a competitive basis solicited through public advertisement.

Office of Director of Schools

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit E-1

Tipton County, Tennessee
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on
Participation in the Public Employee Pension Plan of TCRS
Primary Government
For the Fiscal Year Ended June 30

	<u>2014</u>
Total Pension Liability (Asset)	
Service Cost	\$ 1,539,402
Interest	3,848,940
Changes in Benefit Terms	0
Differences Between Actual and Expected Experience	(399,838)
Changes in Assumptions	0
Benefit Payments, Including Refunds of Employee Contributions	(1,947,793)
Net Change in Total Pension Liability (Asset)	<u>\$ 3,040,711</u>
Total Pension Liability (Asset), Beginning	<u>50,753,702</u>
 Total Pension Liability (Asset), Ending (a)	 <u>\$ 53,794,413</u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 1,771,288
Contributions - Employee	913,650
Net Investment Income	7,914,371
Benefit Payments, Including Refunds of Employee Contributions	(1,947,793)
Administrative Expense	(26,438)
Net Change in Plan Fiduciary Net Position	<u>\$ 8,625,078</u>
Plan Fiduciary Net Position, Beginning	<u>47,346,653</u>
 Plan Fiduciary Net Position, Ending (b)	 <u>\$ 55,971,731</u>
 Net Pension Liability (Asset), Ending (a - b)	 <u>\$ (2,177,318)</u>
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.05%
Covered Employee Payroll	\$ 18,241,839
Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	11.94%

Note: ten years of data will be presented when available.

Note: data presented includes primary government and discretely presented non-certified employees of the School Department.

Tipton County, Tennessee
Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS
Primary Government
For the Fiscal Year Ended June 30

	2014	2015
Actuarially Determined Contribution	\$ 1,771,288	\$ 1,995,624
Less Contributions in Relation to the Actuarially Determined Contribution	(1,771,288)	(1,995,624)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 18,241,839	\$ 24,714,651
Contributions as a Percentage of Covered Employee Payroll	9.71%	8.07%

Note: ten years of data will be presented when available.

Note: data presented includes primary government and discretely presented non-certified employees of the School Department.

Exhibit E-3

Tipton County, Tennessee
Schedule of Contributions Based on Participation in the Teacher
Retirement Plan of TCRS
Discretely Presented Tipton County School Department
For the Fiscal Year Ended June 30

	<u>2015</u>
Actuarially Determined Contribution	\$ 30,605
Less Contributions in Relation to the Actuarially Determined Contribution	(48,968)
Contribution Deficiency (Excess)	<u><u>\$ (18,363)</u></u>
Covered Employee Payroll	\$ 1,224,200
Contributions as a Percentage of Covered Employee Payroll	4.00%

Note: ten years of data will be presented when available.

Tipton County, Tennessee
Schedule of Contributions Based on Participation in the Teacher
Legacy Pension Plan of TCRS
Discretely Presented Tipton County School Department
For the Fiscal Year Ended June 30

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 3,876,376	\$ 3,576,208
Less Contributions in Relation to the Actuarially Determined Contribution	(3,876,376)	(3,576,208)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 43,652,717	\$ 39,536,574
Contributions as a Percentage of Covered Employee Payroll	8.88%	9.05%

Note: ten years of data will be presented when available.

Exhibit E-5

Tipton County, Tennessee
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Legacy Pension Plan of TCRS
Discretely Presented Tipton County School Department
For the Fiscal Year Ended June 30 *

	<u>2014</u>
School Department's Proportion of the Net Pension Asset	1.112178%
School Department's Proportionate Share of the Net Pension Asset	\$ 180,723
Covered Employee Payroll	\$ 43,652,717
School Department's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Employee Payroll	0.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%

* The amounts presented were determined as of June 30 of the prior fiscal year.

Note: ten years of data will be presented when available.

Exhibit E-6

Tipton County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefits Plans
Primary Government and Discretely Presented Tipton County School Department
June 30, 2015

(Dollar amounts in thousands)

Plans	Actuarial Valuation Date	Actuarial Value of 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)
<u>PRIMARY GOVERNMENT</u>							
Local Government Group	7-1-10	\$ 0	\$ 6,577	\$ 6,577	0%	\$ 7,965	82%
"	7-1-11	0	4,815	4,815	0	9,543	50
"	7-1-13	0	3,490	3,490	0	7,793	45
<u>DISCRETELY PRESENTED TIPTON COUNTY SCHOOL DEPARTMENT</u>							
Local Education Group	7-1-10	0	9,544	9,544	0	52,433	18
"	7-1-11	0	11,739	11,739	0	57,029	21
"	7-1-13	0	6,576	6,576	0	53,163	12

TIPTON COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2015

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for 2015 were calculated based on the July 1, 2013, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Frozen Initial Liability
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	3 Years
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, averaging 4.25%
Investment Rate of Return	7.5%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.5%

**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.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Tipton County’s garbage collection operations.

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

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

Capital Projects Fund

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

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

Exhibit F-1

Tipton County, Tennessee
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2015

	Special Revenue Funds				Capital Projects Fund		Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Total	General Capital Projects		
Cash	\$ 0	\$ 0	\$ 32,036	\$ 32,036	\$ 0	\$ 0	\$ 32,036
Equity in Pooled Cash and Investments	1,900,896	186,130	0	2,087,026	2,719,014	0	4,806,040
Accounts Receivable	338	0	42,102	42,440	0	0	42,440
Due from Other Governments	0	0	0	0	190,543	0	190,543
Total Assets	\$ 1,901,234	\$ 186,130	\$ 74,138	\$ 2,161,502	\$ 2,909,557	\$ 0	\$ 5,071,059
LIABILITIES							
Contracts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 119,001	\$ 0	\$ 119,001
Retainage Payable	0	0	0	0	5,999	0	5,999
Due to Other Funds	0	0	74,138	74,138	0	0	74,138
Total Liabilities	\$ 0	\$ 0	\$ 74,138	\$ 74,138	\$ 125,000	\$ 0	\$ 199,138
FUND BALANCES							
Restricted:							
Restricted for Public Safety	\$ 0	\$ 186,130	\$ 0	\$ 186,130	\$ 0	\$ 0	\$ 186,130
Restricted for Capital Projects	0	0	0	0	2,784,557	0	2,784,557
Committed:							
Committed for Public Health and Welfare	1,901,234	0	0	1,901,234	0	0	1,901,234
Total Fund Balances	\$ 1,901,234	\$ 186,130	\$ 0	\$ 2,087,364	\$ 2,784,557	\$ 0	\$ 4,871,921
Total Liabilities and Fund Balances	\$ 1,901,234	\$ 186,130	\$ 74,138	\$ 2,161,502	\$ 2,909,557	\$ 0	\$ 5,071,059

Exhibit F-2

Tipton County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2015

	Special Revenue Funds				Capital Projects Fund		Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Total	General Capital Projects	Total	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties Charges for Current Services	\$ 0	\$ 64,842	\$ 0	\$ 64,842	\$ 0	\$ 64,842	
Other Local Revenues	272,816	0	28,800	301,616	0	301,616	
State of Tennessee	108,302	0	0	108,302	0	108,302	
Federal Government	891,727	0	0	891,727	0	891,727	
Total Revenues	\$ 1,272,845	\$ 117,950	\$ 28,800	\$ 1,419,595	\$ 986,056	\$ 1,039,164	\$ 2,405,651
<u>Expenditures</u>							
Current:							
Administration of Justice	\$ 0	\$ 0	\$ 28,800	\$ 28,800	\$ 0	\$ 28,800	
Public Safety	0	151,401	0	151,401	0	151,401	
Public Health and Welfare	33,574	0	0	33,574	0	33,574	
Highways	1,143,632	0	0	1,143,632	0	1,143,632	
Capital Projects	0	0	0	0	1,709,403	1,709,403	
Total Expenditures	\$ 1,177,206	\$ 151,401	\$ 28,800	\$ 1,357,407	\$ 1,709,403	\$ 3,066,810	
Excess (Deficiency) of Revenues Over Expenditures	\$ 95,639	\$ (33,451)	\$ 0	\$ 62,188	\$ (723,347)	\$ (661,159)	
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,000,000	\$ 2,000,000	
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,000,000	\$ 2,000,000	
Net Change in Fund Balances Fund Balance, July 1, 2014	\$ 95,639	\$ (33,451)	\$ 0	\$ 62,188	\$ 1,276,653	\$ 1,338,841	
Fund Balance, June 30, 2015	1,805,595	219,581	0	2,025,176	1,507,904	3,533,080	
Fund Balance, June 30, 2015	\$ 1,901,234	\$ 186,130	\$ 0	\$ 2,087,364	\$ 2,784,557	\$ 4,871,921	

Exhibit F-3

Tipton County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 272,816	0	\$ 272,816	\$ 267,500	\$ 267,500	\$ 5,316
Other Local Revenues	108,302	0	108,302	100,100	100,100	8,202
State of Tennessee	891,727	0	891,727	850,000	850,000	41,727
Total Revenues	\$ 1,272,845	0	\$ 1,272,845	\$ 1,217,600	\$ 1,217,600	\$ 55,245
<u>Expenditures</u>						
Public Health and Welfare	\$ 33,574	0	\$ 33,574	\$ 50,000	\$ 50,000	\$ 16,426
Postclosure Care Costs						
Highways	1,143,632	(314)	1,143,318	1,234,151	1,234,151	90,833
Litter and Trash Collection	1,177,206	(314)	1,176,892	1,284,151	1,284,151	107,259
Total Expenditures	\$ 2,454,412	(628)	\$ 2,453,784	\$ 2,568,302	\$ 2,568,302	\$ 114,518
Excess (Deficiency) of Revenues Over Expenditures	\$ 95,639	314	\$ 95,953	\$ (66,551)	\$ (66,551)	\$ 162,504
Net Change in Fund Balance Fund Balance, July 1, 2014	\$ 95,639	314	\$ 95,953	\$ (66,551)	\$ (66,551)	\$ 162,504
	1,805,595	(314)	1,805,281	1,648,574	1,648,574	156,707
Fund Balance, June 30, 2015	\$ 1,901,234	0	\$ 1,901,234	\$ 1,582,023	\$ 1,582,023	\$ 319,211

Exhibit F-4

Tipton County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Drug Control Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 64,842	\$ 0	\$ 0	\$ 64,842	\$ 90,000	\$ 90,000	\$ (25,158)
Other Local Revenues	0	0	0	0	1,100	1,100	(1,100)
State of Tennessee	0	0	0	0	500	500	(500)
Federal Government	53,108	0	0	53,108	100,000	100,000	(46,892)
Total Revenues	\$ 117,950	\$ 0	\$ 0	\$ 117,950	\$ 191,600	\$ 191,600	\$ (73,650)
<u>Expenditures</u>							
<u>Public Safety</u>							
Drug Enforcement	\$ 151,401	\$ (11,185)	\$ 7,134	\$ 147,350	\$ 182,800	\$ 182,800	\$ 35,450
Total Expenditures	\$ 151,401	\$ (11,185)	\$ 7,134	\$ 147,350	\$ 182,800	\$ 182,800	\$ 35,450
Excess (Deficiency) of Revenues Over Expenditures	\$ (33,451)	\$ 11,185	\$ (7,134)	\$ (29,400)	\$ 8,800	\$ 8,800	\$ (38,200)
Net Change in Fund Balance Fund Balance, July 1, 2014	\$ (33,451)	\$ 11,185	\$ (7,134)	\$ (29,400)	\$ 8,800	\$ 8,800	\$ (38,200)
	219,581	(11,185)	0	208,396	154,944	154,944	53,452
Fund Balance, June 30, 2015	\$ 186,130	\$ 0	\$ (7,134)	\$ 178,996	\$ 163,744	\$ 163,744	\$ 15,252

Major Governmental Fund

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 G

Tipton County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Debt Service Fund
For the Year Ended June 30, 2015

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 3,815,287	\$ 3,632,426	\$ 3,632,426	\$ 182,861
Other Local Revenues	313,377	200,000	200,000	113,377
Other Governments and Citizens Groups	500,000	500,000	500,000	0
Total Revenues	<u>\$ 4,628,664</u>	<u>\$ 4,332,426</u>	<u>\$ 4,332,426</u>	<u>\$ 296,238</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 285,000	\$ 285,000	\$ 285,000	\$ 0
Education	2,262,100	2,262,100	2,262,100	0
<u>Interest on Debt</u>				
General Government	1,069	116,150	91,854	90,785
Education	243,662	1,104,440	990,089	746,427
<u>Other Debt Service</u>				
General Government	100,352	117,000	141,296	40,944
Education	115,341	30,000	144,351	29,010
Total Expenditures	<u>\$ 3,007,524</u>	<u>\$ 3,914,690</u>	<u>\$ 3,914,690</u>	<u>\$ 907,166</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,621,140</u>	<u>\$ 417,736</u>	<u>\$ 417,736</u>	<u>\$ 1,203,404</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (2,000,000)	\$ (2,000,000)	\$ (2,000,000)	\$ 0
Total Other Financing Sources	<u>\$ (2,000,000)</u>	<u>\$ (2,000,000)</u>	<u>\$ (2,000,000)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (378,860)	\$ (1,582,264)	\$ (1,582,264)	\$ 1,203,404
Fund Balance, July 1, 2014	10,360,998	7,105,474	7,105,474	3,255,524
Fund Balance, June 30, 2015	<u>\$ 9,982,138</u>	<u>\$ 5,523,210</u>	<u>\$ 5,523,210</u>	<u>\$ 4,458,928</u>

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.

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, general sessions, and juvenile courts clerk; clerk and master; register of deeds; and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Exhibit H-1

Tipton County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2015

	<u>Agency Funds</u>		
	Cities - Sales Tax	Constitu- tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 2,747,426	\$ 2,747,426
Due from Other Governments	675,424	0	675,424
Total Assets	<u>\$ 675,424</u>	<u>\$ 2,747,426</u>	<u>\$ 3,422,850</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 675,424	\$ 0	\$ 675,424
Due to Litigants, Heirs, and Others	0	2,747,426	2,747,426
Total Liabilities	<u>\$ 675,424</u>	<u>\$ 2,747,426</u>	<u>\$ 3,422,850</u>

Exhibit H-2

Tipton County, Tennessee
Combining Statement of Changes in Assets and Liabilities- All Agency Funds
For the Year Ended June 30, 2015

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 4,038,292	\$ 4,038,292	\$ 0
Due from Other Governments	642,600	675,424	642,600	675,424
Total Assets	<u>\$ 642,600</u>	<u>\$ 4,713,716</u>	<u>\$ 4,680,892</u>	<u>\$ 675,424</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 642,600	\$ 4,713,716	\$ 4,680,892	\$ 675,424
Total Liabilities	<u>\$ 642,600</u>	<u>\$ 4,713,716</u>	<u>\$ 4,680,892</u>	<u>\$ 675,424</u>
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 2,982,017	\$ 13,036,119	\$ 13,270,710	\$ 2,747,426
Total Assets	<u>\$ 2,982,017</u>	<u>\$ 13,036,119</u>	<u>\$ 13,270,710</u>	<u>\$ 2,747,426</u>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 2,982,017	\$ 13,036,119	\$ 13,270,710	\$ 2,747,426
Total Liabilities	<u>\$ 2,982,017</u>	<u>\$ 13,036,119</u>	<u>\$ 13,270,710</u>	<u>\$ 2,747,426</u>
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 2,982,017	\$ 13,036,119	\$ 13,270,710	\$ 2,747,426
Equity in Pooled Cash and Investments	0	4,038,292	4,038,292	0
Due from Other Governments	642,600	675,424	642,600	675,424
Total Assets	<u>\$ 3,624,617</u>	<u>\$ 17,749,835</u>	<u>\$ 17,951,602</u>	<u>\$ 3,422,850</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 642,600	\$ 4,713,716	\$ 4,680,892	\$ 675,424
Due to Litigants, Heirs, and Others	2,982,017	13,036,119	13,270,710	2,747,426
Total Liabilities	<u>\$ 3,624,617</u>	<u>\$ 17,749,835</u>	<u>\$ 17,951,602</u>	<u>\$ 3,422,850</u>

Tipton County School Department

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

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

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

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

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

Exhibit I-1

Tipton County, Tennessee
Statement of Activities
Discretely Presented Tipton County School Department
For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 56,125,940	\$ 914,898	\$ 3,979,321	\$ 0	\$ (51,231,721)
Support Services	22,602,159	0	1,708,558	26,986	(20,866,615)
Operation of Non-instructional Services	8,436,030	1,461,626	4,612,007	0	(2,362,397)
Total Governmental Activities	\$ 87,164,129	\$ 2,376,524	\$ 10,299,886	\$ 26,986	\$ (74,460,733)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 11,273,910
Local Option Sales Taxes					4,477,917
Business Tax					182,607
Other Local Taxes					32,996
Grants and Contributions Not Restricted to Specific Programs					61,607,596
Miscellaneous					202,655
Pension Income					218,709
Total General Revenues					\$ 77,996,390
Change in Net Position					\$ 3,535,657
Net Position, July 1, 2014					45,644,146
Restatement - Pension Liability (see Note I.D.8)					(15,951,821)
Net Position, June 30, 2015					\$ 33,227,982

Exhibit I-2

Tipton County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Tipton County School Department
June 30, 2015

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	
	<u>General</u>	<u>Other</u>	<u>Total</u>
	<u>Purpose</u>	<u>Govern- mental</u>	<u>Governmental</u>
	<u>School</u>	<u>Funds</u>	<u>Funds</u>
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 12,733,754	\$ 3,235,789	\$ 15,969,543
Due from Other Governments	1,066,341	8,252	1,074,593
Property Taxes Receivable	11,431,664	0	11,431,664
Allowance for Uncollectible Property Taxes	(395,609)	0	(395,609)
Total Assets	<u>\$ 24,836,150</u>	<u>\$ 3,244,041</u>	<u>\$ 28,080,191</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 3,108	\$ 0	\$ 3,108
Payroll Deductions Payable	2,449,818	0	2,449,818
Total Liabilities	<u>\$ 2,452,926</u>	<u>\$ 0</u>	<u>\$ 2,452,926</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 10,769,204	\$ 0	\$ 10,769,204
Deferred Delinquent Property Taxes	196,886	0	196,886
Other Deferred/Unavailable Revenue	360,500	0	360,500
Total Deferred Inflows of Resources	<u>\$ 11,326,590</u>	<u>\$ 0</u>	<u>\$ 11,326,590</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 335,863	\$ 1	\$ 335,864
Restricted for Operation of Non-instructional Services	0	2,141,554	2,141,554
Restricted for Capital Projects	0	902,486	902,486
Assigned:			
Assigned for Education	0	200,000	200,000
Assigned for Instruction	101,036	0	101,036
Assigned for Support Services	99,001	0	99,001
Assigned for Capital Outlay	116,288	0	116,288
Unassigned	10,404,446	0	10,404,446
Total Fund Balances	<u>\$ 11,056,634</u>	<u>\$ 3,244,041</u>	<u>\$ 14,300,675</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 24,836,150</u>	<u>\$ 3,244,041</u>	<u>\$ 28,080,191</u>

Exhibit I-3

Tipton County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
Discretely Presented Tipton County School Department
June 30, 2015

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$	14,300,675
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	3,596,156	
Add: construction in progress		605,380	
Add: buildings and improvements net of accumulated depreciation		24,708,941	
Add: infrastructure net of accumulated depreciation		135,064	
Add: other capital assets net of accumulated depreciation		<u>4,177,851</u>	33,223,392
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$	(181,770)	
Less: other postemployment benefits liability		<u>(3,684,153)</u>	(3,865,923)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as a component of pension expense in future years.			
Add: deferred outflows of resources related to pensions	\$	5,184,317	
Less: deferred inflows of resources related to pensions		<u>(17,857,550)</u>	(12,673,233)
(4) Net pension assets are not current financial resources and are therefore not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	1,504,962	
Add: net pension asset - cost-sharing plan		<u>180,723</u>	1,685,685
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>557,386</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>33,227,982</u></u>

Exhibit I-4

Tipton County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Tipton County School Department
For the Year Ended June 30, 2015

	<u>Major Fund</u>	<u>Nonmajor</u> <u>Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 16,258,847	\$ 0	\$ 16,258,847
Licenses and Permits	4,603	0	4,603
Fines, Forfeitures, and Penalties	2,004	0	2,004
Charges for Current Services	1,053,277	1,253,453	2,306,730
Other Local Revenues	241,261	35,961	277,222
State of Tennessee	60,597,838	30,334	60,628,172
Federal Government	4,000	10,985,876	10,989,876
Total Revenues	<u>\$ 78,161,830</u>	<u>\$ 12,305,624</u>	<u>\$ 90,467,454</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 51,386,698	\$ 4,548,708	\$ 55,935,406
Support Services	23,193,133	1,158,340	24,351,473
Operation of Non-instructional Services	2,082,655	6,310,034	8,392,689
Capital Outlay	463,877	0	463,877
Debt Service:			
Other Debt Service	500,000	0	500,000
Capital Projects	0	601,321	601,321
Total Expenditures	<u>\$ 77,626,363</u>	<u>\$ 12,618,403</u>	<u>\$ 90,244,766</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 535,467</u>	<u>\$ (312,779)</u>	<u>\$ 222,688</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 40,972	\$ 0	\$ 40,972
Transfers Out	0	(40,972)	(40,972)
Total Other Financing Sources (Uses)	<u>\$ 40,972</u>	<u>\$ (40,972)</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 576,439	\$ (353,751)	\$ 222,688
Fund Balance, July 1, 2014	10,480,195	3,597,792	14,077,987
Fund Balance, June 30, 2015	<u>\$ 11,056,634</u>	<u>\$ 3,244,041</u>	<u>\$ 14,300,675</u>

Exhibit I-5

Tipton County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Tipton County School Department
For the Year Ended June 30, 2015

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$	222,688
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital assets purchased in the current period	\$	1,398,664	
Less: current-year depreciation expense		<u>(3,413,074)</u>	(2,014,410)
(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, 2015	\$	557,386	
Less: deferred delinquent property taxes and other deferred June 30, 2014		<u>(543,763)</u>	13,623
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in compensated absences payable	\$	402,635	
Change in other postemployment benefits liability		(53,152)	
Change in net pension asset - agent plan		2,635,600	
Change in net pension asset - cost-sharing plan		15,001,906	
Change in deferred outflows related to pensions		5,184,317	
Change in deferred inflows related to pensions		<u>(17,857,550)</u>	<u>5,313,756</u>
Change in net position of governmental activities (Exhibit B)			<u>\$ 3,535,657</u>

Tipton County, Tennessee
 Combining Balance Sheet - Nonmajor Governmental Funds
 Discretely Presented Tipton County School Department
 June 30, 2015

	Special Revenue Funds			Capital Projects Fund		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Total	Education Capital Projects		
\$ 191,749 \$ 2,141,554 \$ 2,333,303 \$ 902,486 \$ 3,235,789						
8,252 0 8,252 0 8,252						
\$ 200,001 \$ 2,141,554 \$ 2,341,555 \$ 902,486 \$ 3,244,041						

ASSETS

Equity in Pooled Cash and Investments
 Due from Other Governments

Total Assets

FUND BALANCES

Restricted:

Restricted for Education
 Restricted for Operation of Non-instructional Services
 Restricted for Capital Projects

Assigned:

Assigned for Education

Total Fund Balances

\$ 1 \$ 0 \$ 1 \$ 0 \$ 1						
0 2,141,554 2,141,554 0 2,141,554						
0 0 0 902,486 902,486						
200,000 0 200,000 0 200,000						
\$ 200,001 \$ 2,141,554 \$ 2,341,555 \$ 902,486 \$ 3,244,041						

Exhibit I-7

Tipton County, Tennessee
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances -
 Nonmajor Governmental Funds
 Discretely Presented Tipton County School Department
 For the Year Ended June 30, 2015

	Special Revenue Funds			Capital Projects Fund		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Total	Education Capital Projects		
<u>Revenues</u>						
Charges for Current Services	\$ 0	\$ 1,253,453	\$ 1,253,453	\$ 0	\$ 0	\$ 1,253,453
Other Local Revenues	0	35,961	35,961	0	0	35,961
State of Tennessee	0	0	0	30,334	30,334	30,334
Federal Government	6,259,178	4,544,690	10,803,868	182,008	182,008	10,985,876
Total Revenues	\$ 6,259,178	\$ 5,834,104	\$ 12,093,282	\$ 212,342	\$ 212,342	\$ 12,305,624
<u>Expenditures</u>						
Current:						
Instruction	\$ 4,548,708	\$ 0	\$ 4,548,708	\$ 0	\$ 0	\$ 4,548,708
Support Services	1,158,340	0	1,158,340	0	0	1,158,340
Operation of Non-instructional Services	510,296	5,799,738	6,310,034	0	0	6,310,034
Capital Projects	0	0	0	601,321	601,321	601,321
Total Expenditures	\$ 6,217,344	\$ 5,799,738	\$ 12,017,082	\$ 601,321	\$ 601,321	\$ 12,618,403
Excess (Deficiency) of Revenues Over Expenditures	\$ 41,834	\$ 34,366	\$ 76,200	\$ (388,979)	\$ (312,779)	
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (40,972)	\$ 0	\$ (40,972)	\$ 0	\$ 0	\$ (40,972)
Total Other Financing Sources (Uses)	\$ (40,972)	\$ 0	\$ (40,972)	\$ 0	\$ 0	\$ (40,972)
Net Change in Fund Balances	\$ 862	\$ 34,366	\$ 35,228	\$ (388,979)	\$ (353,751)	
Fund Balance, July 1, 2014	199,139	2,107,188	2,306,327	1,291,465	1,291,465	3,597,792
Fund Balance, June 30, 2015	\$ 200,001	\$ 2,141,554	\$ 2,341,555	\$ 902,486	\$ 902,486	\$ 3,244,041

Exhibit I-8

Tipton County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Tipton County School Department
General Purpose School Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 16,258,847	\$ 0	\$ 0	\$ 16,258,847	\$ 16,005,000	\$ 16,005,000	\$ 253,847
Licenses and Permits	4,603	0	0	4,603	5,000	5,000	(397)
Fines, Forfeitures, and Penalties	2,004	0	0	2,004	2,000	2,000	4
Charges for Current Services	1,053,277	0	0	1,053,277	1,173,000	1,173,000	(119,723)
Other Local Revenues	241,261	0	0	241,261	275,000	275,000	(33,739)
State of Tennessee	60,597,838	0	0	60,597,838	61,090,000	61,283,873	(686,035)
Federal Government	4,000	0	0	4,000	25,000	25,000	(21,000)
Total Revenues	\$ 78,161,830	\$ 0	\$ 0	\$ 78,161,830	\$ 78,575,000	\$ 78,768,873	\$ (607,043)
Expenditures							
<u>Instruction</u>							
Regular Instruction Program	\$ 40,074,294	\$ 0	\$ 100,683	\$ 40,174,977	\$ 40,146,000	\$ 40,201,000	\$ 26,023
Alternative Instruction Program	852,312	0	0	852,312	864,000	907,000	54,688
Special Education Program	8,052,849	0	0	8,052,849	8,074,000	8,114,000	61,151
Vocational Education Program	2,407,243	0	353	2,407,596	2,471,000	2,500,000	92,404
<u>Support Services</u>							
Health Services	733,549	0	200	733,749	750,000	750,000	16,251
Other Student Support	1,612,113	0	0	1,612,113	1,715,000	1,700,000	87,887
Regular Instruction Program	1,925,333	(211)	35,000	1,960,122	2,019,000	2,019,000	58,878
Special Education Program	261,052	0	0	261,052	285,000	285,000	23,948
Vocational Education Program	129,191	0	0	129,191	131,000	131,000	1,809
Other Programs	193,873	0	0	193,873	0	193,873	0
Board of Education	808,222	0	0	808,222	840,000	840,000	31,778
Director of Schools	275,283	0	0	275,283	277,000	277,000	1,717
Office of the Principal	5,705,423	(67)	0	5,705,423	5,848,000	5,848,000	142,577
Fiscal Services	399,935	0	30,117	429,985	446,000	446,000	16,015
Operation of Plant	3,805,358	0	0	3,805,358	4,000,000	4,000,000	194,642
Maintenance of Plant	1,533,508	(3,486)	31,234	1,561,256	1,615,000	1,615,000	53,744
Transportation	5,810,293	0	2,450	5,812,743	6,408,000	6,256,000	443,257

(Continued)

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Operation of Non-instructional Services</u>							
Food Service	\$ 145,943	\$ 0	\$ 0	\$ 145,943	\$ 179,000	\$ 179,000	\$ 33,057
Community Services	904,873	(828)	0	904,045	1,000,000	1,000,000	95,955
Early Childhood Education	1,031,839	0	0	1,031,839	1,032,000	1,032,000	161
<u>Capital Outlay</u>							
Regular Capital Outlay	463,877	(185,509)	116,288	394,656	0	400,000	5,344
<u>Other Debt Service</u>							
Education	500,000	0	0	500,000	500,000	500,000	0
Total Expenditures	\$ 77,626,363	\$ (190,101)	\$ 316,325	\$ 77,752,587	\$ 78,600,000	\$ 79,193,873	\$ 1,441,286
<u>Excess (Deficiency) of Revenues</u>							
Over Expenditures	\$ 535,467	\$ 190,101	\$ (316,325)	\$ 409,243	\$ (25,000)	\$ (425,000)	\$ 834,243
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 40,972	\$ 0	\$ 0	\$ 40,972	\$ 25,000	\$ 25,000	\$ 15,972
Total Other Financing Sources	\$ 40,972	\$ 0	\$ 0	\$ 40,972	\$ 25,000	\$ 25,000	\$ 15,972
<u>Net Change in Fund Balance</u>							
Fund Balance, July 1, 2014	\$ 576,439	\$ 190,101	\$ (316,325)	\$ 450,215	\$ 0	\$ (400,000)	\$ 850,215
	10,480,195	(190,101)	0	10,290,094	9,561,432	9,561,432	728,662
Fund Balance, June 30, 2015	\$ 11,056,634	\$ 0	\$ (316,325)	\$ 10,740,309	\$ 9,561,432	\$ 9,161,432	\$ 1,578,877

Exhibit I-9

Tipton County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Tipton County School Department
School Federal Projects Fund
For the Year Ended June 30, 2015

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 6,259,178	\$ 5,092,421	\$ 7,446,337	\$ (1,187,159)
Total Revenues	\$ 6,259,178	\$ 5,092,421	\$ 7,446,337	\$ (1,187,159)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 2,369,230	\$ 1,791,922	\$ 3,079,668	\$ 710,438
Special Education Program	2,080,288	2,115,007	2,174,502	94,214
Vocational Education Program	99,190	99,150	99,190	0
<u>Support Services</u>				
Health Services	179,366	203,089	209,963	30,597
Other Student Support	105,143	93,637	111,537	6,394
Regular Instruction Program	700,928	572,879	1,035,379	334,451
Special Education Program	67,734	75,884	75,000	7,266
Vocational Education Program	2,865	4,000	2,865	0
Office of the Principal	24,030	40,294	24,030	0
Transportation	78,274	59,740	78,426	152
<u>Operation of Non-instructional Services</u>				
Community Services	510,296	0	510,296	0
Total Expenditures	\$ 6,217,344	\$ 5,055,602	\$ 7,400,856	\$ 1,183,512
Excess (Deficiency) of Revenues Over Expenditures	\$ 41,834	\$ 36,819	\$ 45,481	\$ (3,647)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (40,972)	\$ (36,819)	\$ (44,619)	\$ 3,647
Total Other Financing Sources	\$ (40,972)	\$ (36,819)	\$ (44,619)	\$ 3,647
Net Change in Fund Balance	\$ 862	\$ 0	\$ 862	\$ 0
Fund Balance, July 1, 2014	199,139	107,998	107,998	91,141
Fund Balance, June 30, 2015	\$ 200,001	\$ 107,998	\$ 108,860	\$ 91,141

Exhibit I-10

Tipton County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Tipton County School Department
Central Cafeteria Fund
For the Year Ended June 30, 2015

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 1,253,453	\$ 2,140,000	\$ 2,140,000	\$ (886,547)
Other Local Revenues	35,961	20,000	20,000	15,961
Federal Government	4,544,690	3,890,000	3,890,000	654,690
Total Revenues	<u>\$ 5,834,104</u>	<u>\$ 6,050,000</u>	<u>\$ 6,050,000</u>	<u>\$ (215,896)</u>
<u>Expenditures</u>				
<u>Operation of Non-instructional Services</u>				
Food Service	\$ 5,799,738	\$ 6,050,000	\$ 6,050,000	\$ 250,262
Total Expenditures	<u>\$ 5,799,738</u>	<u>\$ 6,050,000</u>	<u>\$ 6,050,000</u>	<u>\$ 250,262</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 34,366</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 34,366</u>
Net Change in Fund Balance	\$ 34,366	\$ 0	\$ 0	\$ 34,366
Fund Balance, July 1, 2014	<u>2,107,188</u>	<u>2,089,856</u>	<u>2,089,856</u>	<u>17,332</u>
Fund Balance, June 30, 2015	<u>\$ 2,141,554</u>	<u>\$ 2,089,856</u>	<u>\$ 2,089,856</u>	<u>\$ 51,698</u>

MISCELLANEOUS SCHEDULES

Exhibit J-1

Tipton County, Tennessee
Schedule of Changes in Long-term Other Loans and Bonds
For the Year Ended June 30, 2015

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-14	Paid and/or	
						Matured During Period	Outstanding 6-30-15
<u>OTHER LOANS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
School Construction	\$ 5,897,089	Variable	5-17-1999	5-25-19	\$ 4,397,089	\$ 500,000	\$ 3,897,089
School Construction	5,100,000	Variable	7-21-04	5-25-22	2,542,000	300,000	2,242,000
School Construction	16,000,000	Variable	4-30-07	5-25-27	11,942,000	696,000	11,246,000
School Refunding	6,228,600	Variable	7-9-08	5-25-15	266,100	266,100	0
Various Purposes	3,100,000	Variable	3-31-11	5-25-21	2,323,000	285,000	2,038,000
Total Other Loans Payable					\$ 21,470,189	\$ 2,047,100	\$ 19,423,089
<u>BONDS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
Elementary School	9,000,000	2.5 to 4.625 %	9-1-02	4-1-22	\$ 4,750,000	\$ 500,000	\$ 4,250,000
Total Bonds Payable					\$ 4,750,000	\$ 500,000	\$ 4,250,000

Exhibit J-2

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

Year Ending June 30	Other Loans			Total
	Principal	Interest	Other Fees	
2016	\$ 2,336,000	\$ 48,619	\$ 125,077	\$ 2,509,696
2017	2,394,000	42,925	108,837	2,545,762
2018	2,452,000	37,119	93,652	2,582,771
2019	2,412,089	31,202	78,064	2,521,355
2020	1,579,000	25,474	62,435	1,666,909
2021	1,647,000	22,315	51,874	1,721,189
2022	1,188,000	17,168	39,653	1,244,821
2023	990,000	14,079	32,100	1,036,179
2024	1,034,000	11,505	26,254	1,071,759
2025	1,081,000	8,817	20,148	1,109,965
2026	1,130,000	6,006	13,764	1,149,770
2027	1,180,000	3,068	7,032	1,190,100
Total	\$ 19,423,089	\$ 268,297	\$ 658,890	\$ 20,350,276

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 525,000	\$ 183,725	\$ 708,725
2017	550,000	162,725	712,725
2018	575,000	140,175	715,175
2019	600,000	116,025	716,025
2020	650,000	90,225	740,225
2021	650,000	61,625	711,625
2022	700,000	32,375	732,375
Total	\$ 4,250,000	\$ 786,875	\$ 5,036,875

Exhibit J-3

Tipton County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Tipton County School Department
For the Year Ended June 30, 2015

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General Debt Service	General Capital Projects	Jail expansion	\$ 2,000,000
Total Transfers Primary Government			\$ 2,000,000
<u>DISCRETELY PRESENTED TIPTON COUNTY</u>			
<u>SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 40,972
Total Transfers Discretely Presented Tipton County School Department			\$ 40,972

Tipton County, Tennessee
 Schedule of Salaries and Official Bonds of Principal Officials
 Primary Government and Discretely Presented Tipton County School Department
 For the Year Ended June 30, 2015

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, TCA	\$ 114,197	\$ 100,000	Auto Owners Insurance Company
Director of Public Works	Section 8-24-102, TCA, and Public Works Committee	102,485	100,000	"
Director of Schools	State Board of Education and County Board of Education	127,995 (1)	100,000	Travelers Casualty and Surety Company of America
Trustee	Section 8-24-102, TCA	79,995	2,600,000	Auto Owners Insurance Company
Assessor of Property	Section 8-24-102, TCA	79,995	50,000	Travelers Casualty and Surety Company of America
Director of Accounts and Budgets	County Commission	66,800	100,000	Auto Owners Insurance Company
County Clerk	Section 8-24-102, TCA	79,995	100,000	"
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, TCA	79,995	100,000	"
Clerk and Master	Section 8-24-102, TCA	79,995 (2)	75,000	Travelers Casualty and Surety Company of America
Register of Deeds	Section 8-24-102, TCA	79,995	100,000	Auto Owners Insurance Company
Sheriff	Section 8-24-102, TCA	96,632 (3)	100,000	"
Employees Bonds:				
Public Employee Dishonesty - County Departments			150,000	Local Government Property and Casualty Fund
Public Employee Dishonesty - School Department			150,000	"

(1) Includes a chief executive officer training supplement of \$1,000 and \$4,000 for serving as secretary to the Board of Education.
 (2) Does not include special commissioner fees of \$28,800.
 (3) Includes a law enforcement training supplement of \$1,200.

Exhibit J-5

Tipton County, Tennessee
 Schedule of Detailed Revenues -
 All Governmental Fund Types
 For the Year Ended June 30, 2015

	Special Revenue Funds						Debt Service Fund	
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt	Service	
<u>Local Taxes</u>								
<u>County Property Taxes</u>								
Current Property Tax	\$ 7,776,793	\$ 0	\$ 0	\$ 0	\$ 672,074	\$ 3,359,634		
Trustee's Collections - Prior Year	218,487	0	0	0	18,734	89,775		
Trustee's Collections - Bankruptcy	1,751	0	0	0	150	774		
Circuit/Clerk and Master Collections - Prior Years	188,573	0	0	0	16,297	81,482		
Interest and Penalty	39,054	0	0	0	3,375	17,278		
Payments in-Lieu-of Taxes - Other	553,218	0	0	0	18,718	96,182		
<u>County Local Option Taxes</u>								
Local Option Sales Tax	411,800	0	0	0	0	0		
Hotel/Motel Tax	127,656	0	0	0	0	0		
Wheel Tax	1,609,691	0	0	0	1,609,691	0		
Litigation Tax - General	198,513	0	0	0	0	0		
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	59,771		
Business Tax	131,590	0	0	0	11,372	55,399		
Mixed Drink Tax	6,430	0	0	0	0	0		
<u>Statutory Local Taxes</u>								
Bank Excise Tax	0	0	0	0	0	54,992		
Wholesale Beer Tax	177,463	0	0	0	0	0		
Interstate Telecommunications Tax	3,189	0	0	0	0	0		
Total Local Taxes	\$ 11,444,208	\$ 0	\$ 0	\$ 0	\$ 2,350,411	\$ 3,815,287		
<u>Licenses and Permits</u>								
<u>Licenses</u>								
Animal Registration	\$ 54,176	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
Cable TV Franchise	58,289	0	0	0	0	0		

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	3,669	0	0	0	0	0
Building Permits	35,981	0	0	0	0	0
Other Permits	93	0	0	0	0	0
Total Licenses and Permits	152,208	0	0	0	0	0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	3,348	0	0	0	0	0
Officers Costs	11,241	0	0	0	0	0
Drug Control Fines	5,052	0	9,642	0	0	0
Drug Court Fees	2,124	0	0	0	0	0
Jail Fees	5,951	0	0	0	0	0
DUI Treatment Fines	665	0	0	0	0	0
Data Entry Fee - Circuit Court	484	0	0	0	0	0
Victims Assistance Assessments	5,202	0	0	0	0	0
<u>Criminal Court</u>						
Fines	36,504	0	0	0	0	0
DUI Treatment Fines	855	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	53,935	0	0	0	0	0
Officers Costs	63,798	0	0	0	0	0
Game and Fish Fines	294	0	0	0	0	0
Drug Control Fines	8,710	0	11,334	0	0	0
Drug Court Fees	10,335	0	0	0	0	0
Jail Fees	77,203	0	0	0	0	0

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
DUI Treatment Fines	\$ 10,613	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Data Entry Fee - General Sessions Court	4,328	0	0	0	0	0
Courtroom Security Fee	3,509	0	0	0	0	0
Victims Assistance Assessments	25,508	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	193	0	0	0	0	0
Officers Costs	1,729	0	0	0	0	0
Data Entry Fee - Juvenile Court	131	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	2,441	0	0	0	0	0
Data Entry Fee - Chancery Court	9,520	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	28,630	0	43,866	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 372,303	\$ 0	\$ 64,842	\$ 0	\$ 0	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 31,684	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Disposal Fee	0	2,851	0	0	0	0
Other General Service Charges	87,200	0	0	0	0	0
<u>Fees</u>						
Copy Fees	12	0	0	0	0	0
Library Fees	16,860	0	0	0	0	0
Greenbelt Late Application Fee	300	0	0	0	0	0
Telephone Commissions	82,630	0	0	0	0	0

(Continued)

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

	Special Revenue Funds						Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	
<u>Charges for Current Services (Cont.)</u>							
<u>Fees (Cont.)</u>							
Vending Machine Collections	\$ 345	\$ 0	\$ 0	\$ 0	\$ 2,470	\$ 0	
Constitutional Officers' Fees and Commissions	0	0	0	28,800	0	0	
Data Processing Fee - Register	15,340	0	0	0	0	0	
Data Processing Fee - Sheriff	5,279	0	0	0	0	0	
Sexual Offender Registration Fee - Sheriff	8,240	0	0	0	0	0	
Data Processing Fee - County Clerk	4,932	0	0	0	0	0	
<u>Other Charges for Services</u>							
Other Charges for Services	0	238,281	0	0	0	0	
Total Charges for Current Services	\$ 221,138	\$ 272,816	\$ 0	\$ 28,800	\$ 2,470	\$ 0	
<u>Other Local Revenues</u>							
<u>Recurring Items</u>							
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 313,377	
Lease/Rentals	35,007	0	0	0	0	0	
Sale of Materials and Supplies	845	0	0	0	0	0	
Commissary Sales	22,751	0	0	0	0	0	
Sale of Maps	3,920	0	0	0	0	0	
Sale of Recycled Materials	0	108,273	0	0	0	0	
Retirees' Insurance Payments	263	0	0	0	8,133	0	
Miscellaneous Refunds	60,086	29	0	0	11,233	0	
<u>Nonrecurring Items</u>							
Revenue from Joint Ventures	32,250	0	0	0	0	0	
Sale of Equipment	0	0	0	0	1,287	0	
Sale of Property	1,120	0	0	0	0	0	
Contributions and Gifts	12,065	0	0	0	0	0	

(Continued)

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	
<u>Other Local Revenues (Cont.)</u>						
<u>Other Local Revenues</u>	\$ 9,565	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Local Revenues	\$ 177,872	\$ 108,302	\$ 0	\$ 0	\$ 20,653	\$ 313,377
<u>Fees Received from County Officials</u>						
<u>Fees in-Lieu-of Salary</u>						
County Clerk	\$ 514,746	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	161,884	0	0	0	0	0
General Sessions Court Clerk	380,751	0	0	0	0	0
Clerk and Master	273,427	0	0	0	0	0
Juvenile Court Clerk	48,519	0	0	0	0	0
Register	218,973	0	0	0	0	0
Sheriff	33,612	0	0	0	0	0
Trustee	746,360	0	0	0	0	0
Total Fees Received from County Officials	\$ 2,378,272	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Grants	0	31,810	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	30,000	0	0	0	0	0
Other Public Safety Grants	52,742	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	297,154	0	0	0	0	0
Other Health and Welfare Grants	34,783	0	0	0	0	0

(Continued)

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

	Special Revenue Funds						Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	
<u>State of Tennessee (Cont.)</u>							
<u>Public Works Grants</u>							
State Aid Program	0 \$	0 \$	0 \$	0 \$	136,754 \$	0	
Litter Program	48,350	0	0	0	0	0	
<u>Other State Revenues</u>							
Income Tax	56,454	0	0	0	0	0	
Beer Tax	18,055	0	0	0	0	0	
Vehicle Certificate of Title Fees	10,252	0	0	0	0	0	
Alcoholic Beverage Tax	95,663	0	0	0	0	0	
State Revenue Sharing - T.V.A.	0	859,917	0	0	0	0	
Board of Jurors	6,300	0	0	0	0	0	
Contracted Prisoner Boarding	294,802	0	0	0	0	0	
Gasoline and Motor Fuel Tax	0	0	0	0	1,967,070	0	
Petroleum Special Tax	0	0	0	0	44,073	0	
Registrar's Salary Supplement	15,164	0	0	0	0	0	
Other State Revenues	12,647	0	0	0	0	0	
Total State of Tennessee	\$ 981,366 \$	891,727 \$	0 \$	0 \$	2,147,897 \$	0	
<u>Federal Government</u>							
<u>Federal Through State</u>							
Community Development	0 \$	0 \$	0 \$	0 \$	0 \$	0	
Civil Defense Reimbursement	34,000	0	0	0	0	0	
Disaster Relief	8,836	0	0	0	208,896	0	
Homeland Security Grants	27,948	0	0	0	0	0	
Law Enforcement Grants	17,486	0	0	0	0	0	
<u>Direct Federal Revenue</u>							
Asset Forfeiture Funds	0	0	53,108	0	0	0	

(Continued)

Exhibit J-5

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	
<u>Federal Government (Cont.)</u>						
<u>Direct Federal Revenue (Cont.)</u>						
Other Direct Federal Revenue	\$ 13,389	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Federal Government	\$ 101,659	\$ 0	\$ 53,108	\$ 0	\$ 208,896	\$ 0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 51,163	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500,000
Contracted Services	168,351	0	0	0	0	0
<u>Other</u>	18,385	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 237,899	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500,000
<u>Total</u>	\$ 16,066,925	\$ 1,272,845	\$ 117,950	\$ 28,800	\$ 4,730,327	\$ 4,628,664

(Continued)

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

	Capital Projects Fund	Total
	General Capital Projects	
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	0 \$	11,808,501
Trustee's Collections - Prior Year	0	326,996
Trustee's Collections - Bankruptcy	0	2,675
Circuit/Clerk and Master Collections - Prior Years	0	286,352
Interest and Penalty	0	59,707
Payments in-Lieu-of Taxes - Other	0	668,118
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	411,800
Hotel/Motel Tax	0	127,656
Wheel Tax	0	3,219,382
Litigation Tax - General	0	198,513
Litigation Tax - Jail, Workhouse, or Courthouse	0	59,771
Business Tax	0	198,361
Mixed Drink Tax	0	6,430
<u>Statutory Local Taxes</u>		
Bank Excise Tax	0	54,992
Wholesale Beer Tax	0	177,463
Interstate Telecommunications Tax	0	3,189
<u>Total Local Taxes</u>	<u>0 \$</u>	<u>17,609,906</u>
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Animal Registration	0 \$	54,176
Cable TV Franchise	0	58,289

(Continued)

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

	<u>Capital Projects Fund</u>		
	General Capital Projects	Total	
<u>Licenses and Permits (Cont.)</u>			
<u>Permits</u>			
Beer Permits	0 \$	3,669	
Building Permits	0	35,981	
Other Permits	0	93	
Total Licenses and Permits	<u>0 \$</u>	<u>152,208</u>	
<u>Fines, Forfeitures, and Penalties</u>			
<u>Circuit Court</u>			
Fines	0 \$	3,348	
Officers Costs	0	11,241	
Drug Control Fines	0	14,694	
Drug Court Fees	0	2,124	
Jail Fees	0	5,951	
DUI Treatment Fines	0	665	
Data Entry Fee - Circuit Court	0	484	
Victims Assistance Assessments	0	5,202	
<u>Criminal Court</u>			
Fines	0	36,504	
DUI Treatment Fines	0	855	
<u>General Sessions Court</u>			
Fines	0	53,935	
Officers Costs	0	63,798	
Game and Fish Fines	0	294	
Drug Control Fines	0	20,044	
Drug Court Fees	0	10,335	
Jail Fees	0	77,203	

(Continued)

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

	<u>Capital Projects Fund</u>		
	General Capital Projects	Total	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>			
<u>General Sessions Court (Cont.)</u>			
DUI Treatment Fines	0 \$	10,613	
Data Entry Fee - General Sessions Court	0	4,328	
Courtroom Security Fee	0	3,509	
Victims Assistance Assessments	0	25,508	
<u>Juvenile Court</u>			
Fines	0	193	
Officers Costs	0	1,729	
Data Entry Fee - Juvenile Court	0	131	
<u>Chancery Court</u>			
Officers Costs	0	2,441	
Data Entry Fee - Chancery Court	0	9,520	
<u>Other Fines, Forfeitures, and Penalties</u>			
Proceeds from Confiscated Property	0	72,496	
Total Fines, Forfeitures, and Penalties	<u>0 \$</u>	<u>437,145</u>	
<u>Charges for Current Services</u>			
<u>General Service Charges</u>			
Tipping Fees	0 \$	31,684	
Solid Waste Disposal Fee	0	2,851	
Other General Service Charges	0	87,200	
<u>Fees</u>			
Copy Fees	0	12	
Library Fees	0	16,860	
Greenbelt Late Application Fee	0	300	
Telephone Commissions	0	82,630	

(Continued)

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

	<u>Capital Projects Fund</u>		
	General Capital Projects	Total	
<u>Charges for Current Services (Cont.)</u>			
<u>Fees (Cont.)</u>			
Vending Machine Collections	0 \$	2,815	
Constitutional Officers' Fees and Commissions	0	28,800	
Data Processing Fee - Register	0	15,340	
Data Processing Fee - Sheriff	0	5,279	
Sexual Offender Registration Fee - Sheriff	0	8,240	
Data Processing Fee - County Clerk	0	4,932	
<u>Other Charges for Services</u>			
Other Charges for Services	0	238,281	
Total Charges for Current Services	0 \$	525,224	
<u>Other Local Revenues</u>			
<u>Recurring Items</u>			
Investment Income	0 \$	313,377	
Lease/Rentals	0	35,007	
Sale of Materials and Supplies	0	845	
Commissary Sales	0	22,751	
Sale of Maps	0	3,920	
Sale of Recycled Materials	0	108,273	
Retirees' Insurance Payments	0	8,396	
Miscellaneous Refunds	0	71,348	
<u>Nonrecurring Items</u>			
Revenue from Joint Ventures	0	32,250	
Sale of Equipment	0	1,287	
Sale of Property	0	1,120	
Contributions and Gifts	0	12,065	

(Continued)

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

	<u>Capital Projects Fund</u>		
	General Capital Projects	Total	
<u>Other Local Revenues (Cont.)</u>			
<u>Other Local Revenues</u>	0 \$	9,565	
Other Local Revenues	0 \$	620,204	
Total Other Local Revenues			
<u>Fees Received from County Officials</u>			
<u>Fees in-Lieu-of Salary</u>			
County Clerk	0 \$	514,746	
Circuit Court Clerk	0	161,884	
General Sessions Court Clerk	0	380,751	
Clerk and Master	0	273,427	
Juvenile Court Clerk	0	48,519	
Register	0	218,973	
Sheriff	0	33,612	
Trustee	0	746,360	
Total Fees Received from County Officials	0 \$	2,378,272	
<u>State of Tennessee</u>			
<u>General Government Grants</u>			
Juvenile Services Program	0 \$	9,000	
Solid Waste Grants	0	31,810	
<u>Public Safety Grants</u>			
Law Enforcement Training Programs	0	30,000	
Other Public Safety Grants	0	52,742	
<u>Health and Welfare Grants</u>			
Health Department Programs	0	297,154	
Other Health and Welfare Grants	0	34,783	

(Continued)

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

	<u>Capital Projects Fund</u>		
	General Capital Projects	Total	
<u>State of Tennessee (Cont.)</u>			
<u>Public Works Grants</u>			
State Aid Program	0 \$	136,754	
Litter Program	0	48,350	
<u>Other State Revenues</u>			
Income Tax	0	56,454	
Beer Tax	0	18,055	
Vehicle Certificate of Title Fees	0	10,252	
Alcoholic Beverage Tax	0	95,663	
State Revenue Sharing - T.V.A.	0	859,917	
Board of Jurors	0	6,300	
Contracted Prisoner Boarding	0	294,802	
Gasoline and Motor Fuel Tax	0	1,967,070	
Petroleum Special Tax	0	44,073	
Registrar's Salary Supplement	0	15,164	
Other State Revenues	0	12,647	
Total State of Tennessee	<u>0 \$</u>	<u>4,020,990</u>	
<u>Federal Government</u>			
<u>Federal Through State</u>			
Community Development	986,056 \$	986,056	
Civil Defense Reimbursement	0	34,000	
Disaster Relief	0	217,732	
Homeland Security Grants	0	27,948	
Law Enforcement Grants	0	17,486	
<u>Direct Federal Revenue</u>			
Asset Forfeiture Funds	0	53,108	

(Continued)

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

	<u>Capital</u> <u>Projects Fund</u>	
	General Capital Projects	Total
<u>Federal Government (Cont.)</u>		
Direct Federal Revenue (Cont.)		
Other Direct Federal Revenue	0 \$	13,389
Total Federal Government	<u>986,056 \$</u>	<u>1,349,719</u>
<u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Contributions	0 \$	551,163
Contracted Services	0	168,351
<u>Other</u>		
Other	0	18,385
Total Other Governments and Citizens Groups	<u>0 \$</u>	<u>737,899</u>
Total	<u>986,056 \$</u>	<u>27,831,567</u>

Tipton County, Tennessee
 Schedule of Detailed Revenues -
 All Governmental Fund Types
 Discretely Presented Tipton County School Department
 For the Year Ended June 30, 2015

	General Purpose School	Special Revenue Funds			Capital Projects Fund		Total
		School Federal Projects	Central Cafeteria	Education Capital Projects	Education Capital Projects		
<u>Local Taxes</u>							
<u>County Property Taxes</u>							
Current Property Tax	\$ 10,657,531	\$ 0	\$ 0	\$ 0	\$ 0	\$ 10,657,531	
Trustee's Collections - Prior Year	298,631	0	0	0	0	298,631	
Trustee's Collections - Bankruptcy	2,391	0	0	0	0	2,391	
Circuit/Clerk and Master Collections - Prior Years	258,415	0	0	0	0	258,415	
Interest and Penalty	53,419	0	0	0	0	53,419	
Payments in-Lieu-of Taxes - Other	305,040	0	0	0	0	305,040	
<u>County Local Option Taxes</u>							
Local Option Sales Tax	4,467,917	0	0	0	0	4,467,917	
Business Tax	182,607	0	0	0	0	182,607	
Mixed Drink Tax	26,842	0	0	0	0	26,842	
<u>Statutory Local Taxes</u>							
Interstate Telecommunications Tax	6,054	0	0	0	0	6,054	
Total Local Taxes	\$ 16,258,847	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,258,847	
<u>Licenses and Permits</u>							
<u>Licenses</u>							
Marriage Licenses	\$ 3,828	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,828	
<u>Permits</u>							
Other Permits	775	0	0	0	0	775	
Total Licenses and Permits	\$ 4,603	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,603	
<u>Fines, Forfeitures, and Penalties</u>							
<u>Juvenile Court</u>							
Fines	\$ 2,004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,004	
Total Fines, Forfeitures, and Penalties	\$ 2,004	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,004	

(Continued)

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund		Total
		School Federal Projects	Central Cafeteria		Education Capital Projects		
<u>Charges for Current Services</u>							
<u>Education Charges</u>							
Tuition - Regular Day Students	\$ 12,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	12,000
Tuition - Summer School	350	0	0	0	0	0	350
Tuition - Other	897,564	0	0	0	0	0	897,564
Lunch Payments - Children	0	0	744,485	0	0	0	744,485
Lunch Payments - Adults	0	0	82,980	0	0	0	82,980
Income from Breakfast	0	0	79,580	0	0	0	79,580
A la carte Sales	0	0	344,171	0	0	0	344,171
Receipts from Individual Schools	136,912	0	0	0	0	0	136,912
TBI Criminal Background Fee	6,451	0	0	0	0	0	6,451
<u>Other Charges for Services</u>							
Other Charges for Services	0	0	2,237	0	0	0	2,237
Total Charges for Current Services	\$ 1,053,277	\$ 0	\$ 1,253,453	\$ 0	\$ 0	\$ 0	2,306,730
<u>Other Local Revenues</u>							
<u>Recurring Items</u>							
Investment Income	0	0	10,605	0	0	0	10,605
Lease/Rentals	9,005	0	0	0	0	0	9,005
E-Rate Funding	55,805	0	0	0	0	0	55,805
Miscellaneous Refunds	167,531	0	25,356	0	0	0	192,887
<u>Nonrecurring Items</u>							
Sale of Equipment	5,940	0	0	0	0	0	5,940
Damages Recovered from Individuals	2,980	0	0	0	0	0	2,980
Total Other Local Revenues	\$ 241,261	\$ 0	\$ 35,961	\$ 0	\$ 0	\$ 0	277,222

(Continued)

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund		Total
		School Projects	Central Cafeteria	Federal Projects	Education Capital Projects		
<u>State of Tennessee</u>							
<u>General Government Grants</u>							
On-behalf Contributions for OPEB	\$ 193,873	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	193,873
<u>State Education Funds</u>							
Basic Education Program	58,198,001	0	0	0	0	0	58,198,001
Early Childhood Education	1,031,300	0	0	0	0	0	1,031,300
School Food Service	56,712	0	0	0	0	0	56,712
Energy Efficient School Initiative	26,986	0	0	0	0	0	26,986
Other State Education Funds	308,013	0	0	0	30,334	0	338,347
Career Ladder Program	272,277	0	0	0	0	0	272,277
Career Ladder - Extended Contract	63,595	0	0	0	0	0	63,595
<u>Other State Revenues</u>							
Other State Grants	447,081	0	0	0	0	0	447,081
Total State of Tennessee	\$ 60,597,838	\$ 0	\$ 0	\$ 0	\$ 30,334	\$ 0	\$ 60,628,172
<u>Federal Government</u>							
<u>Federal Through State</u>							
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,605,366	\$ 0	\$ 0	\$ 0	2,605,366
USDA - Commodities	0	0	416,471	0	0	0	416,471
Breakfast	0	0	888,065	0	0	0	888,065
USDA - Other	0	0	634,788	0	0	0	634,788
Vocational Education - Basic Grants to States	0	151,957	0	0	0	0	151,957
Title I Grants to Local Education Agencies	0	2,072,480	0	0	0	0	2,072,480
Special Education - Grants to States	0	2,385,727	0	0	0	0	2,385,727
Special Education Preschool Grants	0	103,609	0	0	0	0	103,609
Safe and Drug-free Schools - State Grants	0	513,800	0	0	0	0	513,800

(Continued)

Exhibit J-6

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

	Special Revenue Funds			Capital Projects Fund		
	General Purpose School	School Federal Projects	Central Cafeteria	School Federal Projects	Education Capital Projects	Total
Federal Government (Cont.)						
Federal Through State (Cont.)						
Eisenhower Professional Development State Grants	\$ 0	\$ 518,027	\$ 0	\$ 0	\$ 0	\$ 518,027
Homeland Security Grants	0	0	0	182,008	0	182,008
Race to the Top - ARRA	0	152,729	0	0	0	152,729
Other Federal through State	4,000	360,849	0	0	0	364,849
Total Federal Government	\$ 4,000	\$ 6,259,178	\$ 4,544,690	\$ 182,008	\$ 0	\$ 10,989,876
Total	\$ 78,161,830	\$ 6,259,178	\$ 5,834,104	\$ 212,342	\$ 0	\$ 90,467,454

Exhibit J-7

Tipton County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
For the Year Ended June 30, 2015

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	86,700	
Social Security		6,633	
Audit Services		18,324	
Consultants		5,652	
Dues and Memberships		9,587	
Legal Services		26,000	
Legal Notices, Recording, and Court Costs		6,305	
Travel		1,287	
Liability Insurance		3,033	
Workers' Compensation Insurance		222	
Total County Commission			\$ 163,743

Beer Board

Board and Committee Members Fees	\$	2,100	
Social Security		161	
Office Supplies		72	
Total Beer Board			2,333

County Mayor/Executive

County Official/Administrative Officer	\$	114,197	
Secretary(ies)		37,669	
Longevity Pay		250	
Social Security		10,775	
Pensions		14,746	
Employee and Dependent Insurance		32,087	
Unemployment Compensation		72	
Communication		3,117	
Travel		8,910	
Other Contracted Services		2,694	
Office Supplies		2,419	
Utilities		3,787	
Other Supplies and Materials		525	
Building and Contents Insurance		780	
Liability Insurance		338	
Premiums on Corporate Surety Bonds		793	
Vehicle and Equipment Insurance		521	
Workers' Compensation Insurance		477	
Other Charges		3,214	
Office Equipment		2,278	
Total County Mayor/Executive			239,649

Election Commission

County Official/Administrative Officer	\$	70,072	
Secretary(ies)		38,428	
Clerical Personnel		21,302	
Part-time Personnel		1,401	
Longevity Pay		2,100	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Overtime Pay	\$	3,217	
Election Commission		15,300	
Election Workers		48,710	
Social Security		10,753	
Pensions		10,848	
Employee and Dependent Insurance		32,087	
Unemployment Compensation		386	
Audit Services		13,570	
Communication		1,866	
Dues and Memberships		3,200	
Janitorial Services		4,000	
Legal Notices, Recording, and Court Costs		10,461	
Maintenance and Repair Services - Buildings		5,337	
Maintenance and Repair Services - Equipment		13,793	
Pest Control		196	
Postal Charges		6,497	
Printing, Stationery, and Forms		3,351	
Rentals		1,150	
Travel		5,492	
Custodial Supplies		731	
Office Supplies		6,911	
Utilities		7,666	
Building and Contents Insurance		884	
Liability Insurance		507	
Workers' Compensation Insurance		615	
Other Charges		644	
Data Processing Equipment		2,220	
Furniture and Fixtures		290	
Office Equipment		430	
Total Election Commission	\$		344,415

Register of Deeds

County Official/Administrative Officer	\$	79,995
Clerical Personnel		110,758
Longevity Pay		2,300
Social Security		13,915
Pensions		18,522
Employee and Dependent Insurance		34,696
Unemployment Compensation		216
Communication		1,668
Dues and Memberships		235
Travel		2,665
Other Contracted Services		5,000
Office Supplies		4,823
Utilities		5,526
Building and Contents Insurance		721
Liability Insurance		676

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Premiums on Corporate Surety Bonds	\$	793	
Workers' Compensation Insurance		599	
Data Processing Equipment		19,253	
Office Equipment		405	
Total Register of Deeds			\$ 302,766

Planning

Supervisor/Director	\$	60,013	
Clerical Personnel		36,007	
Longevity Pay		2,900	
Other Salaries and Wages		79,547	
Board and Committee Members Fees		8,400	
Social Security		13,643	
Pensions		17,048	
Employee and Dependent Insurance		29,209	
Unemployment Compensation		288	
Communication		2,795	
Maintenance and Repair Services - Buildings		158	
Maintenance and Repair Services - Vehicles		2,529	
Travel		1,762	
Tuition		1,862	
Other Contracted Services		14,914	
Gasoline		5,180	
Office Supplies		4,396	
Uniforms		270	
Utilities		3,387	
Building and Contents Insurance		855	
Liability Insurance		328	
Vehicle and Equipment Insurance		1,219	
Workers' Compensation Insurance		4,296	
Other Charges		3,925	
Data Processing Equipment		300	
Total Planning			295,231

Building

Custodial Personnel	\$	33,420	
Maintenance Personnel		81,653	
Longevity Pay		2,250	
Social Security		8,482	
Pensions		9,264	
Employee and Dependent Insurance		19,097	
Unemployment Compensation		216	
Communication		2,871	
Contracts with Private Agencies		4,490	
Janitorial Services		12,860	
Maintenance and Repair Services - Buildings		7,856	
Maintenance and Repair Services - Vehicles		2,364	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Building (Cont.)

Pest Control	\$	300	
Custodial Supplies		5,389	
Gasoline		9,418	
Small Tools		5,593	
Uniforms		7,223	
Utilities		10,838	
Building and Contents Insurance		471	
Liability Insurance		328	
Vehicle and Equipment Insurance		2,993	
Workers' Compensation Insurance		6,940	
Maintenance Equipment		4,301	
Total Building			\$ 238,617

Codes Compliance

Other Salaries and Wages	\$	10,300	
Social Security		790	
Pensions		1,003	
Unemployment Compensation		72	
Workers' Compensation Insurance		305	
Total Codes Compliance			12,470

Geographical Information Systems

Supervisor/Director	\$	54,406	
Part-time Personnel		19,132	
Longevity Pay		950	
Social Security		5,395	
Pensions		5,283	
Employee and Dependent Insurance		15,851	
Unemployment Compensation		139	
Communication		1,181	
Dues and Memberships		475	
Maintenance and Repair Services - Office Equipment		14,153	
Maintenance and Repair Services - Vehicles		352	
Travel		1,367	
Other Contracted Services		29,980	
Gasoline		1,413	
Office Supplies		4,049	
Liability Insurance		164	
Vehicle and Equipment Insurance		459	
Workers' Compensation Insurance		236	
Data Processing Equipment		1,593	
Total Geographical Information Systems			156,578

County Buildings

Communication	\$	835	
Janitorial Services		13,500	
Maintenance and Repair Services - Buildings		21,916	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Pest Control	\$	810	
Other Contracted Services		5,259	
Custodial Supplies		2,435	
Utilities		484	
Building Improvements		912	
Furniture and Fixtures		500	
Total County Buildings			\$ 46,651

Finance

Accounting and Budgeting

Supervisor/Director	\$	66,800	
Secretary(ies)		36,344	
Clerical Personnel		37,669	
Longevity Pay		750	
Social Security		10,302	
Pensions		11,922	
Employee and Dependent Insurance		26,024	
Unemployment Compensation		284	
Communication		2,484	
Maintenance and Repair Services - Office Equipment		10,810	
Postal Charges		17,317	
Travel		8,233	
Office Supplies		4,057	
Utilities		3,573	
Building and Contents Insurance		752	
Liability Insurance		507	
Premiums on Corporate Surety Bonds		847	
Workers' Compensation Insurance		307	
Data Processing Equipment		2,523	
Office Equipment		348	
Total Accounting and Budgeting			241,853

Property Assessor's Office

County Official/Administrative Officer	\$	79,995	
Secretary(ies)		157,466	
Longevity Pay		3,400	
Other Salaries and Wages		500	
Social Security		17,005	
Pensions		23,058	
Employee and Dependent Insurance		63,830	
Unemployment Compensation		288	
Communication		1,978	
Contracts with Private Agencies		22,000	
Data Processing Services		16,803	
Dues and Memberships		2,025	
Maintenance and Repair Services - Office Equipment		3,275	
Travel		492	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Tuition	\$	250	
Duplicating Supplies		1,267	
Office Supplies		1,863	
Utilities		7,130	
Building and Contents Insurance		931	
Liability Insurance		844	
Workers' Compensation Insurance		746	
Data Processing Equipment		88	
Office Equipment		601	
Total Property Assessor's Office			\$ 405,835

Reappraisal Program

Longevity Pay	\$	1,250	
Other Salaries and Wages		19,780	
Social Security		1,609	
Unemployment Compensation		105	
Communication		332	
Data Processing Services		5,192	
Maintenance and Repair Services - Vehicles		1,182	
Postal Charges		2,170	
Gasoline		1,472	
Liability Insurance		338	
Vehicle and Equipment Insurance		768	
Workers' Compensation Insurance		916	
Other Charges		112	
Total Reappraisal Program			35,226

County Trustee's Office

County Official/Administrative Officer	\$	79,995	
Clerical Personnel		133,474	
Longevity Pay		2,950	
In-service Training		350	
Social Security		15,868	
Pensions		20,728	
Employee and Dependent Insurance		32,651	
Unemployment Compensation		288	
Advertising		465	
Communication		1,335	
Dues and Memberships		250	
Maintenance and Repair Services - Office Equipment		7,576	
Travel		4,919	
Other Contracted Services		13,740	
Duplicating Supplies		349	
Office Supplies		3,466	
Utilities		5,790	
Building and Contents Insurance		754	
Liability Insurance		844	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Premiums on Corporate Surety Bonds	\$	13,687	
Workers' Compensation Insurance		709	
Data Processing Equipment		8,961	
Furniture and Fixtures		168	
Total County Trustee's Office			\$ 349,317

County Clerk's Office

County Official/Administrative Officer	\$	79,995	
Clerical Personnel		228,221	
Longevity Pay		4,300	
Social Security		22,746	
Pensions		27,584	
Employee and Dependent Insurance		49,446	
Unemployment Compensation		554	
Communication		3,020	
Dues and Memberships		820	
Maintenance and Repair Services - Office Equipment		12,568	
Postal Charges		19,804	
Printing, Stationery, and Forms		557	
Travel		3,715	
Data Processing Supplies		6,007	
Duplicating Supplies		1,726	
Office Supplies		3,253	
Utilities		3,735	
Building and Contents Insurance		943	
Liability Insurance		1,351	
Premiums on Corporate Surety Bonds		793	
Workers' Compensation Insurance		983	
Data Processing Equipment		6,965	
Office Equipment		2,500	
Total County Clerk's Office			481,586

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	79,995	
Clerical Personnel		344,779	
Longevity Pay		7,600	
Other Salaries and Wages		252	
Jury and Witness Expense		30,891	
Social Security		31,422	
Pensions		37,830	
Employee and Dependent Insurance		66,836	
Unemployment Compensation		786	
Communication		4,875	
Dues and Memberships		195	
Maintenance and Repair Services - Office Equipment		17,877	
Postal Charges		19,438	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Travel	\$	3,512	
Duplicating Supplies		1,912	
Office Supplies		11,938	
Utilities		1,542	
Building and Contents Insurance		1,878	
Liability Insurance		2,026	
Premiums on Corporate Surety Bonds		793	
Vehicle and Equipment Insurance		316	
Workers' Compensation Insurance		1,344	
Data Processing Equipment		1,389	
Furniture and Fixtures		1,847	
Total Circuit Court			\$ 671,273

Criminal Court

Supervisor/Director	\$	34,424	
Longevity Pay		400	
Social Security		2,534	
Pensions		3,343	
Employee and Dependent Insurance		6,475	
Unemployment Compensation		72	
Communication		496	
Office Supplies		136	
Workers' Compensation Insurance		108	
Total Criminal Court			47,988

General Sessions Court

Judge(s)	\$	167,676	
Assistant(s)		55,167	
Longevity Pay		1,100	
Social Security		13,594	
Pensions		21,638	
Employee and Dependent Insurance		32,367	
Unemployment Compensation		72	
Communication		5,199	
Dues and Memberships		849	
Travel		730	
Office Supplies		1,138	
Utilities		1,591	
Building and Contents Insurance		1,937	
Liability Insurance		507	
Workers' Compensation Insurance		740	
Data Processing Equipment		978	
Office Equipment		488	
Total General Sessions Court			305,771

Chancery Court

County Official/Administrative Officer	\$	79,995	
--	----	--------	--

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Clerical Personnel	\$	108,085	
Longevity Pay		950	
Social Security		13,867	
Pensions		18,021	
Employee and Dependent Insurance		23,566	
Unemployment Compensation		380	
Communication		1,774	
Dues and Memberships		95	
Legal Notices, Recording, and Court Costs		3,416	
Maintenance and Repair Services - Office Equipment		7,690	
Office Supplies		7,260	
Utilities		1,780	
Building and Contents Insurance		2,042	
Liability Insurance		844	
Workers' Compensation Insurance		642	
Total Chancery Court	\$		270,407

Juvenile Court

Youth Service Officer(s)	\$	46,679	
Clerical Personnel		22,603	
Part-time Personnel		9,600	
Longevity Pay		1,400	
Social Security		5,214	
Pensions		4,533	
Employee and Dependent Insurance		6,295	
Unemployment Compensation		144	
Communication		3,283	
Dues and Memberships		129	
Maintenance and Repair Services - Vehicles		962	
Printing, Stationery, and Forms		469	
Travel		1,687	
Other Contracted Services		30,966	
Food Supplies		278	
Gasoline		82	
Office Supplies		3,319	
Utilities		332	
Building and Contents Insurance		383	
Liability Insurance		338	
Workers' Compensation Insurance		1,822	
Data Processing Equipment		3,750	
Law Enforcement Equipment		2,049	
Office Equipment		171	
Total Juvenile Court			146,488

Probate Court

Probation Officer(s)	\$	45,933	
Clerical Personnel		28,548	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Probate Court (Cont.)

Longevity Pay	\$	2,350	
Social Security		5,513	
Pensions		2,772	
Employee and Dependent Insurance		12,622	
Unemployment Compensation		144	
Communication		488	
Contracts with Other Public Agencies		4,200	
Office Supplies		1,380	
Utilities		433	
Building and Contents Insurance		383	
Liability Insurance		338	
Workers' Compensation Insurance		235	
Total Probate Court			\$ 105,339

Other Administration of Justice

Communication	\$	1,044	
Janitorial Services		18,720	
Maintenance and Repair Services - Buildings		11,297	
Maintenance and Repair Services - Equipment		889	
Pest Control		870	
Custodial Supplies		1,705	
Utilities		3,717	
Building and Contents Insurance		938	
Total Other Administration of Justice			39,180

Victim Assistance Programs

Remittance of Revenue Collected	\$	37,478	
Total Victim Assistance Programs			37,478

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	95,432	
Assistant(s)		121,366	
Deputy(ies)		1,303,975	
Investigator(s)		458,774	
Captain(s)		55,167	
Lieutenant(s)		61,108	
Sergeant(s)		186,717	
Accountants/Bookkeepers		33,100	
Medical Personnel		118,170	
Salary Supplements		60,000	
Clerical Personnel		99,300	
Part-time Personnel		69,674	
Longevity Pay		22,050	
Overtime Pay		187,358	
Other Salaries and Wages		79,815	
In-service Training		39,327	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Social Security	\$	203,213	
Pensions		258,398	
Employee and Dependent Insurance		567,016	
Unemployment Compensation		4,489	
Communication		29,022	
Dues and Memberships		10,012	
Evaluation and Testing		1,476	
Maintenance and Repair Services - Equipment		2,314	
Maintenance and Repair Services - Office Equipment		3,097	
Maintenance and Repair Services - Vehicles		97,222	
Travel		5,534	
Gasoline		186,880	
Office Supplies		15,974	
Uniforms		33,953	
Utilities		3,215	
Other Supplies and Materials		11,228	
Building and Contents Insurance		4,363	
Liability Insurance		90,064	
Premiums on Corporate Surety Bonds		1,441	
Vehicle and Equipment Insurance		38,820	
Workers' Compensation Insurance		129,959	
Data Processing Equipment		5,638	
Law Enforcement Equipment		16,927	
Motor Vehicles		211,370	
Office Equipment		1,765	
Other Equipment		10,032	
Total Sheriff's Department			\$ 4,934,755

Administration of the Sexual Offender Registry

In-service Training	\$	1,345	
Remittance of Revenue Collected		2,250	
Office Supplies		1,143	
Total Administration of the Sexual Offender Registry			4,738

Jail

Captain(s)	\$	10,712
Lieutenant(s)		44,133
Sergeant(s)		193,083
Medical Personnel		48,527
Guards		783,843
Cafeteria Personnel		91,301
Part-time Personnel		8,918
Longevity Pay		7,700
Overtime Pay		14,806
Other Salaries and Wages		66,389
In-service Training		6,951
Social Security		90,010

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Pensions	\$	110,697	
Employee and Dependent Insurance		335,490	
Unemployment Compensation		2,981	
Communication		3,913	
Dues and Memberships		4,149	
Evaluation and Testing		801	
Maintenance and Repair Services - Equipment		33,734	
Maintenance and Repair Services - Office Equipment		2,435	
Transportation - Other than Students		3,728	
Travel		55	
Custodial Supplies		24,671	
Drugs and Medical Supplies		86,380	
Food Supplies		126,577	
Office Supplies		9,572	
Prisoners Clothing		16,031	
Uniforms		17,310	
Utilities		166,597	
Testing		1,083	
Building and Contents Insurance		8,154	
Liability Insurance		41,563	
Vehicle and Equipment Insurance		1,578	
Workers' Compensation Insurance		65,108	
Data Processing Equipment		1,132	
Food Service Equipment		11,781	
Motor Vehicles		44,136	
Office Equipment		6,357	
Total Jail			\$ 2,492,386

Workhouse

Guards	\$	54,663
Temporary Personnel		13,152
Longevity Pay		2,600
Overtime Pay		2,051
Other Salaries and Wages		42,848
In-service Training		24
Social Security		7,396
Pensions		4,248
Employee and Dependent Insurance		12,800
Unemployment Compensation		459
Communication		2,267
Janitorial Services		33,080
Maintenance and Repair Services - Buildings		47,699
Maintenance and Repair Services - Equipment		4,180
Pest Control		960
Custodial Supplies		3,448
Uniforms		1,800
Liability Insurance		844

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Workhouse (Cont.)

Workers' Compensation Insurance	\$	5,512	
Building Construction		14,902	
Total Workhouse			\$ 254,933

Fire Prevention and Control

Salary Supplements	\$	2,500	
Communication		1,278	
Contributions		209,545	
Dues and Memberships		125	
Maintenance and Repair Services - Buildings		613	
Maintenance and Repair Services - Vehicles		835	
Travel		338	
Gasoline		2,786	
Office Supplies		252	
Uniforms		135	
Utilities		8,830	
Building and Contents Insurance		463	
Liability Insurance		169	
Vehicle and Equipment Insurance		1,028	
Workers' Compensation Insurance		144	
Other Equipment		1,738	
Total Fire Prevention and Control			230,779

Civil Defense

Supervisor/Director	\$	37,542	
Clerical Personnel		6,605	
Longevity Pay		1,050	
Other Salaries and Wages		45,899	
In-service Training		135	
Social Security		6,717	
Pensions		8,102	
Employee and Dependent Insurance		12,622	
Unemployment Compensation		118	
Communication		5,083	
Contracts with Other Public Agencies		8,800	
Dues and Memberships		55	
Maintenance and Repair Services - Office Equipment		300	
Maintenance and Repair Services - Vehicles		703	
Pest Control		360	
Travel		889	
Gasoline		2,421	
Office Supplies		87	
Liability Insurance		169	
Vehicle and Equipment Insurance		5,263	
Workers' Compensation Insurance		173	
Motor Vehicles		36,254	
Office Equipment		270	
Other Equipment		28,673	
Total Civil Defense			208,290

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management

Communication	\$	200,000	
Utilities		25,741	
Building and Contents Insurance		1,542	
Total Other Emergency Management	\$		227,283

Public Health and Welfare

Local Health Center

Communication	\$	3,567	
Contracts with Government Agencies		21,521	
Janitorial Services		22,140	
Maintenance and Repair Services - Buildings		11,266	
Pest Control		1,135	
Postal Charges		475	
Drugs and Medical Supplies		1,296	
Office Supplies		1,683	
Utilities		16,305	
Building and Contents Insurance		1,601	
Total Local Health Center			80,989

Rabies and Animal Control

Longevity Pay	\$	2,900	
Overtime Pay		13,465	
Other Salaries and Wages		164,497	
Social Security		13,213	
Pensions		14,164	
Employee and Dependent Insurance		34,768	
Unemployment Compensation		394	
Communication		1,669	
Maintenance and Repair Services - Buildings		1,911	
Maintenance and Repair Services - Equipment		226	
Maintenance and Repair Services - Vehicles		3,690	
Pest Control		540	
Veterinary Services		14,162	
Animal Food and Supplies		4,473	
Custodial Supplies		3,457	
Office Supplies		1,561	
Uniforms		780	
Utilities		11,287	
Other Supplies and Materials		1,244	
Building and Contents Insurance		276	
Liability Insurance		844	
Refunds		860	
Vehicle and Equipment Insurance		1,346	
Workers' Compensation Insurance		3,443	
Other Charges		42	
Office Equipment		358	
Total Rabies and Animal Control			295,570

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services

Contracts with Private Agencies	\$	123,998	
Maintenance and Repair Services - Buildings		4,302	
Total Ambulance/Emergency Medical Services			\$ 128,300

Dental Health Program

Medical Personnel	\$	120,408	
Clerical Personnel		109,103	
Longevity Pay		2,200	
Social Security		16,920	
Pensions		20,857	
Employee and Dependent Insurance		29,156	
Unemployment Compensation		395	
Travel		7,509	
Drugs and Medical Supplies		3,379	
Liability Insurance		3,019	
Workers' Compensation Insurance		3,228	
Total Dental Health Program			316,174

General Welfare Assistance

Bus Drivers	\$	14,000	
Dues and Memberships		9,162	
Total General Welfare Assistance			23,162

Sanitation Management

Supervisor/Director	\$	22,458	
Guards		32,846	
Part-time Personnel		127	
Longevity Pay		1,250	
Social Security		3,786	
Pensions		5,382	
Employee and Dependent Insurance		28,754	
Unemployment Compensation		144	
Advertising		5,580	
Communication		529	
Contributions		6,001	
Dues and Memberships		972	
Maintenance and Repair Services - Vehicles		103	
Postal Charges		60	
Transportation - Other than Students		430	
Travel		297	
Gasoline		3,759	
Office Supplies		590	
Uniforms		500	
Utilities		346	
Other Supplies and Materials		2,003	
Liability Insurance		338	
Vehicle and Equipment Insurance		316	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Workers' Compensation Insurance	\$	71	
Other Equipment		5,754	
Total Sanitation Management			\$ 122,396

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	48,000	
Dues and Memberships		7,000	
Other Contracted Services		7,000	
Total Senior Citizens Assistance			62,000

Libraries

Assistant(s)	\$	31,538	
Supervisor/Director		30,627	
Librarians		74,256	
Custodial Personnel		630	
Longevity Pay		200	
Overtime Pay		3,203	
Social Security		10,574	
Pensions		3,852	
Employee and Dependent Insurance		9,646	
Unemployment Compensation		640	
Communication		1,091	
Contributions		19,000	
Maintenance and Repair Services - Equipment		109	
Postal Charges		354	
Rentals		11,994	
Travel		952	
Other Contracted Services		45,736	
Duplicating Supplies		1,800	
Library Books/Media		22,168	
Office Supplies		5,161	
Utilities		2,919	
Building and Contents Insurance		1,644	
Liability Insurance		4,191	
Workers' Compensation Insurance		485	
Office Equipment		293	
Other Equipment		5,194	
Total Libraries			288,257

Parks and Fair Boards

Contributions	\$	5,000	
Maintenance Agreements		14,677	
Total Parks and Fair Boards			19,677

Other Social, Cultural, and Recreational

Contributions	\$	7,500	
Total Other Social, Cultural, and Recreational			7,500

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	59,389	
Other Fringe Benefits		13,755	
Communication		2,454	
Dues and Memberships		285	
Janitorial Services		4,080	
Maintenance and Repair Services - Buildings		1,056	
Pest Control		160	
Custodial Supplies		96	
Duplicating Supplies		613	
Office Supplies		1,328	
Utilities		3,558	
Building and Contents Insurance		379	
Office Equipment		1,751	
Total Agricultural Extension Service	\$		88,904

Soil Conservation

Secretary(ies)	\$	34,724	
Other Salaries and Wages		38,156	
Social Security		5,411	
Pensions		7,077	
Employee and Dependent Insurance		10,276	
Unemployment Compensation		182	
Dues and Memberships		1,125	
Travel		416	
Office Supplies		145	
Building and Contents Insurance		28	
Liability Insurance		338	
Workers' Compensation Insurance		229	
Total Soil Conservation			98,107

Other Operations

Tourism

Contributions	\$	68,000	
Total Tourism			68,000

Industrial Development

Longevity Pay	\$	300	
Other Salaries and Wages		129,421	
Social Security		9,178	
Pensions		12,567	
Employee and Dependent Insurance		15,851	
Unemployment Compensation		72	
Contributions		4,109	
Matching Share		132,481	
Other Contracted Services		56,684	
Liability Insurance		169	
Workers' Compensation Insurance		793	
Total Industrial Development			361,625

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Other Economic and Community Development

Clerical Personnel	\$	40,500	
Longevity Pay		950	
Social Security		2,875	
Pensions		3,932	
Employee and Dependent Insurance		13,006	
Unemployment Compensation		72	
Other Contracted Services		38,310	
Liability Insurance		169	
Workers' Compensation Insurance		118	
Total Other Economic and Community Development	\$		99,932

Veterans' Services

Clerical Personnel	\$	15,129	
Social Security		1,110	
Unemployment Compensation		71	
Advertising		485	
Communication		870	
Dues and Memberships		65	
Travel		650	
Office Supplies		372	
Utilities		519	
Liability Insurance		170	
Workers' Compensation Insurance		49	
Data Processing Equipment		399	
Total Veterans' Services			19,889

Employee Benefits

Employee and Dependent Insurance	\$	5,957	
Total Employee Benefits			5,957

Miscellaneous

Communication	\$	1,052	
Contributions		62,500	
Dues and Memberships		40,000	
Maintenance and Repair Services - Buildings		185	
Other Contracted Services		1,832	
Testing		329	
Refunds		22,516	
Trustee's Commission		204,766	
Office Equipment		25,908	
Health Equipment		37,317	
Total Miscellaneous			396,405

Total General Fund \$ 15,776,202

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund

Public Health and Welfare

Postclosure Care Costs

Contracts for Postclosure Care Costs	\$ 33,574	
Total Postclosure Care Costs		\$ 33,574

Highways

Litter and Trash Collection

Foremen	\$ 42,642	
Equipment Operators	163,864	
Laborers	75,211	
Part-time Personnel	1,865	
Longevity Pay	2,850	
Overtime Pay	17,609	
Social Security	21,974	
Pensions	26,984	
Employee and Dependent Insurance	69,382	
Unemployment Compensation	374	
Other Fringe Benefits	1,987	
Communication	1,589	
Dues and Memberships	825	
Licenses	555	
Maintenance and Repair Services - Equipment	24,096	
Maintenance and Repair Services - Office Equipment	1,456	
Printing, Stationery, and Forms	2,000	
Travel	1,509	
Disposal Fees	301,218	
Other Contracted Services	59,237	
Crushed Stone	4,290	
Diesel Fuel	59,983	
Electricity	4,057	
Equipment and Machinery Parts	14,716	
Fertilizer, Lime, and Seed	480	
Lubricants	1,696	
Office Supplies	1,901	
Road Signs	497	
Small Tools	478	
Tires and Tubes	1,755	
Uniforms	3,543	
Water and Sewer	223	
Fencing	696	
Refunds	518	
Trustee's Commission	10,108	
Other Charges	1,366	
Office Equipment	142	
Site Development	23,182	
Solid Waste Equipment	13,428	
Other Equipment	183,346	
Total Litter and Trash Collection		<u>1,143,632</u>

Total Solid Waste/Sanitation Fund \$ 1,177,206

(Continued)

Exhibit J-7

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

Drug Control Fund

Public Safety

Drug Enforcement

In-service Training	\$	4,246	
Communication		2,579	
Confidential Drug Enforcement Payments		15,000	
Maintenance and Repair Services - Office Equipment		1,548	
Transportation - Other than Students		424	
Other Contracted Services		8,634	
Utilities		1,924	
Other Supplies and Materials		1,059	
Trustee's Commission		163	
Law Enforcement Equipment		22,800	
Motor Vehicles		54,300	
Other Equipment		38,724	
Total Drug Enforcement			\$ 151,401

Total Drug Control Fund \$ 151,401

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Constitutional Officers' Operating Expenses	\$	28,800	
Total Chancery Court			\$ 28,800

Total Constitutional Officers - Fees Fund 28,800

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	102,485	
Supervisor/Director		58,272	
Accountants/Bookkeepers		36,421	
Secretary(ies)		40,106	
Clerical Personnel		29,994	
Custodial Personnel		29,994	
Temporary Personnel		3,180	
Overtime Pay		9,492	
Other Salaries and Wages		84,300	
Board and Committee Members Fees		9,500	
Advertising		1,240	
Communication		18,835	
Confidential Drug Enforcement Payments		2,427	
Dues and Memberships		40,142	
Freight Expenses		13	
Maintenance and Repair Services - Buildings		2,545	
Maintenance and Repair Services - Equipment		570	
Maintenance and Repair Services - Office Equipment		10,926	
Postal Charges		1,436	
Printing, Stationery, and Forms		794	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Travel	\$	4,323	
Other Contracted Services		2,354	
Custodial Supplies		2,330	
Electricity		8,327	
Natural Gas		3,424	
Office Supplies		5,000	
Water and Sewer		1,220	
Other Charges		986	
Total Administration			\$ 510,636

Highway and Bridge Maintenance

Foremen	\$	189,980	
Equipment Operators		106,497	
Equipment Operators - Light		308,390	
Truck Drivers		189,361	
Laborers		215,478	
Overtime Pay		32,463	
Rentals		1,050	
Other Contracted Services		38,900	
Asphalt - Cold Mix		12,672	
Asphalt - Hot Mix		547,538	
Concrete		934	
Crushed Stone		325,217	
Fertilizer, Lime, and Seed		30,488	
General Construction Materials		1,560	
Other Road Materials		15,628	
Pipe - Metal		32,408	
Road Signs		34,923	
Salt		5,000	
Small Tools		1,211	
Wood Products		6,396	
Gravel and Chert		2,405	
Other Supplies and Materials		1,434	
Total Highway and Bridge Maintenance			2,099,933

Operation and Maintenance of Equipment

Foremen	\$	40,513
Mechanic(s)		136,948
Overtime Pay		3,336
Licenses		52
Maintenance and Repair Services - Buildings		2,987
Maintenance and Repair Services - Equipment		43,341
Towing Services		1,000
Diesel Fuel		107,192
Equipment and Machinery Parts		96,255
Garage Supplies		5,468
Gasoline		50,755

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Lubricants	\$	9,648	
Small Tools		3,995	
Tires and Tubes		35,226	
Other Charges		768	
Total Operation and Maintenance of Equipment	\$		537,484

Other Charges

Building and Contents Insurance	\$	3,235	
Liability Insurance		9,879	
Trustee's Commission		52,681	
Vehicle and Equipment Insurance		28,664	
Workers' Compensation Insurance		201,614	
Fines, Assessments, and Penalties		3,187	
Total Other Charges			299,260

Employee Benefits

Longevity Pay	\$	19,650	
Social Security		116,902	
Pensions		150,701	
Employee and Dependent Insurance		454,545	
Unemployment Compensation		1,735	
Other Fringe Benefits		7,577	
Uniforms		21,370	
Total Employee Benefits			772,480

Capital Outlay

Bridge Construction	\$	90,541	
Building Construction		19,599	
Building Improvements		317	
Communication Equipment		600	
Furniture and Fixtures		319	
Highway Equipment		271,574	
Maintenance Equipment		1,056	
Office Equipment		3,929	
State Aid Projects		233,712	
Total Capital Outlay			621,647

Total Highway/Public Works Fund \$ 4,841,440

General Debt Service Fund

Principal on Debt

General Government

Principal on Other Loans	\$	285,000	
Total General Government	\$		285,000

Education

Principal on Bonds	\$	500,000	
Principal on Other Loans		1,762,100	
Total Education			2,262,100

(Continued)

Exhibit J-7

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

General Debt Service Fund (Cont.)

Interest on Debt

General Government

Interest on Other Loans	\$ 1,069	
Total General Government		\$ 1,069

Education

Interest on Bonds	\$ 202,975	
Interest on Other Loans	40,687	
Total Education		243,662

Other Debt Service

General Government

Trustee's Commission	\$ 76,056	
Other Debt Service	24,296	
Total General Government		100,352

Education

Other Debt Issuance Charges	\$ 990	
Other Debt Service	114,351	
Total Education		<u>115,341</u>

Total General Debt Service Fund		\$ 3,007,524
---------------------------------	--	--------------

General Capital Projects Fund

Capital Projects

General Administration Projects

Building Construction	\$ 1,212,141	
Communication Equipment	54,214	
Law Enforcement Equipment	34,620	
Other Equipment	219,000	
Other Capital Outlay	189,428	
Total General Administration Projects		<u>\$ 1,709,403</u>

Total General Capital Projects Fund		<u>1,709,403</u>
-------------------------------------	--	------------------

Total Governmental Funds - Primary Government		<u>\$ 26,691,976</u>
---	--	----------------------

Exhibit J-8

Tipton County, Tennessee
Schedule of Detailed Expenditures -
All Governmental Fund Types
Discretely Presented Tipton County School Department
For the Year Ended June 30, 2015

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 27,108,943	
Career Ladder Program	140,144	
Career Ladder Extended Contracts	20,782	
Homebound Teachers	159,874	
Educational Assistants	963,024	
Other Salaries and Wages	19,201	
Non-certified Substitute Teachers	326,773	
Social Security	1,736,994	
Pensions	2,540,966	
Medical Insurance	4,309,267	
Unemployment Compensation	42,517	
Employer Medicare	413,695	
Travel	14,771	
Other Contracted Services	334,467	
Instructional Supplies and Materials	327,686	
Textbooks	820,238	
Other Supplies and Materials	201,203	
Fee Waivers	138,641	
Regular Instruction Equipment	455,108	
Total Regular Instruction Program		\$ 40,074,294

Alternative Instruction Program

Teachers	\$ 501,547	
Career Ladder Program	6,000	
Clerical Personnel	25,972	
Other Salaries and Wages	104,079	
Social Security	37,585	
Pensions	55,626	
Medical Insurance	97,852	
Unemployment Compensation	764	
Employer Medicare	8,790	
Travel	150	
Other Contracted Services	5,771	
Other Supplies and Materials	6,400	
Other Equipment	1,776	
Total Alternative Instruction Program		852,312

Special Education Program

Teachers	\$ 4,155,948
Career Ladder Program	21,000
Homebound Teachers	53,103
Clerical Personnel	97,972
Educational Assistants	849,307
Speech Pathologist	642,946
Other Salaries and Wages	65,858
Non-certified Substitute Teachers	44,520

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Social Security	\$	366,445	
Pensions		522,830	
Medical Insurance		993,238	
Unemployment Compensation		10,260	
Employer Medicare		86,491	
Travel		3,474	
Other Contracted Services		1,525	
Instructional Supplies and Materials		95,807	
Other Charges		9,016	
Special Education Equipment		33,109	
Total Special Education Program			\$ 8,052,849

Vocational Education Program

Teachers	\$	1,644,860	
Career Ladder Program		8,600	
Other Salaries and Wages		29,055	
Non-certified Substitute Teachers		40,698	
Social Security		99,210	
Pensions		149,174	
Medical Insurance		260,723	
Unemployment Compensation		2,406	
Employer Medicare		23,573	
Travel		37,662	
Other Contracted Services		19,997	
Instructional Supplies and Materials		64,087	
Textbooks		4,063	
Other Supplies and Materials		3,529	
In Service/Staff Development		429	
Other Charges		372	
Vocational Instruction Equipment		18,805	
Total Vocational Education Program			2,407,243

Support Services

Health Services

Other Salaries and Wages	\$	82,001	
Social Security		4,809	
Pensions		7,400	
Medical Insurance		12,653	
Unemployment Compensation		161	
Employer Medicare		1,125	
Travel		4,624	
Other Contracted Services		593,111	
Other Supplies and Materials		26,340	
Other Charges		1,325	
Total Health Services			733,549

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Career Ladder Program	\$	9,375	
Guidance Personnel		876,654	
Psychological Personnel		154,849	
School Resource Officer		7,200	
Other Salaries and Wages		89,430	
Social Security		67,391	
Pensions		101,764	
Medical Insurance		110,722	
Unemployment Compensation		1,393	
Employer Medicare		15,761	
Contracts with Government Agencies		86,400	
Evaluation and Testing		50,103	
Travel		10,821	
Other Contracted Services		27,562	
Other Supplies and Materials		2,479	
In Service/Staff Development		209	
Total Other Student Support			\$ 1,612,113

Regular Instruction Program

Supervisor/Director	\$	564,842	
Career Ladder Program		19,000	
Career Ladder Extended Contracts		14,000	
Librarians		679,075	
Materials Supervisor		25,500	
Instructional Computer Personnel		78,000	
Clerical Personnel		45,700	
Other Salaries and Wages		1,017	
Social Security		83,469	
Pensions		127,544	
Medical Insurance		153,945	
Unemployment Compensation		1,563	
Employer Medicare		19,891	
Travel		33,473	
Other Contracted Services		11,723	
Library Books/Media		50,000	
Other Supplies and Materials		10,518	
In Service/Staff Development		6,073	
Total Regular Instruction Program			1,925,333

Special Education Program

Supervisor/Director	\$	167,963	
Career Ladder Program		2,000	
Social Security		10,253	
Pensions		15,365	
Medical Insurance		15,689	
Unemployment Compensation		126	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Employer Medicare	\$	2,398	
Travel		27,825	
In Service/Staff Development		18,592	
Other Charges		841	
Total Special Education Program			\$ 261,052

Vocational Education Program

Supervisor/Director	\$	72,977	
Career Ladder Program		3,000	
Career Ladder Extended Contracts		4,000	
Social Security		4,782	
Pensions		7,230	
Medical Insurance		14,340	
Unemployment Compensation		63	
Employer Medicare		1,118	
Travel		1,787	
In Service/Staff Development		19,894	
Total Vocational Education Program			129,191

Other Programs

On-behalf Payments to OPEB	\$	193,873	
Total Other Programs			193,873

Board of Education

Board and Committee Members Fees	\$	16,125	
Life Insurance		70,000	
Audit Services		39,000	
Dues and Memberships		15,240	
Legal Services		29,888	
Travel		10,314	
Liability Insurance		265,703	
Trustee's Commission		361,952	
Total Board of Education			808,222

Director of Schools

County Official/Administrative Officer	\$	122,995	
Career Ladder Program		1,000	
Secretary(ies)		37,501	
Other Salaries and Wages		4,000	
Social Security		9,557	
Pensions		15,212	
Medical Insurance		11,680	
Unemployment Compensation		126	
Employer Medicare		2,391	
Communication		50,455	
Postal Charges		8,045	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Travel	\$	5,244	
Office Supplies		6,953	
Other Supplies and Materials		124	
Total Director of Schools	\$		275,283

Office of the Principal

Principals	\$	1,082,115	
Career Ladder Program		27,000	
Career Ladder Extended Contracts		14,000	
Assistant Principals		2,026,630	
Secretary(ies)		1,105,046	
Social Security		250,734	
Pensions		386,398	
Medical Insurance		684,252	
Unemployment Compensation		12,741	
Employer Medicare		58,773	
Travel		33,324	
Other Contracted Services		11,870	
Office Supplies		3,037	
Other Supplies and Materials		3,213	
Other Charges		6,290	
Total Office of the Principal			5,705,423

Fiscal Services

Supervisor/Director	\$	36,000	
Accountants/Bookkeepers		131,707	
Secretary(ies)		108,523	
Social Security		13,647	
Pensions		20,818	
Medical Insurance		24,869	
Unemployment Compensation		567	
Employer Medicare		3,901	
Travel		4,193	
Other Contracted Services		42,670	
Office Supplies		11,237	
Administration Equipment		1,803	
Total Fiscal Services			399,935

Operation of Plant

Laundry Service	\$	9,266	
Other Contracted Services		1,575,149	
Electricity		1,582,758	
Natural Gas		223,192	
Water and Sewer		199,699	
Other Supplies and Materials		55	
Building and Contents Insurance		215,239	
Total Operation of Plant			3,805,358

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

Supervisor/Director	\$	142,174	
Secretary(ies)		33,977	
Other Salaries and Wages		784,560	
Social Security		57,064	
Pensions		90,546	
Medical Insurance		169,802	
Unemployment Compensation		1,663	
Employer Medicare		13,346	
Communication		7,542	
Maintenance and Repair Services - Equipment		13,250	
Other Contracted Services		44,528	
Other Supplies and Materials		168,446	
Other Charges		2,165	
Maintenance Equipment		4,445	
Total Maintenance of Plant			\$ 1,533,508

Transportation

Supervisor/Director	\$	108,340	
Mechanic(s)		442,940	
Bus Drivers		1,776,133	
Clerical Personnel		31,633	
Social Security		134,839	
Pensions		203,330	
Medical Insurance		1,015,640	
Unemployment Compensation		9,907	
Employer Medicare		31,969	
Communication		6,834	
Laundry Service		16,245	
Maintenance and Repair Services - Vehicles		54,089	
Travel		3,862	
Other Contracted Services		78,933	
Gasoline		579,409	
Lubricants		17,908	
Tires and Tubes		99,125	
Vehicle Parts		297,567	
Other Supplies and Materials		23,836	
Vehicle and Equipment Insurance		150,416	
In Service/Staff Development		700	
Other Charges		383	
Transportation Equipment		726,255	
Total Transportation			5,810,293

Operation of Non-instructional Services

Food Service

Supervisor/Director	\$	48,000	
Accountants/Bookkeepers		37,500	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-instructional Services (Cont.)

Food Service (Cont.)

Other Salaries and Wages	\$	4,800	
Social Security		6,401	
Pensions		8,447	
Medical Insurance		16,676	
Unemployment Compensation		109	
Employer Medicare		1,516	
Transportation - Other than Students		19,202	
Other Supplies and Materials		588	
In Service/Staff Development		2,704	
Total Food Service			\$ 145,943

Community Services

Supervisor/Director	\$	66,744	
Other Salaries and Wages		629,157	
Social Security		42,556	
Pensions		9,456	
Medical Insurance		22,978	
Unemployment Compensation		3,699	
Employer Medicare		9,953	
Travel		4,062	
Other Contracted Services		1,755	
Food Supplies		46,110	
Other Supplies and Materials		67,704	
Other Equipment		699	
Total Community Services			904,873

Early Childhood Education

Teachers	\$	446,687	
Educational Assistants		200,785	
Other Salaries and Wages		37,985	
Non-certified Substitute Teachers		5,670	
Social Security		40,892	
Pensions		62,867	
Medical Insurance		127,252	
Unemployment Compensation		1,381	
Employer Medicare		9,564	
Travel		480	
Other Contracted Services		216	
Instructional Supplies and Materials		2,815	
Other Supplies and Materials		3,000	
Other Charges		89,851	
Other Equipment		2,394	
Total Early Childhood Education			1,031,839

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Capital Outlay

Regular Capital Outlay

Other Salaries and Wages	\$	19,190	
Social Security		1,184	
Pensions		126	
Unemployment Compensation		128	
Employer Medicare		277	
Engineering Services		6,919	
Building Improvements		436,053	
Total Regular Capital Outlay			\$ 463,877

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	500,000	
Total Education			500,000

Total General Purpose School Fund \$ 77,626,363

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	701,407	
Educational Assistants		152,473	
Other Salaries and Wages		768,216	
Non-certified Substitute Teachers		43,270	
Social Security		98,916	
Pensions		145,786	
Medical Insurance		248,240	
Unemployment Compensation		3,151	
Employer Medicare		23,134	
Other Contracted Services		18,688	
Instructional Supplies and Materials		155,232	
Regular Instruction Equipment		10,717	
Total Regular Instruction Program			\$ 2,369,230

Special Education Program

Clerical Personnel	\$	26,970	
Educational Assistants		1,167,680	
Other Salaries and Wages		195,538	
Social Security		80,658	
Pensions		105,147	
Medical Insurance		310,695	
Unemployment Compensation		5,458	
Employer Medicare		18,864	
Other Contracted Services		61,400	
Instructional Supplies and Materials		11,384	
Other Charges		72,800	
Special Education Equipment		23,694	
Total Special Education Program			2,080,288

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Vocational Education Program

Other Salaries and Wages	\$	35,075	
Social Security		2,133	
Pensions		2,370	
Medical Insurance		6,029	
Unemployment Compensation		145	
Employer Medicare		499	
Instructional Supplies and Materials		38,433	
Vocational Instruction Equipment		14,506	
Total Vocational Education Program			\$ 99,190

Support Services

Health Services

Other Salaries and Wages	\$	66,304	
Social Security		4,111	
Pensions		285	
Unemployment Compensation		257	
Employer Medicare		961	
Other Contracted Services		107,448	
Total Health Services			179,366

Other Student Support

Psychological Personnel	\$	23,931	
Social Security		1,363	
Pensions		2,154	
Medical Insurance		5,856	
Unemployment Compensation		63	
Employer Medicare		319	
Travel		29,647	
Other Contracted Services		7,606	
Other Supplies and Materials		13,950	
In Service/Staff Development		20,254	
Total Other Student Support			105,143

Regular Instruction Program

Supervisor/Director	\$	121,959	
Secretary(ies)		24,600	
Other Salaries and Wages		281,840	
Non-certified Substitute Teachers		810	
Social Security		25,860	
Pensions		38,411	
Medical Insurance		35,675	
Unemployment Compensation		1,105	
Employer Medicare		6,048	
Travel		2,437	
Other Contracted Services		3,969	
Other Supplies and Materials		4,719	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

In Service/Staff Development	\$ 151,037	
Other Equipment	2,458	
Total Regular Instruction Program		\$ 700,928

Special Education Program

Operating Lease Payments	\$ 67,734	
Total Special Education Program		67,734

Vocational Education Program

Travel	\$ 2,865	
Total Vocational Education Program		2,865

Office of the Principal

Assistant Principals	\$ 20,539	
Social Security	1,273	
Pensions	1,857	
Unemployment Compensation	63	
Employer Medicare	298	
Total Office of the Principal		24,030

Transportation

Bus Drivers	\$ 34,725	
Other Salaries and Wages	34,000	
Social Security	4,261	
Pensions	3,811	
Unemployment Compensation	481	
Employer Medicare	996	
Total Transportation		78,274

Operation of Non-instructional Services

Community Services

Supervisor/Director	\$ 26,172	
Teachers	231,230	
Other Salaries and Wages	87,388	
Social Security	21,317	
Pensions	29,733	
Unemployment Compensation	2,169	
Employer Medicare	4,986	
Maintenance and Repair Services - Equipment	26,241	
Travel	2,798	
Other Contracted Services	43,262	
Instructional Supplies and Materials	20,330	
Other Supplies and Materials	3,185	
In Service/Staff Development	11,485	
Total Community Services		510,296

Total School Federal Projects Fund \$ 6,217,344

(Continued)

Exhibit J-8

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

Central Cafeteria Fund

Operation of Non-instructional Services

Food Service

Cafeteria Personnel	\$ 1,831,185	
Other Salaries and Wages	34,655	
Social Security	106,854	
Pensions	152,213	
Medical Insurance	514,354	
Unemployment Compensation	6,533	
Employer Medicare	24,990	
Travel	7,633	
Other Contracted Services	57,124	
Food Supplies	2,291,117	
Uniforms	16,067	
USDA - Commodities	416,471	
Other Supplies and Materials	269,077	
Trustee's Commission	270	
In Service/Staff Development	2,528	
Food Service Equipment	68,667	
Total Food Service		<u>\$ 5,799,738</u>

Total Central Cafeteria Fund \$ 5,799,738

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$ 23,479	
Building Construction	577,130	
Building Improvements	712	
Total Education Capital Projects		<u>\$ 601,321</u>

Total Education Capital Projects Fund 601,321

Total Governmental Funds - Tipton County School Department \$ 90,244,766

Exhibit J-9

Tipton County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balance - City Agency Fund
For the Year Ended June 30, 2015

	<u>Cities - Sales Tax Fund</u>
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 4,038,292
Total Cash Receipts	<u>\$ 4,038,292</u>
<u>Cash Disbursements</u>	
Remittance of Revenue Collected	\$ 3,997,909
Trustee's Commission	40,383
Total Cash Disbursements	<u>\$ 4,038,292</u>
Excess of Cash Receipts Over (Under)	
Cash Disbursements	\$ 0
Cash Balance, July 1, 2014	<u>0</u>
Cash Balance, June 30, 2015	<u><u>\$ 0</u></u>

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

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

To the County Executive 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tipton County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Tipton County's basic financial statements, and have issued our report thereon dated September 22, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Tipton 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 Tipton County's internal control. Accordingly, we do not express an opinion on the effectiveness of Tipton 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

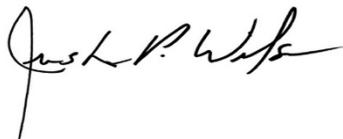
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tipton 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 Tipton 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

September 22, 2015

JPW/kp



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

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

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Tipton County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Tipton County's major federal programs for the year ended June 30, 2015. Tipton 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 Tipton 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 Tipton 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 a legal determination of Tipton County's compliance.

Opinion on Each Major Federal Program

In our opinion, Tipton 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, 2015.

Report on Internal Control Over Compliance

Management of Tipton 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 Tipton 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 Tipton 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.

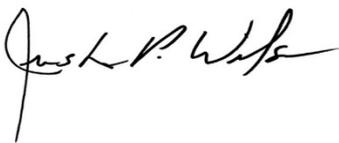
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tipton County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Tipton County's basic financial statements. We issued our report thereon dated September 22, 2015, 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 basic 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 basic financial statements. The 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, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

September 22, 2015

JPW/kp

Tipton County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1)
For the Year Ended June 30, 2015

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	\$ 888,065
National School Lunch Program	10.555	N/A	3,240,154 (3)
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	416,471 (3)
Total U.S. Department of Agriculture			<u>\$ 4,544,690</u>
U.S. Department of Commerce:			
Direct Program:			
Advanced Technology Program	11.612	N/A	\$ 4,000
Total U.S. Department of Commerce			<u>\$ 4,000</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	(2)	\$ 986,056
Total U.S. Department of Housing and Urban Development			<u>\$ 986,056</u>
U.S. Department of the Interior:			
Direct Program:			
Payments in-lieu-of Taxes	15.226	N/A	\$ 254
Total U.S. Department of the Interior			<u>\$ 254</u>
U.S. Department of Justice:			
Passed-through State Commission on Children and Youth:			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	(2)	\$ 9,000
Passed through State Office of Criminal Justice Programs:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(2)	17,486
Direct Program:			
Federal Asset Forfeiture Program	16.xxx	N/A	53,108
Total U.S. Department of Justice			<u>\$ 79,594</u>
U.S. Department of Labor:			
Passed-through Dyersburg State Community College:			
WIA/WIOA Youth Activities	17.259	(2)	\$ 12,445
Total U.S. Department of Labor			<u>\$ 12,445</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
National Highway Traffic Safety Administration (NHTSA)			
Discretionary Safety Grants	20.614	(2)	\$ 52,742
Total U.S. Department of Transportation			<u>\$ 52,742</u>

(Continued)

Tipton County, Tennessee

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 2,071,618
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	2,385,727
Special Education - Preschool Grants	84.173	N/A	103,609
Career and Technical Education - Basic Grants to States	84.048	N/A	151,957
Twenty-first Century Community Learning Centers	84.287	N/A	513,800
Mathematics and Science Partnerships	84.366	N/A	73,631
Improving Teacher Quality State Grants	84.367	N/A	444,396
Teacher Incentive Fund	84.374	N/A	360,848
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	84.395	N/A	152,729
Total U.S. Department of Education			\$ 6,258,315
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(2)	\$ 217,732
Hazard Mitigation Grant	97.039	(2)	182,008
Emergency Management Performance Grants	97.042	(2)	34,000
Homeland Security Grant Program	97.067	(2)	27,948
Total U.S. Department of Homeland Security			\$ 461,688
Total Expenditures of Federal Awards			\$ 12,399,784
<u>Contract Number</u>			
State Grants:			
Waste Tire Options Grant - State Department of Environment and Conservation	N/A	(2)	\$ 31,810
Preventive Health and Human Services - State Department of Health	N/A	(2)	297,154
Litter Program - State Department of Transportation	N/A	(2)	48,350
Hazard Mitigation Grant - State Department of Military	N/A	(2)	30,335
Family Resource Center - State Department of Education	N/A	(2)	25,474
Coordinated School Health - State Department of Education	N/A	(2)	163,749
ACT/EXP - State Department of Education	N/A	(2)	17,702
ConnecTenn - State Department of Education	N/A	(2)	32,758
Children in State Custody - State Department of Children's Services	N/A	(2)	343,970
Early Childhood Education - State Department of Education	N/A	(2)	1,031,300
Energy Efficient School Initiative - State Department of Education	N/A	(2)	26,986
Art Student Ticket Subsidy - State Department of Education	N/A	(2)	6,290
Safe Schools - State Department of Education	N/A	(2)	68,330
Total State Grants			\$ 2,124,208

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 CFDA No. 10.555 is \$3,656,625.

Tipton County, Tennessee
Schedule of Audit Findings Not Corrected
June 30, 2015

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. There are no findings from the Annual Financial Report of Tipton County, Tennessee, for the year ended June 30, 2014, which have not been corrected.

TIPTON COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2015

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the financial statements of Tipton County is unmodified.
2. The audit of the financial statements of Tipton County disclosed no material weaknesses in internal control.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of Tipton County.
4. The audit disclosed no material weaknesses 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. Community Development Block Grants/State's Program (CFDA No. 14.228), Title I Grants to Local Educational Agencies (CFDA No. 84.010), and Improving Teacher Quality State Grants (CFDA No. 84.367) were determined to be major programs.
8. A \$371,994 threshold was used to distinguish between Type A and Type B federal programs.
9. Tipton County qualified as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

There were no findings relating to the financial statements of Tipton County, Tennessee, as a result of our examination, for the year ended June 30, 2015.

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

There were no findings and questioned costs for federal awards.

BEST PRACTICE

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Tipton County.

TIPTON COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING

Tipton County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the County Commission resulting in decentralization and some duplication of effort. We recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.

**TIPTON COUNTY, TENNESSEE
AUDITEE REPORTING RESPONSIBILITIES
For the Year Ended June 30, 2015**

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