

**ANNUAL FINANCIAL REPORT**  
**CAMPBELL COUNTY, TENNESSEE**

**FOR THE YEAR ENDED JUNE 30, 2015**



**DIVISION OF LOCAL GOVERNMENT AUDIT**



**ANNUAL FINANCIAL REPORT**  
**CAMPBELL 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*

*MARK TREECE, CPA, CGFM*  
*Audit Manager*

*AMY SOSVILLE, CPA*  
*Auditor 4*

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

This financial report is available at [www.comptroller.tn.gov](http://www.comptroller.tn.gov)

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## CAMPBELL COUNTY, TENNESSEE

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# ***Summary of Audit Findings***

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

## ***Scope***

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

## ***Results***

Our report on the financial statements of Campbell County is unmodified.

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

## ***Findings***

The following is a summary of the audit findings:

### **OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK**

- ◆ Three office employees used county equipment for their personal benefit.
- 

### **OFFICE OF SHERIFF**

- ◆ The office did not deposit some funds within three days of collection.
- 

### **OFFICES OF COUNTY CLERK, CLERK AND MASTER, AND REGISTER OF DEEDS**

- ◆ Duties were not segregated adequately.
- 

### **OFFICE OF ASSESSOR OF PROPERTY**

- ◆ The assessor did not maintain an adequate program of sales verification.
- ◆ The assessor did not prorate improvements or new construction.

- ◆ Mobile home schedules were not mailed to the land owner where the mobile home was located.
- 

## **OTHER FINDING**

- ◆ The county's audit committee is not a functioning committee.

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# INTRODUCTORY SECTION

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Campbell County Officials  
June 30, 2015

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**Officials**

E.L. Morton, County Mayor  
Ron Dilbeck, Road Superintendent  
Larry Nidiffer, Director of Schools  
Monty Bullock, Trustee  
Brandon Partin, Assessor of Property  
Alene Baird, County Clerk  
Bobby Vann, Circuit and General Sessions Courts Clerk  
Dennis Potter, Clerk and Master  
Dormas Miller, Register of Deeds  
Robbie Goins, Sheriff  
Jeff Marlow, Director of Finance

**Board of County Commissioners**

E.L. Morton, County Mayor, Chairman  
Whit Goins  
Sue Nance  
Dewayne Kitts  
Clifford Kohlymer  
Johnny Bruce  
Lonnie Welden  
Forster Baird

Charles Baird  
Marie Ayers  
Robert Higginbotham  
Lawrence Orick  
Scott Stanfield  
Ralph Davis  
Cliff Jennings  
Carl Douglas

**Board of Education**

Mike Orick, Chairman  
Wallace Goins  
Johnny Byrge  
J.L. Collins  
Faye Heatherly

Clint Bane  
Danny Wilson  
Crystal Creekmore  
Homer Rutherford  
Sharon Ridenour

**Financial Management Committee**

E.L. Morton, County Mayor, Chairman  
Ron Dilbeck, Road Superintendent  
Larry Nidiffer, Director of Schools  
Marie Ayers  
Johnny Bruce  
Dewayne Kitts  
Lawrence Orick

## Campbell County Officials (Cont.)

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### **Audit Committee**

Rhonda Longmire  
Marie Ayers  
Glen McGuire

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## FINANCIAL SECTION

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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

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

To the County Mayor and Board of County Commissioners:

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Campbell County, Tennessee, as of and for the year ended June 30, 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 Campbell County, Tennessee, as of June 30, 2015, and the respective changes in financial position thereof and the respective budgetary comparison for the General, Solid Waste/Sanitation, 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., Campbell 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.9 to the financial statements, which describe a restatement decreasing the primary government's beginning net position of the Governmental Activities by \$595,365 and decreasing the beginning net position of the discretely presented Campbell County School Department by \$7,030,067. 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, schedule of county contributions, schedule of school's proportionate share of the net pension liability, and schedule of funding progress - other postemployment benefits plans on pages 83-89 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 Campbell County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Campbell County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

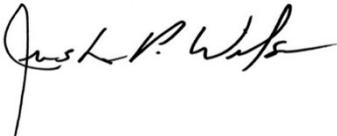
directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Campbell 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 January 6, 2016, on our consideration of Campbell 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 Campbell County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

January 6, 2016

JPW/sb

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

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

	<u>Primary Governmental Activities</u>	<u>Component Unit Campbell County School Department</u>
<u>ASSETS</u>		
Cash	\$ 5,294	\$ 8,131
Equity in Pooled Cash and Investments	8,645,764	6,100,012
Inventories	34,867	0
Accounts Receivable	1,016,227	1,591
Allowance for Uncollectible	(57,265)	0
Due from Other Governments	1,634,596	1,415,308
Due from Component Units	26,843	0
Property Taxes Receivable	13,781,843	5,027,626
Allowance for Uncollectible Property Taxes	(774,142)	(301,011)
Net Pension Asset - Agent Plan	1,090,433	1,035,996
Net Pension Asset - Cost-sharing Plan	0	78,520
Prepaid Items	107,869	0
Capital Assets:		
Assets Not Depreciated:		
Land	2,121,410	1,139,425
Construction in Progress	13,566,527	9,386
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	10,419,944	49,669,064
Other Capital Assets	2,383,307	1,205,051
Infrastructure	39,944,246	0
Total Assets	<u>\$ 93,947,763</u>	<u>\$ 65,389,099</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Charge on Refunding	\$ 39,201	\$ 0
Pension Changes in Experience	0	190,627
Pension Contributions After Measurement Date	536,993	2,031,282
Total Deferred Outflows of Resources	<u>\$ 576,194</u>	<u>\$ 2,221,909</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 209,335	\$ 43,875
Accrued Payroll	124,713	1,097
Contracts Payable	350,777	0
Retainage Payable	6,945	0
Accrued Interest Payable	228,579	0
Payroll Deductions Payable	172,792	625,889
Due to Primary Government	0	26,843
Due to State of Tennessee	0	1,510
Due to Cities	116,685	0
Other Current Liabilities	164,020	1,540
Noncurrent Liabilities:		
Due Within One Year	2,948,695	0
Due in More Than One Year	48,186,640	5,478,685
Total Liabilities	<u>\$ 52,509,181</u>	<u>\$ 6,179,439</u>

(Continued)

Exhibit A

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

	<u>Primary Government Governmental Activities</u>	<u>Component Unit Campbell County School Department</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 12,448,698	\$ 4,489,842
Pension Changes in Experience	364,086	345,911
Pension Changes in Investment Earnings	1,245,442	7,652,822
Pension Other Deferrals	0	168,578
Total Deferred Inflows of Resources	<u>\$ 14,058,226</u>	<u>\$ 12,657,153</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 53,674,805	\$ 52,022,926
Restricted for:		
General Government	25,739	0
Administration of Justice	123,382	0
Public Safety	104,834	0
Public Health and Welfare	177,785	0
Other Operations	161,599	0
Highways	214,248	0
Education	0	1,767,236
Capital Projects	378,633	0
Other Purposes	1,090,433	0
Unrestricted	<u>(27,994,908)</u>	<u>(5,015,746)</u>
Total Net Position	<u>\$ 27,956,550</u>	<u>\$ 48,774,416</u>

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

Exhibit B

Campbell County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 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	Primary Governmental Total Activities	Component Unit Campbell County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 3,301,424	\$ 738,906	\$ 17,164	\$ 1,396,306	\$ (1,149,048)	\$ 0
Finance	2,454,137	957,007	0	0	(1,497,130)	0
Administration of Justice	1,195,020	890,101	13,500	0	(291,419)	0
Public Safety	6,393,086	790,058	342,870	27,500	(5,232,658)	0
Public Health and Welfare	6,226,380	2,527,084	715,948	848,676	(2,134,672)	0
Social, Cultural, and Recreational Services	215,777	250	8,980	0	(206,547)	0
Agriculture and Natural Resources	43,957	0	0	0	(43,957)	0
Highways	6,158,375	173,183	2,332,707	0	(3,652,485)	0
Education	31,588	52,235	0	0	20,647	0
Interest on Long-term Debt	2,013,530	0	0	0	(2,013,530)	0
<b>Total Primary Government</b>	<b>\$ 28,033,274</b>	<b>\$ 6,128,824</b>	<b>\$ 3,431,169</b>	<b>\$ 2,272,482</b>	<b>\$ (16,200,799)</b>	<b>\$ 0</b>
Component Unit:						
Campbell County School Department	\$ 47,571,589	\$ 212,364	\$ 7,706,477	\$ 0	\$ 0	\$ (39,652,748)
<b>Total Component Unit</b>	<b>\$ 47,571,589</b>	<b>\$ 212,364</b>	<b>\$ 7,706,477</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (39,652,748)</b>

(Continued)

Exhibit B

Campbell County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	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	Campbell County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes				\$ 7,061,561	\$ 4,472,213	
Property Taxes Levied for Solid Waste				1,705,203	0	
Property Taxes Levied for Ambulance Service				44,663	0	
Property Taxes Levied for Economic Development				99,969	0	
Property Taxes Levied for Highways				791,156	0	
Property Taxes Levied for Debt Service				363,966	0	
Property Taxes Levied for Capital Projects				479,410	0	
Local Option Sales Taxes				1,102,639	3,231,981	
Other Local Taxes:						
Hotel/Motel Tax				271,260	0	
Wheel Tax				0	1,457,300	
Litigation Taxes				307,214	0	
Business Tax				285,930	0	
Mineral Severance Tax				64,146	0	
Wholesale Beer Tax				83,146	0	
Other Local Taxes				80,884	4,086	
Grants and Contributions Not Restricted to Specific Programs				4,472,609	29,282,916	
Unrestricted Investment Income				66,894	0	
Miscellaneous				381,142	100,887	
Pension Income				76,270	167,899	
<b>Total General Revenues</b>				<b>\$ 17,738,062</b>	<b>\$ 38,717,282</b>	
Change in Net Position				\$ 1,537,263	\$ (935,466)	
Net Position July 1, 2014				27,014,652	56,739,949	
Restatement See - Note I.D.9.				(595,365)	(7,030,067)	
<b>Net Position, June 30, 2015</b>				<b>\$ 27,956,550</b>	<b>\$ 48,774,416</b>	

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

Exhibit C-1

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>						
Cash	\$ 12	\$ 100	\$ 0	\$ 0	\$ 5,182	\$ 5,294
Equity in Pooled Cash and Investments	3,839,282	867,964	735,635	1,419,828	1,783,055	8,645,764
Inventories	0	0	34,867	0	0	34,867
Accounts Receivable	89,313	53,028	44,309	15,910	813,667	1,016,227
Allowance for Uncollectibles	0	(17,548)	0	0	(39,717)	(57,265)
Due from Other Governments	509,977	0	428,521	286,936	409,162	1,634,596
Due from Other Funds	7,176	0	0	0	0	7,176
Due from Component Units	26,843	0	0	0	0	26,843
Property Taxes Receivable	8,058,717	2,007,327	905,492	994,194	1,816,113	13,781,843
Allowance for Uncollectible Property Taxes	(481,021)	(117,237)	(53,978)	(43,018)	(78,888)	(774,142)
Prepaid Items	0	0	0	0	107,869	107,869
<b>Total Assets</b>	<b>\$ 12,050,299</b>	<b>\$ 2,793,634</b>	<b>\$ 2,094,846</b>	<b>\$ 2,673,850</b>	<b>\$ 4,816,443</b>	<b>\$ 24,429,072</b>
<u>LIABILITIES</u>						
Accounts Payable	\$ 158,023	\$ 35,607	\$ 9,205	\$ 0	\$ 6,500	\$ 209,335
Accrued Payroll	85,563	12,796	13,623	0	12,731	124,713
Payroll Deductions Payable	118,298	15,613	13,089	0	25,792	172,792
Contracts Payable	0	0	0	0	350,777	350,777
Retainage Payable	0	0	0	0	6,945	6,945
Due to Other Funds	0	0	0	0	7,176	7,176
Due to Cities	0	0	0	116,685	0	116,685
Other Current Liabilities	0	0	0	0	164,020	164,020
<b>Total Liabilities</b>	<b>\$ 361,884</b>	<b>\$ 64,016</b>	<b>\$ 35,917</b>	<b>\$ 116,685</b>	<b>\$ 573,941</b>	<b>\$ 1,152,443</b>

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other	
					Govern- mental Funds	
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>						
Deferred Current Property Taxes	\$ 7,200,762	\$ 1,800,755	\$ 809,286	\$ 933,501	\$ 1,704,394	\$ 12,448,698
Deferred Delinquent Property Taxes	292,414	69,303	32,759	13,712	25,469	433,657
Other Deferred/Unavailable Revenue	75,397	35,480	288,952	150,994	933,488	1,484,311
<b>Total Deferred Inflows of Resources</b>	<b>\$ 7,568,573</b>	<b>\$ 1,905,538</b>	<b>\$ 1,130,997</b>	<b>\$ 1,098,207</b>	<b>\$ 2,663,351</b>	<b>\$ 14,366,666</b>
<b><u>FUND BALANCES</u></b>						
Nonspendable:						
Inventory	\$ 0	\$ 0	\$ 34,867	\$ 0	\$ 0	\$ 34,867
Prepaid Items	0	0	0	0	107,869	107,869
Restricted:						
Restricted for General Government	25,739	0	0	0	0	25,739
Restricted for Administration of Justice	123,382	0	0	0	0	123,382
Restricted for Public Safety	30,581	0	0	0	74,253	104,834
Restricted for Public Health and Welfare	106,745	0	0	0	0	106,745
Restricted for Other Operations	0	0	0	0	129,186	129,186
Committed:						
Committed for General Government	12,778	0	0	0	0	12,778
Committed for Public Health and Welfare	3,755	824,080	0	0	700,689	1,528,524
Committed for Social, Cultural, and Recreational Services	16,248	0	0	0	0	16,248
Committed for Highways/Public Works	79,261	0	893,065	0	0	972,326
Committed for Education	509,614	0	0	0	0	509,614
Committed for Debt Service	0	0	0	1,458,958	0	1,458,958
Committed for Capital Projects	0	0	0	0	368,762	368,762
Committed for Other Purposes	593,350	0	0	0	198,392	791,742
Assigned:						
Assigned for General Government	483,560	0	0	0	0	483,560

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>FUND BALANCES (CONT.)</u>						
Unassigned	\$ 2,134,829	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,134,829
Total Fund Balances	\$ 4,119,842	\$ 824,080	\$ 927,932	\$ 1,458,958	\$ 1,579,151	\$ 8,909,963
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 12,050,299	\$ 2,793,634	\$ 2,094,846	\$ 2,673,850	\$ 4,816,443	\$ 24,429,072

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

Exhibit C-2

Campbell County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net 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)		\$	8,909,963
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	2,121,410	
Add: construction in progress		13,566,527	
Add: infrastructure net of accumulated depreciation		39,944,246	
Add: buildings and improvements net of accumulated depreciation		10,419,944	
Add: other capital assets net of accumulated depreciation		<u>2,383,307</u>	68,435,434
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: notes payable	\$	(820,831)	
Less: other loans payable		(947,846)	
Less: bonds payable		(47,260,000)	
Add: deferred amount on refunding		39,201	
Less: compensated absences payable		(450,534)	
Less: other postemployment benefits liability		(938,000)	
Less: accrued interest on bonds, notes, and other loans		(228,579)	
Less: unamortized premium on debt		<u>(718,124)</u>	(51,324,713)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			1,917,968
(4) Amounts reported as deferred outflows of resources and deferred inflows or 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		536,993	
Less: deferred inflows of resources related to pensions		<u>(1,609,528)</u>	(1,072,535)
(5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			<u>1,090,433</u>
Net position of governmental activities (Exhibit A)		\$	<u>27,956,550</u>

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

Exhibit C-3

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>						
Local Taxes	\$ 8,128,723	\$ 1,712,043	\$ 873,852	\$ 1,756,865	\$ 782,162	\$ 13,253,645
Licenses and Permits	120,181	0	0	0	0	120,181
Fines, Forfeitures, and Penalties	209,171	0	0	0	102,415	311,586
Charges for Current Services	146,781	128,655	620	0	2,370,167	2,646,223
Other Local Revenues	92,786	129,557	408,121	130,573	208,041	969,078
Fees Received from County Officials	1,697,688	0	0	0	0	1,697,688
State of Tennessee	3,084,563	71,032	2,284,603	0	497,965	5,938,163
Federal Government	71,218	0	0	279,371	1,414,119	1,764,708
Other Governments and Citizens Groups	424,764	0	0	1,971,518	23,211	2,419,493
<b>Total Revenues</b>	<b>\$ 13,975,875</b>	<b>\$ 2,041,287</b>	<b>\$ 3,567,196</b>	<b>\$ 4,138,327</b>	<b>\$ 5,398,080</b>	<b>\$ 29,120,765</b>
<u>Expenditures</u>						
Current:						
General Government	\$ 1,565,328	\$ 0	\$ 0	\$ 0	\$ 169,994	\$ 1,735,322
Finance	2,523,274	0	0	0	0	2,523,274
Administration of Justice	1,245,447	0	0	0	3,988	1,249,435
Public Safety	6,524,968	0	0	0	67,768	6,592,736
Public Health and Welfare	1,056,723	2,249,282	0	0	2,299,957	5,605,962
Social, Cultural, and Recreational Services	182,850	0	0	0	0	182,850
Agriculture and Natural Resources	49,810	0	0	0	0	49,810
Other Operations	599,735	9,143	0	0	124,644	733,522
Highways	5,045	0	3,989,343	0	0	3,994,388
Support Services	31,588	0	0	0	0	31,588
Debt Service:						
Principal on Debt	0	0	0	2,458,709	0	2,458,709
Interest on Debt	0	0	0	2,148,733	0	2,148,733

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>						
<u>Debt Service (Cont.)</u>						
Other Debt Service	\$ 0	\$ 0	\$ 0	\$ 31,337	\$ 0	\$ 31,337
Capital Projects	0	0	0	0	4,162,405	4,162,405
Total Expenditures	<u>\$ 13,784,768</u>	<u>\$ 2,258,425</u>	<u>\$ 3,989,343</u>	<u>\$ 4,638,779</u>	<u>\$ 6,828,756</u>	<u>\$ 31,500,071</u>
<u>Excess (Deficiency) of Revenues</u>						
Over Expenditures	\$ 191,107	\$ (217,138)	\$ (422,147)	\$ (500,452)	\$ (1,430,676)	\$ (2,379,306)
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 11,312	\$ 36,500	\$ 63,266	\$ 0	\$ 6,760	\$ 117,838
Transfers In	118,496	0	0	0	260,976	379,472
Transfers Out	0	(41,166)	(7,414)	0	(330,892)	(379,472)
Total Other Financing Sources (Uses)	<u>\$ 129,808</u>	<u>\$ (4,666)</u>	<u>\$ 55,852</u>	<u>\$ 0</u>	<u>\$ (63,156)</u>	<u>\$ 117,838</u>
Net Change in Fund Balances	\$ 320,915	\$ (221,804)	\$ (366,295)	\$ (500,452)	\$ (1,493,832)	\$ (2,261,468)
Fund Balance, July 1, 2014	3,798,927	1,045,884	1,294,227	1,959,410	3,072,983	11,171,431
Fund Balance, June 30, 2015	<u>\$ 4,119,842</u>	<u>\$ 824,080</u>	<u>\$ 927,932</u>	<u>\$ 1,458,958</u>	<u>\$ 1,579,151</u>	<u>\$ 8,909,963</u>

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

Exhibit C-4

Campbell County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended June 30, 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)		\$ (2,261,468)
<p>(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:</p>		
Add: capital assets purchased in the current period	\$ 3,373,818	
Less: current-year depreciation expense	<u>(2,952,491)</u>	421,327
<p>(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.</p>		
Less: net book value of assets disposed		(17,000)
<p>(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Add: deferred delinquent property taxes and other deferred June 30, 2015	\$ 1,917,968	
Less: deferred delinquent property taxes and other deferred June 30, 2014	<u>(1,662,304)</u>	255,664
<p>(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these difference in the treatment of long-term debt and related items:</p>		
Add: change in premium on debt issuances	\$ 140,886	
Add: principal payments on bonds	2,020,000	
Add: principal payments on notes	300,001	
Add: principal payments on other loans	138,708	
Less: change in deferred amount of refunding debt	<u>(1,299)</u>	2,598,296
<p>(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.</p>		
Change in accrued interest payable	\$ (5,683)	
Change in compensated absences payable	17,864	
Change in net pension liability/asset	1,685,798	
Change in deferred outflows related to pensions	536,993	
Change in deferred inflows related to pensions	(1,609,528)	
Change in other postemployment benefits liability	<u>(85,000)</u>	540,444
Change in net position of governmental activities (Exhibit B)		<u>\$ 1,537,263</u>

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

Exhibit C-5

Campbell 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	
<u>Revenues</u>							
Local Taxes	\$ 8,128,723	\$ 0	\$ 0	\$ 8,128,723	\$ 8,096,847	\$ 8,083,847	\$ 44,876
Licenses and Permits	120,181	0	0	120,181	157,225	157,225	(37,044)
Fines, Forfeitures, and Penalties	209,171	0	0	209,171	262,430	215,549	(6,378)
Charges for Current Services	146,781	0	0	146,781	99,810	139,195	7,586
Other Local Revenues	92,786	0	0	92,786	54,268	70,348	22,438
Fees Received from County Officials	1,697,688	0	0	1,697,688	1,705,440	1,703,240	(5,552)
State of Tennessee	3,084,563	0	0	3,084,563	2,959,453	3,171,526	(86,963)
Federal Government	71,218	0	0	71,218	109,606	75,375	(4,157)
Other Governments and Citizens Groups	424,764	0	0	424,764	400,686	404,731	20,033
<b>Total Revenues</b>	<b>\$ 13,975,875</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 13,975,875</b>	<b>\$ 13,845,765</b>	<b>\$ 14,021,036</b>	<b>\$ (45,161)</b>
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 256,560	\$ 0	\$ 15,239	\$ 271,799	\$ 263,408	\$ 279,577	\$ 7,778
Board of Equalization	4,007	0	0	4,007	4,085	4,085	78
Other Boards and Committees	0	0	0	0	2,000	2,000	2,000
County Mayor/Executive	252,856	(232)	23,521	276,145	287,847	278,767	2,622
County Attorney	50,786	0	0	50,786	51,520	51,183	397
Election Commission	341,853	(9,857)	8,383	340,379	343,629	381,000	40,621
Register of Deeds	263,551	(3,623)	9,484	269,412	279,821	278,532	9,120
County Buildings	296,417	(2,382)	14,061	308,096	308,415	307,526	(570)
Other Facilities	86,802	(2)	712	87,512	93,556	96,719	9,207
Preservation of Records	12,496	0	0	12,496	13,486	13,486	990
<u>Finance</u>							
Accounting and Budgeting	830,201	(502)	1,893	831,592	852,747	848,387	16,795
Central Services	447,982	(97,862)	886	351,006	339,502	356,827	5,821
Property Assessor's Office	402,647	(590)	8,584	410,641	434,772	432,750	22,109
Reappraisal Program	30,024	0	0	30,024	30,093	30,093	69
County Trustee's Office	322,168	(2,795)	1,461	320,834	328,996	327,595	6,761
County Clerk's Office	490,252	(116)	6,664	496,800	504,220	504,727	7,927

(Continued)

Exhibit C-5

Campbell 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	\$ 651,293	\$ (29,362)	\$ 3,128	\$ 625,059	\$ 631,777	\$ 634,357	\$ 9,298
General Sessions Court	225,471	(39)	857	226,289	214,820	226,885	596
Chancery Court	319,921	(100)	1,748	321,569	320,936	331,113	9,544
District Attorney General	27,520	0	0	27,520	27,522	27,522	2
Office of Public Defender	20,642	0	0	20,642	20,642	20,642	0
Other Administration of Justice	600	0	0	600	600	600	0
Victims Assistance Programs	0	0	0	0	85,000	0	0
<u>Public Safety</u>							
Sheriff's Department	2,158,541	(2,877)	3,326	2,158,990	2,144,525	2,166,338	7,348
Special Patrols	418,244	(1,325)	9,484	426,403	564,283	559,676	133,273
Traffic Control	2,933	0	2,445	5,378	1,809	5,809	431
Administration of the Sexual Offender Registry	4,411	0	78	4,489	5,100	5,100	611
Jail	3,081,377	(11,915)	76,829	3,146,291	3,435,027	3,416,198	269,907
Juvenile Services	29,010	(26)	114	29,098	28,154	30,023	925
Commissary	0	0	0	0	100	100	100
Fire Prevention and Control	141,646	0	0	141,646	153,469	143,884	2,238
Civil Defense	63,242	(1,593)	2,074	63,723	66,965	69,465	5,742
Rescue Squad	59,937	0	0	59,937	62,866	61,541	1,604
Other Emergency Management	188,456	0	0	188,456	188,456	188,456	0
County Coroner/Medical Examiner	86,772	0	5,161	91,933	87,654	96,479	4,546
Other Public Safety	290,399	(150)	500	290,749	302,860	331,583	40,834
<u>Public Health and Welfare</u>							
Local Health Center	88,496	(4,356)	7,620	91,760	121,457	226,506	134,746
Rabies and Animal Control	126,921	(649)	691	126,963	136,672	135,998	9,035
Dental Health Program	6,477	(226)	166	6,417	7,740	7,740	1,323
Alcohol and Drug Programs	7,688	0	0	7,688	7,770	7,365	(323)
Crippled Children Services	0	0	0	0	2,764	0	0
Other Local Health Services	654,601	0	0	654,601	713,925	712,693	58,092
Appropriation to State	8,315	0	0	8,315	24,500	8,315	0
General Welfare Assistance	42,956	(2,706)	750	41,000	46,900	46,900	5,900
Sanitation Education/Information	121,269	0	0	121,269	134,246	133,572	12,303

(Continued)

Exhibit C-5

Campbell 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>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	\$ 46,496	\$ 0	\$ 0	\$ 46,496	\$ 51,146	\$ 50,958	\$ 4,462
Libraries	38,000	0	0	38,000	38,000	38,000	0
Other Social, Cultural, and Recreational	98,354	(1,582)	5,133	101,905	119,299	118,625	16,720
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	49,810	(339)	395	49,866	52,346	52,346	2,480
<u>Other Operations</u>							
Airport	89,563	(368)	0	89,195	92,832	92,832	3,637
Veterans' Services	145,545	(408)	393	145,530	147,626	146,952	1,422
Contributions to Other Agencies	90,050	0	0	90,050	95,050	95,050	5,000
Employee Benefits	257,633	0	0	257,633	286,380	306,184	48,551
Miscellaneous	16,944	0	0	16,944	12,188	30,788	13,844
<u>Highways</u>							
Employee Benefits	5,045	0	0	5,045	0	5,045	0
<u>Support Services</u>							
Board of Education	31,588	0	0	31,588	0	31,588	0
Total Expenditures	\$ 13,784,768	\$ (175,982)	\$ 211,780	\$ 13,820,566	\$ 14,571,503	\$ 14,756,482	\$ 935,916
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 191,107	\$ 175,982	\$ (211,780)	\$ 155,309	\$ (725,738)	\$ (735,446)	\$ 890,755
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 11,312	\$ 0	\$ 0	\$ 11,312	\$ 6,000	\$ 11,303	\$ 9
Transfers In	118,496	0	0	118,496	94,794	118,496	0
Transfers Out	0	0	0	0	(18,600)	0	0
Total Other Financing Sources	\$ 129,808	\$ 0	\$ 0	\$ 129,808	\$ 82,194	\$ 129,799	\$ 9
Net Change in Fund Balance	\$ 320,915	\$ 175,982	\$ (211,780)	\$ 285,117	\$ (643,544)	\$ (605,647)	\$ 890,764
Fund Balance, July 1, 2014	3,798,927	(175,982)	0	3,622,945	2,509,780	2,509,780	1,113,165
Fund Balance, June 30, 2015	\$ 4,119,842	\$ 0	\$ (211,780)	\$ 3,908,062	\$ 1,866,236	\$ 1,904,133	\$ 2,003,929

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

Exhibit C-6

Campbell County, Tennessee  
Statement 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	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,712,043	\$ 0	\$ 0	\$ 1,712,043	\$ 1,703,111	\$ 1,703,111	\$ 8,932
Charges for Current Services	128,655	0	0	128,655	166,000	155,559	(26,904)
Other Local Revenues	129,557	0	0	129,557	107,786	118,227	11,330
State of Tennessee	71,032	0	0	71,032	24,130	66,419	4,613
<b>Total Revenues</b>	<b>\$ 2,041,287</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,041,287</b>	<b>\$ 2,001,027</b>	<b>\$ 2,043,316</b>	<b>\$ (2,029)</b>
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 498,568	\$ (6,736)	\$ 3,990	\$ 495,822	\$ 558,709	\$ 557,024	\$ 61,202
Convenience Centers	919,485	(1,259)	2,259	920,485	957,540	953,173	32,688
Transfer Stations	182,554	0	175	182,729	186,704	187,364	4,635
Recycling Center	265,499	(950)	1,266	265,815	241,371	282,312	16,497
Other Waste Disposal	383,176	(211,349)	0	171,827	256,449	255,775	83,948
<u>Other Operations</u>							
Employee Benefits	9,143	0	0	9,143	14,565	14,565	5,422
<b>Total Expenditures</b>	<b>\$ 2,258,425</b>	<b>\$ (220,294)</b>	<b>\$ 7,690</b>	<b>\$ 2,045,821</b>	<b>\$ 2,215,338</b>	<b>\$ 2,250,213</b>	<b>\$ 204,392</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ (217,138)</b>	<b>\$ 220,294</b>	<b>\$ (7,690)</b>	<b>\$ (4,534)</b>	<b>\$ (214,311)</b>	<b>\$ (206,897)</b>	<b>\$ 202,363</b>
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 36,500	\$ 0	\$ 0	\$ 36,500	\$ 36,500	\$ 36,500	\$ 0
Transfers Out	(41,166)	0	0	(41,166)	(33,752)	(41,166)	0
<b>Total Other Financing Sources</b>	<b>\$ (4,666)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (4,666)</b>	<b>\$ 2,748</b>	<b>\$ (4,666)</b>	<b>\$ 0</b>
<b>Net Change in Fund Balance</b>	<b>\$ (221,804)</b>	<b>\$ 220,294</b>	<b>\$ (7,690)</b>	<b>\$ (9,200)</b>	<b>\$ (211,563)</b>	<b>\$ (211,563)</b>	<b>\$ 202,363</b>
<b>Fund Balance, July 1, 2014</b>	<b>1,045,884</b>	<b>(220,294)</b>	<b>0</b>	<b>825,590</b>	<b>815,486</b>	<b>815,486</b>	<b>10,104</b>
<b>Fund Balance, June 30, 2015</b>	<b>\$ 824,080</b>	<b>\$ 0</b>	<b>\$ (7,690)</b>	<b>\$ 816,390</b>	<b>\$ 603,923</b>	<b>\$ 603,923</b>	<b>\$ 212,467</b>

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

Exhibit C-7

Campbell 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	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 873,852	\$ 0	\$ 0	\$ 873,852	\$ 885,918	\$ 868,134	\$ 5,718
Licenses and Permits	0	0	0	0	250	46	(46)
Charges for Current Services	620	0	0	620	0	580	40
Other Local Revenues	408,121	0	0	408,121	562,993	418,083	(9,962)
State of Tennessee	2,284,603	0	0	2,284,603	2,898,228	2,990,002	(705,399)
Federal Government	0	0	0	0	700,537	700,537	(700,537)
<b>Total Revenues</b>	<b>\$ 3,567,196</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,567,196</b>	<b>\$ 5,047,926</b>	<b>\$ 4,977,382</b>	<b>\$ (1,410,186)</b>
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 191,623	\$ (28)	\$ 217	\$ 191,812	\$ 190,441	\$ 191,980	\$ 168
Highway and Bridge Maintenance	1,843,927	(477,246)	20,516	1,387,197	1,390,474	1,417,872	30,675
Operation and Maintenance of Equipment	823,037	(6,266)	10,289	827,060	1,060,408	906,030	78,970
Quarry Operations	228,387	(456)	6,007	233,938	245,345	239,709	5,771
Other Charges	127,819	(192)	1,334	128,961	135,372	133,922	4,961
Employee Benefits	101,296	(66)	77	101,307	114,457	114,457	13,150
Capital Outlay	673,254	(164)	81,271	754,361	2,029,647	2,188,545	1,434,184
<b>Total Expenditures</b>	<b>\$ 3,989,343</b>	<b>\$ (484,418)</b>	<b>\$ 119,711</b>	<b>\$ 3,624,636</b>	<b>\$ 5,166,144</b>	<b>\$ 5,192,515</b>	<b>\$ 1,567,879</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ (422,147)</b>	<b>\$ 484,418</b>	<b>\$ (119,711)</b>	<b>\$ (57,440)</b>	<b>\$ (118,218)</b>	<b>\$ (215,133)</b>	<b>\$ 157,693</b>
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 63,266	\$ 0	\$ 0	\$ 63,266	\$ 0	\$ 107,575	\$ (44,309)
Transfers Out	(7,414)	0	0	(7,414)	0	(7,414)	0
<b>Total Other Financing Sources</b>	<b>\$ 55,852</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 55,852</b>	<b>\$ 0</b>	<b>\$ 100,161</b>	<b>\$ (44,309)</b>

(Continued)

Exhibit C-7

Campbell County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works 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	
Net Change in Fund Balance	\$ (366,295)	\$ 484,418	\$ (119,711)	\$ (1,588)	\$ (118,218)	\$ (114,972)	\$ 113,384
Fund Balance, July 1, 2014	1,294,227	(484,418)	0	809,809	813,065	813,065	(3,256)
Fund Balance, June 30, 2015	\$ 927,932	\$ 0	\$ (119,711)	\$ 808,221	\$ 694,847	\$ 698,093	\$ 110,128

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

Exhibit D

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,919,531
Due from Other Governments	<u>629,976</u>
Total Assets	<u><u>\$ 2,549,507</u></u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 629,976
Due to Litigants, Heirs, and Others	<u>1,919,531</u>
Total Liabilities	<u><u>\$ 2,549,507</u></u>

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

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**CAMPBELL COUNTY, TENNESSEE**  
**Index of Notes to the Financial Statements**

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**A. Reporting Entity**

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

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

The Campbell County School Department operates the public school system in the county, and the voters of Campbell County elect its board. The School Department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the County Commission's approval. The School Department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

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

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

Administrative Office:

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

**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 Campbell County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Campbell County School Department component unit only reports governmental activities in the government-wide financial statements.

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

Campbell County issues all debt for the discretely presented Campbell 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, except for agency funds, which have no measurement focus. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to

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

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

Campbell County reports the following major governmental funds:

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

**Solid Waste/Sanitation Fund** – This special revenue fund accounts for transactions relating to the disposal of Campbell County’s solid waste. Local taxes and general service charges are the foundational revenues of this 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, Campbell County reports the following fund type:

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

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

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

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

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

**Central Cafeteria Fund** – This special revenue fund is used to account for transactions related to school food services. Charges for services and federal grants are the foundational revenues of this fund.

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 Campbell 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. Campbell County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit 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 or that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as due to/from other funds.

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 3.32 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.

Most payables are disaggregated on the face of the financial statements. Other current liabilities in the Drug Control Fund totaling \$161,420 represent confiscated funds awaiting court orders. Due to Cities in the General Debt Service Fund totaling \$116,685 represents sales tax collections distributed to Campbell County in error. The state should have distributed these collections to city governments within Campbell County.

Retainage payable represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments.

### **3. Inventories and Prepaid Items**

Inventories of Campbell County are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

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

### **4. Capital Assets**

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

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

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	7 - 40
Other Capital Assets	5 - 15
Infrastructure:	
Roads	20 - 50
Bridges	40

**5. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(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. These items are the deferred charge on refunding, pension changes in experience, and pension contributions after the measurement date.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes, pension changes in experience, pension changes in investment earnings, pension other deferrals, and various other revenue accruals, which do not meet the availability criteria for governmental funds.

**6. Compensated Absences**

It is the county’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The School Department does not have a policy to permit employees to accumulate earned but unused vacation. There is no liability for unpaid accumulated sick leave since neither Campbell County nor the School Department has a policy to pay any amounts when employees separate from service with

the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

**7. 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 and other postemployment benefits, are recognized to the extent that the liabilities have matured (come due for payment) each period.

**8. Net Position and Fund Balance**

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

Restricted for Other Purposes in the governmental activities of the primary government (\$1,090,433) and a portion of the Restricted for Education in the discretely presented School Department (\$1,114,516) is attributable to net pension assets of the agent and cost-sharing pension plans.

As of June 30, 2015, Campbell County had \$34,533,577 in outstanding debt for capital purposes for the discretely presented Campbell County School Department. This debt is a liability of Campbell County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Campbell County has incurred a liability significantly decreasing its unrestricted net 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 authorized the county’s Budget/Finance Committee to make assignments for the general government. The Board of Education makes assignments for the School Department. Assigned fund balance in the General Fund represents amounts assigned for encumbrances (\$211,780) and amounts appropriated for use in the 2015-2016 budget (\$271,780). Assigned fund balance in the School Department’s General Purpose School Fund represents amounts assigned for encumbrances (\$199,272) and amounts appropriated for use in the 2015-2016 budget (\$1,132,028).

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

**9. Restatement**

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 decreasing Campbell County’s beginning net position by \$595,365 has been recognized in the Statement of Activities. In addition, a restatement decreasing the discretely presented School Department’s beginning net position by \$7,030,067 has been recognized in the Statement of Activities for liabilities of the pension agent plan (\$565,644) and the pension cost-sharing plan (\$6,464,423.)

**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 Campbell County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Campbell 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 Campbell 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 Campbell County School Department**

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

Exhibit I-5 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net 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 Other Capital Projects Fund, which adopts project length budgets. All annual appropriations lapse at fiscal year-end.

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

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

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

At June 30, 2015, Campbell County reported the following significant encumbrances:

Fund	Description	Amount
Primary Government:		
Major Fund:		
Highway/Public Works	Roofing	\$ 69,320
School Department:		
Major Fund:		
General Purpose School	Digital Phone System	72,623

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

Campbell County and the Campbell County School Department participate in an internal cash and investment pool through the Office of Trustee. The county trustee is the treasurer of the county and in this capacity is responsible for receiving, disbursing, and investing most county funds. Each fund's portion of this pool is displayed on the balance sheets or statements of net 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	\$ 2,121,410	\$ 0	\$ 0	\$ 2,121,410
Construction in Progress	11,027,391	2,665,886	(126,750)	13,566,527
Total Capital Assets Not Depreciated	\$ 13,148,801	\$ 2,665,886	\$ (126,750)	\$ 15,687,937

**Governmental Activities (Cont.):**

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets				
Depreciated:				
Buildings and				
Improvements	\$ 14,679,971	\$ 343,240	\$ 0	\$ 15,023,211
Roads and Bridges	79,888,487	0	0	79,888,487
Other Capital Assets	8,056,132	491,442	(121,445)	8,426,129
<b>Total Capital Assets</b>				
Depreciated	<u>\$ 102,624,590</u>	<u>\$ 834,682</u>	<u>\$ (121,445)</u>	<u>\$ 103,337,827</u>
Less Accumulated				
Depreciated For:				
Buildings and				
Improvements	\$ 4,133,219	\$ 470,048	\$ 0	\$ 4,603,267
Roads and Bridges	37,947,029	1,997,212	0	39,944,241
Other Capital Assets	5,662,036	485,231	(104,445)	6,042,822
<b>Total Accumulated</b>				
Depreciation	<u>\$ 47,742,284</u>	<u>\$ 2,952,491</u>	<u>\$ (104,445)</u>	<u>\$ 50,590,330</u>
<b>Total Capital Assets</b>				
Depreciated, Net	<u>\$ 54,882,306</u>	<u>\$ (2,117,809)</u>	<u>\$ (17,000)</u>	<u>\$ 52,747,497</u>
<b>Governmental Activities</b>				
Capital Assets, Net	<u>\$ 68,031,107</u>	<u>\$ 548,077</u>	<u>\$ (143,750)</u>	<u>\$ 68,435,434</u>

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

**Governmental Activities:**

General Government	\$ 333,022
Finance	20,210
Administration of Justice	4,466
Public Safety	198,212
Public Health and Welfare	264,703
Highways/Public Works	<u>2,131,878</u>
<b>Total Depreciation Expense -</b>	
Governmental Activities	<u>\$ 2,952,491</u>

**Discretely Presented Campbell County School Department**

**Governmental Activities:**

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 1,139,425	\$ 0	\$ 0	\$ 1,139,425
Construction in Progress	454,432	451,433	(896,479)	9,386
Total Capital Assets Not Depreciated	<u>\$ 1,593,857</u>	<u>\$ 451,433</u>	<u>\$ (896,479)</u>	<u>\$ 1,148,811</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 81,962,521	\$ 879,348	\$ 0	\$ 82,841,869
Other Capital Assets	3,841,360	362,262	0	4,203,622
Total Capital Assets Depreciated	<u>\$ 85,803,881</u>	<u>\$ 1,241,610</u>	<u>\$ 0</u>	<u>\$ 87,045,491</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 30,826,886	\$ 2,345,919	\$ 0	\$ 33,172,805
Other Capital Assets	2,769,331	229,240	0	2,998,571
Total Accumulated Depreciation	<u>\$ 33,596,217</u>	<u>\$ 2,575,159</u>	<u>\$ 0</u>	<u>\$ 36,171,376</u>
Total Capital Assets Depreciated, Net	<u>\$ 52,207,664</u>	<u>\$ (1,333,549)</u>	<u>\$ 0</u>	<u>\$ 50,874,115</u>
Governmental Activities Capital Assets, Net	<u>\$ 53,801,521</u>	<u>\$ (882,116)</u>	<u>\$ (896,479)</u>	<u>\$ 52,022,926</u>

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

**Governmental Activities:**

Instruction	\$ 24,780
Support Services	2,473,494
Operation of Non-instructional Services	<u>76,885</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,575,159</u>

**C. Construction Commitments**

At June 30, 2015, the Other Capital Projects Fund had uncompleted construction contracts of approximately \$450,755 for the construction of the new justice center (\$35,000) and airport projects (\$415,755). Funding has been received for the future expenditures of the justice center. Funding is being provided by a state and federal grants for the future expenditures of the airport projects.

The General Capital Projects Fund had an uncompleted construction contract of \$156,796 for a railroad spur at June 30, 2015. Funding is being provided by a federal grant 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>
Primary Government: General	Nonmajor governmental	\$ 7,176
Discretely Presented School Department: General Purpose School	School Federal Projects	1,697

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

**Due to/from Primary Government and Component Units:**

Receivable Fund	Payable Fund	Amount
Primary Government: General	Component Unit: School Department	\$ 26,843

**Interfund Transfers:**

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

**Primary Government**

Transfers Out	Transfers In	
	General Fund	Nonmajor Governmental Funds
Solid Waste/Sanitation Fund	\$ 41,166	\$ 0
Highway/Public Works Fund	7,414	0
Nonmajor governmental funds	69,916	260,976
<b>Total</b>	<b>\$ 118,496</b>	<b>\$ 260,976</b>

**Discretely Presented Campbell County School Department**

Transfers Out	Transfers In	
	General Purpose School Fund	Central Cafeteria Fund
General Purpose School Fund	\$ 0	\$ 95,862
School Federal Projects Fund	1,031	0
<b>Total</b>	<b>\$ 1,031</b>	<b>\$ 95,862</b>

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

**E. Long-term Obligations**

**Primary Government**

**General Obligation Bonds, Notes, and Other Loans**

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

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, capital outlay notes, and other loans outstanding were issued for original terms of up to 21 years for bonds, up to 12 years for notes, and up to ten years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds, notes, and other loans included in long-term debt as of June 30, 2015, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes, 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	1 to 5.8 %	6-1-32	\$ 26,480,000	\$ 25,395,000
General Obligation Bonds - Refunding	2 to 4	6-1-26	25,285,000	21,865,000
Capital Outlay Notes	1.53 to 4.23	11-15-20	1,850,000	820,831
Other Loans - Fixed Rate	0	5-1-22	1,387,088	947,846

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 2,100,000	\$ 2,042,085	\$ 4,142,085
2017	2,195,000	1,967,881	4,162,881
2018	2,350,000	1,890,952	4,240,952
2019	2,535,000	1,803,760	4,338,760
2020	2,605,000	1,709,325	4,314,325
2021-2025	15,295,000	6,967,805	22,262,805
2026-2030	17,040,000	3,508,740	20,548,740
2031-2032	3,140,000	187,575	3,327,575
Total	\$ 47,260,000	\$ 20,078,123	\$ 67,338,123

Year Ending June 30	Notes		
	Principal	Interest	Total
2016	\$ 300,001	\$ 21,264	\$ 321,265
2017	174,999	13,373	188,372
2018	141,667	9,228	150,895
2019	141,667	5,466	147,133
2020	41,667	2,203	43,870
2021	20,830	441	21,271
Total	\$ 820,831	\$ 51,975	\$ 872,806

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2016	\$ 138,708	\$ 0	\$ 138,708
2017	138,708	0	138,708
2018	138,708	0	138,708
2019	138,708	0	138,708
2020	138,708	0	138,708
2021-2022	254,306	0	254,306
Total	\$ 947,846	\$ 0	\$ 947,846

There is \$1,458,958 available in the General Debt Service Fund to service long-term debt. Debt per capita, including bonds, notes, and other loans totaled \$1,204, 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:

	<u>Bonds</u>	<u>Notes</u>
Balance, July 1, 2014	\$ 49,280,000	\$ 1,120,832
Additions	0	0
Reductions	<u>(2,020,000)</u>	<u>(300,001)</u>
Balance, June 30, 2015	<u>\$ 47,260,000</u>	<u>\$ 820,831</u>
Balance Due Within One Year	<u>\$ 2,100,000</u>	<u>\$ 300,001</u>

	<u>Other</u>	<u>Compensated</u>	<u>Other</u>
	<u>Loans</u>	<u>Absences</u>	<u>Postemployment</u>
			<u>Benefits</u>
Balance, July 1, 2014	\$ 1,086,554	\$ 468,398	\$ 853,000
Additions	0	389,481	149,000
Reductions	<u>(138,708)</u>	<u>(407,345)</u>	<u>(64,000)</u>
Balance, June 30, 2015	<u>\$ 947,846</u>	<u>\$ 450,534</u>	<u>\$ 938,000</u>
Balance Due Within One Year	<u>\$ 138,708</u>	<u>\$ 409,986</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 50,417,211
Less: Balance Due Within One Year	(2,948,695)
Add: Unamortized Premium on Debt	<u>718,124</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 48,186,640</u>

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

**Discretely Presented Campbell County School Department**

Changes in Long-term Obligations

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

Governmental Activities:

	Other Postemployment Benefits
Balance, July 1, 2014	\$ 4,946,303
Additions	1,127,761
Reductions	(595,379)
Balance, June 30, 2015	<u>\$ 5,478,685</u>
Balance Due Within One Year	<u>\$ 0</u>

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

**F. Other Commitments**

During the year, the School Department paid \$1,971,518 to the primary government's General Debt Service Fund to be applied toward the retirement of school related debt. By resolution, the Campbell County Board of Education has committed future contributions of \$1,250,000 per fiscal year to the primary government's General Debt Service Fund through the year ending June 30, 2026, to provide funds for the retirement of current and future debt issued for school purposes. Also by resolution, the Campbell County Board of Education has committed an amount equal to the annual debt service requirements of the outstanding Energy Efficient Incentive School Loans. The annual requirements are \$138,708 per fiscal year through the year ending June 30, 2022.

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Campbell County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2015, were \$276,238 and \$67,725, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

## V. OTHER INFORMATION

### A. Risk Management

#### Primary Government

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

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

#### Discretely Presented Campbell County School Department

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

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

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

**B. Accounting Changes**

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 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 county is involved in several pending lawsuits. The county attorney estimates that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

**D. Changes in Administration**

On August 31, 2014, William Baird left the Office of County Mayor and was succeeded by E.L. Morton, and Deborah Wilson left the Office of County Clerk and was succeeded by Alene Baird.

On December 31, 2014, Dennis Potter left the Office of Road Superintendent and was succeeded by Ron Dilbeck, and William Archer left the Office of Clerk and Master and was succeeded by Dennis Potter.

On May 10, 2015, Donnie Poston left the Office of Director of Schools and was succeeded by Larry Nidiffer.

**E. Joint Ventures**

The Campbell County Library Board is a joint venture in which the county participates with the cities of LaFollette, Jacksboro, Caryville, and Jellico to operate the library system within the county. Representatives from the four cities and the county comprise the Campbell County Library Board and have equal representation on the board. Campbell County contributed \$38,000 to the operation of the Library Board during the year ended June 30, 2015.

The Eighth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Eighth Judicial District; Scott, Campbell, Fentress, Claiborne, and Union counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by the board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Campbell County made no contributions to the DTF for the year ended June 30, 2015.

Campbell County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Campbell County Library Board and the Eighth Judicial DTF can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

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

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

**F. Jointly Governed Organization**

The Northeast Tennessee Railroad Authority was incorporated in June 2005 as a public authority created by the Tennessee State Legislature. The purpose of the rail authority is to preserve and enhance the railroad system serving Anderson, Campbell, and Scott counties in Tennessee, to secure economic benefits for these counties. The rail authority is governed by a board of directors, which includes the mayor for each of the three counties served by the rail authority. Campbell County did not contribute to the operations of the Northeast Tennessee Railroad Authority for the year ended June 30, 2015. Complete financial statements for the rail authority can be

obtained from its administrative office at P.O. Box 180, Huntsville, TN 37756.

**G. Retirement Commitments**

1. **Tennessee Consolidated Retirement System (TCRS)**

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Campbell County and non-certified employees of the discretely presented Campbell 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 51.28 percent and the non-certified employees of the discretely presented School Department comprise 48.72 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](http://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. 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 is 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	272
Inactive Employees Entitled to But Not Yet Receiving Benefits	407
Active Employees	<u>468</u>
 Total	 <u><u>1,147</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. Campbell 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 Campbell County were \$782,140 based on a rate of 6.09 percent of pensionable payroll. By law, employer contributions are required to be paid. The TCRS may intercept Campbell County’s state shared taxes if required employer contributions are not remitted. The employer’s actuarially determined contribution 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)**

Campbell 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 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	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 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 assumes that employee contributions will be made at the current rate and that contributions from Campbell 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	\$ 35,392,349	\$ 33,486,488	\$ 1,905,861
Changes for the Year:			
Service Cost	\$ 1,077,709	\$ 0	\$ 1,077,709
Interest	2,675,369	0	2,675,369
Differences Between Expected and Actual Experience	(887,496)	0	(887,496)
Contributions-Employer	0	744,852	(744,852)
Contributions-Employees	0	633,319	(633,319)
Net Investment Income	0	5,538,465	(5,538,465)
Benefit Payments, Including Refunds of Employee Contributions	(1,596,946)	(1,596,946)	0
Administrative Expense	0	(18,764)	18,764
Other Changes	0	0	0
Net Changes	\$ 1,268,636	\$ 5,300,926	\$ (4,032,290)
Balance, June 30, 2014	\$ 36,660,985	\$ 38,787,414	\$ (2,126,429)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	51.28%	\$ 18,799,753	\$ 19,890,186	\$ (1,090,433)
School Department	48.72%	17,861,232	18,897,228	(1,035,996)
Total		\$ 36,660,985	\$ 38,787,414	\$ (2,126,429)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Campbell County calculated using the discount rate of 7.5 percent, as well as what 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:

	1% Decrease	Current Discount Rate	1% Increase
Campbell County	6.5%	7.5%	8.5%

Net Pension Liability    \$ 2,502,959    \$ (2,126,429)    \$ (5,956,457)

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

*Pension Income.* For the year ended June 30, 2015, Campbell County recognized pension income of \$148,732.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2015, Campbell 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	\$    709,997
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	2,428,709
Contributions Subsequent to the Measurement Date of June 30, 2014 (1)	<u>782,140</u>	<u>N/A</u>
Total	<u>\$    782,140</u>	<u>\$ 3,138,706</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	\$ 536,993	\$ 1,609,528
School Department	245,147	1,529,178
Total	<u>\$ 782,140</u>	<u>\$ 3,138,706</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	\$ (784,676)
2017	(784,676)
2018	(784,676)
2019	(784,676)
2020	0
Thereafter	0

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

**Discretely Presented Campbell County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Campbell County and non-certified employees of the discretely presented Campbell 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 51.28 percent and the non-certified employees of the discretely present School Department comprise 48.72 percent of the plan based on census data.

## **Certified Employees**

### **Teacher Retirement Plan**

#### **General Information About the Pension Plan**

*Plan Description.* Teachers of the Campbell 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](http://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 is available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic an 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. 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 for 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 \$50,738, 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 Campbell 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 Campbell County School Department reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	\$ 50,738	N/A

The Campbell County School Department's employer contributions of \$50,738 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 Campbell 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](http://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 is 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 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 Campbell County School Department for the year ended June 30, 2015, to the Teacher Legacy Pension Plan were \$1,735,397, 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 Campbell County School Department reported an asset of \$78,520 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. Campbell County School's portion of the net pension asset was based on Campbell County School's employer contribution 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, Campbell County School's proportion was .483214 percent. The proportion measured as of June 30, 2013, was .495166 percent.

*Pension Income.* For the year ended June 30, 2015, the Campbell County School Department recognized a pension income of \$95,437.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2015, the Campbell 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	\$ 190,627	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	6,469,555
Changes in Proportion of net pension liability (asset)	0	168,578
LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	1,735,397	N/A
Total	<u>\$ 1,926,024</u>	<u>\$ 6,638,133</u>

The Campbell County School Department's employer contributions of \$1,735,397 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 ending 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	\$ (1,613,714)
2017	(1,613,714)
2018	(1,613,714)
2019	(1,613,714)
2020	3,675
Thereafter	3,675

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	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 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 Pension Liability (Asset) to Changes in the Discount Rate.* The following presents Campbell 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 Campbell 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%
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Net Pension Liability    \$ 13,243,299    \$ (78,520)    \$ (11,107,542)

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

**2. Deferred Compensation**

Teachers hired after July 1, 2014, by the discretely presented Campbell County School Department are required to participate in a hybrid pension plan administered by the Tennessee Consolidated Retirement System. This hybrid pension plan requires that these teachers contribute five percent of their salaries into a deferred compensation plan managed by the hybrid plan pursuant to IRC Section 401(k). As part of their employment package, the Campbell County School Department has assumed all costs of funding this program on-behalf of the plan participants. The Section 401(k) plan assets remain the property of the participating teachers and are not presented in the accompanying financial statements. IRC Section 401(k), establishes participation, contribution, and withdrawal provisions for the plans. During the year, the Campbell County School Department contributed \$31,366 to the 401(k) portion of the hybrid pension plan on-behalf of the plan participants.

**H. Other Postemployment Benefits (OPEB)**

**Primary Government**

**Plan Description**

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

The county has committed \$672,611 in the General Fund to be used for funding a portion of the county’s OPEB liability. These funds do not qualify as OPEB plan assets and therefore are not reported as such in the financial statements of this report.

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is purchased commercially and financed on a pay-as-you-go basis. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The county develops its own contribution policy in terms of subsidizing active employees or retired employees' premiums. Eligible employees must be age 55 with ten years of service or any age with 25 years of service until attainment of age 65 when they become eligible for Medicare. Campbell County pays from 60 to 75 percent of the costs of benefits depending upon years of service. The retiree's spouse is eligible for coverage until the spouse reaches age 65. During the year ended June 30, 2015, the county contributed \$64,000 for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

ARC	\$ 150,000
Interest on the NOPEBO	34,000
Adjustment to the ARC	<u>(35,000)</u>
Annual OPEB cost	\$ 149,000
Amount of contribution	<u>(64,000)</u>
Increase/decrease in NOPEBO	\$ 85,000
Net OPEB obligation, 7-1-14	<u>853,000</u>
 Net OPEB obligation, 6-30-15	 <u><u>\$ 938,000</u></u>

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-13	Campbell County	\$ 244,000	27 %	\$ 775,000
6-30-14	"	139,000	43.8	853,000
6-30-15	"	149,000	42.9	938,000

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2014, was as follows:

Actuarial valuation date	7-1-14
Actuarial accrued liability (AAL)	\$ 1,154,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 1,154,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 6,670,000
UAAL as a % of covered payroll	17%

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, 2014, actuarial valuation, the entry age normal method was used. The actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of five percent. The unfunded actuarial accrued liability is being amortized on an open basis over a 30-year period beginning with June 30, 2009.

#### **Discretely Presented Campbell County School Department**

##### Plan Description

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

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

The county has committed \$509,614 in the General Fund to be used for funding a portion of the School Department's OPEB liability. These funds do not qualify as OPEB plan assets and therefore are not reported as such in the financial statements of this report.

Funding Policy

Local Education Group Insurance Plan

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in the plan develop their own contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state provides a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The required contribution rate for teachers ranges from zero to 35 percent based on the years of service and type of coverage. During the year ended June 30, 2015, the discretely presented Campbell County School Department contributed \$509,379 for postemployment benefits related to this plan.

Campbell County Commercial Plan

Funding requirements for the county's commercial postemployment plan are described in the primary government section of this note. During the year ended June 30, 2015, the Campbell County School Department contributed \$86,000 for postemployment benefits related to this plan.

Annual OPEB Cost and Net OPEB Obligation

	County Commercial Plan	Local Education Group Plan	Total
ARC	\$ 136,000	\$ 988,000	\$ 1,124,000
Interest on the NOPEBO	13,000	184,831	197,831
Adjustment to the ARC	(14,000)	(180,070)	(194,070)
Annual OPEB cost	\$ 135,000	\$ 992,761	\$ 1,127,761
Amount of contribution	(86,000)	(509,379)	(595,379)
Increase/decrease in NOPEBO	\$ 49,000	\$ 483,382	\$ 532,382
Net OPEB obligation, 7-1-14	325,525	4,620,778	4,946,303
Net OPEB obligation, 6-30-15	\$ 374,525	\$ 5,104,160	\$ 5,478,685

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	\$ 1,017,748	51.2	% \$ 4,259,446
6-30-14	"	965,615	62.5	4,620,778
6-30-15	"	992,761	51.3	5,104,160
6-30-13	County Commercial	106,000	14.2	240,000
6-30-14	"	111,000	22.9	325,525
6-30-15	"	135,000	63.7	374,525

#### Funded Status and Funding Progress

The funded status of the plans as of the latest actuarial date, was as follows:

	Campbell County Plan	Local Education Group Plan
Actuarial valuation date	7-1-14	7-1-13
Actuarial accrued liability (AAL)	\$ 1,285,000	\$ 10,292,000
Actuarial value of plan assets	\$ 0	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 1,285,000	\$ 10,292,000
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	\$ 3,306,000	\$ 16,844,100
UAAL as a % of covered payroll	39%	61%

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.

### Local Education Group Insurance Plan

In the July 1, 2013, actuarial valuation for the Local Education Group Plan, the projected unit credit actuarial cost method was used, and the actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of seven percent for fiscal year 2015. The trend will decrease to 6.5 percent in fiscal year 2016 and then will be reduced by decrements to an ultimate rate of 4.7 percent by fiscal year 2044. The annual healthcare premium trend rate for the Medicare Supplement Plan was six percent for fiscal year 2015 and 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.

### Campbell County Commercial Plan

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

## **I. Office of Central Accounting, Budgeting, and Purchasing**

### Office of Director of Finance

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

## **J. Purchasing Law**

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

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit E-1

Campbell 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>
<b>Total Pension Liability (Asset)</b>	
Service Cost	\$ 1,077,709
Interest	2,675,369
Changes in Benefit Terms	0
Differences Between Actual and Expected Experience	(887,496)
Changes in Assumptions	0
Benefit Payments, Including Refunds of Employee Contributions	<u>(1,596,946)</u>
Net Change in Total Pension Liability (Asset)	\$ 1,268,636
Total Pension Liability (Asset), Beginning	<u>35,392,349</u>
Total Pension Liability (Asset), Ending (a)	<u>\$ 36,660,985</u>
<b>Plan Fiduciary Net Position</b>	
Contributions - Employer	\$ 744,852
Contributions - Employee	633,319
Net Investment Income	5,538,465
Benefit Payments, Including Refunds of Employee Contributions	(1,596,946)
Administrative Expense	<u>(18,764)</u>
Net Change in Plan Fiduciary Net Position	\$ 5,300,926
Plan Fiduciary Net Position, Beginning	<u>33,486,488</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 38,787,414</u>
Net Pension Liability (Asset), Ending (a - b)	<u>\$ (2,126,429)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.80%
Covered Employee Payroll	\$ 12,518,466
Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	16.99%

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

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

Exhibit E-2

Campbell 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

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 744,852	\$ 782,140
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(744,852)</u>	<u>(782,140)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 12,815,466	\$ 13,670,325
Contributions as a Percentage of Covered Employee Payroll	5.95%	5.72%

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

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

Exhibit E-3

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

	<u>2015</u>
Actuarially Determined Contribution	\$ 31,711
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(50,738)</u>
Contribution Deficiency (Excess)	<u>\$ (19,027)</u>
Covered Employee Payroll	\$ 627,323
Contributions as a Percentage of Covered Employee Payroll	8.09%

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

Exhibit E-4

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

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 1,684,191	\$ 1,735,397
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(1,684,191)</u>	<u>(1,735,397)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 18,966,093	\$ 19,197,267
Contributions as a Percentage of Covered Employee Payroll	8.88%	9.04%

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

Exhibit E-5

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

	<u>2014</u>
School Department's Proportion of the Net Pension Asset	0.483214%
School Department's Proportionate Share of the Net Pension Asset	\$ 78,520
Covered Employee Payroll	\$ 18,966,093
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

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

(Dollar amounts in thousands)

Plans	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age Normal (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<u>PRIMARY GOVERNMENT</u>							
Campbell County	7-1-10	0	1,935	1,935	0	6,252	31 %
"	7-1-12	0	982	982	0	7,428	13
"	7-1-14	0	1,154	1,154	0	6,670	17
<u>DISCRETELY PRESENTED CAMPBELL COUNTY SCHOOL DEPARTMENT</u>							
Non-Teachers:							
Campbell County	7-1-10	0	3,468	3,468	0	4,667	74
"	7-1-12	0	896	896	0	4,750	19
"	7-1-14	0	1,285	1,285	0	3,306	39
Teachers:							
Local Education Group	7-1-10	0	10,287	10,287	0	17,955	57
"	7-1-11	0	9,874	9,874	0	16,167	61
"	7-1-13	0	10,292	10,292	0	16,844	61

**CAMPBELL 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	Four 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%

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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

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

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

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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.

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

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for capital expenditures of the county and the School Department.

Exhibit F-1

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

	Special Revenue Funds					Capital Projects Funds
	Ambulance Service	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Total	General Capital Projects
<u>ASSETS</u>						
Cash	\$ 200	\$ 0	\$ 0	\$ 4,982	\$ 5,182	\$ 0
Equity in Pooled Cash and Investments	523,524	303,521	238,913	0	1,065,958	201,903
Accounts Receivable	805,763	7,499	0	405	813,667	0
Allowance for Uncollectibles	(39,717)	0	0	0	(39,717)	0
Due from Other Governments	0	28,318	0	0	28,318	47,721
Property Taxes Receivable	139,896	244,491	0	0	384,387	1,431,726
Allowance for Uncollectible Property Taxes	(5,913)	(11,106)	0	0	(17,019)	(61,869)
Prepaid Items	0	0	0	0	0	0
<b>Total Assets</b>	<b>\$ 1,423,753</b>	<b>\$ 572,723</b>	<b>\$ 238,913</b>	<b>\$ 5,387</b>	<b>\$ 2,240,776</b>	<b>\$ 1,619,481</b>
<u>LIABILITIES</u>						
Accounts Payable	\$ 2,640	\$ 2,635	\$ 1,225	\$ 0	\$ 6,500	\$ 0
Accrued Payroll	12,731	0	0	0	12,731	0
Payroll Deductions Payable	25,438	128	226	0	25,792	0
Contracts Payable	0	0	0	0	0	0
Retainage Payable	0	0	0	0	0	6,945
Due to Other Funds	0	0	1,789	5,387	7,176	0
Other Current Liabilities	2,600	0	161,420	0	164,020	0
<b>Total Liabilities</b>	<b>\$ 43,409</b>	<b>\$ 2,763</b>	<b>\$ 164,660</b>	<b>\$ 5,387</b>	<b>\$ 216,219</b>	<b>\$ 6,945</b>

(Continued)

Exhibit F-1

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

	Special Revenue Funds					Capital Projects Funds
	Ambulance Service	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Total	General Capital Projects
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 131,744	\$ 228,106	\$ 0	\$ 0	\$ 359,850	\$ 1,344,544
Deferred Delinquent Property Taxes	1,737	4,095	0	0	5,832	19,637
Other Deferred/Unavailable Revenue	546,174	28,318	0	0	574,492	25,873
Total Deferred Inflows of Resources	<u>\$ 679,655</u>	<u>\$ 260,519</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 940,174</u>	<u>\$ 1,390,054</u>
<u>FUND BALANCES</u>						
Nonspendable:						
Prepaid Items	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted:						
Restricted for Public Safety	0	0	74,253	0	74,253	0
Restricted for Other Operations	0	111,049	0	0	111,049	18,137
Committed:						
Committed for Public Health and Welfare	700,689	0	0	0	700,689	0
Committed for Capital Projects	0	0	0	0	0	204,345
Committed for Other Purposes	0	198,392	0	0	198,392	0
Total Fund Balances	<u>\$ 700,689</u>	<u>\$ 309,441</u>	<u>\$ 74,253</u>	<u>\$ 0</u>	<u>\$ 1,084,383</u>	<u>\$ 222,482</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,423,753</u>	<u>\$ 572,723</u>	<u>\$ 238,913</u>	<u>\$ 5,387</u>	<u>\$ 2,240,776</u>	<u>\$ 1,619,481</u>

(Continued)

Exhibit F-1

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
<u>ASSETS</u>			
Cash	\$ 0	\$ 0	\$ 5,182
Equity in Pooled Cash and Investments	515,194	717,097	1,783,055
Accounts Receivable	0	0	813,667
Allowance for Uncollectibles	0	0	(39,717)
Due from Other Governments	333,123	380,844	409,162
Property Taxes Receivable	0	1,431,726	1,816,113
Allowance for Uncollectible Property Taxes	0	(61,869)	(78,888)
Prepaid Items	107,869	107,869	107,869
Total Assets	<u>\$ 956,186</u>	<u>\$ 2,575,667</u>	<u>\$ 4,816,443</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 0	\$ 0	\$ 6,500
Accrued Payroll	0	0	12,731
Payroll Deductions Payable	0	0	25,792
Contracts Payable	350,777	350,777	350,777
Retainage Payable	0	6,945	6,945
Due to Other Funds	0	0	7,176
Other Current Liabilities	0	0	164,020
Total Liabilities	<u>\$ 350,777</u>	<u>\$ 357,722</u>	<u>\$ 573,941</u>

(Continued)

Exhibit F-1

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

<u>Capital Projects Funds (Cont.)</u>		<u>Total Nonmajor Governmental Funds</u>
<u>Other Capital Projects</u>	<u>Total</u>	

DEFERRED INFLOWS OF RESOURCES

Deferred Current Property Taxes	\$	0	\$	1,344,544	\$	1,704,394
Deferred Delinquent Property Taxes		0		19,637		25,469
Other Deferred/Unavailable Revenue		333,123		358,996		933,488
<b>Total Deferred Inflows of Resources</b>		<b>\$ 333,123</b>		<b>\$ 1,723,177</b>		<b>\$ 2,663,351</b>

FUND BALANCES

Nonspendable:						
Prepaid Items	\$	107,869	\$	107,869	\$	107,869
Restricted:						
Restricted for Public Safety		0		0		74,253
Restricted for Other Operations		0		18,137		129,186
Committed:						
Committed for Public Health and Welfare		0		0		700,689
Committed for Capital Projects		164,417		368,762		368,762
Committed for Other Purposes		0		0		198,392
<b>Total Fund Balances</b>		<b>\$ 272,286</b>		<b>\$ 494,768</b>		<b>\$ 1,579,151</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>		<b>\$ 956,186</b>		<b>\$ 2,575,667</b>		<b>\$ 4,816,443</b>

Exhibit F-2

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

	Special Revenue Funds					Capital Projects Funds
	Ambulance Service	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Total	General Capital Projects
<u>Revenues</u>						
Local Taxes	\$ 46,066	\$ 188,514	\$ 0	\$ 0	\$ 234,580	\$ 547,582
Fines, Forfeitures, and Penalties	0	0	102,415	0	102,415	0
Charges for Current Services	2,365,554	625	0	3,988	2,370,167	0
Other Local Revenues	10,552	34,206	1,500	0	46,258	0
State of Tennessee	0	2,500	0	0	2,500	6,849
Federal Government	0	23,171	0	0	23,171	559,652
Other Governments and Citizens Groups	0	22,859	0	0	22,859	352
<b>Total Revenues</b>	<b>\$ 2,422,172</b>	<b>\$ 271,875</b>	<b>\$ 103,915</b>	<b>\$ 3,988</b>	<b>\$ 2,801,950</b>	<b>\$ 1,114,435</b>
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 169,994	\$ 0	\$ 0	\$ 169,994	\$ 0
Administration of Justice	0	0	0	3,988	3,988	0
Public Safety	0	0	67,768	0	67,768	0
Public Health and Welfare	2,299,957	0	0	0	2,299,957	0
Other Operations	11,911	112,733	0	0	124,644	0
Capital Projects	0	0	0	0	0	1,025,932
<b>Total Expenditures</b>	<b>\$ 2,311,868</b>	<b>\$ 282,727</b>	<b>\$ 67,768</b>	<b>\$ 3,988</b>	<b>\$ 2,666,351</b>	<b>\$ 1,025,932</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 110,304	\$ (10,852)	\$ 36,147	\$ 0	\$ 135,599	\$ 88,503

(Continued)

Exhibit F-2

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

	Special Revenue Funds					Capital Projects Funds
	Ambulance Service	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Total	General Capital Projects
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 6,114	\$ 0	\$ 0	\$ 0	\$ 6,114	\$ 646
Transfers In	0	0	0	0	0	0
Transfers Out	(109,254)	(112)	0	0	(109,366)	(221,526)
Total Other Financing Sources (Uses)	\$ (103,140)	\$ (112)	\$ 0	\$ 0	\$ (103,252)	\$ (220,880)
Net Change in Fund Balances	\$ 7,164	\$ (10,964)	\$ 36,147	\$ 0	\$ 32,347	\$ (132,377)
Fund Balance, July 1, 2014	693,525	320,405	38,106	0	1,052,036	354,859
Fund Balance, June 30, 2015	\$ 700,689	\$ 309,441	\$ 74,253	\$ 0	\$ 1,084,383	\$ 222,482

(Continued)

Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total
	Other Capital Projects	Total	Nonmajor Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 0	\$ 547,582	\$ 782,162
Fines, Forfeitures, and Penalties	0	0	102,415
Charges for Current Services	0	0	2,370,167
Other Local Revenues	161,783	161,783	208,041
State of Tennessee	488,616	495,465	497,965
Federal Government	831,296	1,390,948	1,414,119
Other Governments and Citizens Groups	0	352	23,211
Total Revenues	<u>\$ 1,481,695</u>	<u>\$ 2,596,130</u>	<u>\$ 5,398,080</u>
<u>Expenditures</u>			
Current:			
General Government	\$ 0	\$ 0	\$ 169,994
Administration of Justice	0	0	3,988
Public Safety	0	0	67,768
Public Health and Welfare	0	0	2,299,957
Other Operations	0	0	124,644
Capital Projects	3,136,473	4,162,405	4,162,405
Total Expenditures	<u>\$ 3,136,473</u>	<u>\$ 4,162,405</u>	<u>\$ 6,828,756</u>
Excess (Deficiency) of Revenues			
Over Expenditures	<u>\$ (1,654,778)</u>	<u>\$ (1,566,275)</u>	<u>\$ (1,430,676)</u>

(Continued)

Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total
	Other Capital Projects	Total	Nonmajor Governmental Funds
<u>Other Financing Sources (Uses)</u>			
Insurance Recovery	\$ 0	\$ 646	\$ 6,760
Transfers In	260,976	260,976	260,976
Transfers Out	0	(221,526)	(330,892)
Total Other Financing Sources (Uses)	<u>\$ 260,976</u>	<u>\$ 40,096</u>	<u>\$ (63,156)</u>
Net Change in Fund Balances	\$ (1,393,802)	\$ (1,526,179)	\$ (1,493,832)
Fund Balance, July 1, 2014	<u>1,666,088</u>	<u>2,020,947</u>	<u>3,072,983</u>
Fund Balance, June 30, 2015	<u>\$ 272,286</u>	<u>\$ 494,768</u>	<u>\$ 1,579,151</u>

Exhibit F-3

Campbell County, Tennessee  
 Schedule of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual (Budgetary Basis) and Budget  
 Ambulance Service Fund  
 For the Year Ended June 30, 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>							
Local Taxes	\$ 46,066	\$ 0	\$ 0	\$ 46,066	\$ 45,695	\$ 45,695	\$ 371
Charges for Current Services	2,365,554	0	0	2,365,554	2,482,508	2,436,933	(71,379)
Other Local Revenues	10,552	0	0	10,552	0	10,550	2
<b>Total Revenues</b>	<b>\$ 2,422,172</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,422,172</b>	<b>\$ 2,528,203</b>	<b>\$ 2,493,178</b>	<b>\$ (71,006)</b>
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Ambulance/Emergency Medical Services	\$ 2,299,957	\$ (36,127)	\$ 98,315	\$ 2,362,145	\$ 2,445,418	\$ 2,402,970	\$ 40,825
<u>Other Operations</u>							
Employee Benefits	11,911	0	0	11,911	18,683	19,491	7,580
<b>Total Expenditures</b>	<b>\$ 2,311,868</b>	<b>\$ (36,127)</b>	<b>\$ 98,315</b>	<b>\$ 2,374,056</b>	<b>\$ 2,464,101</b>	<b>\$ 2,422,461</b>	<b>\$ 48,405</b>
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 110,304	\$ 36,127	\$ (98,315)	\$ 48,116	\$ 64,102	\$ 70,717	\$ (22,601)
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 6,114	\$ 0	\$ 0	\$ 6,114	\$ 0	\$ 5,114	\$ 1,000
Transfers Out	(109,254)	0	0	(109,254)	(98,075)	(109,804)	550
<b>Total Other Financing Sources</b>	<b>\$ (103,140)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (103,140)</b>	<b>\$ (98,075)</b>	<b>\$ (104,690)</b>	<b>\$ 1,550</b>
Net Change in Fund Balance							
Fund Balance, July 1, 2014	\$ 7,164	\$ 36,127	\$ (98,315)	\$ (55,024)	\$ (33,973)	\$ (33,973)	\$ (21,051)
	693,525	(36,127)	0	657,398	675,827	675,827	(18,429)
<b>Fund Balance, June 30, 2015</b>	<b>\$ 700,689</b>	<b>\$ 0</b>	<b>\$ (98,315)</b>	<b>\$ 602,374</b>	<b>\$ 641,854</b>	<b>\$ 641,854</b>	<b>\$ (39,480)</b>

Exhibit F-4

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Industrial/Economic Development Fund  
For the Year Ended June 30, 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>							
Local Taxes	\$ 188,514	\$ 0	\$ 0	\$ 188,514	\$ 187,959	\$ 187,959	\$ 555
Charges for Current Services	625	0	0	625	550	550	75
Other Local Revenues	34,206	0	0	34,206	34,200	34,200	6
State of Tennessee	2,500	0	0	2,500	0	2,500	0
Federal Government	23,171	0	0	23,171	0	0	23,171
Other Governments and Citizens Groups	22,859	0	0	22,859	36,638	39,638	(16,779)
Total Revenues	\$ 271,875	\$ 0	\$ 0	\$ 271,875	\$ 259,347	\$ 264,847	\$ 7,028
<u>Expenditures</u>							
<u>General Government</u>							
Development	\$ 126,489	\$ (24,531)	\$ 24,531	\$ 126,489	\$ 128,488	\$ 128,376	\$ 1,887
Planning	24,235	(2,750)	0	21,485	37,852	37,852	16,367
Other Facilities	19,270	(1,078)	3,506	21,698	27,076	27,076	5,378
<u>Other Operations</u>							
Tourism	47,500	0	0	47,500	45,000	50,500	3,000
Industrial Development	65,233	(77)	65,000	130,156	67,987	132,987	2,831
Total Expenditures	\$ 282,727	\$ (28,436)	\$ 93,037	\$ 347,328	\$ 306,403	\$ 376,791	\$ 29,463
Excess (Deficiency) of Revenues Over Expenditures	\$ (10,852)	\$ 28,436	\$ (93,037)	\$ (75,453)	\$ (47,056)	\$ (111,944)	\$ 36,491
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (112)	\$ 0	\$ 0	\$ (112)	\$ 0	\$ (112)	\$ 0
Total Other Financing Sources	\$ (112)	\$ 0	\$ 0	\$ (112)	\$ 0	\$ (112)	\$ 0
Net Change in Fund Balance	\$ (10,964)	\$ 28,436	\$ (93,037)	\$ (75,565)	\$ (47,056)	\$ (112,056)	\$ 36,491
Fund Balance, July 1, 2014	320,405	(28,436)	0	291,969	325,909	325,909	(33,940)
Fund Balance, June 30, 2015	\$ 309,441	\$ 0	\$ (93,037)	\$ 216,404	\$ 278,853	\$ 213,853	\$ 2,551

Exhibit F-5

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Drug Control Fund  
For the Year Ended June 30, 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	\$ 102,415	\$ 0	\$ 0	\$ 102,415	\$ 97,028	\$ 98,154	\$ 4,261
Other Local Revenues	1,500	0	0	1,500	2,500	4,000	(2,500)
Total Revenues	\$ 103,915	\$ 0	\$ 0	\$ 103,915	\$ 99,528	\$ 102,154	\$ 1,761
<u>Expenditures</u>							
<u>Public Safety</u>							
Drug Enforcement	\$ 67,768	\$ (9,798)	\$ 19,308	\$ 77,278	\$ 105,817	\$ 108,443	\$ 31,165
Total Expenditures	\$ 67,768	\$ (9,798)	\$ 19,308	\$ 77,278	\$ 105,817	\$ 108,443	\$ 31,165
Excess (Deficiency) of Revenues Over Expenditures	\$ 36,147	\$ 9,798	\$ (19,308)	\$ 26,637	\$ (6,289)	\$ (6,289)	\$ 32,926
Net Change in Fund Balance	\$ 36,147	\$ 9,798	\$ (19,308)	\$ 26,637	\$ (6,289)	\$ (6,289)	\$ 32,926
Fund Balance, July 1, 2014	38,106	(9,798)	0	28,308	31,408	31,408	(3,100)
Fund Balance, June 30, 2015	\$ 74,253	\$ 0	\$ (19,308)	\$ 54,945	\$ 25,119	\$ 25,119	\$ 29,826

Exhibit F-6

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Capital Projects Fund  
For the Year Ended June 30, 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	
<b>Revenues</b>							
Local Taxes	\$ 547,582	\$ 0	\$ 0	\$ 547,582	\$ 546,967	\$ 546,967	\$ 615
State of Tennessee	6,849	0	0	6,849	288,347	288,347	(281,498)
Federal Government	559,652	0	0	559,652	0	591	559,061
Other Governments and Citizens Groups	352	0	0	352	0	352	0
<b>Total Revenues</b>	<b>\$ 1,114,435</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,114,435</b>	<b>\$ 835,314</b>	<b>\$ 836,257</b>	<b>\$ 278,178</b>
<b>Expenditures</b>							
<b>Capital Projects</b>							
General Administration Projects	\$ 161,007	\$ (41,325)	\$ 9,062	\$ 128,744	\$ 163,000	\$ 163,646	\$ 34,902
Public Safety Projects	84,215	0	4,692	88,907	90,000	90,000	1,093
Public Health and Welfare Projects	333,722	(339,458)	8,300	2,564	3,671	6,235	3,671
Social, Cultural, and Recreation Projects	34,629	(3,475)	47,646	78,800	106,899	141,699	62,899
Public Utility Projects	25,350	(16,000)	4,650	14,000	15,450	15,450	1,450
Other General Government Projects	315,519	(275,533)	123,469	163,455	251,684	251,684	88,229
Highway and Street Capital Projects	71,490	(5,000)	0	66,490	140,000	140,000	73,510
<b>Total Expenditures</b>	<b>\$ 1,025,932</b>	<b>\$ (680,791)</b>	<b>\$ 197,819</b>	<b>\$ 542,960</b>	<b>\$ 770,704</b>	<b>\$ 808,714</b>	<b>\$ 265,754</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 88,503	\$ 680,791	\$ (197,819)	\$ 571,475	\$ 64,610	\$ 27,543	\$ 543,932
<b>Other Financing Sources (Uses)</b>							
Insurance Recovery	\$ 646	\$ 0	\$ 0	\$ 646	\$ 0	\$ 646	\$ 0
Transfers Out	(221,526)	0	0	(221,526)	(221,526)	(221,526)	0
<b>Total Other Financing Sources</b>	<b>\$ (220,880)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (220,880)</b>	<b>\$ (221,526)</b>	<b>\$ (220,880)</b>	<b>\$ 0</b>
Net Change in Fund Balance	\$ (132,377)	\$ 680,791	\$ (197,819)	\$ 350,595	\$ (156,916)	\$ (193,337)	\$ 543,932
Fund Balance, July 1, 2014	354,859	(680,791)	0	(325,932)	193,337	193,337	(519,269)
<b>Fund Balance, June 30, 2015</b>	<b>\$ 222,482</b>	<b>\$ 0</b>	<b>\$ (197,819)</b>	<b>\$ 24,663</b>	<b>\$ 36,421</b>	<b>\$ 0</b>	<b>\$ 24,663</b>

# **Major Governmental Fund**

## **General Debt Service Fund**

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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.

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Exhibit G

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,756,865	\$ 1,715,529	\$ 1,739,319	\$ 17,546
Other Local Revenues	130,573	148,576	133,576	(3,003)
Federal Government	279,371	301,372	301,372	(22,001)
Other Governments and Citizens Groups	1,971,518	1,699,418	1,971,518	0
Total Revenues	<u>\$ 4,138,327</u>	<u>\$ 3,864,895</u>	<u>\$ 4,145,785</u>	<u>\$ (7,458)</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 401,279	\$ 445,279	\$ 401,279	\$ 0
Highways and Streets	100,000	100,000	100,000	0
Education	1,957,430	1,693,722	1,957,430	0
<u>Interest on Debt</u>				
General Government	752,713	764,326	752,714	1
Highways and Streets	14,488	14,500	14,489	1
Education	1,381,532	1,373,141	1,381,533	1
<u>Other Debt Service</u>				
General Government	31,337	25,325	34,105	2,768
Total Expenditures	<u>\$ 4,638,779</u>	<u>\$ 4,416,293</u>	<u>\$ 4,641,550</u>	<u>\$ 2,771</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (500,452)</u>	<u>\$ (551,398)</u>	<u>\$ (495,765)</u>	<u>\$ (4,687)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 55,633	\$ 0	\$ 0
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 55,633</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (500,452)	\$ (495,765)	\$ (495,765)	\$ (4,687)
Fund Balance, July 1, 2014	1,959,410	1,954,192	1,954,192	5,218
Fund Balance, June 30, 2015	<u>\$ 1,458,958</u>	<u>\$ 1,458,427</u>	<u>\$ 1,458,427</u>	<u>\$ 531</u>

# Fiduciary Funds

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

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

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

Exhibit H-1

Campbell 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	\$ 1,919,531	\$ 1,919,531
Due from Other Governments	629,976	0	629,976
Total Assets	<u>\$ 629,976</u>	<u>\$ 1,919,531</u>	<u>\$ 2,549,507</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 629,976	\$ 0	\$ 629,976
Due to Litigants, Heirs, and Others	0	1,919,531	1,919,531
Total Liabilities	<u>\$ 629,976</u>	<u>\$ 1,919,531</u>	<u>\$ 2,549,507</u>

Exhibit H-2

Campbell 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	\$ 3,291,839	\$ 3,291,839	\$ 0
Due from Other Governments	580,127	629,976	580,127	629,976
Total Assets	\$ 580,127	\$ 3,921,815	\$ 3,871,966	\$ 629,976
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 580,127	\$ 3,921,815	\$ 3,871,966	\$ 629,976
Total Liabilities	\$ 580,127	\$ 3,921,815	\$ 3,871,966	\$ 629,976
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 2,293,818	\$ 9,750,322	\$ 10,124,609	\$ 1,919,531
Total Assets	\$ 2,293,818	\$ 9,750,322	\$ 10,124,609	\$ 1,919,531
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 2,293,818	\$ 9,750,322	\$ 10,124,609	\$ 1,919,531
Total Liabilities	\$ 2,293,818	\$ 9,750,322	\$ 10,124,609	\$ 1,919,531
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 2,293,818	\$ 9,750,322	\$ 10,124,609	\$ 1,919,531
Equity in Pooled Cash and Investments	0	3,291,839	3,291,839	0
Due from Other Governments	580,127	629,976	580,127	629,976
Total Assets	\$ 2,873,945	\$ 13,672,137	\$ 13,996,575	\$ 2,549,507
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 580,127	\$ 3,921,815	\$ 3,871,966	\$ 629,976
Due to Litigants, Heirs, and Others	2,293,818	9,750,322	10,124,609	1,919,531
Total Liabilities	\$ 2,873,945	\$ 13,672,137	\$ 13,996,575	\$ 2,549,507

# Campbell County School Department

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

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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.

Exhibit I-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:					
Instruction	\$ 22,937,222	\$ 0	\$ 2,430,966	\$ 0	\$ (20,506,256)
Support Services	19,564,895	0	1,035,729	0	(18,529,166)
Operation of Non-instructional Services	5,069,472	212,364	4,239,782	0	(617,326)
<b>Total Governmental Activities</b>	<b>\$ 47,571,589</b>	<b>\$ 212,364</b>	<b>\$ 7,706,477</b>	<b>\$ 0</b>	<b>\$ (39,652,748)</b>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 4,472,213
Local Option Sales Taxes					3,231,981
Wheel Taxes					1,457,300
Other Local Taxes					4,086
Grants and Contributions Not Restricted to Specific Programs					29,282,916
Miscellaneous					100,887
Pension Income					167,899
<b>Total General Revenues</b>					<b>\$ 38,717,282</b>
Change in Net Position					\$ (935,466)
Net Position, July 1, 2014					56,739,949
Restatement - See Note I.D.9.					(7,030,067)
<b>Net Position, June 30, 2015</b>					<b>\$ 48,774,416</b>

Exhibit I-2

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

	Major Funds			Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	
<u>ASSETS</u>				
Cash	\$ 13	\$ 0	\$ 8,118	\$ 8,131
Equity in Pooled Cash and Investments	4,930,076	465,161	704,775	6,100,012
Accounts Receivable	1,591	0	0	1,591
Due from Other Governments	900,368	127,244	387,696	1,415,308
Due from Other Funds	1,697	0	0	1,697
Property Taxes Receivable	5,027,626	0	0	5,027,626
Allowance for Uncollectible Property Taxes	(301,011)	0	0	(301,011)
Total Assets	<u>\$ 10,560,360</u>	<u>\$ 592,405</u>	<u>\$ 1,100,589</u>	<u>\$ 12,253,354</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 40,912	\$ 563	\$ 2,400	\$ 43,875
Accrued Payroll	1,097	0	0	1,097
Payroll Deductions Payable	518,900	67,126	39,863	625,889
Due to Other Funds	0	1,697	0	1,697
Due to Primary Government	26,843	0	0	26,843
Due to State of Tennessee	1,510	0	0	1,510
Other Current Liabilities	1,540	0	0	1,540
Total Liabilities	<u>\$ 590,802</u>	<u>\$ 69,386</u>	<u>\$ 42,263</u>	<u>\$ 702,451</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 4,489,842	\$ 0	\$ 0	\$ 4,489,842
Deferred Delinquent Property Taxes	183,681	0	0	183,681
Other Deferred/Unavailable Revenue	307,249	0	0	307,249
Total Deferred Inflows of Resources	<u>\$ 4,980,772</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,980,772</u>

(Continued)

Exhibit I-2

Campbell County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Campbell County School Department (Cont.)

	Major Funds			Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 51,798	\$ 23,019	\$ 577,903	\$ 652,720
Committed:				
Committed for Education	274,185	500,000	480,423	1,254,608
Committed for Capital Projects	324,580	0	0	324,580
Assigned:				
Assigned for Education	1,331,300	0	0	1,331,300
Unassigned	3,006,923	0	0	3,006,923
Total Fund Balances	<u>\$ 4,988,786</u>	<u>\$ 523,019</u>	<u>\$ 1,058,326</u>	<u>\$ 6,570,131</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 10,560,360</u>	<u>\$ 592,405</u>	<u>\$ 1,100,589</u>	<u>\$ 12,253,354</u>

Exhibit I-3

Campbell County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
Discretely Presented Campbell 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)		\$ 6,570,131
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,139,425	
Add: construction in progress	9,386	
Add: buildings and improvements net of accumulated depreciation	49,669,064	
Add: other capital assets net of accumulated depreciation	<u>1,205,051</u>	52,022,926
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: other postemployment benefits liability		(5,478,685)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		490,930
(4) Amounts reflected 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	\$ 2,221,909	
Less: deferred inflows of resources related to pensions	<u>(8,167,311)</u>	(5,945,402)
(5) Net pension assets are not current financial resources and therefore are not reported in the governmental funds:		
Add: net pension asset - agent plan	\$ 1,035,996	
Add: net pension asset - cost-sharing plan	<u>78,520</u>	<u>1,114,516</u>
Net position of governmental activities (Exhibit A)		<u>\$ 48,774,416</u>

Exhibit I-4

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

	Major Funds			Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	
<u>Revenues</u>				
Local Taxes	\$ 9,166,211	\$ 0	\$ 0	\$ 9,166,211
Licenses and Permits	1,601	0	0	1,601
Charges for Current Services	15	0	212,349	212,364
Other Local Revenues	162,838	0	14,142	176,980
State of Tennessee	28,585,875	0	30,696	28,616,571
Federal Government	372,798	4,471,115	3,347,942	8,191,855
Other Governments and Citizens Groups	82,411	0	175	82,586
Total Revenues	<u>\$ 38,371,749</u>	<u>\$ 4,471,115</u>	<u>\$ 3,605,304</u>	<u>\$ 46,448,168</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 20,913,367	\$ 2,936,409	\$ 0	\$ 23,849,776
Support Services	14,359,291	1,246,484	0	15,605,775
Operation of Non-instructional Services	1,403,857	308,796	3,480,495	5,193,148
Capital Outlay	681,867	0	0	681,867
Debt Service:				
Other Debt Service	1,971,518	0	0	1,971,518
Total Expenditures	<u>\$ 39,329,900</u>	<u>\$ 4,491,689</u>	<u>\$ 3,480,495</u>	<u>\$ 47,302,084</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (958,151)</u>	<u>\$ (20,574)</u>	<u>\$ 124,809</u>	<u>\$ (853,916)</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 10,190	\$ 0	\$ 0	\$ 10,190
Transfers In	1,031	0	95,862	96,893

(Continued)

Exhibit I-4

Campbell County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Campbell County School Department (Cont.)

	Major Funds			Total Governmental Funds
	General Purpose School	School Federal Projects	Central Cafeteria	
<u>Other Financing Sources (Uses) (Cont.)</u>				
Transfers Out	\$ (95,862)	\$ (1,031)	\$ 0	\$ (96,893)
Total Other Financing Sources (Uses)	\$ (84,641)	\$ (1,031)	\$ 95,862	\$ 10,190
Net Change in Fund Balances	\$ (1,042,792)	\$ (21,605)	\$ 220,671	\$ (843,726)
Fund Balance, July 1, 2014	6,031,578	544,624	837,655	7,413,857
Fund Balance, June 30, 2015	\$ 4,988,786	\$ 523,019	\$ 1,058,326	\$ 6,570,131

Exhibit I-5

Campbell County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Discretely Presented Campbell County School Department  
For the Year Ended June 30, 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)		\$	(843,726)
(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	\$	796,564	
Less: current-year depreciation expense		<u>(2,575,159)</u>	(1,778,595)
(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	\$	490,930	
Less: deferred delinquent property taxes and other deferred June 30, 2014		<u>(470,874)</u>	20,056
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in other postemployment benefits liability	\$	(532,382)	
Change in net pension liability/asset		8,144,583	
Change in deferred outflows related to pensions		2,221,909	
Change in deferred inflows related to pensions		<u>(8,167,311)</u>	<u>1,666,799</u>
Change in net position of governmental activities (Exhibit B)		\$	<u>(935,466)</u>

Exhibit I-6

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Campbell County School Department  
General Purpose School Fund  
For the Year Ended June 30, 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>							
Local Taxes	\$ 9,166,211	\$ 0	\$ 0	\$ 9,166,211	\$ 9,116,500	\$ 9,116,500	\$ 49,711
Licenses and Permits	1,601	0	0	1,601	2,500	2,500	(899)
Charges for Current Services	15	0	0	15	13,100	3,100	(3,085)
Other Local Revenues	162,838	0	0	162,838	143,897	268,948	(106,110)
State of Tennessee	28,585,875	0	0	28,585,875	28,506,754	29,043,201	(457,326)
Federal Government	372,798	0	0	372,798	302,515	383,570	(10,772)
Other Governments and Citizens Groups	82,411	0	0	82,411	121,194	87,644	(5,233)
<b>Total Revenues</b>	<b>\$ 38,371,749</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 38,371,749</b>	<b>\$ 38,206,460</b>	<b>\$ 38,905,463</b>	<b>\$ (533,714)</b>
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 16,964,502	\$ (3,760)	\$ 3,338	\$ 16,964,080	\$ 17,169,335	\$ 17,370,827	\$ 406,747
Alternative Instruction Program	268,620	0	0	268,620	280,311	277,160	8,540
Special Education Program	2,082,140	(250)	6,706	2,088,596	2,155,034	2,127,218	38,622
Vocational Education Program	1,598,105	0	0	1,598,105	1,637,977	1,634,142	36,037
<u>Support Services</u>							
Attendance	55,810	0	0	55,810	55,945	55,945	135
Health Services	461,763	0	1,025	462,788	469,325	481,844	19,056
Other Student Support	1,644,506	0	0	1,644,506	1,711,307	1,708,367	63,861
Regular Instruction Program	2,047,862	(19,335)	5,084	2,033,611	2,006,652	2,206,033	172,422
Alternative Instruction Program	178,465	0	0	178,465	193,536	193,536	15,071
Special Education Program	452,330	(1,008)	0	451,322	459,684	459,184	7,862
Vocational Education Program	88,776	(69)	0	88,707	99,836	96,212	7,505
Adult Programs	7,200	0	0	7,200	7,200	7,200	0
Other Programs	343,963	0	0	343,963	0	343,963	0
Board of Education	1,236,383	0	2,442	1,238,825	1,339,736	1,336,155	97,330
Director of Schools	221,315	(2,748)	4,075	222,642	237,063	236,962	14,320
Office of the Principal	2,388,875	(19,958)	0	2,368,917	2,389,248	2,390,069	21,152
Fiscal Services	120,067	0	0	120,067	120,067	120,067	0
Operation of Plant	2,999,509	(5,336)	2,895	2,997,068	3,160,787	3,166,187	169,119

(Continued)

Exhibit I-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	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>Support Services (Cont.)</u>							
Maintenance of Plant	\$ 578,757	\$ (21,941)	\$ 12,726	\$ 569,542	\$ 597,917	\$ 596,912	\$ 27,370
Transportation	1,533,710	(64,577)	321	1,469,454	1,478,092	1,512,043	42,589
<u>Operation of Non-instructional Services</u>							
Community Services	390,161	(875)	0	389,286	518,232	410,665	21,379
Early Childhood Education	1,013,696	0	0	1,013,696	1,025,982	1,025,981	12,285
<u>Capital Outlay</u>							
Regular Capital Outlay	681,867	(493,365)	160,660	349,162	462,530	622,530	273,368
<u>Principal on Debt</u>							
Education	0	0	0	0	263,708	0	0
<u>Interest on Debt</u>							
Education	0	0	0	0	8,422	0	0
<u>Other Debt Service</u>							
Education	1,971,518	0	0	1,971,518	1,699,418	1,971,518	0
Total Expenditures	\$ 39,329,900	\$ (633,222)	\$ 199,272	\$ 38,895,950	\$ 39,547,344	\$ 40,350,720	\$ 1,454,770
Excess (Deficiency) of Revenues							
Over Expenditures	\$ (958,151)	\$ 633,222	\$ (199,272)	\$ (524,201)	\$ (1,340,884)	\$ (1,445,257)	\$ 921,056
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 10,190	\$ 0	\$ 0	\$ 10,190	\$ 0	\$ 10,190	\$ 0
Transfers In	1,031	0	0	1,031	1,132	1,031	0
Transfers Out	(95,862)	0	0	(95,862)	(95,862)	(95,862)	0
Total Other Financing Sources	\$ (84,641)	\$ 0	\$ 0	\$ (84,641)	\$ (94,730)	\$ (84,641)	\$ 0
Net Change in Fund Balance							
Fund Balance, July 1, 2014	\$ (1,042,792)	\$ 633,222	\$ (199,272)	\$ (608,842)	\$ (1,435,614)	\$ (1,529,898)	\$ 921,056
	6,031,578	(633,222)	0	5,398,356	5,378,571	5,378,571	19,785
Fund Balance, June 30, 2015							
	\$ 4,988,786	\$ 0	\$ (199,272)	\$ 4,789,514	\$ 3,942,957	\$ 3,848,673	\$ 940,841

Exhibit I-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 4,471,115	\$ 4,336,279	\$ 5,071,917	\$ (600,802)
Total Revenues	\$ 4,471,115	\$ 4,336,279	\$ 5,071,917	\$ (600,802)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,880,369	\$ 1,993,316	\$ 1,928,978	\$ 48,609
Special Education Program	977,334	991,677	1,115,973	138,639
Vocational Education Program	78,706	74,767	78,940	234
<u>Support Services</u>				
Health Services	22,033	6,179	24,185	2,152
Other Student Support	60,620	62,752	76,580	15,960
Regular Instruction Program	866,147	863,739	1,109,582	243,435
Special Education Program	189,887	226,108	279,692	89,805
Vocational Education Program	2,373	5,373	2,373	0
Transportation	105,424	130,120	164,495	59,071
<u>Operation of Non-instructional Services</u>				
Community Services	308,796	0	309,000	204
Total Expenditures	\$ 4,491,689	\$ 4,354,031	\$ 5,089,798	\$ 598,109
Excess (Deficiency) of Revenues Over Expenditures	\$ (20,574)	\$ (17,752)	\$ (17,881)	\$ (2,693)
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 155,720	\$ 8,496	\$ (8,496)
Transfers Out	(1,031)	(156,852)	(9,527)	8,496
Total Other Financing Sources	\$ (1,031)	\$ (1,132)	\$ (1,031)	\$ 0
Net Change in Fund Balance	\$ (21,605)	\$ (18,884)	\$ (18,912)	\$ (2,693)
Fund Balance, July 1, 2014	544,624	556,397	556,397	(11,773)
Fund Balance, June 30, 2015	\$ 523,019	\$ 537,513	\$ 537,485	\$ (14,466)

Exhibit I-8

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Campbell County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 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>							
Charges for Current Services	\$ 212,349	\$ 0	\$ 0	\$ 212,349	\$ 184,101	\$ 227,089	\$ (14,740)
Other Local Revenues	14,142	0	0	14,142	1,250	30,362	(16,220)
State of Tennessee	30,696	0	0	30,696	32,297	32,297	(1,601)
Federal Government	3,347,942	0	0	3,347,942	3,230,969	3,400,342	(52,400)
Other Governments and Citizens Groups	175	0	0	175	0	0	175
<b>Total Revenues</b>	<b>\$ 3,605,304</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,605,304</b>	<b>\$ 3,448,617</b>	<b>\$ 3,690,090</b>	<b>\$ (84,786)</b>
<u>Expenditures</u>							
<u>Operation of Non-instructional Services</u>							
Food Service	\$ 3,480,495	\$ (30,760)	\$ 13,428	\$ 3,463,163	\$ 3,544,479	\$ 3,872,952	\$ 409,789
<b>Total Expenditures</b>	<b>\$ 3,480,495</b>	<b>\$ (30,760)</b>	<b>\$ 13,428</b>	<b>\$ 3,463,163</b>	<b>\$ 3,544,479</b>	<b>\$ 3,872,952</b>	<b>\$ 409,789</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ 124,809</b>	<b>\$ 30,760</b>	<b>\$ (13,428)</b>	<b>\$ 142,141</b>	<b>\$ (95,862)</b>	<b>\$ (182,862)</b>	<b>\$ 325,003</b>
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 95,862	\$ 0	\$ 0	\$ 95,862	\$ 95,862	\$ 95,862	\$ 0
<b>Total Other Financing Sources</b>	<b>\$ 95,862</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 95,862</b>	<b>\$ 95,862</b>	<b>\$ 95,862</b>	<b>\$ 0</b>
<b>Net Change in Fund Balance</b>	<b>\$ 220,671</b>	<b>\$ 30,760</b>	<b>\$ (13,428)</b>	<b>\$ 238,003</b>	<b>\$ 0</b>	<b>\$ (87,000)</b>	<b>\$ 325,003</b>
<b>Fund Balance, July 1, 2014</b>	<b>837,655</b>	<b>(30,760)</b>	<b>0</b>	<b>806,895</b>	<b>796,726</b>	<b>796,726</b>	<b>10,169</b>
<b>Fund Balance, June 30, 2015</b>	<b>\$ 1,058,326</b>	<b>\$ 0</b>	<b>\$ (13,428)</b>	<b>\$ 1,044,898</b>	<b>\$ 796,726</b>	<b>\$ 709,726</b>	<b>\$ 335,172</b>

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## MISCELLANEOUS SCHEDULES

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Exhibit J-1

Campbell County, Tennessee  
Schedule of Changes in Long-term Notes, Bonds, and Other Loans  
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	Matured During Period	Outstanding 6-30-15
<b><u>NOTES PAYABLE</u></b>							
<b><u>Payable through General Debt Service Fund</u></b>							
School Improvements	\$ 500,000	4.23	% 12-18-08	11-15-20	\$ 270,832	\$ 41,667	\$ 229,165
School Improvements	750,000	3.85	6-28-10	6-15-16	250,000	125,000	125,000
Paving Project	500,000	2	12-27-14	6-27-19	500,000	100,000	400,000
Computer Equipment Composite	100,000	1.53	11-15-14	5-15-17	100,000	33,334	66,666
Total Notes Payable					<u>\$ 1,120,832</u>	<u>\$ 300,001</u>	<u>\$ 820,831</u>
<b><u>BONDS PAYABLE</u></b>							
<b><u>Payable through General Debt Service Fund</u></b>							
Refunding	8,200,000	3.85 to 4	5-29-08	6-1-26	\$ 8,100,000	\$ 25,000	\$ 8,075,000
General Obligation Bonds, Series 2008A	3,025,000	3.5 to 5	4-23-08	6-1-27	2,775,000	50,000	2,725,000
Refunding	10,625,000	3 to 4	4-15-09	6-1-22	9,025,000	325,000	8,700,000
General Obligation Bonds, Series 2010A BABs	5,500,000	2.35 to 5.25	11-1-10	6-1-30	5,425,000	25,000	5,400,000
General Obligation Bonds, Series 2010B BABs	10,125,000	5.8	12-20-10	6-1-31	10,095,000	10,000	10,085,000
General Obligation Bonds, Series 2011	2,000,000	3 to 4	6-28-11	6-1-32	1,985,000	5,000	1,980,000
General Obligation Bonds, Series 2012	4,160,000	2 to 2.88	5-1-12	5-1-27	3,935,000	220,000	3,715,000
General Obligation Bonds, Series 2013	1,670,000	1 to 3.25	4-25-13	6-25-28	1,590,000	100,000	1,490,000
Refunding	6,460,000	2 to 4	4-4-14	6-30-19	6,350,000	1,260,000	5,090,000
Total Bonds Payable					<u>\$ 49,280,000</u>	<u>\$ 2,020,000</u>	<u>\$ 47,260,000</u>
<b><u>OTHER LOANS PAYABLE</u></b>							
<b><u>Payable through General Debt Service Fund</u></b>							
Energy Efficient Incentive School Loan	1,387,088	0	5-1-12	5-1-22	\$ 1,086,554	\$ 138,708	\$ 947,846
Total Other Loans Payable					<u>\$ 1,086,554</u>	<u>\$ 138,708</u>	<u>\$ 947,846</u>

Exhibit J-2

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

Year Ending June 30	Notes		
	Principal	Interest	Total
2016	\$ 300,001	\$ 21,264	\$ 321,265
2017	174,999	13,373	188,372
2018	141,667	9,228	150,895
2019	141,667	5,466	147,133
2020	41,667	2,203	43,870
2021	20,830	441	21,271
Total	<u>\$ 820,831</u>	<u>\$ 51,975</u>	<u>\$ 872,806</u>

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 2,100,000	\$ 2,042,085	\$ 4,142,085
2017	2,195,000	1,967,881	4,162,881
2018	2,350,000	1,890,952	4,240,952
2019	2,535,000	1,803,760	4,338,760
2020	2,605,000	1,709,325	4,314,325
2021	2,815,000	1,611,880	4,426,880
2022	2,980,000	1,506,897	4,486,897
2023	2,900,000	1,395,164	4,295,164
2024	3,210,000	1,288,378	4,498,378
2025	3,390,000	1,165,486	4,555,486
2026	3,455,000	1,035,424	4,490,424
2027	3,505,000	884,187	4,389,187
2028	3,305,000	710,618	4,015,618
2029	3,325,000	530,943	3,855,943
2030	3,450,000	347,568	3,797,568
2031	2,360,000	156,380	2,516,380
2032	780,000	31,195	811,195
Total	<u>\$ 47,260,000</u>	<u>\$ 20,078,123</u>	<u>\$ 67,338,123</u>

(Continued)

Exhibit J-2

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

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2016	\$ 138,708	\$ 0	\$ 138,708
2017	138,708	0	138,708
2018	138,708	0	138,708
2019	138,708	0	138,708
2020	138,708	0	138,708
2021	138,708	0	138,708
2022	115,598	0	115,598
Total	\$ 947,846	\$ 0	\$ 947,846

Exhibit J-3

Campbell County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Campbell 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>			
Solid Waste/Sanitation	General	Indirect costs	\$ 33,752
"	"	Postemployment healthcare	7,414
Ambulance Service	"	Indirect costs	61,042
"	"	Postemployment healthcare	8,762
"	Other Capital Projects	EMS Building Project	39,450
Highway/Public Works	General	Postemployment healthcare	7,414
Industrial/Economic Development	"	"	112
General Capital Projects	Other Capital Projects	Waterline Project	<u>221,526</u>
Total Transfers Primary Government			<u>\$ 379,472</u>
<u>DISCRETELY PRESENTED CAMPBELL COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	Central Cafeteria	Operations	\$ 95,862
School Federal Projects	General Purpose School	Indirect costs	<u>1,031</u>
Total Transfers Discretely Presented Campbell County School Department			<u>\$ 96,893</u>

Exhibit J-4

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor:				
William Baird (7-1-14 through 8-31-14)	Section 8-24-102, <i>TCA</i>	\$ 16,251	\$ 50,000	Western Surety Company
E.L. Morton (9-1-14 through 6-30-15)	Section 8-24-102, <i>TCA</i>	70,312	100,000	"
Road Superintendent:				
Dennis Potter (7-1-14 through 12-31-14)	Section 8-24-102, <i>TCA</i>	43,273	100,000	Auto Owners (Mutual) Insurance Company
Ron Dilbeck (1-1-15 through 6-30-15)	Section 8-24-102, <i>TCA</i>	39,167	100,000	Western Surety Company
Director of Schools:				
Donnie Poston (7-1-14 through 5-10-15)	State Board of Education and County Board of Education	104,528 (3)	50,000	"
Larry Nidiffer (5-11-15 through 6-30-15)	Education	15,006	100,000	"
Trustee	Section 8-24-102, <i>TCA</i>	74,944	1,540,600	RLI Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i> and County Commission	76,505	50,000	Auto Owners (Mutual) Insurance Company
County Clerk:				
Deborah Wilson (7-1-14 through 8-31-14)	Section 8-24-102, <i>TCA</i>	14,070	50,000	Western Surety Company
Alene Baird (9-1-14 through 6-30-15)	Section 8-24-102, <i>TCA</i>	60,874	50,000	"
Circuit and General Sessions Courts Clerk and Master:	Section 8-24-102, <i>TCA</i>	74,944	50,000	"
William Archer (7-1-14 through 12-31-14)	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	39,338 (1)	50,000	"
Dennis Potter (1-1-15 through 6-30-15)		35,606 (2)	100,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	74,944	50,000	"
Sheriff	Section 8-24-102, <i>TCA</i>	82,440	100,000	"
Director of Finance	County Commission	87,274	50,000	"
Employee Blanket Bonds:				
Public Employee Dishonesty - County Departments			150,000	Local Government Property and Casualty Fund
Public Employee Dishonesty - School Department			150,000	Tennessee Risk Management Trust

(1) Does not include \$3,225 for special commissioner fees.

(2) Does not include \$763 for special commissioner fees.

(3) Includes \$1,000 for a chief executive officer's supplement, \$6,100 unused sick leave, \$6,083 unused annual leave, and \$500 attendance bonus.

Exhibit J-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 6,503,440	\$ 1,546,615	\$ 39,056	\$ 91,255	\$ 0
Discount on Property Taxes	(50,512)	(17,192)	(709)	(886)	0
Trustee's Collections - Prior Year	247,716	84,310	3,698	4,345	0
Circuit/Clerk and Master Collections - Prior Years	175,828	59,854	2,476	3,084	0
Interest and Penalty	114,789	37,910	1,522	1,973	0
Pickup Taxes	1,605	546	23	28	0
Payments in-Lieu-of Taxes - T.V.A.	13,436	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	303,491	0	0	0	0
Payments in-Lieu-of Taxes - Other	119,320	0	0	10,715	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	0	0	0	0
Hotel/Motel Tax	68,260	0	0	78,000	0
Litigation Tax - General	112,766	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0
Business Tax	285,930	0	0	0	0
Mixed Drink Tax	6,202	0	0	0	0
Mineral Severance Tax	0	0	0	0	0
Other County Local Option Taxes	43,554	0	0	0	0
<u>Statutory Local Taxes</u>					
Bank Excise Tax	99,752	0	0	0	0
Wholesale Beer Tax	83,146	0	0	0	0
Coal Severance Tax	0	0	0	0	0
Interstate Telecommunications Tax	0	0	0	0	0
Other Statutory Local Taxes	0	0	0	0	0
<b>Total Local Taxes</b>	<b>\$ 8,128,723</b>	<b>\$ 1,712,043</b>	<b>\$ 46,066</b>	<b>\$ 188,514</b>	<b>\$ 0</b>

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 1,601	\$ 0	\$ 0	\$ 0	\$ 0
Animal Registration	1,515	0	0	0	0
Cable TV Franchise	114,587	0	0	0	0
<u>Permits</u>					
Beer Permits	597	0	0	0	0
Building Permits	1,881	0	0	0	0
Total Licenses and Permits	\$ 120,181	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 2,860	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	7,047	0	0	0	0
Drug Control Fines	0	0	0	0	10,740
Drug Court Fees	370	0	0	0	0
Jail Fees	19,313	0	0	0	0
Data Entry Fee - Circuit Court	2,010	0	0	0	0
<u>Criminal Court</u>					
Fines	1,421	0	0	0	0
DUI Treatment Fines	1,268	0	0	0	0
Courtroom Security Fee	19	0	0	0	0
<u>General Sessions Court</u>					
Fines	14,633	0	0	0	0
Fines for Littering	48	0	0	0	0
Officers Costs	36,656	0	0	0	0
Game and Fish Fines	956	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
Drug Control Fines	\$ 0	\$ 0	\$ 0	\$ 0	6,638
Drug Court Fees	992	0	0	0	0
Jail Fees	19,659	0	0	0	0
DUI Treatment Fines	6,420	0	0	0	0
Data Entry Fee - General Sessions Court	12,330	0	0	0	0
Courtroom Security Fee	57	0	0	0	0
<u>Juvenile Court</u>					
Fines	1,142	0	0	0	0
Officers Costs	1,529	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	22,862	0	0	0	0
Data Entry Fee - Chancery Court	8,410	0	0	0	0
<u>Judicial District Drug Program</u>					
Courtroom Security Fee	4	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	85,037
Other Fines, Forfeitures, and Penalties	49,165	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 209,171	\$ 0	\$ 0	\$ 0	102,415
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Other Employee Benefit Charges/Contributions	\$ 52,235	\$ 0	\$ 0	\$ 0	0
Commercial and Industrial Waste Collection Charge	0	81,655	0	0	0
Surcharge - General	240	0	0	0	0
Solid Waste Disposal Fee	0	39,877	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>Charges for Current Services (Cont.)</u>					
<u>General Service Charges (Cont.)</u>					
Surcharge - Waste Tire Disposal	\$ 0	\$ 7,123	\$ 0	\$ 0	\$ 0
Patient Charges	0	0	2,360,552	0	0
Past Due Collections - Ambulance	0	0	4,102	0	0
Other General Service Charges	500	0	900	625	0
<u>Fees</u>					
Recreation Fees	250	0	0	0	0
Copy Fees	16,463	0	0	0	0
Greenbelt Late Application Fee	550	0	0	0	0
Telephone Commissions	53,553	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0
Data Processing Fee - Register	12,270	0	0	0	0
Data Processing Fee - Sheriff	4,120	0	0	0	0
Sexual Offender Registration Fee - Sheriff	6,600	0	0	0	0
Total Charges for Current Services	\$ 146,781	\$ 128,655	\$ 2,365,554	\$ 625	\$ 0
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 71	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	42,519	0	0	34,200	0
Sale of Materials and Supplies	0	0	0	0	0
Commissary Sales	23,859	0	0	0	0
Sale of Gasoline	0	0	0	0	0
Sale of Recycled Materials	0	86,528	0	0	0
Sale of Animals/Livestock	631	0	0	0	0
Miscellaneous Refunds	8,549	43,029	10,552	6	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>Other Local Revenues (Cont.)</u>					
<u>Nonrecurring Items</u>					
Sale of Equipment	\$ 9,195	\$ 0	\$ 0	\$ 0	\$ 0
Sale of Property	7,565	0	0	0	0
Damages Recovered from Individuals	397	0	0	0	0
Contributions and Gifts	0	0	0	0	1,500
<u>Other Local Revenues</u>					
Other Local Revenues	0	0	0	0	0
Total Other Local Revenues	\$ 92,786	\$ 129,557	\$ 10,552	\$ 34,206	\$ 1,500
<u>Fees Received from County Officials</u>					
<u>Fees in-Lieu-of Salary</u>					
County Clerk	\$ 405,261	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	355,475	0	0	0	0
Clerk and Master	219,052	0	0	0	0
Register	156,533	0	0	0	0
Sheriff	11,222	0	0	0	0
Trustee	550,145	0	0	0	0
Total Fees Received from County Officials	\$ 1,697,688	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 13,500	\$ 0	\$ 0	\$ 0	\$ 0
Airport Maintenance Program	14,262	0	0	0	0
Aging Programs	8,980	0	0	0	0
State Reappraisal Grant	772	0	0	0	0
Solid Waste Grants	0	71,032	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>State of Tennessee (Cont.)</u>					
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	\$ 21,000	\$ 0	\$ 0	\$ 0	\$ 0
<u>Health and Welfare Grants</u>					
Health Department Programs	689,972	0	0	0	0
Other Health and Welfare Grants	52,400	0	0	0	0
<u>Public Works Grants</u>					
State Aid Program	0	0	0	0	0
Litter Program	35,036	0	0	0	0
<u>Other State Revenues</u>					
Income Tax	55,833	0	0	0	0
Beer Tax	18,055	0	0	0	0
Vehicle Certificate of Title Fees	5,115	0	0	0	0
Alcoholic Beverage Tax	73,863	0	0	0	0
State Revenue Sharing - T.V.A.	1,328,569	0	0	0	0
Contracted Prisoner Boarding	743,626	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0
Other State Grants	2,000	0	0	0	0
Other State Revenues	6,416	0	0	2,500	0
Total State of Tennessee	\$ 3,084,563	\$ 71,032	\$ 0	\$ 2,500	\$ 0
<u>Federal Government</u>					
<u>Federal Through State</u>					
Appalachian Regional Commission	\$ 0	\$ 0	\$ 0	\$ 23,171	\$ 0
Community Development	0	0	0	0	0

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>				
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
Disaster Relief	\$ 15,000	\$ 0	\$ 0	\$ 0	\$ 0
Other Federal through State	56,218	0	0	0	0
<u>Direct Federal Revenue</u>					
Tax Credit Bond Rebate	0	0	0	0	0
Other Direct Federal Revenue	0	0	0	0	0
Total Federal Government	<u>\$ 71,218</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 23,171</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 7,800	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	120,067	0	0	14,539	0
Contracted Services	295,897	0	0	8,320	0
<u>Citizens Groups</u>					
Donations	1,000	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 424,764</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 22,859</u>	<u>\$ 0</u>
Total	<u>\$ 13,975,875</u>	<u>\$ 2,041,287</u>	<u>\$ 2,422,172</u>	<u>\$ 271,875</u>	<u>\$ 103,915</u>

(Continued)

Exhibit J-5

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

	Special Revenue Funds (Cont.)		Debt Service	Capital Projects Funds		Total
	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 0	\$ 728,595	\$ 310,441	\$ 437,586	\$ 0	\$ 9,656,988
Discount on Property Taxes	0	(5,671)	(7,798)	(4,254)	0	(87,022)
Trustee's Collections - Prior Year	0	27,813	38,241	20,858	0	426,981
Circuit/Clerk and Master Collections - Prior Years	0	19,720	27,147	14,812	0	302,921
Interest and Penalty	0	12,879	16,514	9,475	0	195,062
Pickup Taxes	0	180	248	135	0	2,765
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	13,436
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	303,491
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	130,035
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	1,117,558	0	0	1,117,558
Hotel/Motel Tax	0	0	75,000	50,000	0	271,260
Litigation Tax - General	0	0	0	0	0	112,766
Litigation Tax - Special Purpose	0	0	2,836	18,970	0	21,806
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	172,642	0	0	172,642
Business Tax	0	0	0	0	0	285,930
Mixed Drink Tax	0	0	0	0	0	6,202
Mineral Severance Tax	0	64,146	0	0	0	64,146
Other County Local Option Taxes	0	0	0	0	0	43,554
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	99,752
Wholesale Beer Tax	0	0	0	0	0	83,146
Coal Severance Tax	0	1,454	0	0	0	1,454
Interstate Telecommunications Tax	0	0	4,036	0	0	4,036
Other Statutory Local Taxes	0	24,736	0	0	0	24,736
Total Local Taxes	\$ 0	\$ 873,852	\$ 1,756,865	\$ 547,582	\$ 0	\$ 13,253,645

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Debt Service</u>	<u>Capital Projects Funds</u>		<u>Total</u>
	<u>Constitu- tional Officers - Fees</u>	<u>Highway / Public Works</u>	<u>General Debt Service</u>	<u>General Capital Projects</u>	<u>Other Capital Projects</u>	
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,601
Animal Registration	0	0	0	0	0	1,515
Cable TV Franchise	0	0	0	0	0	114,587
<u>Permits</u>						
Beer Permits	0	0	0	0	0	597
Building Permits	0	0	0	0	0	1,881
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	120,181
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	2,860
Officers Costs	0	0	0	0	0	7,047
Drug Control Fines	0	0	0	0	0	10,740
Drug Court Fees	0	0	0	0	0	370
Jail Fees	0	0	0	0	0	19,313
Data Entry Fee - Circuit Court	0	0	0	0	0	2,010
<u>Criminal Court</u>						
Fines	0	0	0	0	0	1,421
DUI Treatment Fines	0	0	0	0	0	1,268
Courtroom Security Fee	0	0	0	0	0	19
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	14,633
Fines for Littering	0	0	0	0	0	48
Officers Costs	0	0	0	0	0	36,656
Game and Fish Fines	0	0	0	0	0	956

(Continued)

Exhibit J-5

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

	Special Revenue Funds (Cont.)		Debt Service	Capital Projects Funds		Total
	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Drug Control Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	6,638
Drug Court Fees	0	0	0	0	0	992
Jail Fees	0	0	0	0	0	19,659
DUI Treatment Fines	0	0	0	0	0	6,420
Data Entry Fee - General Sessions Court	0	0	0	0	0	12,330
Courtroom Security Fee	0	0	0	0	0	57
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	1,142
Officers Costs	0	0	0	0	0	1,529
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	22,862
Data Entry Fee - Chancery Court	0	0	0	0	0	8,410
<u>Judicial District Drug Program</u>						
Courtroom Security Fee	0	0	0	0	0	4
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	85,037
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	49,165
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	311,586
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other Employee Benefit Charges/Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	52,235
Commercial and Industrial Waste Collection Charge	0	0	0	0	0	81,655
Surcharge - General	0	0	0	0	0	240
Solid Waste Disposal Fee	0	0	0	0	0	39,877

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Debt Service</u>	<u>Capital Projects Funds</u>		<u>Total</u>
	<u>Constitu- tional Officers - Fees</u>	<u>Highway / Public Works</u>	<u>General Debt Service</u>	<u>General Capital Projects</u>	<u>Other Capital Projects</u>	
<u>Charges for Current Services (Cont.)</u>						
<u>General Service Charges (Cont.)</u>						
Surcharge - Waste Tire Disposal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	7,123
Patient Charges	0	0	0	0	0	2,360,552
Past Due Collections - Ambulance	0	0	0	0	0	4,102
Other General Service Charges	0	620	0	0	0	2,645
<u>Fees</u>						
Recreation Fees	0	0	0	0	0	250
Copy Fees	0	0	0	0	0	16,463
Greenbelt Late Application Fee	0	0	0	0	0	550
Telephone Commissions	0	0	0	0	0	53,553
Special Commissioner Fees/Special Master Fees	3,988	0	0	0	0	3,988
Data Processing Fee - Register	0	0	0	0	0	12,270
Data Processing Fee - Sheriff	0	0	0	0	0	4,120
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	6,600
<b>Total Charges for Current Services</b>	<b>\$ 3,988</b>	<b>\$ 620</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>2,646,223</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 66,823	\$ 0	\$ 0	66,894
Lease/Rentals	0	0	63,750	0	4,924	145,393
Sale of Materials and Supplies	0	169,588	0	0	0	169,588
Commissary Sales	0	0	0	0	0	23,859
Sale of Gasoline	0	235,578	0	0	0	235,578
Sale of Recycled Materials	0	0	0	0	0	86,528
Sale of Animals/Livestock	0	0	0	0	0	631
Miscellaneous Refunds	0	0	0	0	156,859	218,995

(Continued)

Exhibit J-5

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

	Special Revenue Funds (Cont.)		Debt Service	Capital Projects Funds			Total
	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects		
<u>Other Local Revenues (Cont.)</u>							
<u>Nonrecurring Items</u>							
Sale of Equipment	\$ 0	\$ 2,624	\$ 0	\$ 0	\$ 0	\$ 0	11,819
Sale of Property	0	0	0	0	0	0	7,565
Damages Recovered from Individuals	0	0	0	0	0	0	397
Contributions and Gifts	0	0	0	0	0	0	1,500
<u>Other Local Revenues</u>							
Other Local Revenues	0	331	0	0	0	0	331
Total Other Local Revenues	\$ 0	\$ 408,121	\$ 130,573	\$ 0	\$ 161,783	\$ 0	969,078
<u>Fees Received from County Officials</u>							
<u>Fees in-Lieu-of Salary</u>							
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	405,261
Circuit Court Clerk	0	0	0	0	0	0	355,475
Clerk and Master	0	0	0	0	0	0	219,052
Register	0	0	0	0	0	0	156,533
Sheriff	0	0	0	0	0	0	11,222
Trustee	0	0	0	0	0	0	550,145
Total Fees Received from County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,697,688
<u>State of Tennessee</u>							
<u>General Government Grants</u>							
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	13,500
Airport Maintenance Program	0	0	0	0	15,841	0	30,103
Aging Programs	0	0	0	0	0	0	8,980
State Reappraisal Grant	0	0	0	0	0	0	772
Solid Waste Grants	0	0	0	0	0	0	71,032

(Continued)

Exhibit J-5

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

	Special Revenue Funds (Cont.)		Debt Service	Capital Projects Funds		Total
	Constitu- tional Officers - Fees	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects	
<u>State of Tennessee (Cont.)</u>						
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	21,000
<u>Health and Welfare Grants</u>						
Health Department Programs	0	0	0	0	0	689,972
Other Health and Welfare Grants	0	0	0	0	0	52,400
<u>Public Works Grants</u>						
State Aid Program	0	415,155	0	0	0	415,155
Litter Program	0	0	0	0	0	35,036
<u>Other State Revenues</u>						
Income Tax	0	0	0	0	0	55,833
Beer Tax	0	0	0	0	0	18,055
Vehicle Certificate of Title Fees	0	0	0	0	0	5,115
Alcoholic Beverage Tax	0	0	0	0	0	73,863
State Revenue Sharing - T.V.A.	0	0	0	0	0	1,328,569
Contracted Prisoner Boarding	0	0	0	0	0	743,626
Gasoline and Motor Fuel Tax	0	1,840,070	0	0	0	1,840,070
Petroleum Special Tax	0	29,378	0	0	0	29,378
Registrar's Salary Supplement	0	0	0	0	0	15,164
Other State Grants	0	0	0	6,849	472,775	481,624
Other State Revenues	0	0	0	0	0	8,916
Total State of Tennessee	\$ 0	\$ 2,284,603	\$ 0	\$ 6,849	\$ 488,616	\$ 5,938,163
<u>Federal Government</u>						
<u>Federal Through State</u>						
Appalachian Regional Commission	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	23,171
Community Development	0	0	0	300,000	0	300,000

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Debt Service</u>	<u>Capital Projects Funds</u>		<u>Total</u>
	<u>Constitu- tional Officers - Fees</u>	<u>Highway / Public Works</u>	<u>General Debt Service</u>	<u>General Capital Projects</u>	<u>Other Capital Projects</u>	
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
Disaster Relief	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	15,000
Other Federal through State	0	0	0	259,652	421,961	737,831
<u>Direct Federal Revenue</u>						
Tax Credit Bond Rebate	0	0	279,371	0	0	279,371
Other Direct Federal Revenue	0	0	0	0	409,335	409,335
<b>Total Federal Government</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 279,371</b>	<b>\$ 559,652</b>	<b>\$ 831,296</b>	<b>\$ 1,764,708</b>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	7,800
Contributions	0	0	1,971,518	352	0	2,106,476
Contracted Services	0	0	0	0	0	304,217
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	1,000
<b>Total Other Governments and Citizens Groups</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,971,518</b>	<b>\$ 352</b>	<b>\$ 0</b>	<b>\$ 2,419,493</b>
<b>Total</b>	<b>\$ 3,988</b>	<b>\$ 3,567,196</b>	<b>\$ 4,138,327</b>	<b>\$ 1,114,435</b>	<b>\$ 1,481,695</b>	<b>\$ 29,120,765</b>

Exhibit J-6

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

	General Purpose School	Special Revenue Funds		Total
		School Federal Projects	Central Cafeteria	
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 4,066,004	\$ 0	\$ 0	\$ 4,066,004
Discount on Property Taxes	(37,751)	0	0	(37,751)
Trustee's Collections - Prior Year	210,386	0	0	210,386
Circuit/Clerk and Master Collections - Prior Years	131,436	0	0	131,436
Interest and Penalty	84,458	0	0	84,458
Pickup Taxes	1,199	0	0	1,199
<u>County Local Option Taxes</u>				
Local Option Sales Tax	3,219,466	0	0	3,219,466
Wheel Tax	1,457,300	0	0	1,457,300
Mixed Drink Tax	7,724	0	0	7,724
<u>Statutory Local Taxes</u>				
Coal Severance Tax	23,357	0	0	23,357
Interstate Telecommunications Tax	2,632	0	0	2,632
<b>Total Local Taxes</b>	<b>\$ 9,166,211</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 9,166,211</b>
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 1,601	\$ 0	\$ 0	\$ 1,601
<b>Total Licenses and Permits</b>	<b>\$ 1,601</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,601</b>
<u>Charges for Current Services</u>				
<u>General Service Charges</u>				
Other General Service Charges	\$ 15	\$ 0	\$ 0	\$ 15
<u>Education Charges</u>				
Lunch Payments - Adults	0	0	60,276	60,276
A la carte Sales	0	0	152,073	152,073
<b>Total Charges for Current Services</b>	<b>\$ 15</b>	<b>\$ 0</b>	<b>\$ 212,349</b>	<b>\$ 212,364</b>
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
E-Rate Funding	\$ 14,001	\$ 0	\$ 0	\$ 14,001
Miscellaneous Refunds	71,644	0	13,942	85,586
<u>Nonrecurring Items</u>				
Sale of Equipment	1,300	0	0	1,300
Damages Recovered from Individuals	15,069	0	0	15,069
Contributions and Gifts	60,824	0	200	61,024
<b>Total Other Local Revenues</b>	<b>\$ 162,838</b>	<b>\$ 0</b>	<b>\$ 14,142</b>	<b>\$ 176,980</b>
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
On-behalf Contributions for OPEB	\$ 343,963	\$ 0	\$ 0	\$ 343,963

(Continued)

Exhibit J-6

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

	General Purpose School	Special Revenue Funds		Total
		School Federal Projects	Central Cafeteria	
<u>State of Tennessee (Cont.)</u>				
<u>State Education Funds</u>				
Basic Education Program	\$ 26,614,001	\$ 0	\$ 0	\$ 26,614,001
School Food Service	0	0	30,696	30,696
Other State Education Funds	1,117,372	0	0	1,117,372
Career Ladder Program	189,283	0	0	189,283
Career Ladder - Extended Contract	46,870	0	0	46,870
<u>Other State Revenues</u>				
Other State Grants	2,430	0	0	2,430
Other State Revenues	271,956	0	0	271,956
Total State of Tennessee	\$ 28,585,875	\$ 0	\$ 30,696	\$ 28,616,571
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,210,236	\$ 2,210,236
USDA - Commodities	0	0	177,873	177,873
Breakfast	0	0	864,829	864,829
USDA - Other	0	0	95,004	95,004
Vocational Education - Basic Grants to States	0	115,471	0	115,471
Title I Grants to Local Education Agencies	0	2,356,745	0	2,356,745
Special Education - Grants to States	31,104	1,249,946	0	1,281,050
Special Education Preschool Grants	0	44,733	0	44,733
Rural Education	0	28,408	0	28,408
Eisenhower Professional Development State Grants	0	336,129	0	336,129
Race-to-the-Top - ARRA	0	30,889	0	30,889
Other Federal through State	271,555	308,794	0	580,349
<u>Direct Federal Revenue</u>				
ROTC Reimbursement	70,139	0	0	70,139
Total Federal Government	\$ 372,798	\$ 4,471,115	\$ 3,347,942	\$ 8,191,855
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Contributions	\$ 82,411	\$ 0	\$ 175	\$ 82,586
Total Other Governments and Citizens Groups	\$ 82,411	\$ 0	\$ 175	\$ 82,586
Total	\$ 38,371,749	\$ 4,471,115	\$ 3,605,304	\$ 46,448,168

Exhibit J-7

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

General Fund

General Government

County Commission

Assistant(s)	\$	24,826	
Other Salaries and Wages		550	
Board and Committee Members Fees		95,631	
Social Security		4,547	
Pensions		3,088	
Life Insurance		998	
Medical Insurance		79,204	
Employer Medicare		1,377	
Audit Services		12,215	
Communication		1,561	
Dues and Memberships		1,800	
Legal Services		7,853	
Maintenance and Repair Services - Office Equipment		767	
Postal Charges		354	
Travel		11,566	
Office Supplies		684	
Other Supplies and Materials		4,978	
Other Charges		3,528	
Office Equipment		1,033	
Total County Commission			\$ 256,560

Board of Equalization

Board and Committee Members Fees	\$	3,320	
Travel		687	
Total Board of Equalization			4,007

County Mayor/Executive

County Official/Administrative Officer	\$	86,563	
Assistant(s)		40,435	
Deputy(ies)		55,637	
Other Salaries and Wages		3,562	
Social Security		11,339	
Pensions		10,655	
Life Insurance		280	
Medical Insurance		12,869	
Employer Medicare		2,652	
Communication		3,075	
Contributions		1,200	
Dues and Memberships		3,948	
Legal Notices, Recording, and Court Costs		533	
Maintenance and Repair Services - Office Equipment		2,114	
Maintenance and Repair Services - Vehicles		1,000	
Postal Charges		606	
Rentals		4,200	
Travel		1,555	
Office Supplies		1,765	
Premiums on Corporate Surety Bonds		350	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

In Service/Staff Development	\$	2,120	
Other Charges		1,398	
Motor Vehicles		5,000	
Total County Mayor/Executive			\$ 252,856

County Attorney

County Official/Administrative Officer	\$	26,945	
Social Security		1,351	
Pensions		1,641	
Life Insurance		94	
Medical Insurance		17,439	
Employer Medicare		316	
Legal Notices, Recording, and Court Costs		3,000	
Total County Attorney			50,786

Election Commission

County Official/Administrative Officer	\$	68,855	
Supervisor/Director		31,110	
Data Processing Personnel		22,846	
Overtime Pay		10,055	
Other Salaries and Wages		5,015	
Election Commission		33,254	
Election Workers		66,990	
Other Per Diem and Fees		340	
Social Security		8,157	
Pensions		7,232	
Life Insurance		182	
Medical Insurance		19,981	
Employer Medicare		1,908	
Communication		2,495	
Data Processing Services		29,382	
Dues and Memberships		275	
Legal Notices, Recording, and Court Costs		2,491	
Maintenance and Repair Services - Buildings		793	
Maintenance and Repair Services - Office Equipment		2,464	
Pest Control		385	
Postal Charges		856	
Rentals		2,500	
Transportation - Other than Students		2,955	
Travel		11,834	
Electricity		4,367	
Natural Gas		851	
Office Supplies		2,507	
Water and Sewer		996	
Other Supplies and Materials		777	
Total Election Commission			341,853

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds

County Official/Administrative Officer	\$	74,944	
Deputy(ies)		37,662	
Data Processing Personnel		58,194	
Social Security		9,669	
Pensions		10,402	
Life Insurance		305	
Medical Insurance		54,091	
Employer Medicare		2,261	
Communication		1,882	
Dues and Memberships		632	
Maintenance and Repair Services - Office Equipment		239	
Postal Charges		1,389	
Rentals		8,960	
Office Supplies		2,746	
Premiums on Corporate Surety Bonds		175	
Total Register of Deeds	\$		263,551

County Buildings

Supervisor/Director	\$	39,993	
Custodial Personnel		55,592	
Overtime Pay		7,317	
Other Salaries and Wages		847	
Other Per Diem and Fees		437	
Social Security		6,166	
Pensions		6,199	
Life Insurance		285	
Medical Insurance		17,029	
Employer Medicare		1,442	
Communication		3,073	
Contracts with Private Agencies		543	
Legal Notices, Recording, and Court Costs		87	
Maintenance and Repair Services - Buildings		31,017	
Maintenance and Repair Services - Equipment		6,197	
Maintenance and Repair Services - Vehicles		238	
Travel		1,091	
Other Contracted Services		1,320	
Custodial Supplies		16,877	
Electricity		37,373	
Gasoline		1,192	
General Construction Materials		14,599	
Natural Gas		4,887	
Office Supplies		147	
Uniforms		2,607	
Water and Sewer		11,702	
Heating and Air Conditioning Equipment		1,422	
Other Equipment		26,738	
Total County Buildings			296,417

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Other Facilities

Custodial Personnel	\$	22,736	
Part-time Personnel		7,841	
Other Salaries and Wages		10,026	
Social Security		2,259	
Pensions		1,454	
Life Insurance		58	
Medical Insurance		13,618	
Employer Medicare		528	
Contracts with Private Agencies		3,000	
Maintenance and Repair Services - Buildings		121	
Custodial Supplies		1,273	
Electricity		17,001	
Natural Gas		3,459	
Water and Sewer		2,379	
Other Supplies and Materials		256	
Building and Contents Insurance		793	
Total Other Facilities	\$		86,802

Preservation of Records

Part-time Personnel	\$	5,451	
Social Security		338	
Employer Medicare		79	
Communication		468	
Postal Charges		60	
Rentals		4,800	
Office Supplies		1,094	
Office Equipment		206	
Total Preservation of Records			12,496

Finance

Accounting and Budgeting

Supervisor/Director	\$	87,274	
Accountants/Bookkeepers		476,432	
Overtime Pay		821	
Other Salaries and Wages		5,250	
Social Security		32,576	
Pensions		34,478	
Life Insurance		1,115	
Medical Insurance		132,146	
Employer Medicare		7,619	
Communication		5,491	
Data Processing Services		7,875	
Dues and Memberships		12	
Maintenance and Repair Services - Vehicles		150	
Postal Charges		9,684	
Travel		56	
Data Processing Supplies		6,804	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Office Supplies	\$	3,513	
Premiums on Corporate Surety Bonds		225	
Office Equipment		18,680	
Total Accounting and Budgeting	\$		830,201

Central Services

Contracts with Government Agencies	\$	15,455	
Contracts with Private Agencies		5,300	
Data Processing Services		15,585	
Legal Notices, Recording, and Court Costs		5,419	
Maintenance and Repair Services - Office Equipment		11,123	
Printing, Stationery, and Forms		1,782	
Data Processing Supplies		18,922	
Other Supplies and Materials		710	
Building and Contents Insurance		23,333	
Liability Insurance		61,845	
Trustee's Commission		172,036	
Vehicle and Equipment Insurance		1,439	
Data Processing Equipment		94,961	
Office Equipment		20,072	
Total Central Services			447,982

Property Assessor's Office

County Official/Administrative Officer	\$	76,505	
Assessment Personnel		150,747	
Other Salaries and Wages		5,955	
Social Security		13,093	
Pensions		14,202	
Life Insurance		649	
Medical Insurance		80,197	
Employer Medicare		3,062	
Communication		3,798	
Consultants		2,801	
Contracts with Government Agencies		7,214	
Dues and Memberships		1,975	
Legal Notices, Recording, and Court Costs		304	
Maintenance and Repair Services - Office Equipment		4,106	
Maintenance and Repair Services - Vehicles		2,355	
Postal Charges		2,211	
Rentals		2,400	
Travel		2,044	
Electricity		674	
Gasoline		2,793	
General Construction Materials		843	
Office Supplies		2,736	
Vehicle and Equipment Insurance		1,965	
Other Charges		116	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Motor Vehicles	\$	18,224	
Office Equipment		1,678	
Total Property Assessor's Office			\$ 402,647

Reappraisal Program

Assessment Personnel	\$	25,578	
Social Security		1,530	
Pensions		1,558	
Employer Medicare		358	
Maintenance and Repair Services - Office Equipment		1,000	
Total Reappraisal Program			30,024

County Trustee's Office

County Official/Administrative Officer	\$	74,944	
Supervisor/Director		31,060	
Deputy(ies)		37,662	
Data Processing Personnel		28,308	
Clerical Personnel		22,079	
Other Salaries and Wages		5,955	
Social Security		11,401	
Pensions		12,180	
Life Insurance		483	
Medical Insurance		62,439	
Employer Medicare		2,666	
Communication		1,929	
Data Processing Services		6,464	
Dues and Memberships		632	
Legal Notices, Recording, and Court Costs		70	
Maintenance and Repair Services - Office Equipment		186	
Postal Charges		8,770	
Rentals		900	
Travel		958	
Office Supplies		2,970	
Premiums on Corporate Surety Bonds		7,953	
Office Equipment		2,159	
Total County Trustee's Office			322,168

County Clerk's Office

County Official/Administrative Officer	\$	74,944	
Supervisor/Director		40,104	
Deputy(ies)		74,188	
Data Processing Personnel		46,350	
Clerical Personnel		58,124	
Part-time Personnel		9,888	
Overtime Pay		585	
Other Salaries and Wages		16,929	
Social Security		18,774	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Pensions	\$	18,216	
Life Insurance		634	
Medical Insurance		64,590	
Employer Medicare		4,391	
Communication		5,644	
Data Processing Services		8,965	
Dues and Memberships		672	
Maintenance and Repair Services - Buildings		765	
Maintenance and Repair Services - Office Equipment		10,489	
Postal Charges		9,592	
Rentals		7,800	
Travel		2,793	
Disposal Fees		180	
Data Processing Supplies		659	
Electricity		2,117	
Office Supplies		3,994	
Premiums on Corporate Surety Bonds		275	
Office Equipment		8,590	
Total County Clerk's Office			\$ 490,252

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	74,944	
Supervisor/Director		153,808	
Deputy(ies)		37,662	
Data Processing Personnel		53,068	
Clerical Personnel		53,889	
Part-time Personnel		34,662	
Overtime Pay		1,516	
Other Salaries and Wages		4,512	
Jury and Witness Expense		18,153	
Social Security		24,084	
Pensions		22,504	
Life Insurance		945	
Medical Insurance		68,069	
Employer Medicare		5,632	
Communication		4,904	
Contracts with Private Agencies		226	
Data Processing Services		14,783	
Dues and Memberships		712	
Maintenance and Repair Services - Office Equipment		3,192	
Postal Charges		7,986	
Travel		2,620	
Office Supplies		7,565	
Premiums on Corporate Surety Bonds		400	
Office Equipment		54,020	
Other Capital Outlay		1,437	
Total Circuit Court			651,293

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court

Judge(s)	\$	150,830	
Assistant(s)		31,388	
Social Security		11,042	
Pensions		10,823	
Life Insurance		169	
Medical Insurance		13,116	
Employer Medicare		2,582	
Communication		1,025	
Dues and Memberships		610	
Maintenance and Repair Services - Office Equipment		689	
Postal Charges		142	
Travel		1,317	
Library Books/Media		467	
Office Supplies		896	
Office Equipment		375	
Total General Sessions Court			\$ 225,471

Chancery Court

County Official/Administrative Officer	\$	74,944	
Supervisor/Director		62,688	
Deputy(ies)		37,662	
Data Processing Personnel		28,194	
Part-time Personnel		2,437	
Overtime Pay		931	
Other Salaries and Wages		5,955	
Social Security		12,012	
Pensions		12,812	
Life Insurance		427	
Medical Insurance		52,091	
Employer Medicare		2,845	
Communication		2,026	
Data Processing Services		8,775	
Dues and Memberships		522	
Postal Charges		1,896	
Travel		86	
Office Supplies		3,466	
Premiums on Corporate Surety Bonds		600	
Office Equipment		9,552	
Total Chancery Court			319,921

District Attorney General

Clerical Personnel	\$	24,113	
Social Security		1,495	
Pensions		1,468	
Life Insurance		94	
Employer Medicare		350	
Total District Attorney General			27,520

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Office of Public Defender

Contracts with Government Agencies	\$ 20,642	
Total Office of Public Defender		\$ 20,642

Other Administration of Justice

Rentals	\$ 600	
Total Other Administration of Justice		600

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$ 82,440
Assistant(s)	14,204
Supervisor/Director	54,445
Deputy(ies)	421,820
Detective(s)	248,729
Captain(s)	47,500
Sergeant(s)	122,970
Data Processing Personnel	27,910
Part-time Personnel	35,197
Overtime Pay	175,717
Other Salaries and Wages	34,427
Other Per Diem and Fees	33,733
Social Security	74,613
Pensions	76,565
Life Insurance	2,674
Medical Insurance	342,422
Employer Medicare	17,450
Communication	18,085
Contracts with Private Agencies	1,375
Dues and Memberships	2,000
Evaluation and Testing	750
Legal Notices, Recording, and Court Costs	412
Maintenance and Repair Services - Equipment	2,426
Maintenance and Repair Services - Vehicles	29,130
Postal Charges	1,064
Rentals	4,585
Towing Services	1,761
Travel	2,139
Disposal Fees	216
Diesel Fuel	51
Electricity	7,586
Gasoline	139,248
Law Enforcement Supplies	2,660
Natural Gas	2,078
Office Supplies	2,599
Tires and Tubes	12,581
Uniforms	9,418
Vehicle Parts	2,240

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Water and Sewer	\$	3,706	
Liability Insurance		49,062	
Premiums on Corporate Surety Bonds		3,700	
Vehicle and Equipment Insurance		45,237	
In Service/Staff Development		1,616	
Total Sheriff's Department			\$ 2,158,541

Special Patrols

School Resource Officer	\$	244,095	
Social Security		13,930	
Pensions		14,485	
Life Insurance		750	
Medical Insurance		84,481	
Employer Medicare		3,258	
Evaluation and Testing		250	
Maintenance and Repair Services - Vehicles		9,823	
Travel		1,020	
Gasoline		7,699	
Law Enforcement Supplies		6,763	
Uniforms		4,653	
Workers' Compensation Insurance		15,141	
In Service/Staff Development		11,896	
Total Special Patrols			418,244

Traffic Control

Contracts with Private Agencies	\$	650	
Maintenance and Repair Services - Equipment		1,700	
Electricity		583	
Total Traffic Control			2,933

Administration of the Sexual Offender Registry

Remittance of Revenue Collected	\$	2,200	
Other Charges		2,211	
Total Administration of the Sexual Offender Registry			4,411

Jail

Assistant(s)	\$	14,205	
Captain(s)		45,037	
Lieutenant(s)		33,074	
Sergeant(s)		32,266	
Data Processing Personnel		27,910	
Guards		762,771	
Cafeteria Personnel		23,824	
Part-time Personnel		29,775	
Overtime Pay		36,641	
Other Salaries and Wages		39,399	
Other Per Diem and Fees		31,385	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Social Security	\$	60,433	
Pensions		63,168	
Life Insurance		3,011	
Medical Insurance		348,650	
Unemployment Compensation		4,446	
Employer Medicare		14,134	
Communication		2,689	
Contracts with Private Agencies		1,617	
Data Processing Services		2,500	
Evaluation and Testing		8,550	
Maintenance and Repair Services - Buildings		18,044	
Maintenance and Repair Services - Equipment		1,671	
Maintenance and Repair Services - Office Equipment		1,608	
Medical and Dental Services		542,805	
Pest Control		1,200	
Postal Charges		20	
Travel		2,759	
Custodial Supplies		422	
Electricity		113,974	
Food Preparation Supplies		61,491	
Food Supplies		256,345	
General Construction Materials		885	
Natural Gas		27,368	
Office Supplies		2,781	
Prisoners Clothing		11,152	
Uniforms		10,561	
Water and Sewer		105,235	
Other Supplies and Materials		31,157	
Building and Contents Insurance		20,038	
Liability Insurance		148,149	
Vehicle and Equipment Insurance		5,128	
Workers' Compensation Insurance		48,167	
In Service/Staff Development		600	
Building Improvements		8,436	
Communication Equipment		1,250	
Office Equipment		4,337	
Other Capital Outlay		70,309	
Total Jail			\$ 3,081,377

Juvenile Services

Youth Service Officer(s)	\$	17,682	
Social Security		1,096	
Employer Medicare		256	
Contracts with Government Agencies		9,950	
Office Supplies		26	
Total Juvenile Services			29,010

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control

Contributions	\$	89,875	
Building and Contents Insurance		7,213	
Liability Insurance		3,287	
Vehicle and Equipment Insurance		28,920	
Workers' Compensation Insurance		12,351	
Total Fire Prevention and Control			\$ 141,646

Civil Defense

Supervisor/Director	\$	25,000	
Part-time Personnel		6,760	
Social Security		1,969	
Pensions		1,522	
Employer Medicare		461	
Communication		2,135	
Dues and Memberships		135	
Licenses		75	
Maintenance and Repair Services - Buildings		471	
Maintenance and Repair Services - Equipment		270	
Maintenance and Repair Services - Vehicles		2,249	
Postal Charges		110	
Travel		237	
Other Contracted Services		277	
Diesel Fuel		286	
Gasoline		2,973	
Office Supplies		172	
Uniforms		195	
Vehicle and Equipment Insurance		3,931	
Communication Equipment		9,200	
Other Equipment		4,814	
Total Civil Defense			63,242

Rescue Squad

Contributions	\$	32,000	
Building and Contents Insurance		4,921	
Liability Insurance		1,439	
Vehicle and Equipment Insurance		19,997	
Workers' Compensation Insurance		1,580	
Total Rescue Squad			59,937

Other Emergency Management

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

County Coroner/Medical Examiner

County Official/Administrative Officer	\$	11,543	
Social Security		529	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

County Coroner/Medical Examiner (Cont.)

Life Insurance	\$	94	
Medical Insurance		13,618	
Employer Medicare		124	
Contracts with Private Agencies		51,000	
Contracts with Vehicle Owners		9,524	
Premiums on Corporate Surety Bonds		340	
Total County Coroner/Medical Examiner			\$ 86,772

Other Public Safety

Deputy(ies)	\$	14,224	
Salary Supplements		21,000	
Guards		151,131	
Overtime Pay		50,779	
Other Salaries and Wages		1,195	
Social Security		14,747	
Pensions		5,164	
Life Insurance		27	
Medical Insurance		2,139	
Employer Medicare		3,449	
Communication		580	
Evaluation and Testing		1,100	
Maintenance and Repair Services - Vehicles		356	
Postal Charges		11,849	
Travel		968	
Gasoline		709	
Office Supplies		416	
Uniforms		522	
Other Supplies and Materials		2,250	
Vehicle and Equipment Insurance		304	
Law Enforcement Equipment		7,490	
Total Other Public Safety			290,399

Public Health and Welfare

Local Health Center

Communication	\$	3,309	
Dues and Memberships		375	
Maintenance and Repair Services - Buildings		30,362	
Pest Control		495	
Travel		129	
Other Contracted Services		7,223	
Custodial Supplies		2,868	
Electricity		17,638	
Natural Gas		2,478	
Office Supplies		2,632	
Water and Sewer		3,996	
Other Supplies and Materials		1,691	
Building and Contents Insurance		2,780	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Medical Claims	\$	1,345	
In Service/Staff Development		402	
Other Charges		10,773	
Total Local Health Center	\$		88,496

Rabies and Animal Control

Supervisor/Director	\$	21,009	
Deputy(ies)		28,437	
Attendants		24,794	
Overtime Pay		735	
Social Security		4,479	
Pensions		3,016	
Life Insurance		161	
Medical Insurance		11,721	
Employer Medicare		1,047	
Communication		1,203	
Licenses		830	
Maintenance and Repair Services - Buildings		2,813	
Maintenance and Repair Services - Equipment		266	
Maintenance and Repair Services - Vehicles		1,262	
Disposal Fees		576	
Custodial Supplies		756	
Drugs and Medical Supplies		1,554	
Electricity		5,051	
Gasoline		5,114	
Natural Gas		7,696	
Office Supplies		282	
Water and Sewer		655	
Building and Contents Insurance		671	
Vehicle and Equipment Insurance		1,965	
In Service/Staff Development		828	
Total Rabies and Animal Control			126,921

Dental Health Program

Drugs and Medical Supplies	\$	6,477	
Total Dental Health Program			6,477

Alcohol and Drug Programs

Contracts with Private Agencies	\$	7,688	
Total Alcohol and Drug Programs			7,688

Other Local Health Services

Social Workers	\$	163,660	
Medical Personnel		169,496	
Clerical Personnel		96,089	
Social Security		23,950	
Pensions		25,249	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Local Health Services (Cont.)

Life Insurance	\$	1,180	
Medical Insurance		143,229	
Employer Medicare		5,601	
Travel		16,367	
Workers' Compensation Insurance		9,446	
Other Charges		334	
Total Other Local Health Services			\$ 654,601

Appropriation to State

Contracts with Other Public Agencies	\$	8,315	
Total Appropriation to State			8,315

General Welfare Assistance

Pauper Burials	\$	6,600	
Other Charges		36,356	
Total General Welfare Assistance			42,956

Sanitation Education/Information

Deputy(ies)	\$	57,879	
Other Salaries and Wages		2,498	
Social Security		3,622	
Pensions		3,677	
Life Insurance		189	
Medical Insurance		20,040	
Employer Medicare		847	
Communication		891	
Maintenance and Repair Services - Vehicles		3,434	
Travel		1,055	
Disposal Fees		131	
Electricity		660	
Gasoline		10,032	
Instructional Supplies and Materials		7,962	
Law Enforcement Supplies		1,808	
Natural Gas		196	
Water and Sewer		469	
Other Supplies and Materials		1,948	
Vehicle and Equipment Insurance		3,931	
Total Sanitation Education/Information			121,269

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Assistant(s)	\$	24,088	
Social Security		983	
Employer Medicare		349	
Contributions		15,300	
Office Supplies		974	
Building and Contents Insurance		2,514	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Senior Citizens Assistance (Cont.)

Liability Insurance	\$ 656	
Vehicle and Equipment Insurance	1,632	
Total Senior Citizens Assistance		\$ 46,496

Libraries

Contributions	\$ 38,000	
Total Libraries		38,000

Other Social, Cultural, and Recreational

Attendants	\$ 32,738	
Part-time Personnel	2,013	
Overtime Pay	2,778	
Other Salaries and Wages	81	
Other Per Diem and Fees	974	
Social Security	2,020	
Pensions	2,227	
Life Insurance	165	
Medical Insurance	26,217	
Employer Medicare	472	
Communication	286	
Contributions	10,000	
Maintenance and Repair Services - Equipment	1,300	
Custodial Supplies	537	
Diesel Fuel	314	
Electricity	9,169	
Gasoline	208	
Uniforms	371	
Water and Sewer	274	
Other Supplies and Materials	2,543	
Other Charges	256	
Other Capital Outlay	3,411	
Total Other Social, Cultural, and Recreational		98,354

Agriculture and Natural Resources

Agricultural Extension Service

Communication	\$ 1,881	
Contracts with Government Agencies	45,614	
Dues and Memberships	180	
Maintenance and Repair Services - Office Equipment	339	
Medical and Dental Services	605	
Postal Charges	150	
Office Equipment	1,041	
Total Agricultural Extension Service		49,810

Other Operations

Airport

Supervisor/Director	\$ 39,600	
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(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Airport (Cont.)

Medical Insurance	\$	6,424	
Communication		2,182	
Licenses		85	
Maintenance and Repair Services - Buildings		28,523	
Travel		334	
Electricity		8,691	
Water and Sewer		630	
Liability Insurance		2,344	
Vehicle and Equipment Insurance		750	
Total Airport			\$ 89,563

Veterans' Services

Assistant(s)	\$	28,909	
Supervisor/Director		40,072	
Secretary(ies)		15,478	
Social Security		4,710	
Pensions		5,144	
Life Insurance		283	
Medical Insurance		31,057	
Employer Medicare		1,101	
Communication		1,964	
Contracts with Private Agencies		6,000	
Data Processing Services		798	
Dues and Memberships		50	
Maintenance and Repair Services - Office Equipment		562	
Postal Charges		906	
Travel		3,368	
Office Supplies		943	
Office Equipment		4,200	
Total Veterans' Services			145,545

Contributions to Other Agencies

Contributions	\$	90,050	
Total Contributions to Other Agencies			90,050

Employee Benefits

Salary Supplements	\$	775	
Other Salaries and Wages		63,031	
Social Security		3,936	
Pensions		353	
Life Insurance		95	
Medical Insurance		38,807	
Unemployment Compensation		27,971	
Employer Medicare		921	
Liability Insurance		13,104	
Premiums on Corporate Surety Bonds		1,152	
Workers' Compensation Insurance		107,488	
Total Employee Benefits			257,633

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Miscellaneous

Other Salaries and Wages	\$	5,011	
Social Security		283	
Pensions		305	
Employer Medicare		66	
Other Supplies and Materials		1,050	
Other Charges		4,696	
Other Capital Outlay		5,533	
Total Miscellaneous			\$ 16,944

Highways

Employee Benefits

Medical Insurance	\$	5,045	
Total Employee Benefits			5,045

Support Services

Board of Education

Medical Insurance	\$	31,588	
Total Board of Education			31,588

Total General Fund \$ 13,784,768

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Supervisor/Director	\$	46,350	
Data Processing Personnel		50,389	
Paraprofessionals		27,370	
Mechanic(s)		33,093	
Laborers		14,641	
Nightwatchmen		31,933	
Part-time Personnel		13,891	
Overtime Pay		2,904	
Other Salaries and Wages		8,476	
Other Per Diem and Fees		4,218	
Social Security		13,487	
Pensions		11,961	
Life Insurance		596	
Medical Insurance		58,729	
Unemployment Compensation		2,750	
Employer Medicare		3,154	
Communication		1,442	
Data Processing Services		560	
Legal Notices, Recording, and Court Costs		772	
Maintenance and Repair Services - Office Equipment		568	
Medical and Dental Services		140	
Postal Charges		245	
Travel		231	

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Disposal Fees	\$	14,770	
Office Supplies		1,091	
Uniforms		3,175	
Building and Contents Insurance		3,539	
Liability Insurance		22,833	
Trustee's Commission		34,378	
Vehicle and Equipment Insurance		36,270	
Workers' Compensation Insurance		50,936	
In Service/Staff Development		190	
Office Equipment		3,486	
Total Sanitation Management			\$ 498,568

Convenience Centers

Truck Drivers	\$	79,076	
Attendants		182,686	
Overtime Pay		3,032	
Other Salaries and Wages		1,577	
Other Per Diem and Fees		10,308	
Social Security		16,110	
Pensions		15,760	
Life Insurance		918	
Medical Insurance		68,070	
Employer Medicare		3,768	
Communication		4,354	
Contracts with Private Agencies		363,900	
Maintenance and Repair Services - Buildings		444	
Maintenance and Repair Services - Vehicles		1,756	
Rentals		8,460	
Custodial Supplies		1,029	
Diesel Fuel		78,068	
Electricity		8,407	
Equipment and Machinery Parts		1,282	
Garage Supplies		1,587	
Gasoline		2,845	
General Construction Materials		30	
Lubricants		6,960	
Office Supplies		186	
Small Tools		481	
Tires and Tubes		17,561	
Uniforms		5,945	
Vehicle Parts		33,423	
Chemicals		655	
Other Supplies and Materials		807	
Total Convenience Centers			919,485

Transfer Stations

Equipment Operators	\$	25,386	
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(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Transfer Stations (Cont.)

Truck Drivers	\$	49,628	
Overtime Pay		4,475	
Other Salaries and Wages		239	
Other Per Diem and Fees		3,283	
Social Security		4,484	
Pensions		5,055	
Life Insurance		275	
Medical Insurance		41,607	
Employer Medicare		1,049	
Licenses		1,500	
Rentals		660	
Equipment Parts - Light		2,460	
Tires and Tubes		3,233	
Uniforms		1,720	
Other Capital Outlay		37,500	
Total Transfer Stations			\$ 182,554

Recycling Center

Equipment Operators	\$	24,986
Truck Drivers		51,003
Laborers		19,063
Overtime Pay		2,451
Other Salaries and Wages		239
Other Per Diem and Fees		1,313
Social Security		5,463
Pensions		5,826
Life Insurance		333
Medical Insurance		41,140
Employer Medicare		1,278
Communication		1,436
Maintenance and Repair Services - Buildings		1,566
Maintenance and Repair Services - Equipment		907
Maintenance and Repair Services - Vehicles		285
Pest Control		435
Custodial Supplies		1,373
Diesel Fuel		11,544
Electricity		8,422
Equipment and Machinery Parts		300
Garage Supplies		275
Lubricants		1,337
Natural Gas		10,815
Office Supplies		780
Propane Gas		724
Tires and Tubes		2,186
Uniforms		3,692
Vehicle Parts		10,014
Water and Sewer		531

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Recycling Center (Cont.)

Wire	\$	1,801	
Other Supplies and Materials		292	
Building Improvements		13,337	
Solid Waste Equipment		40,352	
Total Recycling Center			\$ 265,499

Other Waste Disposal

Equipment Operators	\$	42,124	
Attendants		17,159	
Overtime Pay		1,052	
Other Salaries and Wages		131	
Other Per Diem and Fees		2,145	
Social Security		3,702	
Pensions		3,813	
Life Insurance		224	
Medical Insurance		12,727	
Employer Medicare		866	
Licenses		2,951	
Maintenance and Repair Services - Equipment		889	
Diesel Fuel		10,575	
Electricity		3,621	
Equipment and Machinery Parts		799	
Gasoline		93	
Uniforms		1,907	
Other Charges		270	
Solid Waste Equipment		66,978	
Other Capital Outlay		211,150	
Total Other Waste Disposal			383,176

Other Operations

Employee Benefits

Other Salaries and Wages	\$	8,493	
Social Security		527	
Employer Medicare		123	
Total Employee Benefits			9,143

Total Solid Waste/Sanitation Fund \$ 2,258,425

Ambulance Service Fund

Public Health and Welfare

Ambulance/Emergency Medical Services

Supervisor/Director	\$	59,668	
Medical Personnel		683,863	
Paraprofessionals		85,436	
Mechanic(s)		25,198	
Attendants		63,520	
Part-time Personnel		24,863	

(Continued)

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

Ambulance Service Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Overtime Pay	\$	187,293
Other Salaries and Wages		56,727
In-service Training		8,495
Other Per Diem and Fees		29,276
Social Security		70,121
Pensions		66,859
Life Insurance		2,758
Medical Insurance		279,738
Unemployment Compensation		2,007
Employer Medicare		16,545
Advertising		650
Communication		17,151
Contracts with Private Agencies		6,600
Data Processing Services		23,455
Dues and Memberships		2,090
Legal Notices, Recording, and Court Costs		105
Licenses		3,381
Maintenance and Repair Services - Buildings		2,190
Maintenance and Repair Services - Equipment		2,580
Maintenance and Repair Services - Office Equipment		1,037
Maintenance and Repair Services - Vehicles		26,645
Medical and Dental Services		30,929
Postal Charges		4,260
Travel		1,031
Custodial Supplies		2,935
Diesel Fuel		80,619
Drugs and Medical Supplies		56,803
Electricity		12,627
Fuel Oil		1,526
Gasoline		7,008
General Construction Materials		1,297
Natural Gas		7,401
Office Supplies		4,867
Tires and Tubes		14,368
Uniforms		3,207
Vehicle Parts		20,081
Water and Sewer		4,669
Chemicals		4,823
Building and Contents Insurance		599
Liability Insurance		18,725
Refunds		3,279
Trustee's Commission		24,480
Vehicle and Equipment Insurance		13,102
Workers' Compensation Insurance		199,854
In Service/Staff Development		6,296
Other Charges		260
Motor Vehicles		1,943

(Continued)

Exhibit J-7

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

Ambulance Service Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Office Equipment	\$	5,133	
Health Equipment		10,829	
Other Equipment		8,755	
Total Ambulance/Emergency Medical Services			\$ 2,299,957

Other Operations

Employee Benefits

Other Salaries and Wages	\$	11,065	
Social Security		686	
Employer Medicare		160	
Total Employee Benefits			11,911

Total Ambulance Service Fund \$ 2,311,868

Industrial/Economic Development Fund

General Government

Development

Supervisor/Director	\$	15,547	
Board and Committee Members Fees		2,950	
Social Security		968	
Pensions		971	
Life Insurance		24	
Medical Insurance		3,197	
Employer Medicare		226	
Communication		1,871	
Matching Share		86,125	
Rentals		5,426	
Travel		546	
Other Contracted Services		5,000	
Office Supplies		16	
Workers' Compensation Insurance		54	
In Service/Staff Development		295	
Other Charges		3,273	
Total Development			\$ 126,489

Planning

Board and Committee Members Fees	\$	6,550	
Social Security		121	
Pensions		67	
Employer Medicare		36	
Consultants		12,375	
Legal Services		5,000	
Other Charges		86	
Total Planning			24,235

Other Facilities

Custodial Personnel	\$	8,938	
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(Continued)

Exhibit J-7

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

Industrial/Economic Development Fund (Cont.)

General Government (Cont.)

Other Facilities (Cont.)

Other Salaries and Wages	\$	3,600	
Social Security		777	
Pensions		764	
Employer Medicare		182	
Contracts with Private Agencies		2,440	
Maintenance and Repair Services - Buildings		1,235	
Maintenance and Repair Services - Equipment		250	
Custodial Supplies		948	
Electricity		136	
Total Other Facilities			\$ 19,270

Other Operations

Tourism

Other Salaries and Wages	\$	920	
Social Security		57	
Pensions		56	
Employer Medicare		13	
Advertising		9,380	
Contributions		31,218	
Data Processing Services		765	
Matching Share		135	
Travel		783	
Other Charges		4,173	
Total Tourism			47,500

Industrial Development

Communication	\$	1,921	
Contributions		52,000	
Dues and Memberships		4,254	
Legal Notices, Recording, and Court Costs		88	
Building and Contents Insurance		3,372	
Trustee's Commission		2,885	
Other Charges		713	
Total Industrial Development			65,233

Total Industrial/Economic Development Fund \$ 282,727

Drug Control Fund

Public Safety

Drug Enforcement

Detective(s)	\$	6,318	
Overtime Pay		10,831	
Other Salaries and Wages		9,750	
Social Security		1,668	
Pensions		1,638	
Employer Medicare		390	
Communication		4,020	

(Continued)

Exhibit J-7

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

Confidential Drug Enforcement Payments	\$	2,939	
Dues and Memberships		80	
Legal Notices, Recording, and Court Costs		44	
Maintenance and Repair Services - Equipment		4,025	
Maintenance and Repair Services - Vehicles		2,303	
Towing Services		400	
Travel		152	
Animal Food and Supplies		1,960	
Diesel Fuel		596	
Gasoline		2,488	
Instructional Supplies and Materials		2,873	
Law Enforcement Supplies		3,203	
Uniforms		1,382	
Workers' Compensation Insurance		1,789	
In Service/Staff Development		225	
Law Enforcement Equipment		8,694	
Total Drug Enforcement			\$ 67,768

Total Drug Control Fund \$ 67,768

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$	3,988	
Total Chancery Court			\$ 3,988

Total Constitutional Officers - Fees Fund 3,988

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	82,440	
Assistant(s)		64,274	
Social Security		8,680	
Pensions		8,935	
Life Insurance		249	
Medical Insurance		18,875	
Employer Medicare		2,030	
Dues and Memberships		3,971	
Postal Charges		49	
Travel		369	
Office Supplies		1,751	
Total Administration			\$ 191,623

Highway and Bridge Maintenance

Supervisor/Director	\$	57,848	
Equipment Operators		265,708	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Truck Drivers	\$	209,512	
Laborers		41,640	
Overtime Pay		30,926	
Other Salaries and Wages		2,058	
Other Per Diem and Fees		2,086	
Social Security		35,246	
Pensions		36,396	
Life Insurance		1,790	
Medical Insurance		178,073	
Employer Medicare		8,243	
Contracts with Private Agencies		9,647	
Asphalt - Hot Mix		755,691	
Asphalt - Liquid		178,349	
Fertilizer, Lime, and Seed		1,438	
Pipe - Metal		8,095	
Road Signs		6,162	
Salt		5,643	
Tires and Tubes		8,898	
Other Charges		478	
Total Highway and Bridge Maintenance			\$ 1,843,927

Operation and Maintenance of Equipment

Foremen	\$	25,108	
Mechanic(s)		29,176	
Equipment Operators		21,721	
Overtime Pay		2,516	
Other Salaries and Wages		108	
Other Per Diem and Fees		428	
Social Security		4,278	
Pensions		4,434	
Life Insurance		220	
Medical Insurance		34,594	
Employer Medicare		1,001	
Maintenance and Repair Services - Office Equipment		3,513	
Maintenance and Repair Services - Vehicles		5,366	
Diesel Fuel		301,833	
Equipment and Machinery Parts		99,322	
Garage Supplies		648	
Gasoline		264,552	
Lubricants		7,192	
Natural Gas		1,873	
Tires and Tubes		15,154	
Total Operation and Maintenance of Equipment			823,037

Quarry Operations

Foremen	\$	29,029	
Equipment Operators		21,694	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Quarry Operations (Cont.)

Truck Drivers	\$	25,223	
Laborers		23,991	
Overtime Pay		5,559	
Other Salaries and Wages		455	
Other Per Diem and Fees		358	
Social Security		5,841	
Pensions		6,474	
Life Insurance		369	
Medical Insurance		41,573	
Employer Medicare		1,366	
Contracts with Private Agencies		1,400	
Explosive and Drilling Services		25,094	
Licenses		12,547	
Electricity		27,414	
Total Quarry Operations			\$ 228,387

Other Charges

Communication	\$	10,922	
Maintenance and Repair Services - Office Equipment		1,009	
Electricity		5,514	
Uniforms		17,188	
Water and Sewer		1,113	
Building and Contents Insurance		1,694	
Liability Insurance		36,100	
Premiums on Corporate Surety Bonds		174	
Trustee's Commission		35,107	
Vehicle and Equipment Insurance		18,998	
Total Other Charges			127,819

Employee Benefits

Other Salaries and Wages	\$	12,655	
Social Security		785	
Unemployment Compensation		197	
Employer Medicare		183	
Medical and Dental Services		439	
Workers' Compensation Insurance		87,037	
Total Employee Benefits			101,296

Capital Outlay

Other Contracted Services	\$	3,140	
Bridge Construction		28,129	
Building Improvements		22,121	
Highway Equipment		18,360	
Motor Vehicles		51,258	
State Aid Projects		550,246	
Total Capital Outlay			673,254

Total Highway/Public Works Fund \$ 3,989,343

(Continued)

Exhibit J-7

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

<u>General Debt Service Fund</u>		
<u>Principal on Debt</u>		
<u>General Government</u>		
Principal on Bonds	\$ 367,945	
Principal on Notes	33,334	
Total General Government		\$ 401,279
<u>Highways and Streets</u>		
Principal on Notes	\$ 100,000	
Total Highways and Streets		100,000
<u>Education</u>		
Principal on Bonds	\$ 1,652,055	
Principal on Notes	166,667	
Principal on Other Loans	138,708	
Total Education		1,957,430
<u>Interest on Debt</u>		
<u>General Government</u>		
Interest on Bonds	\$ 751,291	
Interest on Notes	1,422	
Total General Government		752,713
<u>Highways and Streets</u>		
Interest on Notes	\$ 14,488	
Total Highways and Streets		14,488
<u>Education</u>		
Interest on Bonds	\$ 1,362,124	
Interest on Notes	19,408	
Total Education		1,381,532
<u>Other Debt Service</u>		
<u>General Government</u>		
Trustee's Commission	\$ 21,726	
Other Debt Service	9,611	
Total General Government		31,337
Total General Debt Service Fund		\$ 4,638,779
<u>General Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>General Administration Projects</u>		
Engineering Services	\$ 1,500	
Trustee's Commission	10,276	
Building Improvements	84,070	
Site Development	600	
Other Capital Outlay	64,561	
Total General Administration Projects		\$ 161,007

(Continued)

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

General Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Public Safety Projects

Motor Vehicles	\$ 84,215	
Total Public Safety Projects		\$ 84,215

Public Health and Welfare Projects

Consultants	\$ 15,000	
Evaluation and Testing	500	
Matching Share	30,022	
Motor Vehicles	283,609	
Site Development	4,000	
Other Equipment	591	
Total Public Health and Welfare Projects		333,722

Social, Cultural, and Recreation Projects

Matching Share	\$ 7,283	
Site Development	5,498	
Other Capital Outlay	21,848	
Total Social, Cultural, and Recreation Projects		34,629

Public Utility Projects

Site Development	\$ 25,350	
Total Public Utility Projects		25,350

Other General Government Projects

Matching Share	\$ 32,200	
Other Charges	15,627	
Other Capital Outlay	267,692	
Total Other General Government Projects		315,519

Highway and Street Capital Projects

Asphalt - Hot Mix	\$ 65,000	
Other Construction	6,490	
Total Highway and Street Capital Projects		71,490

Total General Capital Projects Fund \$ 1,025,932

Other Capital Projects Fund

Capital Projects

Public Safety Projects

Architects	\$ 96,920
Engineering Services	115,102
Legal Notices, Recording, and Court Costs	292
Matching Share	62,447
Other Contracted Services	31,133
Other Charges	171,057
Airport Improvement	544,735
Building Construction	310,525
Building Improvements	715,325

(Continued)

Exhibit J-7

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

<u>Other Capital Projects Fund (Cont.)</u>		
<u>Capital Projects (Cont.)</u>		
<u>Public Safety Projects (Cont.)</u>		
Heating and Air Conditioning Equipment	\$ 348	
Other Capital Outlay	493,942	
Total Public Safety Projects		\$ 2,541,826
 <u>Public Health and Welfare Projects</u>		
Architects	\$ 28,620	
Engineering Services	4,302	
Evaluation and Testing	8,094	
Total Public Health and Welfare Projects		41,016
 <u>Social, Cultural, and Recreation Projects</u>		
Evaluation and Testing	\$ 400	
Matching Share	100	
Total Social, Cultural, and Recreation Projects		500
 <u>Public Utility Projects</u>		
Matching Share	\$ 61,267	
Other Construction	400,000	
Total Public Utility Projects		461,267
 <u>Highway and Street Capital Projects</u>		
Asphalt - Hot Mix	\$ 91,864	
Total Highway and Street Capital Projects		91,864
Total Other Capital Projects Fund		<u>\$ 3,136,473</u>
Total Governmental Funds - Primary Government		<u><u>\$ 31,500,071</u></u>

Exhibit J-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 11,369,306	
Career Ladder Program	85,821	
Career Ladder Extended Contracts	33,580	
Homebound Teachers	78,826	
Educational Assistants	57,382	
Other Salaries and Wages	278,200	
Certified Substitute Teachers	27,509	
Non-certified Substitute Teachers	223,547	
Social Security	712,931	
Pensions	1,049,830	
Life Insurance	23,784	
Medical Insurance	2,265,152	
Unemployment Compensation	6,416	
Employer Medicare	168,296	
Operating Lease Payments	15,572	
Other Contracted Services	46,833	
Instructional Supplies and Materials	122,292	
Textbooks	358,461	
Other Supplies and Materials	38,764	
Regular Instruction Equipment	2,000	
Total Regular Instruction Program		\$ 16,964,502

Alternative Instruction Program

Teachers	\$ 190,171	
Career Ladder Program	1,000	
Career Ladder Extended Contracts	2,000	
Educational Assistants	9,445	
Social Security	11,739	
Pensions	18,043	
Life Insurance	470	
Medical Insurance	33,007	
Employer Medicare	2,745	
Total Alternative Instruction Program		268,620

Special Education Program

Teachers	\$ 1,349,905	
Career Ladder Program	14,800	
Career Ladder Extended Contracts	10,180	
Homebound Teachers	13,802	
Educational Assistants	71,591	
Other Salaries and Wages	7,650	
Non-certified Substitute Teachers	29,480	
Social Security	84,519	
Pensions	122,736	
Life Insurance	3,193	
Medical Insurance	326,450	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Employer Medicare	\$	20,244	
Instructional Supplies and Materials		12,050	
Special Education Equipment		15,540	
Total Special Education Program			\$ 2,082,140

Vocational Education Program

Teachers	\$	1,103,308	
Career Ladder Program		9,552	
Career Ladder Extended Contracts		2,000	
Other Salaries and Wages		4,925	
Non-certified Substitute Teachers		16,802	
Social Security		66,419	
Pensions		100,495	
Life Insurance		2,193	
Medical Insurance		219,594	
Employer Medicare		15,534	
Maintenance and Repair Services - Equipment		4,865	
Other Contracted Services		418	
Instructional Supplies and Materials		23,000	
Textbooks		21,595	
Other Supplies and Materials		1,517	
Vocational Instruction Equipment		5,888	
Total Vocational Education Program			1,598,105

Support Services

Attendance

Other Salaries and Wages	\$	14,456	
Social Security		896	
Pensions		880	
Life Insurance		47	
Medical Insurance		3,212	
Employer Medicare		210	
Data Processing Services		35,516	
Travel		593	
Total Attendance			55,810

Health Services

Medical Personnel	\$	185,984	
Other Salaries and Wages		69,512	
Social Security		14,213	
Pensions		19,569	
Life Insurance		699	
Medical Insurance		78,985	
Employer Medicare		3,435	
Travel		3,378	
Other Contracted Services		6,609	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Drugs and Medical Supplies	\$	65,269	
Other Supplies and Materials		14,110	
Total Health Services			\$ 461,763

Other Student Support

Career Ladder Program	\$	5,000	
Guidance Personnel		552,646	
Social Workers		18,811	
Attendants		54,905	
Other Salaries and Wages		265,676	
Social Security		52,752	
Pensions		71,478	
Life Insurance		1,379	
Medical Insurance		133,878	
Employer Medicare		12,337	
Evaluation and Testing		20,529	
Travel		44,142	
Other Contracted Services		247,457	
Other Supplies and Materials		43,345	
In Service/Staff Development		41,900	
Other Charges		6,800	
Other Equipment		71,471	
Total Other Student Support			1,644,506

Regular Instruction Program

Supervisor/Director	\$	149,361	
Career Ladder Program		24,800	
Librarians		422,888	
Materials Supervisor		45,584	
Instructional Computer Personnel		73,580	
Secretary(ies)		90,316	
Clerical Personnel		23,017	
Other Salaries and Wages		431,304	
Social Security		70,490	
Pensions		100,786	
Life Insurance		2,020	
Medical Insurance		245,845	
Employer Medicare		17,194	
Communication		86,150	
Consultants		21,565	
Maintenance and Repair Services - Equipment		32,085	
Travel		20,981	
Other Contracted Services		766	
Library Books/Media		43,536	
Other Supplies and Materials		14,805	
In Service/Staff Development		37,762	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Other Charges	\$ 21,393	
Other Equipment	71,634	
Total Regular Instruction Program		\$ 2,047,862

Alternative Instruction Program

Supervisor/Director	\$ 52,862	
Career Ladder Program	1,000	
Secretary(ies)	13,644	
Other Salaries and Wages	62,363	
Social Security	7,664	
Pensions	11,340	
Life Insurance	235	
Medical Insurance	27,565	
Employer Medicare	1,792	
Total Alternative Instruction Program		178,465

Special Education Program

Supervisor/Director	\$ 82,600	
Career Ladder Program	3,150	
Psychological Personnel	57,859	
Assessment Personnel	59,489	
Secretary(ies)	58,926	
Other Salaries and Wages	46,260	
Social Security	16,953	
Pensions	23,767	
Life Insurance	443	
Medical Insurance	30,428	
Employer Medicare	4,321	
Communication	6,494	
Maintenance and Repair Services - Equipment	755	
Postal Charges	610	
Travel	18,149	
Other Contracted Services	37,730	
Other Supplies and Materials	1,002	
Other Charges	2,719	
Other Equipment	675	
Total Special Education Program		452,330

Vocational Education Program

Supervisor/Director	\$ 23,606	
Secretary(ies)	28,913	
Social Security	3,036	
Pensions	3,895	
Life Insurance	116	
Medical Insurance	15,242	
Employer Medicare	710	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Vocational Education Program (Cont.)

Communication	\$	1,868	
Travel		8,835	
Other Charges		2,555	
Total Vocational Education Program	\$		88,776

Adult Programs

Other Charges	\$	7,200	
Total Adult Programs			7,200

Other Programs

On-behalf Payments to OPEB	\$	343,963	
Total Other Programs			343,963

Board of Education

Secretary to Board	\$	10,291	
Other Salaries and Wages		29,858	
Board and Committee Members Fees		63,032	
Social Security		5,784	
Pensions		2,749	
Life Insurance		587	
Medical Insurance		234,525	
Employer Medicare		1,470	
Other Fringe Benefits		41,451	
Audit Services		19,000	
Dues and Memberships		6,475	
Legal Services		23,285	
Travel		26,006	
Other Contracted Services		210	
Liability Insurance		96,294	
Trustee's Commission		216,329	
Workers' Compensation Insurance		449,077	
Other Charges		9,960	
Total Board of Education			1,236,383

Director of Schools

County Official/Administrative Officer	\$	105,850	
Career Ladder Program		1,000	
Secretary(ies)		35,687	
Social Security		8,548	
Pensions		11,726	
Life Insurance		1,710	
Medical Insurance		11,554	
Unemployment Compensation		3,404	
Employer Medicare		1,999	
Communication		22,857	
Dues and Memberships		6,161	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Postal Charges	\$	3,057	
Travel		3,979	
Office Supplies		3,783	
Total Director of Schools			\$ 221,315

Office of the Principal

Principals	\$	823,410	
Career Ladder Program		10,000	
Accountants/Bookkeepers		12,499	
Assistant Principals		270,449	
Secretary(ies)		430,384	
Clerical Personnel		91,449	
Other Salaries and Wages		53,210	
Social Security		98,062	
Pensions		135,746	
Life Insurance		3,443	
Medical Insurance		353,193	
Employer Medicare		22,958	
Communication		59,172	
Travel		1,367	
Other Supplies and Materials		19,159	
Other Charges		4,374	
Total Office of the Principal			2,388,875

Fiscal Services

Other Charges	\$	120,067	
Total Fiscal Services			120,067

Operation of Plant

Custodial Personnel	\$	902,422	
Other Salaries and Wages		4,183	
Social Security		50,868	
Pensions		54,047	
Life Insurance		3,639	
Medical Insurance		335,806	
Employer Medicare		11,897	
Maintenance and Repair Services - Equipment		24,707	
Other Contracted Services		52,662	
Custodial Supplies		84,912	
Electricity		856,917	
Natural Gas		144,926	
Water and Sewer		157,681	
Other Supplies and Materials		5,133	
Building and Contents Insurance		287,160	
Other Charges		19,399	
Plant Operation Equipment		3,150	
Total Operation of Plant			2,999,509

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

Supervisor/Director	\$	5,999	
Maintenance Personnel		298,151	
Social Security		17,440	
Pensions		17,886	
Life Insurance		851	
Medical Insurance		90,326	
Employer Medicare		4,079	
Communication		1,980	
Maintenance and Repair Services - Buildings		28,286	
Maintenance and Repair Services - Vehicles		2,561	
Travel		1,113	
Other Contracted Services		8,540	
Gasoline		11,450	
General Construction Materials		78,761	
Other Supplies and Materials		1,536	
Other Charges		9,798	
Total Maintenance of Plant	\$		578,757

Transportation

Supervisor/Director	\$	23,606	
Bus Drivers		38,564	
Other Salaries and Wages		21,186	
Social Security		4,500	
Pensions		3,584	
Life Insurance		290	
Medical Insurance		24,877	
Employer Medicare		1,201	
Contracts with Vehicle Owners		1,226,276	
Maintenance and Repair Services - Vehicles		14,430	
Medical and Dental Services		3,032	
Travel		900	
Gasoline		15,329	
Vehicle and Equipment Insurance		84,047	
Other Charges		1,413	
Transportation Equipment		70,475	
Total Transportation			1,533,710

Operation of Non-instructional Services

Community Services

Supervisor/Director	\$	79,142	
Part-time Personnel		250	
Other Salaries and Wages		182,128	
Social Security		15,346	
Pensions		17,912	
Life Insurance		373	
Medical Insurance		57,695	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-instructional Services (Cont.)

Community Services (Cont.)

Employer Medicare	\$	3,579	
Travel		1,499	
Instructional Supplies and Materials		26,748	
Other Supplies and Materials		2,790	
In Service/Staff Development		627	
Other Charges		2,072	
Total Community Services			\$ 390,161

Early Childhood Education

Teachers	\$	479,608	
Career Ladder Program		9,200	
Educational Assistants		124,794	
Other Salaries and Wages		40,726	
Non-certified Substitute Teachers		6,545	
Social Security		36,162	
Pensions		50,346	
Life Insurance		1,688	
Medical Insurance		144,905	
Employer Medicare		8,970	
Communication		5,848	
Maintenance and Repair Services - Equipment		185	
Travel		1,308	
Food Supplies		751	
Instructional Supplies and Materials		51,505	
In Service/Staff Development		3,769	
Other Charges		8,554	
Other Equipment		38,832	
Total Early Childhood Education			1,013,696

Capital Outlay

Regular Capital Outlay

Architects	\$	18,475	
Engineering Services		4,554	
Other Contracted Services		1,604	
Building Construction		63,254	
Building Improvements		447,382	
Site Development		32,351	
Other Capital Outlay		114,247	
Total Regular Capital Outlay			681,867

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	1,971,518	
Total Education			<u>1,971,518</u>

Total General Purpose School Fund \$ 39,329,900

(Continued)

Exhibit J-8

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

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	528,683	
Educational Assistants		537,771	
Other Salaries and Wages		43,418	
Non-certified Substitute Teachers		15,125	
Social Security		64,206	
Pensions		65,904	
Life Insurance		3,346	
Medical Insurance		197,515	
Employer Medicare		15,332	
Instructional Supplies and Materials		268,593	
Regular Instruction Equipment		140,476	
Total Regular Instruction Program			\$ 1,880,369

Special Education Program

Teachers	\$	325,838	
Educational Assistants		321,356	
Other Salaries and Wages		20,521	
Non-certified Substitute Teachers		55	
Social Security		31,433	
Pensions		35,382	
Life Insurance		1,848	
Medical Insurance		199,206	
Employer Medicare		8,822	
Instructional Supplies and Materials		2,489	
Special Education Equipment		30,384	
Total Special Education Program			977,334

Vocational Education Program

Educational Assistants	\$	23,691	
Social Security		1,273	
Pensions		1,455	
Life Insurance		154	
Medical Insurance		16,115	
Employer Medicare		298	
Other Supplies and Materials		8,402	
Vocational Instruction Equipment		27,318	
Total Vocational Education Program			78,706

Support Services

Health Services

Medical Personnel	\$	20,013	
Social Security		847	
Pensions		899	
Employer Medicare		274	
Total Health Services			22,033

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support

Other Salaries and Wages	\$	15,706	
Social Security		919	
Pensions		926	
Life Insurance		45	
Medical Insurance		5,160	
Employer Medicare		215	
Travel		32,830	
Other Contracted Services		1,723	
Other Supplies and Materials		2,926	
Other Charges		170	
Total Other Student Support	\$		60,620

Regular Instruction Program

Supervisor/Director	\$	82,600	
Secretary(ies)		42,888	
Other Salaries and Wages		437,549	
Social Security		33,249	
Pensions		49,295	
Life Insurance		999	
Medical Insurance		92,282	
Employer Medicare		7,776	
Maintenance and Repair Services - Equipment		5,254	
Travel		1,614	
Other Supplies and Materials		8,385	
In Service/Staff Development		100,368	
Other Charges		3,888	
Total Regular Instruction Program			866,147

Special Education Program

Psychological Personnel	\$	89,258	
Social Security		5,534	
Employer Medicare		1,294	
Maintenance and Repair Services - Equipment		6,435	
Other Contracted Services		50,695	
Other Supplies and Materials		16,151	
In Service/Staff Development		20,520	
Total Special Education Program			189,887

Vocational Education Program

Travel	\$	2,373	
Total Vocational Education Program			2,373

Transportation

Bus Drivers	\$	49,725	
Other Salaries and Wages		20,951	
Social Security		3,751	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Pensions	\$	25	
Employer Medicare		1,025	
Communication		525	
Maintenance and Repair Services - Vehicles		14,263	
Gasoline		15,159	
Total Transportation			\$ 105,424

Operation of Non-instructional Services

Community Services

Other Salaries and Wages	\$	240,305	
Social Security		14,693	
Pensions		17,775	
Employer Medicare		3,476	
Other Supplies and Materials		32,547	
Total Community Services			308,796

Total School Federal Projects Fund \$ 4,491,689

Central Cafeteria Fund

Operation of Non-instructional Services

Food Service

Supervisor/Director	\$	79,785	
Accountants/Bookkeepers		25,918	
Cafeteria Personnel		852,956	
Other Salaries and Wages		150,346	
Social Security		61,986	
Pensions		52,987	
Life Insurance		4,621	
Medical Insurance		395,858	
Unemployment Compensation		172	
Employer Medicare		14,507	
Other Fringe Benefits		10,784	
Communication		7,762	
Maintenance and Repair Services - Equipment		38,186	
Travel		3,448	
Other Contracted Services		33,062	
Food Preparation Supplies		136,139	
Food Supplies		1,241,958	
Uniforms		4,592	
USDA - Commodities		177,873	
Other Supplies and Materials		9,717	
In Service/Staff Development		392	
Other Charges		101,816	
Food Service Equipment		75,630	
Total Food Service			\$ 3,480,495

Total Central Cafeteria Fund 3,480,495

Total Governmental Funds - Campbell County School Department \$ 47,302,084

Exhibit J-9

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

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 3,291,839
Total Cash Receipts	<u>\$ 3,291,839</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 3,258,921
Trustee's Commission	32,918
Total Cash Disbursements	<u>\$ 3,291,839</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>

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## **SINGLE AUDIT SECTION**

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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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Campbell County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Campbell County's basic financial statements, and have issued our report thereon dated January 6, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Campbell 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 Campbell County's internal control. Accordingly, we do not express an opinion on the effectiveness of Campbell 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. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be a significant deficiency: 2015-003.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Campbell County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2015-001, 2015-002, 2015-004, 2015-005, 2015-006, and 2015-007.

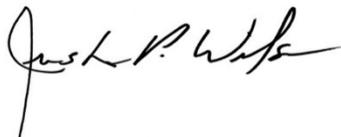
### **Campbell County's Responses to Findings**

Campbell County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Campbell County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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 Campbell 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

January 6, 2016

JPW/sb



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

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

We have audited Campbell 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 Campbell County's major federal programs for the year ended June 30, 2015. Campbell County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***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 Campbell 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 Campbell County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Campbell County's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Campbell 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 Campbell 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 Campbell 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 Campbell 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.

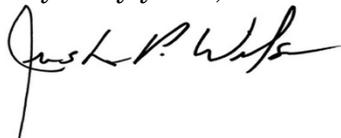
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any 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 Campbell County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Campbell County's basic financial statements. We issued our report thereon dated January 6, 2016, 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

January 6, 2016

JPW/sb

Campbell 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 Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	\$ 177,873 (3)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	864,829
National School Lunch Program	10.555	N/A	2,269,590 (3)
Fresh Fruit and Vegetable Program	10.582	N/A	35,650
Total U.S. Department of Agriculture			<u>\$ 3,347,942</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	GG-10-314004-00	\$ 300,000
Total U.S. Department of Housing and Urban Development			<u>\$ 300,000</u>
U.S. Department of the Interior:			
Passed-through State Department of Environment and Conservation:			
Abandoned Mine Land Reclamation (AMLR) Program	15.252	GG-12-37855	\$ 400,000
Sport Fish Restoration Program	15.605	(2)	15,000
Total U.S. Department of the Interior			<u>\$ 415,000</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Alcohol Open Container Requirements	20.607	(2)	\$ 1,922
National Highway Traffic Safety Administration (NHTSA) Discretionary Service Grants	20.614	(2)	41,796
Airport Improvement Program	20.106	(2)	490,096
Total U.S. Department of Transportation			<u>\$ 533,814</u>
Appalachian Regional Commission:			
Passed-through State Department of Economic and Community Development:			
Appalachian Area Development	23.002	(2)	\$ 267,692
Total Appalachian Regional Commission			<u>\$ 267,692</u>
Environmental Protection Agency:			
Direct Program:			
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	00D24714	\$ 8,094
Total Environmental Protection Agency			<u>\$ 8,094</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 2,375,656
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	1,281,050
Special Education - Preschool Grants	84.173	N/A	44,733
Safe and Drug-free Schools and Communities	84.184	N/A	28,934
Career and Technical Education - Basic Grants to States	84.048	N/A	115,471
Twenty-first Century Community Learning Centers	84.287	(2)	308,794
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	242,621
Rural Education	84.358	N/A	28,408
Improving Teacher Quality State Grants	84.367	N/A	335,314
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	84.395	(2)	34,397
Total U.S. Department of Education			<u>\$ 4,795,378</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Grant	97.067	(2)	\$ 12,500
Emergency Management Performance Grants	97.042	(2)	15,000
Total U.S. Department of Homeland Security			\$ 27,500
Total Expenditures of Federal Awards			\$ 9,695,420
		<u>Contract Number</u>	
<u>State Grants</u>			
Waste Tire Program - State Department of Environment and Conservation	N/A	(2)	\$ 71,032
Litter Program - State Department of Transportation	N/A	(2)	35,036
Local Health Services - State Department of Health	N/A	(2)	689,972
Airport Maintenance - State Department of Transportation	N/A	(2)	30,103
Airport Projects Grants - State Department of Transportation	N/A	(2)	472,775
Aging Program - State Commission on Aging	N/A	(2)	8,980
Juvenile Service Program - State Commission on Children and Youth	N/A	(2)	13,500
Sport Fish Restoration Program - State Department of Tennessee Wildlife Resource Agency	N/A	(2)	6,849
Special Needs Health Services - State Department of Health	N/A	(2)	52,400
Coordinated School Health Grant - State Department of Education	N/A	(2)	99,999
Family Resource Center - State Department of Education	N/A	(2)	57,463
Safe Schools Act - State Department of Education	N/A	(2)	31,220
Early Childhood Education Program - State Department of Education	N/A	(2)	687,155
Internet Connectivity Grant - State Department of Education	N/A	(2)	16,351
Mini Math and Science Grant - State Department of Education	N/A	(2)	27,180
Student Ticket Subsidy Grant - State Arts Commission	N/A	(2)	2,430
Lottery for Education: After School Program - State Department of Education	N/A	(2)	198,003
Total State Grants			\$ 2,500,448

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

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.  
(2) Information not available.  
(3) Total for CFDA No. 10.555 is \$2,447,463.

Campbell 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. Presented below is a finding from the Annual Financial Report for Campbell County, Tennessee, for the year ended June 30, 2014, which has not been corrected.

**OFFICES OF COUNTY CLERK, CLERK AND MASTER, AND REGISTER OF DEEDS**

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2014-001	184	Duties were not segregated adequately

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**CAMPBELL COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2015**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

1. Our report on the financial statements of Campbell County is unmodified.
2. The audit of the financial statements of Campbell County disclosed a significant deficiency in internal control. This deficiency was not considered to be a material weakness.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of Campbell County.
4. The audit reported no significant deficiencies in internal control over major programs.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of *OMB Circular A-133*.
7. The Community Development Block Grant (CFDA No. 14.228), Airport Improvement Program (CFDA No. 20.106), Title I Grants to Local Educational Agencies: (CFDA No. 84.010), Twenty-first Century Community Learning Centers (CFDA No. 84.287), and Improving Teacher Quality State Grants (CFDA No. 84.367), were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. Campbell County qualified as a low-risk auditee.

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

Findings and recommendations, as a result of our examination and the annual monitoring by the state Division of Property Assessments on assessors of property, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. The written responses of the assessor of property are paraphrased in this report. Other management officials did not provide responses for inclusion in this report.

### **OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK**

#### **FINDING 2015-001**

#### **THREE OFFICE EMPLOYEES USED COUNTY EQUIPMENT FOR THEIR PERSONAL BENEFIT** (Noncompliance Under *Government Auditing Standards*)

Three deputy clerks used county equipment and resources for their personal benefit to gather information for private companies engaged in the business of performing background checks on individuals. These deputy clerks informed us that they performed this work in the clerk's office after office hours or during lunch breaks, and personally received payments for these services from the companies. The companies generally e-mailed requests to the deputy clerks, who would then gather the information and e-mail or fax the information back to the requesting companies. The companies remitted payments for this service to the residence of the appropriate deputy clerk.

We contacted various companies that we had been told provide these services. We identified two companies, SPI Researchers and SJV Associates, who confirmed they had paid county employees for performing the background checks. SPI Researchers, supplied us with a list of checks totaling \$4,255 for the period July 2014 through October 2015 that they had written to one of the deputy clerks for performing the background checks. SJV Associates indicated that they had made payments to an employee of the office; however, they never provided us with name or the amounts of those payments despite our requests.

We interviewed Circuit and General Sessions Courts Clerk Bobby Vann about the office's procedures for handling background checks. Mr. Vann stated that he was aware that three of his employees worked for some companies after hours or during lunch breaks performing background checks. Mr. Vann agreed to stop the deputy clerks from performing these background checks immediately, and stated that the office would be installing a computer that would be made available to the general public on which such background checks could be performed. He intends to respond to future requests for background checks by referring them to the public access computer.

The practice of employees using county equipment and resources for their personal benefit has resulted in lost revenue for the county. This deficiency occurred because the official stated that he was unaware that allowing employees to use county equipment and resources for their personal benefit outside of their scheduled work hours should be prohibited. This deficiency has been reviewed with the district attorney general.

## RECOMMENDATION

Procedures should be implemented to ensure that requests for background checks performed by county personnel are processed during office hours as part of employees' regular duties. Company payments for these services should be receipted and deposited into office accounts.

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## OFFICE OF SHERIFF

### FINDING 2015-002

### **THE OFFICE DID NOT DEPOSIT SOME FUNDS WITHIN THREE DAYS OF COLLECTION** (Noncompliance Under *Government Auditing Standards*)

As part of our audit procedures for obtaining reasonable assurance that funds were deposited within three days of collection as required by Section 5-8-207, *Tennessee Code Annotated*, we judgmentally selected receipts for six days between December 2014, and June 2015, to trace to deposits. During this period, four days of receipts were held from six to 11 days before being deposited to the office bank account. This deficiency was the result of a lack of management oversight. The delay in depositing funds weakens internal controls over collections and increases the risks of fraud and misappropriation.

## RECOMMENDATION

All funds should be deposited to the office bank account within three days of collection as required by state statute.

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## OFFICES OF COUNTY CLERK, CLERK AND MASTER, AND REGISTER OF DEEDS

### FINDING 2015-003

### **DUTIES WERE NOT SEGREGATED ADEQUATELY** (Internal Control – Significant Deficiency Under *Government Auditing Standards*)

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

## RECOMMENDATION

Officials should segregate duties to the extent possible using available resources.

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## OFFICE OF ASSESSOR OF PROPERTY

### FINDING 2015-004

### **THE ASSESSOR DID NOT MAINTAIN AN ADEQUATE PROGRAM OF SALES VERIFICATION**

(Noncompliance Under *Government Auditing Standards*)

The assessor did not maintain an adequate program of sales verification. Section 67-5-1601, *Tennessee Code Annotated*, requires the assessor to maintain an adequate program of real property sales verifications in accordance with procedures and rules established by the state Board of Equalization. This deficiency can be attributed to the failure of management to maintain adequate records of sales and rejections in analyzing reappraisals, sales ratio studies, current value update programs, and other reporting services. This resulted in a lack of sufficient documentation to verify sales during reappraisals, sales ratio studies, and current value update programs.

## RECOMMENDATION

The assessor should maintain an adequate program of sales verifications as required by state statute.

## MANAGEMENT'S RESPONSE – ASSESSOR OF PROPERTY

I am attempting to determine the cause of this issue and resolve the finding. I believe that most of the errors in question may have been flagged for on-site review to verify that the physical condition of the property agrees with the property card or are in-line to be mapped due to surveys or property splits. Whatever the outcome, this issue will be corrected immediately.

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### FINDING 2015-005

### **THE ASSESSOR DID NOT PRORATE IMPROVEMENTS OR NEW CONSTRUCTION**

(Noncompliance Under *Government Auditing Standards*)

The assessor did not properly prorate improvements or new construction. Assessors are required to pick up new construction or improvements and to prorate their values for the portion of the year following their date of completion. Section 67-5-603(b)(1), *Tennessee Code Annotated*, provides that for the year in which an improvement or building is completed, the assessment, or increase in assessment, shall be prorated for the portion of the year following the date of its completion. This deficiency can be attributed to management's failure to properly comply with this statute and resulted in an incorrect assessed value to the affected properties.

## RECOMMENDATION

The assessor should prorate new construction and improvements as required by state statute.

## MANAGEMENT'S RESPONSE – ASSESSOR OF PROPERTY

I find this issue very perplexing. We have followed the same practice for a number of years, and this is the first time this practice has been questioned. Homes started in one tax year, but not completed until the following tax year, have not been assessed at full value until completed. I feel this office has followed the statutory requirements and the assessed values are proper.

## REBUTTAL – STATE DIVISION OF PROPERTY ASSESSMENTS

As reported through our monitoring efforts, new construction improvements were not properly prorated when completed prior to September 1 of the tax year.

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## FINDING 2015-006

### **MOBILE HOME SCHEDULES WERE NOT MAILED TO THE LAND OWNER WHERE THE MOBILE HOME WAS LOCATED**

(Noncompliance Under *Government Auditing Standards*)

Mobile home schedules were not mailed to the owner of the land where the mobile homes were located. Section 67-5-802, *Tennessee Code Annotated*, requires the assessor to furnish a schedule to each land owner of a mobile home park by March 1 each year. It is the land owner's responsibility to complete the schedule to report the number of mobile homes, make, serial number, size, original cost, and any other information necessary for proper assessment of the mobile homes. This deficiency occurred because the assessor failed to follow the state statute, which could result in the inaccurate assessment of the property.

## RECOMMENDATION

The assessor should provide to land owners where mobile homes are located a schedule of assessed values of each mobile home before March 1 of each tax year and should review them for accuracy.

## MANAGEMENT'S RESPONSE – ASSESSOR OF PROPERTY

This finding was due to the loss of the computer program we used to create the mobile home park schedules. I believe this happened during an equipment upgrade. Once we discovered the program loss, we attempted to install a back-up program, but were unsuccessful. We did make contact with a majority of the land owners and did complete an on-site review of all the mobile home parks. We are currently in the development stage of a new procedure for the production of mobile home park schedules so our dependency on, or loss of, a computer program will not affect our operations.

**OTHER FINDING**

**FINDING 2015-007**

**THE COUNTY'S AUDIT COMMITTEE IS NOT A  
FUNCTIONING COMMITTEE**

(Noncompliance Under *Government Auditing Standards*)

Campbell County created an Audit Committee in April 2014, as provided by Section 9-3-405, *Tennessee Code Annotated*; however, there are no minutes to document that this Audit Committee has ever met or conducted any business. Without a functioning Audit Committee, the County Commission does not have independent and objective reviews of the financial reporting process, internal controls, the audit function, and monitoring management's plans to address various risks.

**RECOMMENDATION**

The county's Audit Committee should be a functioning committee, maintain minutes of its meetings, and annually present a written committee report detailing how it discharged its duties and any committee recommendations to the full County Commission.

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

There were no findings and questioned costs for federal programs.

**CAMPBELL 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.