
ANNUAL FINANCIAL REPORT DYER COUNTY, TENNESSEE



FOR THE YEAR ENDED JUNE 30, 2013



**ANNUAL FINANCIAL REPORT
DYER COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2013**

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

***DIVISION OF LOCAL GOVERNMENT AUDIT
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Director***

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ELISHA CROWELL, CFE
State Auditors***

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

DYER COUNTY, TENNESSEE

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Audit Highlights

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

Scope

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

Results

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

Our audit resulted in five findings and recommendations, which we have reviewed with Dyer County management. Detailed findings and recommendations are included in the Single Audit section of this report.

Findings and Best Practice

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

OFFICE OF COUNTY MAYOR

- ◆ Compensation was paid in-lieu-of insurance benefits to some employees.
-

OFFICES OF COUNTY MAYOR AND ROAD SUPERVISOR

- ◆ Bonus payments to county employees were not made through the payroll system.
-

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

- ◆ Unclaimed funds were not reported and paid to the state.
 - ◆ The office did not implement adequate controls to protect its information resources.
-

OFFICES OF ROAD SUPERVISOR, CIRCUIT AND GENERAL SESSIONS COURTS CLERK, AND SHERIFF

- ◆ Duties were not segregated adequately.
-

BEST PRACTICE

Dyer County does not have a central system of accounting, budgeting, and purchasing. The Division of Local Government Audit strongly believes that a central system of accounting, budgeting, and purchasing is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Dyer County.

INTRODUCTORY SECTION

Dyer County Officials

June 30, 2013

Officials

Richard Hill, County Mayor
Jeff Jones, Road Supervisor
Dwight Hedge, Director of Schools
Judy Patton, Trustee
Sheila Holmes, Assessor of Property
Diane Moore, County Clerk
Tom Jones, Circuit and General Sessions Courts Clerk
Steve Walker, Clerk and Master
Danny Fowlkes, Register of Deeds
Jeff Box, Sheriff

Board of County Commissioners

Milton Magee, Chairman
David Agee
Bill Cloar
Brandon Dodds
Rusty Grills
Debbie Bradshaw Hart
Jimmy Hester
Jim Horner
William Mallard
Larry Maupin

Steve Moore
Pamela Newell
Kyle Reynolds
Steve Sartin
Tommy Seratt
Al Seward
Benny Spain
Vernita Turner
John Uitendaal
Adam Williams

Board of Education

Mike McLaughlin, Chairman
Keith Anderson
Sherrell Armstrong
LeAnn Childress
Steve Dodds

Carol Feather
Jeremy Gatlin
Ross Maldonado
William May
Maria Starks

Audit Committee

Milton Magee, Chairman
David Agee
John Flatt
Debbie Bradshaw Hart
Jim Horner

FINANCIAL SECTION



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
SUITE 1500
JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
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Independent Auditor's Report

Dyer County Mayor and
Board of County Commissioners
Dyer 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 Dyer County, Tennessee, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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 Dyer County, Tennessee, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

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 funding progress – pension plan and other postemployment benefit plan on pages 68-70 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 Dyer 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 Dyer 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.

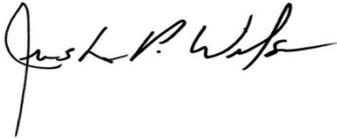
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Dyer County School Department (a discretely presented component unit), and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Dyer County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2013, on our consideration of Dyer 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 Dyer County's internal control over financial reporting and compliance.

Very truly yours,

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

Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

September 30, 2013

JPW/sb

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government <u>Governmental Activities</u>	Component Unit <u>Dyer County School Department</u>
<u>ASSETS</u>		
Cash	\$ 1,370	\$ 880
Equity in Pooled Cash and Investments	23,305,617	7,432,612
Accounts Receivable	112,672	25,320
Due from Other Governments	850,586	919,401
Property Taxes Receivable	8,495,852	4,800,006
Allowance for Uncollectible Property Taxes	(230,286)	(120,376)
Accrued Interest Receivable	75,934	0
Notes Receivable - Long-term	1,648,459	0
Capital Assets:		
Assets Not Depreciated:		
Land	3,554,709	1,082,197
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	9,698,336	42,327,481
Infrastructure	7,595,393	0
Other Capital Assets	2,424,184	3,126,105
Total Assets	<u>\$ 57,532,826</u>	<u>\$ 59,593,626</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Charge on Refunding	<u>\$ 210,878</u>	<u>\$ 0</u>
Total Deferred Outflows of Resources	<u>\$ 210,878</u>	<u>\$ 0</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 48,795	\$ 187,758
Accrued Payroll	0	37,277
Payroll Deductions Payable	44	720,568
Accrued Interest Payable	107,782	0
Health Insurance Payments	18,916	0
Noncurrent Liabilities:		
Due Within One Year	2,662,966	5,075
Due in More Than One Year (net of unamortized discount on debt)	44,082,695	3,457,123
Total Liabilities	<u>\$ 46,921,198</u>	<u>\$ 4,407,801</u>

(Continued)

Exhibit A

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

	Primary Government <u>Governmental Activities</u>	<u>Component Unit</u> Dyer County School Department
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 7,897,559	\$ 4,502,993
Total Deferred Inflows of Resources	<u>\$ 7,897,559</u>	<u>\$ 4,502,993</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 16,482,796	\$ 46,535,783
Restricted for:		
Long-term Notes Receivable	1,648,459	0
Public Safety	48,156	0
Highway/Public Works	3,394,861	0
Education	0	342
Support Services	0	33,067
Operation of Non-Instructional Services	0	821,819
Debt Service	70,796	0
Other Purposes	39,063	0
Unrestricted	<u>(18,759,184)</u>	<u>3,291,821</u>
Total Net Position	<u>\$ 2,924,947</u>	<u>\$ 50,682,832</u>

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

Exhibit B

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

Functions/Programs	Program Revenues						Net (Expense) Revenue and Changes in Net Position		Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions	Primary Government		Dyer County School Department	
			Contributions	Contributions		Total Governmental Activities	Governmental Activities		
Primary Government:									
Governmental Activities:									
General Government	\$ 1,510,104	\$ 281,931	\$ 34,264	\$ 0	\$ 0	\$ (1,193,909)	\$ 0	0	
Finance	1,120,069	900,153	0	0	0	(219,916)	0	0	
Administration of Justice	1,308,757	717,848	9,000	0	0	(581,909)	0	0	
Public Safety	4,887,770	1,603,578	64,805	78,937	0	(3,140,450)	0	0	
Public Health and Welfare	661,714	17,933	267,308	0	0	(376,473)	0	0	
Social, Cultural, and Recreational Services	677,420	56,240	278,155	0	0	(343,025)	0	0	
Agriculture and Natural Resources	193,361	0	0	0	0	(193,361)	0	0	
Other Operations	354,362	0	0	0	0	(354,362)	0	0	
Highways	4,091,800	27,871	1,832,064	543,968	0	(1,687,897)	0	0	
Education	109,455	94,094	0	0	0	(15,361)	0	0	
Interest on Long-term Debt	1,711,976	0	0	0	0	(1,711,976)	0	0	
Other Debt Service	96,934	0	0	0	0	(96,934)	0	0	
Total Primary Government	\$ 16,723,722	\$ 3,699,648	\$ 2,485,596	\$ 622,905	\$ 622,905	\$ (9,915,573)	\$ 0	0	
Component Unit:									
Dyer County School Department	\$ 33,241,290	\$ 761,668	\$ 4,438,452	\$ 0	\$ 0	\$ 0	\$ (28,041,170)	0	
Total Component Unit	\$ 33,241,290	\$ 761,668	\$ 4,438,452	\$ 0	\$ 0	\$ 0	\$ (28,041,170)	0	

(Continued)

Exhibit B

Dyer County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
	Charges for Services	Operating Grants and Contributions	Primary Government Total	Component Unit Dyer County School Department
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes			\$ 8,837,441	\$ 4,338,786
Property Taxes Levied for Debt Service			20,634	0
Local Option Sales Taxes			94,661	3,863,127
Wheel Tax			0	1,143,555
Litigation Tax			262,733	0
Business Tax			395,598	0
Wholesale Beer Tax			85,239	0
Other Local Taxes			0	2,748
Grants and Contributions Not Restricted to Specific Programs			1,199,969	18,079,185
Unrestricted Investment Income			467,735	62,976
Miscellaneous			192,457	87,318
Total General Revenues			\$ 11,556,467	\$ 27,577,695
Change in Net Position			\$ 1,640,894	\$ (463,475)
Net Position, July 1, 2012			1,854,578	51,146,307
Reclassification			(3,214)	0
Prior-period Adjustment			(567,311)	0
Net Position, June 30, 2013			\$ 2,924,947	\$ 50,682,832

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

Exhibit C-1

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other	Governmental Funds	
\$	0	0	0	0	1,370	1,370
Equity in Pooled Cash and Investments	17,496,750	2,998,984	2,032,192	117,181		22,645,107
Accounts Receivable	66,386	0	0	731		67,117
Due from Other Governments	499,593	324,423	17,803	8,767		850,586
Due from Other Funds	1,370	0	0	0		1,370
Property Taxes Receivable	5,237,578	1,755,826	1,502,448	0		8,495,852
Allowance for Uncollectible Property Taxes	(137,739)	(46,175)	(46,372)	0		(230,286)
Accrued Interest Receivable	0	0	75,934	0		75,934
Notes Receivable - Long-term	1,648,459	0	0	0		1,648,459
Total Assets	\$ 24,812,397	\$ 5,033,058	\$ 3,582,005	\$ 128,049	\$	\$ 33,555,509

ASSETS

Cash
 Equity in Pooled Cash and Investments
 Accounts Receivable
 Due from Other Governments
 Due from Other Funds
 Property Taxes Receivable
 Allowance for Uncollectible Property Taxes
 Accrued Interest Receivable
 Notes Receivable - Long-term

LIABILITIES

Accounts Payable
 Payroll Deductions Payable
 Due to Other Funds
 Health Insurance Payments
 Total Liabilities

DEFERRED INFLOWS OF RESOURCES

Deferred Current Property Taxes
 Deferred Delinquent Property Taxes
 Other Deferred/Unavailable Revenue
 Total Deferred Inflows of Resources

\$	48,795	0	0	0	0	48,795
	0	44	0	0	0	44
	0	0	0	1,370	0	1,370
	18,916	0	0	0	0	18,916
\$	67,711	44	0	1,370	0	69,125
\$	4,886,563	1,638,153	1,372,843	0	0	7,897,559
	169,004	56,665	70,796	0	0	296,465
	0	162,212	8,902	0	0	171,114
\$	5,055,567	1,857,030	1,452,541	0	0	8,365,138

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other	Governmental Funds	
Nonspendable:						
Long-term Notes Receivable	\$ 1,648,459	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,648,459
Restricted:						
Restricted for Administration of Justice	0	0	0	39,063	39,063	39,063
Restricted for Public Safety	7,435	0	0	40,721	48,156	48,156
Restricted for Highways/Public Works	0	3,175,984	0	0	0	3,175,984
Committed:						
Committed for Public Health and Welfare	0	0	0	46,895	46,895	46,895
Committed for Debt Service	0	0	2,129,464	0	0	2,129,464
Unassigned	18,033,225	0	0	0	0	18,033,225
Total Fund Balances	\$ 19,689,119	\$ 3,175,984	\$ 2,129,464	\$ 126,679	\$ 25,121,246	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 24,812,397	\$ 5,033,058	\$ 3,582,005	\$ 128,049	\$ 33,555,509	

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

Exhibit C-2

Dyer County, Tennessee

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

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 25,121,246
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 3,554,709	
Add: buildings and improvements net of accumulated depreciation	9,698,336	
Add: infrastructure net of accumulated depreciation	7,595,393	
Add: other capital assets net of accumulated depreciation	<u>2,424,184</u>	23,272,622
(2) Internal service funds are used by management to charge the costs of workers' compensation benefits to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		706,065
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: capital leases payable	\$ (79,162)	
Less: other loans payable	(12,330,990)	
Less: bonds payable	(34,400,000)	
Add: deferred amount on unamortized debt discount	64,491	
Add: deferred amount on refunding	210,878	
Less: accrued interest on notes, capital leases, and bonds	<u>(107,782)</u>	(46,642,565)
(4) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>467,579</u>
Net position of governmental activities (Exhibit A)		<u>\$ 2,924,947</u>

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

Exhibit C-3

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 5,866,237	\$ 1,725,240	\$ 3,015,267	\$ 123,916	\$ 10,730,660
Licenses and Permits	97,712	12,705	0	0	110,417
Fines, Forfeitures, and Penalties	204,803	0	0	16,499	221,302
Charges for Current Services	63,927	3,000	0	8,638	75,565
Other Local Revenues	315,535	45,387	162,973	24,895	548,790
Fees Received from County Officials	1,540,487	0	0	0	1,540,487
State of Tennessee	2,064,242	2,382,711	0	27,676	4,474,629
Federal Government	250,246	0	275,027	0	525,273
Other Governments and Citizens Groups	34,648	0	0	0	34,648
Total Revenues	\$ 10,437,837	\$ 4,169,043	\$ 3,453,267	\$ 201,624	\$ 18,261,771
<u>Expenditures</u>					
Current:					
General Government	\$ 1,391,447	\$ 0	\$ 0	\$ 0	\$ 1,391,447
Finance	1,117,246	0	0	0	1,117,246
Administration of Justice	1,304,436	0	0	23	1,304,459
Public Safety	4,631,741	0	0	100,882	4,732,623
Public Health and Welfare	510,408	0	0	118,516	628,924
Social, Cultural, and Recreational Services	653,556	0	0	0	653,556
Agriculture and Natural Resources	192,656	0	0	0	192,656
Other Operations	354,356	0	0	0	354,356
Highways	0	4,797,896	0	0	4,797,896
Debt Service:					
Principal on Debt	74,019	0	2,607,555	0	2,681,574
Interest on Debt	1,928	0	1,683,263	0	1,685,191
Other Debt Service	0	0	84,121	0	84,121
Total Expenditures	\$ 10,231,793	\$ 4,797,896	\$ 4,374,939	\$ 219,421	\$ 19,624,049
Excess (Deficiency) of Revenues Over Expenditures	\$ 206,044	\$ (628,853)	\$ (921,672)	\$ (17,797)	\$ (1,362,278)
<u>Other Financing Sources (Uses)</u>					
Capital Leases Issued	\$ 87,831	\$ 0	\$ 0	\$ 0	\$ 87,831
Insurance Recovery	6,794	0	0	0	6,794
Transfers In	0	0	490,503	0	490,503
Transfers Out	(490,503)	0	0	0	(490,503)
Total Other Financing Sources (Uses)	\$ (395,878)	\$ 0	\$ 490,503	\$ 0	\$ 94,625
Net Change in Fund Balances	\$ (189,834)	\$ (628,853)	\$ (431,169)	\$ (17,797)	\$ (1,267,653)
Reclassification	0	0	0	(3,214)	(3,214)
Fund Balance, July 1, 2012	19,878,953	3,804,837	2,560,633	147,690	26,392,113
Fund Balance, June 30, 2013	\$ 19,689,119	\$ 3,175,984	\$ 2,129,464	\$ 126,679	\$ 25,121,246

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

Exhibit C-4

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

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ (1,267,653)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 1,891,444	
Less: current-year depreciation expense	<u>(1,519,690)</u>	371,754
(2) The net effect of various miscellaneous transactions involving capital assets (sales and trade-ins) is to decrease net position.		
Less: proceeds received from the disposal of capital assets		(8,882)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2013	\$ 467,579	
Less: deferred delinquent property taxes and other deferred June 30, 2012	<u>(467,328)</u>	251
(4) The issuance of long-term debt (e.g., capital leases, 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 net effect of these differences in the treatment of long-term debt and related items.		
Less: capital lease proceeds	\$ (87,831)	
Less: change in discount on debt issuances	(6,640)	
Less: change in deferred amount on refunding debt	(26,674)	
Add: principal payments on notes	41,666	
Add: principal payments on capital leases	74,019	
Add: principal payments on other loans	913,076	
Add: principal payments on bonds	<u>1,640,000</u>	2,547,616
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable		6,529
(6) Internal service funds are used by management to charge the costs of workers' benefits to individual funds. The net revenue (expense) of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		<u>(8,721)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 1,640,894</u>

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

Exhibit C-5

Dyer County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 5,866,237	\$ 5,877,120	\$ 5,877,120	\$ (10,883)
Licenses and Permits	97,712	115,600	115,600	(17,888)
Fines, Forfeitures, and Penalties	204,803	198,550	275,553	(70,750)
Charges for Current Services	63,927	71,650	71,650	(7,723)
Other Local Revenues	315,535	181,500	315,334	201
Fees Received from County Officials	1,540,487	1,562,500	1,562,500	(22,013)
State of Tennessee	2,064,242	2,040,615	2,061,705	2,537
Federal Government	250,246	311,100	342,440	(92,194)
Other Governments and Citizens Groups	34,648	27,100	27,100	7,548
Total Revenues	\$ 10,437,837	\$ 10,385,735	\$ 10,649,002	\$ (211,165)
<u>Expenditures</u>				
<u>General Government</u>				
County Commission	\$ 88,117	\$ 90,401	\$ 90,401	\$ 2,284
Board of Equalization	1,352	3,000	3,000	1,648
Other Boards and Committees	3,300	4,000	4,000	700
County Mayor/Executive	227,957	223,347	229,712	1,755
County Attorney	47,931	53,293	53,293	5,362
Election Commission	330,458	405,500	404,800	74,342
Register of Deeds	179,013	183,172	183,172	4,159
Planning	125,849	128,327	127,977	2,128
County Buildings	233,768	236,495	237,911	4,143
Other General Administration	153,702	260,398	251,468	97,766
<u>Finance</u>				
Accounting and Budgeting	150,822	152,990	152,990	2,168
Property Assessor's Office	293,373	296,862	294,962	1,589
Reappraisal Program	50,544	51,822	51,822	1,278
County Trustee's Office	209,369	210,459	210,459	1,090
County Clerk's Office	351,629	377,551	377,191	25,562
Other Finance	61,509	43,790	61,617	108
<u>Administration of Justice</u>				
Circuit Court	421,344	427,542	426,867	5,523
General Sessions Court	198,745	199,029	199,029	284
Drug Court	45,606	50,000	49,925	4,319
Chancery Court	296,943	309,612	309,612	12,669
Juvenile Court	262,263	301,575	301,575	39,312
Other Administration of Justice	79,535	75,840	79,740	205
<u>Public Safety</u>				
Sheriff's Department	2,196,466	1,997,490	2,238,323	41,857
Drug Enforcement	2,693	0	2,703	10
Jail	2,073,956	2,146,605	2,145,380	71,424
Fire Prevention and Control	192,430	215,143	213,743	21,313
Disaster Relief	91,066	128,160	128,160	37,094
County Coroner/Medical Examiner	11,560	13,000	13,000	1,440
Other Public Safety	63,570	64,494	64,494	924
<u>Public Health and Welfare</u>				
Local Health Center	100,115	112,272	108,822	8,707

(Continued)

Exhibit C-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Expenditures (Cont.)</u>				
<u>Public Health and Welfare (Cont.)</u>				
Rabies and Animal Control	\$ 79,750	\$ 79,750	\$ 79,750	\$ 0
Crippled Children Services	1,240	1,240	1,240	0
Other Local Health Services	37,070	38,000	49,100	12,030
General Welfare Assistance	87,051	90,145	88,645	1,594
Aid to Dependent Children	129,274	141,800	140,900	11,626
Sanitation Education/Information	65,924	65,977	66,107	183
Other Public Health and Welfare	9,984	10,000	10,000	16
<u>Social, Cultural, and Recreational Services</u>				
Adult Activities	90,505	103,588	103,588	13,083
Senior Citizens Assistance	315,075	271,350	319,265	4,190
Libraries	130,895	130,895	130,895	0
Parks and Fair Boards	2,295	2,295	2,295	0
Other Social, Cultural, and Recreational	114,786	122,303	120,803	6,017
<u>Agriculture and Natural Resources</u>				
Agriculture Extension Service	129,865	138,505	139,255	9,390
Soil Conservation	25,780	25,839	25,839	59
Flood Control	31,699	33,619	33,619	1,920
Other Agriculture and Natural Resources	5,312	15,551	15,551	10,239
<u>Other Operations</u>				
Industrial Development	41,193	56,500	56,500	15,307
Other Economic and Community Development	5,653	0	9,990	4,337
Miscellaneous	307,510	250,475	325,775	18,265
<u>Principal on Debt</u>				
General Government	74,019	90,000	90,122	16,103
<u>Interest on Debt</u>				
General Government	1,928	4,500	4,500	2,572
Total Expenditures	\$ 10,231,793	\$ 10,434,501	\$ 10,829,887	\$ 598,094
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 206,044	\$ (48,766)	\$ (180,885)	\$ 386,929
<u>Other Financing Sources (Uses)</u>				
Capital Leases Issued	\$ 87,831	\$ 0	\$ 87,831	\$ 0
Insurance Recovery	6,794	0	0	6,794
Transfers In	0	81,540	81,540	(81,540)
Transfers Out	(490,503)	0	(490,503)	0
Total Other Financing Sources	\$ (395,878)	\$ 81,540	\$ (321,132)	\$ (74,746)
Net Change in Fund Balance	\$ (189,834)	\$ 32,774	\$ (502,017)	\$ 312,183
Fund Balance, July 1, 2012	19,878,953	19,946,047	19,946,047	(67,094)
Fund Balance, June 30, 2013	\$ 19,689,119	\$ 19,978,821	\$ 19,444,030	\$ 245,089

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

Exhibit C-6

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,725,240	\$ 1,704,198	\$ 1,704,198	\$ 21,042
Licenses and Permits	12,705	9,702	9,702	3,003
Charges for Current Services	3,000	0	0	3,000
Other Local Revenues	45,387	64,706	64,706	(19,319)
State of Tennessee	2,382,711	2,687,981	2,941,665	(558,954)
Total Revenues	<u>\$ 4,169,043</u>	<u>\$ 4,466,587</u>	<u>\$ 4,720,271</u>	<u>\$ (551,228)</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 151,707	\$ 180,865	\$ 157,849	\$ 6,142
Highway and Bridge Maintenance	2,778,476	2,578,851	3,675,363	896,887
Operation and Maintenance of Equipment	640,863	708,256	724,566	83,703
Other Charges	172,861	205,000	194,006	21,145
Employee Benefits	239,033	288,200	246,000	6,967
Capital Outlay	814,956	811,648	1,246,891	431,935
Total Expenditures	<u>\$ 4,797,896</u>	<u>\$ 4,772,820</u>	<u>\$ 6,244,675</u>	<u>\$ 1,446,779</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (628,853)</u>	<u>\$ (306,233)</u>	<u>\$ (1,524,404)</u>	<u>\$ 895,551</u>
Net Change in Fund Balance	\$ (628,853)	\$ (306,233)	\$ (1,524,404)	\$ 895,551
Fund Balance, July 1, 2012	<u>3,804,837</u>	<u>2,080,315</u>	<u>2,080,315</u>	<u>1,724,522</u>
Fund Balance, June 30, 2013	<u>\$ 3,175,984</u>	<u>\$ 1,774,082</u>	<u>\$ 555,911</u>	<u>\$ 2,620,073</u>

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

Exhibit D-1

Dyer County, Tennessee
Statement of Net Position
Proprietary Fund
June 30, 2013

	Governmental Activities - Internal Service Fund <u>Workers'</u> <u>Compensation</u>
<u>ASSETS</u>	
Current Assets:	
Equity in Pooled Cash and Investments	\$ 660,510
Accounts Receivable	<u>45,555</u>
Total Assets	<u>\$ 706,065</u>
<u>NET POSITION</u>	
Unrestricted	<u>\$ 706,065</u>
Total Net Position	<u>\$ 706,065</u>

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

Exhibit D-2

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

	Governmental Activities - Internal Service Fund <u>Workers'</u> <u>Compensation</u>
<u>Operating Revenues</u>	
Self-Insurance Premiums	\$ 139,649
Total Operating Revenues	<u>\$ 139,649</u>
<u>Operating Expenses</u>	
Workers' Compensation Insurance	\$ 94,140
Other Self-Insured Claims	54,230
Total Operating Expenses	<u>\$ 148,370</u>
Operating Income (Loss)	<u>\$ (8,721)</u>
Change in Net Position	\$ (8,721)
Net Position, July 1, 2012	<u>714,786</u>
Net Position, June 30, 2013	<u><u>\$ 706,065</u></u>

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

Exhibit D-3

Dyer County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2013

	Governmental Activities - Internal Service Fund <u>Workers'</u> <u>Compensation</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from Self-Insurance Premiums	\$ 96,567
Payments for Claims	(54,230)
Payments for Workers' Compensation Insurance	(94,140)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (51,803)</u>
Net Increase (Decrease) in Cash	\$ (51,803)
Cash, July 1, 2012	<u>712,313</u>
Cash, June 30, 2013	<u><u>\$ 660,510</u></u>
<u>Reconciliation of Operating Income (Loss)</u> <u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (8,721)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Change in Assets:	
(Increase) Decrease in Accounts Receivable	<u>(43,082)</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (51,803)</u></u>
<u>Reconciliation of Cash With the Statement of Net Position</u>	
Cash Per Net Position	<u>\$ 660,510</u>
Cash, June 30, 2013	<u><u>\$ 660,510</u></u>

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 2,550,100
Equity in Pooled Cash and Investments	253,911
Due from Other Governments	935,271
Property Taxes Receivable	2,608,364
Allowance for Uncollectible Property Taxes	<u>(67,590)</u>
Total Assets	<u>\$ 6,280,056</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 3,727,476
Due to Litigants, Heirs, and Others	<u>2,552,580</u>
Total Liabilities	<u>\$ 6,280,056</u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Dyer 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 Dyer County:

A. Reporting Entity

Dyer County is a public municipal corporation governed by an elected 20-member board. As required by GAAP, these financial statements present Dyer 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 Dyer County School Department operates the public school system in the county, and the voters of Dyer 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 Dyer County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Dyer County, and the Dyer 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 Dyer 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 Dyer 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 Dyer

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

Administrative Office:

Dyer County Emergency Communications District
P.O. Box 367
Dyersburg, TN 38024

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 Dyer 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 Dyer 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.

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

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

government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

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

Separate financial statements are provided for governmental funds, the proprietary fund, 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 internal service fund and the fiduciary funds in total are reported in single columns by fund type.

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

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

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

Dyer County reports the following major governmental funds:

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

Highway/Public Works Fund – This special revenue fund accounts for transactions of the county’s Highway Department. Local and state gasoline/fuel taxes are the foundational revenues of this fund.

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

Additionally, Dyer County reports the following fund types:

Internal Service Fund – The Workers’ Compensation Fund is used to account for the self-insured workers’ compensation programs managed by the county for the primary government and the discretely presented Dyer County School Department. Premiums charged to the various funds are placed in this fund for the payment of claims of employees.

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Dyer County, the city school system’s share of educational revenues, restricted revenues held for the benefit of the Office of District Attorney General, and assets held in a custodial capacity for two watershed districts. 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 Dyer 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 Transportation Fund – This special revenue fund is used to account for the transportation of students in the school system. Local taxes are the foundational revenues of this fund.

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an internal service fund, used to account for the workers' compensation program. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the internal service fund are charges for services. Operating expenses for the internal service fund include workers' compensation claims and administrative charges.

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

1. Deposits and Investments

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

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

debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Dyer 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. Dyer 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.

2. Receivables and Payables

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

Property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 1.36 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.

3. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$15,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 50
Other Capital Assets	3 - 15
Infrastructure:	
Roads	5 - 10
Bridges	20 - 50

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. 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 only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These revenues are from three sources: current and delinquent property taxes and other deferred/unavailable revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

5. **Compensated Absences**

The general policy of Dyer County does not allow employees to accumulate vacation days beyond the employee's anniversary date. The discretely presented Dyer County School Department allows employees to accumulate a limited amount of earned but unused vacation benefits, which will be paid to employees upon separation from service. All vacation leave is accrued when incurred in the government-wide statements for the School Department. A liability for vacation benefits is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

6. **Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums

and discounts are deferred and amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

7. Net Position and Fund Balance

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

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

As of June 30, 2013, Dyer County had \$39,995,990 in outstanding debt issued for capital purposes for the discretely presented Dyer County

School Department. In accordance with state statutes, certain county school debt proceeds must be shared with other public school systems in the county (City of Dyersburg School System) based on the average daily attendance proration. This debt is a liability of Dyer County; but the capital assets acquired are reported in the financial statements of the School Department and the City of Dyersburg School System. Therefore, Dyer 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.

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

8. Stabilization Arrangement

Dyer County sold its hospital in a prior year. The County Commission adopted a resolution to retain the principal intact and appropriate the interest income earned on the investment of these funds annually through the budgetary process. The principal balance in this stabilization arrangement totaled \$18,000,000 at June 30, 2013. Of this amount, \$1,648,459 is a long-term notes receivable and is offset by nonspendable fund balance. However, the remaining balance of \$16,351,541 is included in the General Fund's unassigned fund balance account since this arrangement does not meet the criteria for restricted or committed fund balance as defined by GASB Statement No. 54.

9. Prior-period Adjustment

Prior to July 1, 2012, debt issuance costs were deferred and amortized over the life of the debt; however, with the implementation of Governmental Accounting Standards Board Statement No. 65, debt issuance costs become period costs. An adjustment to beginning net position totaling \$567,311 has been recognized for accumulated debt issuance costs on the government-wide financial statements.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position

Primary Government

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

Discretely Presented Dyer County School Department

Exhibit J-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net 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 changes in net position of governmental activities reported in the government-wide Statement of Activities.

Discretely Presented Dyer County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

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

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury

of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, County Mayor, County Attorney, etc.). Management may make revisions within major categories, but only the County Commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

At June 30, 2013, the Dyer County School Department reported the following significant encumbrances:

Fund	Description	Amount
School Department:		
Major Fund:		
General Purpose School	School renovations	\$ 687,602
School Transportation	Buses	560,359

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Dyer County and the Dyer 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.

Investment Balances. As of June 30, 2013, Dyer County had the following investments carried at fair value. Separate disclosures concerning pooled investments cannot be made for Dyer County and the discretely presented Dyer County School Department since both pool their deposits and investments through the county trustee.

Investment	Maturities	Fair Value
Municipal Bonds	3-1-17 to 7-1-27	\$ 7,090,333

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Dyer County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Dyer County has no investment policy that would further limit its investment choices. Dyer County investments in municipal bonds were rated from A3 to Aaa by Moody's Investor's Service and from A to AAA by Standard and Poor's ratings.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Dyer County places no limit on the amount the county may invest in one issuer. More than five percent of the county's investments are in municipal bonds. These investments are 100 percent of the county's total investments.

B. Notes Receivable – Long term

Notes receivable in the General Fund represent a long-term loan made to the Dyer County Industrial Development Board for industrial purposes and are offset by nonspendable fund balance.

C. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets Not Depreciated:				
Land	\$ 3,554,709	\$ 0	\$ 0	\$ 3,554,709
Total Capital Assets Not Depreciated	\$ 3,554,709	\$ 0	\$ 0	\$ 3,554,709
Capital Assets Depreciated:				
Buildings and Improvements	\$ 12,902,050	\$ 0	\$ 0	\$ 12,902,050
Infrastructure	19,372,403	1,510,515	0	20,882,918
Other Capital Assets	7,107,059	380,929	301,846	7,186,142
Total Capital Assets Depreciated	\$ 39,381,512	\$ 1,891,444	\$ 301,846	\$ 40,971,110

Governmental Activities (Cont.):

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 2,866,251	\$ 337,463	\$ 0	\$ 3,203,714
Infrastructure	12,576,797	710,728	0	13,287,525
Other Capital Assets	4,583,423	471,499	292,964	4,761,958
Total Accumulated Depreciation	<u>\$ 20,026,471</u>	<u>\$ 1,519,690</u>	<u>\$ 292,964</u>	<u>\$ 21,253,197</u>
Total Capital Assets Depreciated, Net	<u>\$ 19,355,041</u>	<u>\$ 371,754</u>	<u>\$ 8,882</u>	<u>\$ 19,717,913</u>
Governmental Activities Capital Assets, Net	<u>\$ 22,909,750</u>	<u>\$ 371,754</u>	<u>\$ 8,882</u>	<u>\$ 23,272,622</u>

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

Governmental Activities:

General Government	\$ 150,313
Finance	1,896
Administration of Justice	3,350
Public Safety	289,363
Public Health and Welfare	32,614
Social, Cultural, and Recreational Services	23,656
Agriculture and Natural Resources	675
Highways	<u>1,017,823</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,519,690</u>

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

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets Not Depreciated:				
Land	\$ 1,082,197	\$ 0	\$ 0	\$ 1,082,197
Construction in Progress	4,934,939	0	4,934,939	0
Total Capital Assets Not Depreciated	<u>\$ 6,017,136</u>	<u>\$ 0</u>	<u>\$ 4,934,939</u>	<u>\$ 1,082,197</u>

Governmental Activities (Cont.):

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets				
Depreciated				
Buildings and				
Improvements	\$ 45,781,341	\$ 7,726,230	\$ 29,770	\$ 53,477,801
Other Capital Assets	6,403,826	272,512	543,037	6,133,301
Total Capital Assets				
Depreciated	<u>\$ 52,185,167</u>	<u>\$ 7,998,742</u>	<u>\$ 572,807</u>	<u>\$ 59,611,102</u>
Less Accumulated				
Depreciation For:				
Buildings and				
Improvements	\$ 10,183,591	\$ 970,202	\$ 3,473	\$ 11,150,320
Other Capital Assets	3,016,564	458,075	467,443	3,007,196
Total Accumulated				
Depreciation	<u>\$ 13,200,155</u>	<u>\$ 1,428,277</u>	<u>\$ 470,916</u>	<u>\$ 14,157,516</u>
Total Capital Assets				
Depreciated, Net	<u>\$ 38,985,012</u>	<u>\$ 6,570,465</u>	<u>\$ 101,891</u>	<u>\$ 45,453,586</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 45,002,148</u>	<u>\$ 6,570,465</u>	<u>\$ 5,036,830</u>	<u>\$ 46,535,783</u>

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

Governmental Activities:

Instruction	\$ 896,196
Support Services	447,483
Operation of Non-Instructional Services	<u>84,598</u>
Total Depreciation Expense -	
Governmental Activities	<u><u>\$ 1,428,277</u></u>

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 1,370

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

Interfund Transfers:

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

Primary Government

	Transfer In
Transfer Out	General Debt Service Fund
General Fund	\$ 490,503

Discretely Presented Dyer County School Department

	Transfer In
Transfer Out	General Purpose School Fund
Nonmajor governmental fund	\$ 21,091

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

E. Capital Leases

Terms of capital lease obligations outstanding at June 30, 2013, are as follows:

Description	Date of Lease	Last Maturity Date	Total Principal Payments	Interest Rate
Sheriff's Patrol Cars	11-21-11	11-21-13	\$ 46,236	2.85 %
Sheriff's Patrol Cars	12-16-11	12-16-13	18,046	2.85
Sheriff's Patrol Cars	11-5-12	10-18-14	87,831	2.79

Titles to the above-noted equipment transfer to Dyer County at the end of the lease periods.

The assets acquired through capital leases are as follows:

Asset	Governmental Activities
Machinery and Equipment	\$ 152,113
Less: Accumulated Depreciation	<u>(46,013)</u>
Total Book Value	<u>\$ 106,100</u>

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

Year Ending June 30	Governmental Funds
2014	\$ 52,142
2015	<u>30,100</u>
Total Minimum Lease Payments	82,242
Less: Amount Representing Interest	<u>\$ (3,080)</u>
Present Value of Minimum Lease Payments	<u>\$ 79,162</u>

F. Long-term Obligations

Primary Government

General Obligation Bonds, Other Loans, and Notes

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

General obligation bonds and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds and other loans outstanding were issued for original terms of up to 21 years for bonds and 17 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds and other loans included in long-term debt as of June 30, 2013, will be retired from the General Debt Service Fund.

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

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-13
General Obligation Bonds –				
Refunding	3 to 4.45 %	6-1-26	\$ 7,980,000	\$ 6,735,000
School Refunding Bonds	2 to 4.1	6-1-26	30,240,000	27,665,000
Other Loans	0 to 1.515	9-15-27	14,633,000	12,330,990
Capital Leases	2.79 to 2.85	10-18-14	152,113	79,162

In the 2009-10 year, Dyer County entered into a loan agreement with the Tennessee State School Bond Authority. This loan agreement represents \$8,960,000 in Qualified School Construction Bonds, which were issued through the Tennessee State School Bond Authority. The county pays interest of 1.515 percent on its share of the bonds and also pays a monthly administrative fee to the Tennessee School Bond Authority. The administrative fee totals \$747 per month. The county and the other borrowers of the bond proceeds are required to comply with federal regulations established for the Qualified School Construction Bond program. Failure to comply with those requirements may result in the loss of the tax credit status on the bonds. This would result in further charges to the borrowers including the requirement to pay the tax-credit rate (5.86 percent) in addition to the 1.515 percent for a total rate of 7.375 percent.

During the 2010-11 year, Dyer County entered into a loan agreement with the Tennessee State School Bond Authority. Under this loan agreement, the authority loaned Dyer County \$5,673,000 for construction of the Newbern Grammar School. This loan earns interest monthly based upon the local government investment pool rate, which is netted against the annual principal payment. The county pays an annual administrative fee of \$378 under this agreement. The loan retirement schedule also includes equal monthly payments of interest; however, the county will semi-annually receive a federal interest subsidy, which will offset these payments resulting in a zero percent interest rate.

The annual requirements to amortize the bonds and other loans outstanding as of June 30, 2013, including interest payments and other loan fees, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2014	\$ 1,700,000	\$ 1,294,334	\$ 2,994,334
2015	1,755,000	1,241,189	2,996,189
2016	1,810,000	1,185,689	2,995,689
2017	1,870,000	1,128,201	2,998,201
2018	1,940,000	1,067,851	3,007,851
2019-2023	12,735,000	4,224,058	16,959,058
2024-2026	12,590,000	1,050,480	13,640,480
Total	<u>\$ 34,400,000</u>	<u>\$ 11,191,802</u>	<u>\$ 45,591,802</u>

Year Ending June 30	Other Loans			Total
	Principal	Interest	Other Fees	
2014	\$ 913,076	\$ 410,771	\$ 13,498	\$ 1,337,345
2015	913,076	410,771	13,498	1,337,345
2016	913,076	410,771	13,498	1,337,345
2017	913,076	410,771	13,498	1,337,345
2018	913,076	410,771	13,498	1,337,345
2019-2023	4,565,380	2,053,855	67,490	6,686,725
2024-2028	3,200,230	1,509,423	45,795	4,755,448
Total	<u>\$ 12,330,990</u>	<u>\$ 5,617,133</u>	<u>\$ 180,775</u>	<u>\$ 18,128,898</u>

There is \$2,129,464 available in the General Debt Service Fund to service long-term debt. Debt per capita, including capital leases, other loans, and bonds totaled \$1,221, based on the 2010 federal census.

Changes in Long-term Obligations

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

Governmental Activities:

	<u>Bonds</u>	<u>Notes</u>
Balance, July 1, 2012	\$ 36,040,000	\$ 41,666
Reductions	<u>(1,640,000)</u>	<u>(41,666)</u>
Balance, June 30, 2013	<u>\$ 34,400,000</u>	<u>\$ 0</u>
Balance Due Within One Year	<u>\$ 1,700,000</u>	<u>\$ 0</u>
	<u>Other Loans</u>	<u>Capital Leases</u>
Balance, July 1, 2012	\$ 13,244,066	\$ 65,350
Additions	0	87,831
Reductions	<u>(913,076)</u>	<u>(74,019)</u>
Balance, June 30, 2013	<u>\$ 12,330,990</u>	<u>\$ 79,162</u>
Balance Due Within One Year	<u>\$ 913,076</u>	<u>\$ 49,890</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2013	\$ 46,810,152
Less: Balance Due Within One Year	(2,662,966)
Unamortized Discount on Debt	<u>(64,491)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 44,082,695</u>

Discretely Presented Dyer County School Department

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Dyer County School Department, for the year ended June 30, 2013, was as follows:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2012	\$ 97,345	\$ 2,828,849
Additions	93,042	881,043
Reductions	(88,881)	(349,200)
Balance, June 30, 2013	<u>\$ 101,506</u>	<u>\$ 3,360,692</u>
Balance Due Within One Year	<u>\$ 5,075</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2013	\$ 3,462,198
Less: Balance Due Within One Year	<u>(5,075)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 3,457,123</u>

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

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Dyer County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2013, were \$118,064 and \$22,122, 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

Dyer County carries commercial insurance for active employee's health insurance. Pre-65 age retirees are not allowed to remain in the program. Settled claims have not exceeded this commercial insurance coverage in any of the past three fiscal years.

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

The county and the discretely presented Dyer County School Department have chosen to fund risks associated with employee on-the-job injuries through the Workers' Compensation Fund. The Workers' Compensation Fund is accounted for as an internal service fund in which assets are set aside for claim settlements. The county is self-insured to a limit of \$50,000 for a single occurrence. The county carries Occupational Accident Insurance through a commercial insurance carrier for on-the-job injuries that exceed the single occurrence limit.

All full-time employees of the primary government and the discretely presented School Department are eligible to participate in the Workers' Compensation Fund. Premium charges are allocated to the General, Highway/Public Works, and General Purpose School funds. These charges are based on the current year's commercial insurance premium prorated to the funds based on the percentage of the prior-year's claims. Liabilities of the fund are reported when losses are probable and the amounts of the losses can be reasonably estimated. The Workers' Compensation Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years for the Workers' Compensation Fund are as follows:

Workers' Compensation Fund

	Beginning of Fiscal Year Liability	Current Year Claims and Estimates	Payments	Balance at Fiscal Year-end
2011-12	\$ 0	\$ 156,638	\$ 156,638	\$ 0
2012-13	0	148,370	148,370	0

The discretely presented Dyer County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees

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

The discretely presented Dyer County School Department carries commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property, and casualty losses. Settled claims have not exceeded this commercial coverage in any of the past three years.

B. Accounting Changes

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

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

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

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

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

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

GASB Statement No. 66 resolves conflicting guidance by removing the provision that limits fund based reporting of an entity's risk financing activities to the General Fund and the internal service fund type. Under Statement No. 66, decisions about fund type classifications are based on the nature of the activity to be reported as required by Statements No. 54 and No. 34. This statement also modified guidance on operating lease payments, purchased loans, and servicing fees related to mortgage loans.

In prior years, the District Attorney General Fund was classified as a special revenue fund; however, effective July 1, 2012, this fund's balance of \$3,214 was reclassified as an agency fund to better reflect the control of these funds by the district attorney general.

Prior to July 1, 2012, debt issuance costs were deferred and amortized over the life of the debt; however, with the implementation of GASB Statement No. 65, debt issuance costs become period costs. An adjustment to beginning net position totaling \$567,311 has been recognized for accumulated debt issuance costs on the government-wide financial statements.

C. Contingent Liabilities

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

As described in Note V.D. below, Dyer County is a participant with Obion and Lake counties in a joint venture known as the Northwest Tennessee Regional Port Authority. The port authority borrowed \$410,000 in April 2007. The county commissions of the participating counties have approved making payments on the debt issuance (Lake County – 50 percent, Dyer County - 25 percent, and Obion County – 25 percent) until such time as the port authority has revenue to make payments.

D. Joint Ventures

The McIver's Grant Public Library Board is a joint venture in which the county and the City of Dyersburg participate in the operation of the library facility. The board comprises 14 members, seven of whom are appointed by the Dyer County Commission and seven are appointed by the City of Dyersburg. The library generates its operating revenue from appropriations from the county and city, fines, interest, and copy fees. Dyer County contributed \$94,810 to the operations of the board during the year ended June 30, 2013. Dyer County is responsible for funding 50 percent of any deficits from operations; however, the county and city do not retain an equity interest in the library. Complete financial statements for the McIver's Grant Public Library can be obtained from its administrative office at the following address:

Administrative Office:

McIver's Grant Public Library
204 Mill Avenue
Dyersburg, TN 38024

Dyer County is a participant with Obion and Lake counties in a multi-county entity known as the Northwest Tennessee Regional Port Authority. This entity was created to operate and maintain a port to be located in Lake County on the Mississippi River. A board is appointed by the participating counties with the mayors of each county serving as ex-officio members. The board comprises eight members, four of whom are appointed by the Lake County Commission, two by the Obion County Commission, and two by the Dyer County Commission. Dyer County has control over budgeting and financing the joint venture only to the extent of representation by the two board members appointed. In April 2007, the port authority borrowed \$410,000 without interest for construction costs of the port with payments of \$4,271 due in 96 monthly installments beginning in April 2009. The Dyer County Commission had approved making payments of 25 percent of these debt issuances until such time as the port authority has revenue to make the payments, which is estimated to be at least two years. This entity has yet to begin operations. Their administrative office can be contacted at P.O. Box 267, Dyersburg, TN 38205.

Dyer County is a participant with Lake County and the cities of Tiptonville, Ridgely, and Dyersburg in an entity known as the TennKen Railroad Authority. The governing board for the authority consists of the mayors of both counties and all three cities. This entity was created to facilitate active involvement by all affected local governments in Tennessee regarding a section of railroad track commonly known as the TennKen Railroad. The TennKen Railroad is owned by the Hickman River City Development Corporation (HRCDC), a public entity chartered in Kentucky. The HRCDC had previously purchased the line from Illinois Central Railroad to ensure rail access to the river port in Hickman, Kentucky. All funding for the

TennKen Railroad Authority comes from the State of Tennessee through the Tennessee Department of Transportation as grants, which are used for the maintenance and rehabilitation of the TennKen Railroad track and the necessary engineering services for said maintenance and rehabilitation. The Lake County Mayor's Office handles the administration of these grant funds and passes them through to the HRCDC for disbursement.

E. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Information for this footnote for the year ended June 30, 2013, was not available from the state Treasurer's Office in time for inclusion in this report; therefore, the information presented below is for the fiscal year ended June 30, 2012.

Plan Description

Employees of Dyer County are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members at the age of 55. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the system after July 1, 1979, become vested after five years of service, and members joining prior to July 1, 1979, were vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of *Tennessee Code Annotated*. State statutes are amended by the Tennessee General Assembly. Political subdivisions such as Dyer County participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of their plan. Benefit improvements are not applicable to a political subdivision unless approved by the chief governing body.

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

Funding Policy

Dyer County requires employees to contribute five percent of their earnable compensation. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2012, was 6.97 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the county is established and may be amended by the TCRS Board of Trustees.

Annual Pension Cost

For the year ended June 30, 2012, Dyer County's annual pension cost of \$51,165 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the July 1, 2009, actuarial valuation using the frozen entry age actuarial cost method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected three percent annual rate of inflation, (c) projected salary increases of 4.75 percent (graded) annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (d) projected 3.5 percent annual increase in the Social Security wage base, and (e) projected postretirement increases of 2.5 percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a ten-year period. The county's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2009, was 11 years. An actuarial valuation was performed as of July 1, 2011, which established contribution rates effective July 1, 2012.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-12	\$51,165	100%	\$0
6-30-11	47,347	100	0
6-30-10	53,296	100	0

Funded Status and Funding Progress

As of July 1, 2011, the most recent actuarial valuation date, the plan was 98.32 percent funded. The actuarial accrued liability for benefits was \$2 million, and the actuarial value of assets was \$1.96 million,

resulting in an unfunded actuarial accrued liability (UAAL) of \$.03 million. The covered payroll (annual payroll of active employees covered by the plan) was \$.76 million, and the ratio of the UAAL to the covered payroll was 4.43 percent.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

SCHOOL TEACHERS

Plan Description

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

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

Funding Policy

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2012, was 9.05 percent of annual covered payroll. The employer contribution requirement for the School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2012, 2011, and 2010, were \$1,086,977, \$1,077,048, and \$734,746, respectively, equal to the required contributions for each year.

2. Deferred Compensation

The Dyer County Highway Department offers its employees a deferred compensation plan established pursuant to IRC Section 457. The Highway/Public Works Fund will match employee contributions up to two and one-half percent of gross payroll. All costs of administering and funding this program are the responsibility of plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 establishes participation, contribution, and withdrawal provisions for the plan.

F. Other Postemployment Benefits (OPEB)

Plan Description

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

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and

statistical techniques to establish premium rates. The employer in the plan develops its own contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state provides a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The School Department makes a contribution toward the health insurance premium of the School Department's group medical plan for all employees who accumulate sick leave and meet length of employment and age criteria of 20 years of service with the Dyer County School System at age 55, or 30 years of service regardless of age. Currently, 40 retirees meet those eligibility requirements. The School Department pays 100 percent of single coverage for all certified teachers. The School Department pays 67.42 percent of the medical insurance premium for single coverage for non-certified employees with the former employees continuing contributions at their opted level of coverage until Medicare becomes available. Retirees' contributions vary depending on the insurance options they select. During the year ended June 30, 2013, the Dyer County School Department contributed \$349,200 for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	Local Education Group Plan
	<hr/>
ARC	\$ 888,000
Interest on the NOPEBO	113,154
Adjustment to the ARC	(120,111)
Annual OPEB cost	<hr/> \$ 881,043
Less: Amount of contribution	(349,200)
Increase/decrease in NOPEBO	<hr/> \$ 531,843
Net OPEB obligation, 7-1-12	<hr/> 2,828,849
	<hr/>
Net OPEB obligation, 6-30-13	<u><u>\$ 3,360,692</u></u>

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-11	Local Education Group	\$ 580,829	57	% \$ 2,282,342
6-30-12	"	873,387	37	2,828,849
6-30-13	"	881,043	40	3,360,692

Funded Status and Funding Progress

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

	<u>Local Education Group Plan</u>
Actuarial valuation date	7-1-11
Actuarial accrued liability (AAL)	\$ 7,204,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 7,204,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 15,675,847
UAAL as a % of covered payroll	46%

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

In the July 1, 2011, actuarial valuation for the Local Education 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 8.75 percent for fiscal year 2013. The trend will decrease to 8.25 percent in fiscal year 2014 and then be reduced by decrements to an ultimate rate of five percent by fiscal year 2021. The rate includes a 2.5 percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level of percentage of payroll on a closed basis over a 30-year period beginning with July 1, 2007.

G. Purchasing Laws

Office of County Mayor

Purchasing procedures for the County Mayor's Office are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*. This act provides for all purchases exceeding \$10,000 to be competitively bid through newspaper advertisement.

Office of Road Supervisor

Chapter 421, Private Acts of 1929, as amended, and the Uniform Road Law, Section 54-7-113, *TCA*, govern purchasing procedures for the Highway Department. These statutes provide for the road supervisor to make all purchases and for competitive bids to be solicited through public advertisement on all purchases exceeding \$10,000.

Office of Director of Schools

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

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

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7-1-11	\$ 1,964	\$ 1,998	\$ 34	98.32 %	\$ 759	4.43 %
7-1-09	1,532	1,571	39	97.54	758	5.09
7-1-07	1,374	1,417	43	96.97	695	6.19

Information for this exhibit for the year ended June 30, 2013, was not available from the state Treasurer's Office in time for inclusion in this report; therefore, the information presented above is for the fiscal year ended June 30, 2012.

Exhibit F-2

Dyer County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefits Plan
Discretely Presented Dyer County School Department
June 30, 2013

(Dollar amounts in thousands)

Plan	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Local Education Group	7-1-09	\$ 0	\$ 5,280	\$ 5,280	0%	\$ 11,331	47%
"	7-1-10	0	5,339	5,339	0	11,331	47
"	7-1-11	0	7,204	7,204	0	15,676	46

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

BUDGETARY INFORMATION

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

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Law Library Fund – The Law Library Fund is used to account for a special tax levied by private act on litigation. Proceeds of the tax must be expended for the benefit of the county's law library.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Dyer County's convenience center operations.

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

District Attorney General Fund – In prior years, the District Attorney General Fund was classified as a special revenue fund; however, effective July 1, 2012, this fund has been reclassified as an agency fund to better reflect the control of these funds by the district attorney general.

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

Exhibit G-1

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

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Law Library	Solid Waste / Sanitation	Drug Control	Constitu- tional Officers - Fees	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 1,370	\$ 1,370
Equity in Pooled Cash and Investments	38,899	37,561	40,721	0	117,181
Accounts Receivable	164	567	0	0	731
Due from Other Governments	0	8,767	0	0	8,767
Total Assets	<u>\$ 39,063</u>	<u>\$ 46,895</u>	<u>\$ 40,721</u>	<u>\$ 1,370</u>	<u>\$ 128,049</u>
<u>LIABILITIES</u>					
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 1,370	\$ 1,370
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,370</u>	<u>\$ 1,370</u>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Administration of Justice	\$ 39,063	\$ 0	\$ 0	\$ 0	\$ 39,063
Restricted for Public Safety	0	0	40,721	0	40,721
Committed:					
Committed for Public Health and Welfare	0	46,895	0	0	46,895
Total Fund Balances	<u>\$ 39,063</u>	<u>\$ 46,895</u>	<u>\$ 40,721</u>	<u>\$ 0</u>	<u>\$ 126,679</u>
Total Liabilities and Fund Balances	<u>\$ 39,063</u>	<u>\$ 46,895</u>	<u>\$ 40,721</u>	<u>\$ 1,370</u>	<u>\$ 128,049</u>

Exhibit G-2

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

	<u>Special Revenue Funds</u>				Total Nonmajor Governmental Funds
	Law Library	Solid Waste / Sanitation	Drug Control	District Attorney	
<u>Revenues</u>					
Local Taxes	\$ 2,174	\$ 121,742	\$ 0	\$ 0	\$ 123,916
Fines, Forfeitures, and Penalties	0	0	16,499	0	16,499
Charges for Current Services	0	8,638	0	0	8,638
Other Local Revenues	0	140	24,755	0	24,895
State of Tennessee	0	27,676	0	0	27,676
Total Revenues	<u>\$ 2,174</u>	<u>\$ 158,196</u>	<u>\$ 41,254</u>	<u>\$ 0</u>	<u>\$ 201,624</u>
<u>Expenditures</u>					
Current:					
Administration of Justice	\$ 23	\$ 0	\$ 0	\$ 0	\$ 23
Public Safety	0	0	100,882	0	100,882
Public Health and Welfare	0	118,516	0	0	118,516
Total Expenditures	<u>\$ 23</u>	<u>\$ 118,516</u>	<u>\$ 100,882</u>	<u>\$ 0</u>	<u>\$ 219,421</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,151</u>	<u>\$ 39,680</u>	<u>\$ (59,628)</u>	<u>\$ 0</u>	<u>\$ (17,797)</u>
Net Change in Fund Balances	\$ 2,151	\$ 39,680	\$ (59,628)	\$ 0	\$ (17,797)
Reclassification	0	0	0	(3,214)	(3,214)
Fund Balance, July 1, 2012	36,912	7,215	100,349	3,214	147,690
Fund Balance, June 30, 2013	<u>\$ 39,063</u>	<u>\$ 46,895</u>	<u>\$ 40,721</u>	<u>\$ 0</u>	<u>\$ 126,679</u>

Exhibit G-3

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,174	\$ 1,900	\$ 1,900	\$ 274
Total Revenues	\$ 2,174	\$ 1,900	\$ 1,900	\$ 274
<u>Expenditures</u>				
<u>Administration of Justice</u>				
Other Administration of Justice	\$ 23	\$ 6,927	\$ 6,927	\$ 6,904
Total Expenditures	\$ 23	\$ 6,927	\$ 6,927	\$ 6,904
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,151	\$ (5,027)	\$ (5,027)	\$ 7,178
Net Change in Fund Balance	\$ 2,151	\$ (5,027)	\$ (5,027)	\$ 7,178
Fund Balance, July 1, 2012	36,912	35,302	35,302	1,610
Fund Balance, June 30, 2013	\$ 39,063	\$ 30,275	\$ 30,275	\$ 8,788

Exhibit G-4

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 121,742	\$ 117,386	\$ 117,386	\$ 4,356
Charges for Current Services	8,638	5,500	5,500	3,138
Other Local Revenues	140	140	140	0
State of Tennessee	27,676	30,100	30,100	(2,424)
Total Revenues	<u>\$ 158,196</u>	<u>\$ 153,126</u>	<u>\$ 153,126</u>	<u>\$ 5,070</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Sanitation Management	\$ 118,516	\$ 129,465	\$ 129,465	\$ 10,949
Total Expenditures	<u>\$ 118,516</u>	<u>\$ 129,465</u>	<u>\$ 129,465</u>	<u>\$ 10,949</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 39,680</u>	<u>\$ 23,661</u>	<u>\$ 23,661</u>	<u>\$ 16,019</u>
Net Change in Fund Balance	\$ 39,680	\$ 23,661	\$ 23,661	\$ 16,019
Fund Balance, July 1, 2012	<u>7,215</u>	<u>7,225</u>	<u>7,225</u>	<u>(10)</u>
Fund Balance, June 30, 2013	<u>\$ 46,895</u>	<u>\$ 30,886</u>	<u>\$ 30,886</u>	<u>\$ 16,009</u>

Exhibit G-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 16,499	\$ 132,750	\$ 132,750	\$ (116,251)
Other Local Revenues	24,755	8,700	29,186	(4,431)
Total Revenues	<u>\$ 41,254</u>	<u>\$ 141,450</u>	<u>\$ 161,936</u>	<u>\$ (120,682)</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 100,882	\$ 148,063	\$ 168,549	\$ 67,667
Total Expenditures	<u>\$ 100,882</u>	<u>\$ 148,063</u>	<u>\$ 168,549</u>	<u>\$ 67,667</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (59,628)</u>	<u>\$ (6,613)</u>	<u>\$ (6,613)</u>	<u>\$ (53,015)</u>
Net Change in Fund Balance	\$ (59,628)	\$ (6,613)	\$ (6,613)	\$ (53,015)
Fund Balance, July 1, 2012	<u>100,349</u>	<u>83,752</u>	<u>83,752</u>	<u>16,597</u>
Fund Balance, June 30, 2013	<u>\$ 40,721</u>	<u>\$ 77,139</u>	<u>\$ 77,139</u>	<u>\$ (36,418)</u>

Major Governmental Fund

General Debt Service Fund

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

Exhibit H

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 3,015,267	\$ 3,035,735	\$ 3,035,735	\$ (20,468)
Other Local Revenues	162,973	480,570	480,570	(317,597)
Federal Government	275,027	0	0	275,027
Other Governments and Citizens Groups	0	275,027	275,027	(275,027)
Total Revenues	<u>\$ 3,453,267</u>	<u>\$ 3,791,332</u>	<u>\$ 3,791,332</u>	<u>\$ (338,065)</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 384,479	\$ 384,479	\$ 384,479	\$ 0
Education	2,223,076	2,223,076	2,292,842	69,766
<u>Interest on Debt</u>				
General Government	292,845	292,845	292,845	0
Education	1,390,418	1,460,375	1,390,608	190
<u>Other Debt Service</u>				
General Government	70,122	74,000	73,500	3,378
Education	13,999	18,725	19,226	5,227
Total Expenditures	<u>\$ 4,374,939</u>	<u>\$ 4,453,500</u>	<u>\$ 4,453,500</u>	<u>\$ 78,561</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (921,672)</u>	<u>\$ (662,168)</u>	<u>\$ (662,168)</u>	<u>\$ (259,504)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 490,503	\$ 490,503	\$ 490,503	\$ 0
Total Other Financing Sources	<u>\$ 490,503</u>	<u>\$ 490,503</u>	<u>\$ 490,503</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ (431,169)	\$ (171,665)	\$ (171,665)	\$ (259,504)
Fund Balance, July 1, 2012	<u>2,560,633</u>	<u>2,570,213</u>	<u>2,570,213</u>	<u>(9,580)</u>
Fund Balance, June 30, 2013	<u>\$ 2,129,464</u>	<u>\$ 2,398,548</u>	<u>\$ 2,398,548</u>	<u>\$ (269,084)</u>

Fiduciary Funds

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

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

Cities - Property Tax Fund – The Cities - Property Tax Fund is used to account for prior years' property tax collections received by the county trustee on behalf of the City of Trimble. These collections are periodically remitted to the City of Trimble.

Watershed District Fund – The Watershed District Fund is used to account for acreage assessments collected on drainage district properties, along with interest earnings, which are held in trust for the maintenance of the watershed districts.

City School ADA - Dyersburg Fund – The City School ADA - Dyersburg Fund is used to account for the city school system's share of education revenues collected by the county, which must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school system on a monthly basis.

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

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

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

Exhibit I-1

	Agency Funds						Total
	Cities - Sales Tax	Watershed District	City School ADA - Dyersburg	Constitu- tional Officers - Agency	District Attorney General		
	\$ 0	\$ 0	\$ 0	\$ 2,550,100	\$ 0	\$ 0	\$ 2,550,100
Cash	0	128,010	123,421	0	2,480	0	253,911
Equity in Pooled Cash and Investments	544,277	0	390,994	0	0	0	935,271
Due from Other Governments	0	0	2,608,364	0	0	0	2,608,364
Property Taxes Receivable	0	0	(67,590)	0	0	0	(67,590)
Allowance for Uncollectible Property Taxes							
Total Assets	\$ 544,277	\$ 128,010	\$ 3,055,189	\$ 2,550,100	\$ 2,480	\$ 0	\$ 6,280,056
	\$ 544,277	\$ 128,010	\$ 3,055,189	\$ 0	\$ 0	\$ 0	\$ 3,727,476
Due to Other Taxing Units	0	0	0	2,550,100	2,480	0	2,552,580
Due to Litigants, Heirs, and Others							
Total Liabilities	\$ 544,277	\$ 128,010	\$ 3,055,189	\$ 2,550,100	\$ 2,480	\$ 0	\$ 6,280,056

ASSETS

LIABILITIES

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 2,713,457	\$ 2,713,457	\$ 0
Due from Other Governments	552,364	544,277	552,364	544,277
Total Assets	\$ 552,364	\$ 3,257,734	\$ 3,265,821	\$ 544,277
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 552,364	\$ 3,257,734	\$ 3,265,821	\$ 544,277
Total Liabilities	\$ 552,364	\$ 3,257,734	\$ 3,265,821	\$ 544,277
<u>Cities - Property Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 1,556	\$ 1,556	\$ 0
Total Assets	\$ 0	\$ 1,556	\$ 1,556	\$ 0
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 0	\$ 1,556	\$ 1,556	\$ 0
Total Liabilities	\$ 0	\$ 1,556	\$ 1,556	\$ 0
<u>Watershed District Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 178,546	\$ 8,691	\$ 59,227	\$ 128,010
Total Assets	\$ 178,546	\$ 8,691	\$ 59,227	\$ 128,010
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 178,546	\$ 8,691	\$ 59,227	\$ 128,010
Total Liabilities	\$ 178,546	\$ 8,691	\$ 59,227	\$ 128,010
<u>City School ADA - Dyersburg Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 131,232	\$ 7,674,211	\$ 7,682,022	\$ 123,421
Due from Other Governments	393,181	390,994	393,181	390,994
Property Taxes Receivable	2,583,330	2,608,364	2,583,330	2,608,364
Allowance for Uncollectible Property Taxes	(41,434)	(67,590)	(41,434)	(67,590)
Total Assets	\$ 3,066,309	\$ 10,605,979	\$ 10,617,099	\$ 3,055,189
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 3,066,309	\$ 10,605,979	\$ 10,617,099	\$ 3,055,189
Total Liabilities	\$ 3,066,309	\$ 10,605,979	\$ 10,617,099	\$ 3,055,189

(Continued)

Exhibit I-2

Dyer County, Tennessee

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 3,269,221	\$ 7,877,642	\$ 8,596,763	\$ 2,550,100
Total Assets	\$ 3,269,221	\$ 7,877,642	\$ 8,596,763	\$ 2,550,100
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 3,269,221	\$ 7,877,642	\$ 8,596,763	\$ 2,550,100
Total Liabilities	\$ 3,269,221	\$ 7,877,642	\$ 8,596,763	\$ 2,550,100
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 8,484	\$ 6,004	\$ 2,480
Total Assets	\$ 0	\$ 8,484	\$ 6,004	\$ 2,480
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 0	\$ 8,484	\$ 6,004	\$ 2,480
Total Liabilities	\$ 0	\$ 8,484	\$ 6,004	\$ 2,480
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 3,269,221	\$ 7,877,642	\$ 8,596,763	\$ 2,550,100
Equity in Pooled Cash and Investments	309,778	10,406,399	10,462,266	253,911
Due from Other Governments	945,545	935,271	945,545	935,271
Property Taxes Receivable	2,583,330	2,608,364	2,583,330	2,608,364
Allowance for Uncollectible Property Taxes	(41,434)	(67,590)	(41,434)	(67,590)
Total Assets	\$ 7,066,440	\$ 21,760,086	\$ 22,546,470	\$ 6,280,056
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 3,797,219	\$ 13,873,960	\$ 13,943,703	\$ 3,727,476
Due to Litigants, Heirs, and Others	3,269,221	7,886,126	8,602,767	2,552,580
Total Liabilities	\$ 7,066,440	\$ 21,760,086	\$ 22,546,470	\$ 6,280,056

Dyer County School Department

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

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

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

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

School Transportation Fund – The School Transportation Fund is used to account for transportation of students in the school system.

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

Exhibit J-1

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

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Instruction	\$ 19,707,166	\$ 800	\$ 1,534,733	\$ (18,171,633)
Support Services	10,914,671	47,632	384,081	(10,482,958)
Operation of Non-Instructional Services	2,619,453	713,236	2,519,638	613,421
Total Governmental Activities	\$ 33,241,290	\$ 761,668	\$ 4,438,452	\$ (28,041,170)
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 4,338,786
Local Option Sales Taxes				3,863,127
Wheel Tax				1,143,555
Other Local Taxes				2,748
Grants and Contributions Not Restricted to Specific Programs				18,079,185
Unrestricted Investment Income				62,976
Miscellaneous				87,318
Total General Revenues				\$ 27,577,695
Change in Net Position				\$ (463,475)
Net Position, July 1, 2012				51,146,307
Net Position, June 30, 2013				<u>\$ 50,682,832</u>

Exhibit J-2

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Transpor - tation	Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 880	\$ 880
Equity in Pooled Cash and Investments	5,026,063	1,526,426	880,123	7,432,612
Accounts Receivable	926	24,355	39	25,320
Due from Other Governments	828,576	0	90,825	919,401
Property Taxes Receivable	3,545,632	1,254,374	0	4,800,006
Allowance for Uncollectible Property Taxes	(89,675)	(30,701)	0	(120,376)
Total Assets	\$ 9,311,522	\$ 2,774,454	\$ 971,867	\$ 13,057,843
<u>LIABILITIES</u>				
Accounts Payable	\$ 181,877	\$ 5,833	\$ 48	\$ 187,758
Accrued Payroll	34,153	3,124	0	37,277
Payroll Deductions Payable	709,010	11,558	0	720,568
Total Liabilities	\$ 925,040	\$ 20,515	\$ 48	\$ 945,603
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 3,323,048	\$ 1,179,945	\$ 0	\$ 4,502,993
Deferred Delinquent Property Taxes	103,071	33,067	0	136,138
Other Deferred/Unavailable Revenue	285,150	0	0	285,150
Total Deferred Inflows of Resources	\$ 3,711,269	\$ 1,213,012	\$ 0	\$ 4,924,281
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 342	\$ 0	\$ 0	\$ 342
Restricted for Operation of Non-Instructional Services	0	0	821,819	821,819
Committed:				
Committed for Support Services	0	1,540,927	0	1,540,927
Assigned:				
Assigned for Education	918,395	0	150,000	1,068,395
Unassigned	3,756,476	0	0	3,756,476
Total Fund Balances	\$ 4,675,213	\$ 1,540,927	\$ 971,819	\$ 7,187,959
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 9,311,522	\$ 2,774,454	\$ 971,867	\$ 13,057,843

Exhibit J-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$ 7,187,959
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,082,197	
Add: buildings and improvements net of accumulated depreciation	42,327,481	
Add: other capital assets net of accumulated depreciation	<u>3,126,105</u>	46,535,783
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (101,506)	
Less: other postemployment benefits liability	<u>(3,360,692)</u>	(3,462,198)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>421,288</u>
Net position of governmental activities (Exhibit A)		<u>\$ 50,682,832</u>

Exhibit J-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	School Transpor - tation	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 7,752,247	\$ 1,332,630	\$ 0	\$ 9,084,877
Licenses and Permits	2,454	0	0	2,454
Charges for Current Services	52,246	27,504	679,999	759,749
Other Local Revenues	113,496	25,207	16,216	154,919
State of Tennessee	17,563,015	1,057,933	22,100	18,643,048
Federal Government	190,984	0	3,757,441	3,948,425
Total Revenues	\$ 25,674,442	\$ 2,443,274	\$ 4,475,756	\$ 32,593,472
<u>Expenditures</u>				
Current:				
Instruction	\$ 15,557,832	\$ 0	\$ 1,464,175	\$ 17,022,007
Support Services	7,761,326	2,045,279	785,818	10,592,423
Operation of Non-Instructional Services	757,622	0	2,153,003	2,910,625
Capital Outlay	3,295,249	0	0	3,295,249
Capital Projects	0	0	428,467	428,467
Total Expenditures	\$ 27,372,029	\$ 2,045,279	\$ 4,831,463	\$ 34,248,771
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,697,587)	\$ 397,995	\$ (355,707)	\$ (1,655,299)
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 9,850	\$ 0	\$ 0	\$ 9,850
Transfers In	21,091	0	0	21,091
Transfers Out	0	0	(21,091)	(21,091)
Total Other Financing Sources (Uses)	\$ 30,941	\$ 0	\$ (21,091)	\$ 9,850
Net Change in Fund Balances	\$ (1,666,646)	\$ 397,995	\$ (376,798)	\$ (1,645,449)
Fund Balance, July 1, 2012	6,341,859	1,142,932	1,348,617	8,833,408
Fund Balance, June 30, 2013	\$ 4,675,213	\$ 1,540,927	\$ 971,819	\$ 7,187,959

Exhibit J-5

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

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ (1,645,449)
(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	\$ 3,063,803	
Less: current-year depreciation expense	<u>(1,428,277)</u>	1,635,526
(2) The net effect of various miscellaneous transactions involving capital assets (sales) is to decrease net position.		
Less: loss on disposal of capital assets	\$ (84,711)	
Less: proceeds received from the disposal of capital assets	<u>(17,180)</u>	(101,891)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2013	\$ 421,288	
Less: deferred delinquent property taxes and other deferred June 30, 2012	<u>(236,945)</u>	184,343
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in compensated absences payable	\$ (4,161)	
Change in other postemployment benefits liability	<u>(531,843)</u>	<u>(536,004)</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ (463,475)</u>

Exhibit J-6

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

	<u>Special Revenue Funds</u>		<u>Total</u>
	<u>School</u>	<u>Central</u>	<u>Nonmajor</u>
	<u>Federal</u>	<u>Cafeteria</u>	<u>Governmental</u>
	<u>Projects</u>		<u>Funds</u>
<u>ASSETS</u>			
Cash	\$ 0	\$ 880	\$ 880
Equity in Pooled Cash and Investments	62,362	817,761	880,123
Accounts Receivable	0	39	39
Due from Other Governments	87,638	3,187	90,825
Total Assets	<u>\$ 150,000</u>	<u>\$ 821,867</u>	<u>\$ 971,867</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 0	\$ 48	\$ 48
Total Liabilities	<u>\$ 0</u>	<u>\$ 48</u>	<u>\$ 48</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Operation of Non-Instructional Services	\$ 0	\$ 821,819	\$ 821,819
Assigned:			
Assigned for Education	150,000	0	150,000
Total Fund Balances	<u>\$ 150,000</u>	<u>\$ 821,819</u>	<u>\$ 971,819</u>
Total Liabilities and Fund Balances	<u>\$ 150,000</u>	<u>\$ 821,867</u>	<u>\$ 971,867</u>

Exhibit J-7

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>School</u>	<u>Central</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Federal</u>	<u>Cafeteria</u>		<u>Education</u>	<u>Nonmajor</u>
	<u>Projects</u>			<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
<u>Revenues</u>					
Charges for Current Services	\$ 0	\$ 679,999	\$ 679,999	\$ 0	\$ 679,999
Other Local Revenues	0	15,974	15,974	242	16,216
State of Tennessee	0	22,100	22,100	0	22,100
Federal Government	2,271,084	1,486,357	3,757,441	0	3,757,441
Total Revenues	<u>\$ 2,271,084</u>	<u>\$ 2,204,430</u>	<u>\$ 4,475,514</u>	<u>\$ 242</u>	<u>\$ 4,475,756</u>
<u>Expenditures</u>					
Current:					
Instruction	\$ 1,464,175	\$ 0	\$ 1,464,175	\$ 0	\$ 1,464,175
Support Services	785,818	0	785,818	0	785,818
Operation of Non-Instructional Services	0	2,153,003	2,153,003	0	2,153,003
Capital Projects	0	0	0	428,467	428,467
Total Expenditures	<u>\$ 2,249,993</u>	<u>\$ 2,153,003</u>	<u>\$ 4,402,996</u>	<u>\$ 428,467</u>	<u>\$ 4,831,463</u>
Excess (Deficiency) of Revenues					
Over Expenditures	\$ 21,091	\$ 51,427	\$ 72,518	\$ (428,225)	\$ (355,707)
<u>Other Financing Sources (Uses)</u>					
Transfers Out	\$ (21,091)	\$ 0	\$ (21,091)	\$ 0	\$ (21,091)
Total Other Financing Sources (Uses)	<u>\$ (21,091)</u>	<u>\$ 0</u>	<u>\$ (21,091)</u>	<u>\$ 0</u>	<u>\$ (21,091)</u>
Net Change in Fund Balances	\$ 0	\$ 51,427	\$ 51,427	\$ (428,225)	\$ (376,798)
Fund Balance, July 1, 2012	150,000	770,392	920,392	428,225	1,348,617
Fund Balance, June 30, 2013	<u>\$ 150,000</u>	<u>\$ 821,819</u>	<u>\$ 971,819</u>	<u>\$ 0</u>	<u>\$ 971,819</u>

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 7,752,247	\$ 0	\$ 0	\$ 7,752,247	\$ 7,629,648	\$ 7,629,648	\$ 122,599
Licenses and Permits	2,454	0	0	2,454	2,000	2,000	454
Charges for Current Services	52,246	0	0	52,246	53,161	53,161	(915)
Other Local Revenues	113,496	0	0	113,496	125,300	125,300	(11,804)
State of Tennessee	17,563,015	0	0	17,563,015	17,274,284	17,423,470	139,545
Federal Government	190,984	0	0	190,984	108,918	108,918	82,066
Total Revenues	\$ 25,674,442	\$ 0	\$ 0	\$ 25,674,442	\$ 25,193,311	\$ 25,342,497	\$ 331,945
Expenditures							
Instruction							
Regular Instruction Program	\$ 13,233,308	\$ (39,870)	\$ 102,501	\$ 13,295,939	\$ 13,483,537	\$ 13,614,723	\$ 318,784
Special Education Program	1,747,823	(2,178)	0	1,745,645	1,794,996	1,816,761	71,116
Vocational Education Program	570,975	(27,124)	3,600	547,451	565,959	571,158	23,707
Student Body Education Program	5,726	0	1,698	7,424	9,800	9,800	2,376
Support Services							
Attendance	99,364	(22)	0	99,342	101,723	102,305	2,963
Health Services	270,512	(3,030)	1,340	268,822	271,653	273,938	5,116
Other Student Support	355,257	0	0	355,257	359,045	361,913	6,656
Regular Instruction Program	773,912	(40,991)	63,489	796,410	841,352	845,980	49,570
Special Education Program	114,149	0	0	114,149	120,364	121,215	7,066
Vocational Education Program	44,869	0	525	45,394	45,668	45,938	544
Other Programs	140,186	0	0	140,186	0	140,186	0
Board of Education	563,134	0	0	563,134	494,317	694,317	131,183
Director of Schools	208,602	0	9,929	218,531	296,783	296,783	78,252
Office of the Principal	1,574,355	(15,550)	13,121	1,571,926	1,571,632	1,583,221	11,295
Fiscal Services	248,399	(373)	0	248,026	252,027	254,179	6,153
Operation of Plant	2,229,316	(3,450)	2,000	2,227,866	2,375,868	2,390,400	162,534
Maintenance of Plant	1,139,271	(10,686)	14,721	1,143,306	1,158,755	1,164,676	21,370

(Continued)

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 7,838	\$ 0	\$ 0	\$ 7,838	\$ 9,666	\$ 9,666	\$ 1,828
Community Services	88,508	(456)	250	88,302	88,562	88,562	260
Early Childhood Education	661,276	0	14,635	675,911	667,450	676,450	539
<u>Capital Outlay</u>							
Regular Capital Outlay	3,295,249	(1,308,526)	690,586	2,677,309	3,635,560	3,231,729	554,420
Total Expenditures	\$ 27,372,029	\$ (1,452,256)	\$ 918,395	\$ 26,838,168	\$ 28,144,717	\$ 28,293,900	\$ 1,455,732
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,697,587)	\$ 1,452,256	\$ (918,395)	\$ (1,163,726)	\$ (2,951,406)	\$ (2,951,403)	\$ 1,787,677
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 9,850	\$ 0	\$ 0	\$ 9,850	\$ 0	\$ 0	\$ 9,850
Transfers In	21,091	0	0	21,091	24,000	24,000	(2,909)
Total Other Financing Sources	\$ 30,941	\$ 0	\$ 0	\$ 30,941	\$ 24,000	\$ 24,000	\$ 6,941
Net Change in Fund Balance Fund Balance, July 1, 2012	\$ (1,666,646)	\$ 1,452,256	\$ (918,395)	\$ (1,132,785)	\$ (2,927,406)	\$ (2,927,403)	\$ 1,794,618
Fund Balance, July 1, 2012	6,341,859	(1,452,256)	0	4,889,603	4,923,415	4,923,415	(33,812)
Fund Balance, June 30, 2013	\$ 4,675,213	\$ 0	\$ (918,395)	\$ 3,756,818	\$ 1,996,009	\$ 1,996,012	\$ 1,760,806

Exhibit J-9

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 2,271,084	\$ 2,459,370	\$ 2,459,370	\$ (188,286)
Total Revenues	\$ 2,271,084	\$ 2,459,370	\$ 2,459,370	\$ (188,286)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 835,046	\$ 883,094	\$ 883,094	\$ 48,048
Special Education Program	595,523	694,163	658,072	62,549
Vocational Education Program	33,606	31,524	33,606	0
<u>Support Services</u>				
Other Student Support	385,033	402,563	400,483	15,450
Regular Instruction Program	131,419	178,658	178,658	47,239
Special Education Program	267,366	245,242	281,332	13,966
Vocational Education Program	2,000	2,000	2,000	0
Total Expenditures	\$ 2,249,993	\$ 2,437,244	\$ 2,437,245	\$ 187,252
Excess (Deficiency) of Revenues Over Expenditures	\$ 21,091	\$ 22,126	\$ 22,125	\$ (1,034)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (21,091)	\$ (22,125)	\$ (22,125)	\$ 1,034
Total Other Financing Sources	\$ (21,091)	\$ (22,125)	\$ (22,125)	\$ 1,034
Net Change in Fund Balance	\$ 0	\$ 1	\$ 0	\$ 0
Fund Balance, July 1, 2012	150,000	150,000	150,000	0
Fund Balance, June 30, 2013	\$ 150,000	\$ 150,001	\$ 150,000	\$ 0

Exhibit J-10

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 679,999	\$ 0	\$ 0	\$ 679,999	\$ 774,350	\$ 774,350	\$ (94,351)
Other Local Revenues	15,974	0	0	15,974	14,000	14,000	1,974
State of Tennessee	22,100	0	0	22,100	22,000	22,000	100
Federal Government	1,486,357	0	0	1,486,357	1,507,936	1,507,936	(21,579)
Total Revenues	\$ 2,204,430	\$ 0	\$ 0	\$ 2,204,430	\$ 2,318,286	\$ 2,318,286	\$ (113,856)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 2,153,003	\$ (119,201)	\$ 109,695	\$ 2,143,497	\$ 2,318,286	\$ 2,318,286	\$ 174,789
Total Expenditures	\$ 2,153,003	\$ (119,201)	\$ 109,695	\$ 2,143,497	\$ 2,318,286	\$ 2,318,286	\$ 174,789
Excess (Deficiency) of Revenues Over Expenditures	\$ 51,427	\$ 119,201	\$ (109,695)	\$ 60,933	\$ 0	\$ 0	\$ 60,933
Net Change in Fund Balance Fund Balance, July 1, 2012	\$ 51,427	\$ 119,201	\$ (109,695)	\$ 60,933	\$ 0	\$ 0	\$ 60,933
	770,392	(119,201)	0	651,191	647,066	647,066	4,125
Fund Balance, June 30, 2013	\$ 821,819	\$ 0	\$ (109,695)	\$ 712,124	\$ 647,066	\$ 647,066	\$ 65,058

Exhibit J-11

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,332,630	\$ 0	\$ 0	\$ 1,332,630	\$ 1,336,595	\$ 1,336,595	\$ (3,965)
Charges for Current Services	27,504	0	0	27,504	48,520	48,520	(21,016)
Other Local Revenues	25,207	0	0	25,207	1,500	1,500	23,707
State of Tennessee	1,057,933	0	0	1,057,933	1,039,529	1,039,529	18,404
Total Revenues	\$ 2,443,274	\$ 0	\$ 0	\$ 2,443,274	\$ 2,426,144	\$ 2,426,144	\$ 17,130
<u>Expenditures</u>							
<u>Support Services</u>							
Board of Education	\$ 23,870	\$ 0	\$ 0	\$ 23,870	\$ 33,000	\$ 33,000	\$ 9,130
Operation of Plant	20,109	0	0	20,109	20,650	20,650	541
Transportation	2,001,300	(109,575)	561,648	2,453,373	2,454,753	2,454,753	1,380
Total Expenditures	\$ 2,045,279	\$ (109,575)	\$ 561,648	\$ 2,497,352	\$ 2,508,403	\$ 2,508,403	\$ 11,051
Excess (Deficiency) of Revenues Over Expenditures	\$ 397,995	\$ 109,575	\$ (561,648)	\$ (54,078)	\$ (82,259)	\$ (82,259)	\$ 28,181
Net Change in Fund Balance Fund Balance, July 1, 2012	\$ 397,995	\$ 109,575	\$ (561,648)	\$ (54,078)	\$ (82,259)	\$ (82,259)	\$ 28,181
Fund Balance, July 1, 2012	1,142,932	(109,575)	0	1,033,357	997,389	997,389	35,968
Fund Balance, June 30, 2013	\$ 1,540,927	\$ 0	\$ (561,648)	\$ 979,279	\$ 915,130	\$ 915,130	\$ 64,149

Exhibit J-12

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Other Local Revenues	\$ 242 \$	0 \$	242 \$	200 \$	200 \$	42
Total Revenues	\$ 242 \$	0 \$	242 \$	200 \$	200 \$	42
<u>Expenditures</u>						
<u>Capital Projects</u>						
Education Capital Projects	\$ 428,467 \$	(337,196) \$	91,271 \$	1,183,510 \$	1,183,510 \$	1,092,239
Total Expenditures	\$ 428,467 \$	(337,196) \$	91,271 \$	1,183,510 \$	1,183,510 \$	1,092,239
Excess (Deficiency) of Revenues Over Expenditures	\$ (428,225) \$	337,196 \$	(91,029) \$	(1,183,310) \$	(1,183,310) \$	1,092,281
Net Change in Fund Balance Fund Balance, July 1, 2012	\$ (428,225) \$	337,196 \$	(91,029) \$	(1,183,310) \$	(1,183,310) \$	1,092,281
Fund Balance, June 30, 2013	\$ 0 \$	0 \$	0 \$	0 \$	0 \$	0

MISCELLANEOUS SCHEDULES

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-12	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-13
NOTES PAYABLE								
Payable through General Debt Service Fund								
Courthouse Improvements	\$ 125,000	2.88%	5-25-10	5-25-13	\$ 41,666	0 \$	41,666 \$	0
Total Notes Payable					\$ 41,666	0 \$	41,666 \$	0
CAPITAL LEASES PAYABLE								
Payable through General Fund								
Sheriff's Patrol Cars	69,354	2.88	2-23-11	2-23-13	\$ 23,106	0 \$	23,106 \$	0
"	46,236	2.85	11-21-11	11-21-13	30,385	0	14,975	15,410
"	18,046	2.85	12-16-11	12-16-13	11,859	0	5,845	6,014
"	87,831	2.79	11-5-12	10-18-14	0	87,831	30,093	57,738
Total Capital Leases Payable					\$ 65,350	87,831 \$	74,019 \$	79,162
OTHER LOANS PAYABLE								
Payable through General Debt Service Fund								
Qualified School Construction Bonds, Series 2009	8,960,000	1.515	12-1-09	9-15-26	\$ 7,895,553	0 \$	559,090 \$	7,336,463
Qualified School Construction Bonds, Series 2010	5,673,000	(1)	9-1-10	9-15-27	5,348,513	0	353,986	4,994,527
Total Other Loans Payable					\$ 13,244,066	0 \$	913,076 \$	12,330,990
BONDS PAYABLE								
Payable through General Debt Service Fund								
General Obligation Refunding Bonds, Series 2005	7,980,000	3 to 4.45	4-21-05	6-1-26	\$ 7,065,000	0 \$	330,000 \$	6,735,000
School Refunding Bonds, Series 2009A	19,910,000	2 to 4.1	6-4-09	6-1-26	19,010,000	0	900,000	18,110,000
School Refunding Bonds, Series 2009B	10,330,000	2 to 4.1	7-28-09	6-1-26	9,965,000	0	410,000	9,555,000
Total Bonds Payable					\$ 36,040,000	0 \$	1,640,000 \$	34,400,000

(1) Interest rate of approximately 4.85 percent is offset by a federal interest subsidy, resulting in a net interest rate of zero percent.

Exhibit K-2

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

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2014	\$ 49,890	\$ 2,252	\$ 52,142
2015	29,272	828	30,100
Total	<u>\$ 79,162</u>	<u>\$ 3,080</u>	<u>\$ 82,242</u>

Year Ending June 30	Other Loans			Total
	Principal	Interest (1)	Other Fees	
2014	\$ 913,076	\$ 410,771	\$ 13,498	\$ 1,337,345
2015	913,076	410,771	13,498	1,337,345
2016	913,076	410,771	13,498	1,337,345
2017	913,076	410,771	13,498	1,337,345
2018	913,076	410,771	13,498	1,337,345
2019	913,076	410,771	13,498	1,337,345
2020	913,076	410,771	13,498	1,337,345
2021	913,076	410,771	13,498	1,337,345
2022	913,076	410,771	13,498	1,337,345
2023	913,076	410,771	13,498	1,337,345
2024	913,076	410,771	13,498	1,337,345
2025	913,076	410,771	13,498	1,337,345
2026	981,370	410,771	13,498	1,405,639
2027	359,333	275,027	4,538	638,898
2028	33,375	2,083	763	36,221
Total	<u>\$ 12,330,990</u>	<u>\$ 5,617,133</u>	<u>\$ 180,775</u>	<u>\$ 18,128,898</u>

(Continued)

Exhibit K-2

Dyer County, Tennessee

Schedule of Long-term Debt Requirements by Year (Cont.)

Year Ending June 30	Bonds		Total
	Principal	Interest	
2014	\$ 1,700,000	\$ 1,294,334	\$ 2,994,334
2015	1,755,000	1,241,189	2,996,189
2016	1,810,000	1,185,689	2,995,689
2017	1,870,000	1,128,201	2,998,201
2018	1,940,000	1,067,851	3,007,851
2019	2,085,000	1,002,989	3,087,989
2020	2,180,000	930,272	3,110,272
2021	2,215,000	849,817	3,064,817
2022	2,305,000	765,545	3,070,545
2023	3,950,000	675,435	4,625,435
2024	4,020,000	515,620	4,535,620
2025	4,195,000	352,720	4,547,720
2026	4,375,000	182,140	4,557,140
Total	\$ 34,400,000	\$ 11,191,802	\$ 45,591,802

(1) Includes interest requirements on Qualified School Construction Bonds, Series 2010, before federal interest rate subsidy.

Exhibit K-3

Dyer County, Tennessee
Schedule of Notes Receivable
June 30, 2013

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-13
General Fund	Dyer County Industrial Development Board	\$ 3,744,016	6-2-03	7-5-18	6%	\$ 1,648,459
Total Notes Receivable						<u>\$ 1,648,459</u>

Exhibit K-4

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

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	General Debt Service	Debt payments	\$ 490,503
Total Transfers Primary Government			<u>\$ 490,503</u>
<u>DISCRETELY PRESENTED DYER COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 21,091
Total Transfers Discretely Presented Dyer County School Department			<u>\$ 21,091</u>

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, TCA	\$ 81,930	\$ 50,000	Travelers Casualty and Surety Company of America
Road Supervisor	Section 8-24-102, TCA	75,338	100,000	"
Director of Schools	State Board of Education and County Board of Education	107,408 (1)	50,000	"
Trustee	Section 8-24-102, TCA	65,472	1,226,140	"
Assessor of Property	Section 8-24-102, TCA	65,472	50,000	"
County Clerk	Section 8-24-102, TCA	65,472	50,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, TCA	65,472	50,000	"
Clerk and Master	Section 8-24-102, TCA	65,472	85,000	"
Register of Deeds	Section 8-24-102, TCA	65,472	25,000	"
Sheriff	Section 8-24-102, TCA	75,635 (2)	25,000	"
General County/Highway Department Employees			150,000	Local Government Property and Casualty Fund
All School Employees			150,000	Montgomery Insurance

(1) Does not include benefits for medical and life insurance premiums of \$1,000.

(2) Does not include \$600 for a law enforcement training supplement.

Exhibit K-6

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

	Special Revenue Funds						Debt Service Fund		Total
	General	Law Library	Solid Waste / Sanitation	Drug Control	Highway / Public Works	Debt Service Fund			
						General	Debt Service		
<u>Local Taxes</u>									
<u>County Property Taxes</u>									
Current Property Tax	\$ 4,907,977	\$ 0	\$ 0	\$ 0	\$ 1,645,332	\$ 1,910,932	\$ 0	\$ 8,464,241	
Trustee's Collections - Prior Year	149,338	0	0	0	51,002	42,760	0	243,100	
Trustee's Collections - Bankruptcy	4,673	0	0	0	590	496	0	5,759	
Circuit/Clerk & Master Collections - Prior Years	51,166	0	0	0	17,153	14,937	0	83,256	
Interest and Penalty	33,302	0	0	0	11,163	9,361	0	53,826	
Payments in-Lieu-of Taxes - Local Utilities	44,585	0	121,742	0	0	0	0	166,327	
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	839,906	0	839,906	
<u>County Local Option Taxes</u>									
Local Option Sales Tax	0	0	0	0	0	93,293	0	93,293	
Litigation Tax - General	156,977	0	0	0	0	0	0	156,977	
Litigation Tax - Special Purpose	0	2,174	0	0	0	0	0	2,174	
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	103,582	0	103,582	
Business Tax	395,598	0	0	0	0	0	0	395,598	
<u>Statutory Local Taxes</u>									
Bank Excise Tax	37,382	0	0	0	0	0	0	37,382	
Wholesale Beer Tax	85,239	0	0	0	0	0	0	85,239	
Total Local Taxes	\$ 5,866,237	\$ 2,174	\$ 121,742	\$ 0	\$ 1,725,240	\$ 3,015,267	\$ 0	\$ 10,730,660	
<u>Licenses and Permits</u>									
<u>Licenses</u>									
Animal Registration	8,778	0	0	0	0	0	0	8,778	
Cable TV Franchise	62,441	0	0	0	0	0	0	62,441	
<u>Permits</u>									
Beer Permits	1,591	0	0	0	0	0	0	1,591	
Building Permits	0	0	0	0	12,705	0	0	12,705	
Other Permits	24,902	0	0	0	0	0	0	24,902	
Total Licenses and Permits	\$ 97,712	\$ 0	\$ 0	\$ 0	\$ 12,705	\$ 0	\$ 0	\$ 110,417	
<u>Fines, Forfeitures, and Penalties</u>									
<u>Circuit Court</u>									
Fines	5,176	0	0	0	0	0	0	5,176	
Officers Costs	4,582	0	0	0	0	0	0	4,582	
Drug Control Fines	0	0	0	2,071	0	0	0	2,071	
Drug Court Fees	4,151	0	0	0	0	0	0	4,151	
Data Entry Fee - Circuit Court	812	0	0	0	0	0	0	812	

(Continued)

Exhibit K-6

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

	Special Revenue Funds						Debt Service Fund		Total
	General	Law Library	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt	Service		
<u>Fines, Forfeitures, and Penalties (Cont.)</u>									
<u>General Sessions Court</u>									
Fines	\$ 18,546	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 18,546	
Fines for Littering	95	0	0	0	0	0	0	95	
Officers Costs	18,043	0	0	0	0	0	0	18,043	
Game and Fish Fines	255	0	0	0	0	0	0	255	
Drug Control Fines	2,960	0	0	0	0	0	0	2,960	
Drug Court Fees	4,078	0	0	0	0	0	0	4,078	
Jail Fees	5,189	0	0	0	0	0	0	5,189	
DUI Treatment Fines	5,733	0	0	0	0	0	0	5,733	
Data Entry Fee - General Sessions Court	14,022	0	0	0	0	0	0	14,022	
Courtroom Security Fee	2	0	0	0	0	0	0	2	
<u>Juvenile Court</u>									
Fines	2,842	0	0	0	0	0	0	2,842	
Data Entry Fee - Juvenile Court	686	0	0	0	0	0	0	686	
Courtroom Security Fee	150	0	0	0	0	0	0	150	
<u>Chancery Court</u>									
Officers Costs	6,065	0	0	0	0	0	0	6,065	
Data Entry Fee - Chancery Court	4,416	0	0	0	0	0	0	4,416	
<u>Other Courts - In-county</u>									
Drug Control Fines	46,200	0	0	0	0	0	0	46,200	
<u>Other Fines, Forfeitures, and Penalties</u>									
Proceeds from Confiscated Property	0	0	0	14,428	0	0	0	14,428	
Other Fines, Forfeitures, and Penalties	60,800	0	0	0	0	0	0	60,800	
Total Fines, Forfeitures, and Penalties	\$ 204,803	\$ 0	\$ 0	\$ 16,499	\$ 0	\$ 0	\$ 0	\$ 221,302	
<u>Charges for Current Services</u>									
<u>General Service Charges</u>									
Surcharge - General	\$ 377	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 377	
Solid Waste Disposal Fees	0	0	8,638	0	0	0	0	8,638	
Patient Charges	5,970	0	0	0	0	0	0	5,970	
Other General Service Charges	1,025	0	0	0	0	0	0	1,025	
<u>Fees</u>									
Copy Fees	15	0	0	0	0	0	0	15	
Telephone Commissions	37,789	0	0	0	0	0	0	37,789	
Vending Machine Collections	92	0	0	0	0	0	0	92	
Data Processing Fee - Register	11,924	0	0	0	0	0	0	11,924	
Data Processing Fee - Sheriff	2,809	0	0	0	0	0	0	2,809	

(Continued)

Exhibit K-6

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

	Special Revenue Funds							Debt Service Fund		Total
	General	Law Library	Solid Waste / Sanitation	Drug Control	Highway / Public Works	Debt Service Fund				
						General	Debt Service			
<u>Charges for Current Services (Cont.)</u>										
<u>Fees (Cont.)</u>										
Sexual Offender Registration Fees - Sheriff	\$ 1,426	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,426
Data Processing Fee - County Clerk	2,500	0	0	0	0	0	0	0	0	2,500
<u>Other Charges for Services</u>										
Other Charges for Services	0	0	0	0	3,000	0	0	0	0	3,000
Total Charges for Current Services	\$ 63,927	\$ 0	\$ 8,638	\$ 0	\$ 3,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 75,565
<u>Other Local Revenues</u>										
<u>Recurring Items</u>										
Investment Income	\$ 9,219	\$ 0	\$ 0	\$ 0	\$ 20,516	\$ 162,973	\$ 0	\$ 0	\$ 0	\$ 192,708
Lease/Rentals	56,240	0	140	0	21,906	0	0	0	0	78,286
Sale of Materials and Supplies	0	0	0	0	2,965	0	0	0	0	2,965
Commissary Sales	56,903	0	0	0	0	0	0	0	0	56,903
Miscellaneous Refunds	162,363	0	0	35	0	0	0	0	0	162,398
<u>Nonrecurring Items</u>										
Sale of Equipment	9,573	0	0	20,486	0	0	0	0	0	30,059
Sale of Property	17,050	0	0	0	0	0	0	0	0	17,050
Damages Recovered from Individuals	4,187	0	0	4,077	0	0	0	0	0	8,264
Contributions and Gifts	0	0	0	157	0	0	0	0	0	157
Total Other Local Revenues	\$ 315,535	\$ 0	\$ 140	\$ 24,755	\$ 45,387	\$ 162,973	\$ 0	\$ 0	\$ 0	\$ 548,190
<u>Fees Received from County Officials</u>										
<u>Fees in-Lieu-of-Salary</u>										
County Clerk	\$ 331,984	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 331,984
Circuit Court Clerk	67,602	0	0	0	0	0	0	0	0	67,602
General Sessions Court Clerk	245,493	0	0	0	0	0	0	0	0	245,493
Clerk and Master	185,380	0	0	0	0	0	0	0	0	185,380
Juvenile Court Clerk	12,499	0	0	0	0	0	0	0	0	12,499
Register	143,041	0	0	0	0	0	0	0	0	143,041
Sheriff	13,721	0	0	0	0	0	0	0	0	13,721
Trustee	540,767	0	0	0	0	0	0	0	0	540,767
Total Fees Received from County Officials	\$ 1,540,487	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,540,487
<u>State of Tennessee</u>										
<u>General Government Grants</u>										
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,000
Aging Programs	278,155	0	0	0	0	0	0	0	0	278,155

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Debt Service Fund		Total
	General	Law Library	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt	Service	
<u>State of Tennessee (Cont.)</u>								
<u>General Government Grants (Cont.)</u>								
Solid Waste Grants	\$ 0	\$ 0	\$ 27,676	\$ 0	\$ 0	\$ 0	\$ 0	\$ 27,676
Other General Government Grants	21,788	0	0	0	0	0	0	21,788
<u>Public Safety Grants</u>								
Law Enforcement Training Programs	19,200	0	0	0	0	0	0	19,200
Drug Control Grants	45,605	0	0	0	0	0	0	45,605
<u>Health and Welfare Grants</u>								
Health Department Programs	33,330	0	0	0	0	0	0	33,330
<u>Public Works Grants</u>								
State Aid Program	0	0	0	0	543,968	0	0	543,968
Litter Program	32,649	0	0	0	0	0	0	32,649
<u>Other State Revenues</u>								
Income Tax	62,692	0	0	0	0	0	0	62,692
Beer Tax	18,586	0	0	0	0	0	0	18,586
Alcoholic Beverage Tax	66,655	0	0	0	0	0	0	66,655
Contracted Prisoner Boarding	1,447,431	0	0	0	0	0	0	1,447,431
Gasoline and Motor Fuel Tax	0	0	0	0	1,811,083	0	0	1,811,083
Petroleum Special Tax	0	0	0	0	27,660	0	0	27,660
Registrar's Salary Supplement	15,164	0	0	0	0	0	0	15,164
Other State Grants	13,987	0	0	0	0	0	0	13,987
Total State of Tennessee	\$ 2,064,242	\$ 0	\$ 27,676	\$ 0	\$ 2,382,711	\$ 0	\$ 0	\$ 4,474,629
<u>Federal Government</u>								
<u>Federal Through State</u>								
USDA - Other	\$ 49,670	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 49,670
Disaster Relief	19,100	0	0	0	0	0	0	19,100
Homeland Security Grants	78,937	0	0	0	0	0	0	78,937
Other Federal through State	90,539	0	0	0	0	0	0	90,539
<u>Direct Federal Revenue</u>								
Tax Credit Bond Rebate	0	0	0	0	0	275,027	0	275,027
Other Direct Federal Revenue	12,000	0	0	0	0	0	0	12,000
Total Federal Government	\$ 250,246	\$ 0	\$ 0	\$ 0	\$ 0	\$ 275,027	\$ 0	\$ 525,273
<u>Other Governments and Citizens Groups</u>								
<u>Other Governments</u>								
Prisoner Board	\$ 2,586	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,586
Contracted Services	32,062	0	0	0	0	0	0	32,062
Total Other Governments and Citizens Groups	\$ 34,648	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 34,648
Total	\$ 10,437,837	\$ 2,174	\$ 158,196	\$ 41,254	\$ 4,169,043	\$ 3,453,267	\$ 18,261,771	

Exhibit K-7

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund		Total
		School Federal Projects	Central Cafeteria	School Transportation	Education Capital Projects		
<u>Local Taxes</u>							
<u>County Property Taxes</u>							
Current Property Tax	\$ 3,132,573	\$ 0	\$ 0	\$ 1,007,761	\$ 0	\$ 0	\$ 4,140,334
Trustee's Collections - Prior Year	104,090	0	0	36,902	0	0	140,992
Trustee's Collections - Bankruptcy	1,189	0	0	315	0	0	1,514
Circuit/Clerk & Master Collections - Prior Years	34,621	0	0	12,047	0	0	46,668
Interest and Penalty	22,643	0	0	8,100	0	0	30,743
Payments in-Lieu-of Taxes - T.V.A.	207	0	0	0	0	0	207
<u>County Local Option Taxes</u>							
Local Option Sales Tax	3,578,127	0	0	0	0	0	3,578,127
Wheel Tax	876,050	0	0	267,505	0	0	1,143,555
<u>Statutory Local Taxes</u>							
Interstate Telecommunications Tax	2,737	0	0	0	0	0	2,737
Total Local Taxes	\$ 7,752,247	\$ 0	\$ 0	\$ 1,332,630	\$ 0	\$ 0	\$ 9,084,877
<u>Licenses and Permits</u>							
<u>Licenses</u>							
Marriage Licenses	\$ 2,049	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,049
<u>Permits</u>							
Other Permits	405	0	0	0	0	0	405
Total Licenses and Permits	\$ 2,454	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,454
<u>Charges for Current Services</u>							
<u>Fees</u>							
Vending Machine Collections	\$ 574	\$ 0	\$ 0	\$ 507	\$ 0	\$ 0	\$ 1,081
<u>Education Charges</u>							
Tuition - Summer School	800	0	0	0	0	0	800
Lunch Payments - Children	0	0	364,610	0	0	0	364,610
Lunch Payments - Adults	0	0	52,326	0	0	0	52,326
Income from Breakfast	0	0	41,331	0	0	0	41,331
A la carte Sales	0	0	218,264	0	0	0	218,264
Contract for Administrative Services with Other LEAs	44,632	0	0	0	0	0	44,632
Receipts from Individual Schools	6,240	0	3,468	26,997	0	0	36,705
Total Charges for Current Services	\$ 52,246	\$ 0	\$ 679,999	\$ 27,504	\$ 0	\$ 0	\$ 759,749

(Continued)

Exhibit K-7

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

	Special Revenue Funds				Capital Projects Fund		
	General Purpose School	School Federal Projects	Central Cafeteria	School Transportation	Education Capital	Projects	Total
<u>Other Local Revenues</u>							
<u>Recurring Items</u>							
Investment Income	\$ 58,201	\$ 0	\$ 4,533	\$ 0	\$ 242	\$ 0	\$ 62,976
Sale of Materials and Supplies	1,645	0	0	0	0	0	1,645
Refund of Telecommunication and Internet Fees (E-Rate)	41,076	0	0	0	0	0	41,076
Retirees' Insurance Payments	14	0	0	0	0	0	14
Miscellaneous Refunds	6,934	0	11,441	1,182	0	0	19,557
<u>Nonrecurring Items</u>							
Sale of Equipment	1,001	0	0	24,000	0	0	25,001
Damages Recovered from Individuals	0	0	0	25	0	0	25
Contributions and Gifts	1,625	0	0	0	0	0	1,625
<u>Other Local Revenues</u>							
Other Local Revenues	3,000	0	0	0	0	0	3,000
Total Other Local Revenues	\$ 113,496	\$ 0	\$ 15,974	\$ 25,207	\$ 242	\$ 0	\$ 154,919
<u>State of Tennessee</u>							
<u>General Government Grants</u>							
On-Behalf Contributions for OPEB	\$ 140,186	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 140,186
<u>State Education Funds</u>							
Basic Education Program	15,580,660	0	0	1,057,933	0	0	16,638,593
Early Childhood Education	675,912	0	0	0	0	0	675,912
School Food Service	0	0	22,100	0	0	0	22,100
Driver Education	15,978	0	0	0	0	0	15,978
Other State Education Funds	230,740	0	0	0	0	0	230,740
Career Ladder Program	108,120	0	0	0	0	0	108,120
Career Ladder - Extended Contract	47,200	0	0	0	0	0	47,200
<u>Other State Revenues</u>							
State Revenue Sharing - T.V.A.	761,219	0	0	0	0	0	761,219
Other State Revenues	3,000	0	0	0	0	0	3,000
Total State of Tennessee	\$ 17,563,015	\$ 0	\$ 22,100	\$ 1,057,933	\$ 0	\$ 0	\$ 18,643,048
<u>Federal Government</u>							
<u>Federal Through State</u>							
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,033,717	\$ 0	\$ 0	\$ 0	\$ 1,033,717
USDA - Commodities	0	0	121,244	0	0	0	121,244
Breakfast	0	0	320,570	0	0	0	320,570
USDA - Other	0	0	10,826	0	0	0	10,826

(Continued)

Exhibit K-7

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund		Total
		School Federal Projects	Central Cafeteria	School Transportation	Education Capital Projects		
<u>Federal Government (Cont.)</u>							
<u>Federal Through State (Cont.)</u>							
Vocational Education - Basic Grants to States	\$ 0	\$ 52,174	\$ 0	\$ 0	\$ 0	\$ 52,174	
Title I Grants to Local Education Agencies	0	754,695	0	0	0	754,695	
Special Education - Grants to States	38,858	840,516	0	0	0	879,374	
Special Education Preschool Grants	30,582	33,884	0	0	0	64,466	
Safe and Drug-free Schools - State Grants	0	278,467	0	0	0	278,467	
Rural Education	0	54,577	0	0	0	54,577	
Eisenhower Professional Development State Grants	0	132,691	0	0	0	132,691	
Race-to-the-Top - ARRA	0	124,080	0	0	0	124,080	
Other Federal through State	68,876	0	0	0	0	68,876	
<u>Direct Federal Revenue</u>							
ROTC Reimbursement	52,668	0	0	0	0	52,668	
Total Federal Government	\$ 190,984	\$ 2,271,084	\$ 1,486,357	\$ 0	\$ 0	\$ 3,948,425	
Total	\$ 25,674,442	\$ 2,271,084	\$ 2,204,430	\$ 2,443,274	\$ 242	\$ 32,593,472	

Exhibit K-8

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

General Fund

General Government

County Commission

Other Per Diem and Fees	\$	71,370	
Social Security		4,252	
Employer Medicare		994	
Audit Services		11,501	
Total County Commission			\$ 88,117

Board of Equalization

Board and Committee Members Fees	\$	1,352	
Total Board of Equalization			1,352

Other Boards and Committees

Board and Committee Members Fees	\$	3,300	
Total Other Boards and Committees			3,300

County Mayor/Executive

County Official/Administrative Officer	\$	81,930	
Secretary(ies)		80,708	
Other Per Diem and Fees		8,400	
Social Security		8,976	
Medical Insurance		17,135	
Local Retirement		6,153	
Employer Medicare		2,099	
Advertising		2,585	
Maintenance and Repair Services - Office Equipment		3,716	
Postal Charges		1,800	
Printing, Stationery, and Forms		1,869	
Other Contracted Services		6,262	
Office Supplies		6,324	
Total County Mayor/Executive			227,957

County Attorney

County Official/Administrative Officer	\$	1,200	
Social Security		74	
Employer Medicare		17	
Legal Services		46,640	
Total County Attorney			47,931

Election Commission

County Official/Administrative Officer	\$	59,000	
Deputy(ies)		40,000	
Part-time Personnel		96,395	
Election Commission		15,390	
Election Workers		35,360	
Social Security		10,826	
Medical Insurance		16,500	
Local Retirement		1,500	
Employer Medicare		2,532	
Audit Services		2,968	
Legal Notices, Recording, and Court Costs		7,691	
Maintenance and Repair Services - Equipment		21,489	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Postal Charges	\$	3,904	
Printing, Stationery, and Forms		2,077	
Travel		4,445	
Office Supplies		4,425	
Other Charges		1,514	
Office Equipment		4,442	
Total Election Commission			\$ 330,458

Register of Deeds

County Official/Administrative Officer	\$	65,472	
Deputy(ies)		66,481	
Social Security		7,415	
Medical Insurance		11,120	
Local Retirement		6,225	
Employer Medicare		1,734	
Dues and Memberships		647	
Postal Charges		184	
Printing, Stationery, and Forms		2,232	
Travel		1,200	
Other Contracted Services		883	
Data Processing Supplies		14,420	
Office Supplies		605	
In Service/Staff Development		222	
Other Charges		173	
Total Register of Deeds			179,013

Planning

County Official/Administrative Officer	\$	47,930	
Assistant(s)		9,780	
Secretary(ies)		29,297	
Other Salaries and Wages		604	
Other Per Diem and Fees		8,400	
Social Security		3,857	
Medical Insurance		10,520	
Local Retirement		1,931	
Employer Medicare		902	
Contracts with Private Agencies		1,050	
Dues and Memberships		125	
Legal Notices, Recording, and Court Costs		222	
Postal Charges		450	
Other Contracted Services		9,250	
Office Supplies		1,196	
In Service/Staff Development		110	
Other Charges		58	
Office Equipment		167	
Total Planning			125,849

County Buildings

Custodial Personnel	\$	43,402	
Social Security		2,747	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Medical Insurance	\$	8,400	
Employer Medicare		642	
Janitorial Services		24,700	
Maintenance and Repair Services - Buildings		8,284	
Pest Control		1,515	
Custodial Supplies		11,506	
Drugs and Medical Supplies		130	
Liability Insurance		79,431	
Other Charges		918	
Office Equipment		5,879	
Other Capital Outlay		46,214	
Total County Buildings			\$ 233,768

Other General Administration

Communication	\$	24,712	
Contributions		40,500	
Dues and Memberships		5,218	
Maintenance Agreements		6,900	
Maintenance and Repair Services - Buildings		7,416	
Maintenance and Repair Services - Office Equipment		1,468	
Pest Control		780	
Electricity		23,943	
Utilities		6,481	
Workers' Compensation Insurance		6,300	
Other Capital Outlay		29,984	
Total Other General Administration			153,702

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	61,535	
Assistant(s)		57,535	
Social Security		6,621	
Medical Insurance		11,181	
Local Retirement		2,977	
Employer Medicare		1,548	
Legal Notices, Recording, and Court Costs		175	
Postal Charges		250	
Travel		190	
Other Contracted Services		8,588	
Office Supplies		122	
Premiums on Corporate Surety Bonds		100	
Total Accounting and Budgeting			150,822

Property Assessor's Office

County Official/Administrative Officer	\$	65,472	
Deputy(ies)		108,809	
Other Per Diem and Fees		4,800	
Social Security		10,281	
Medical Insurance		25,542	
Local Retirement		7,223	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Employer Medicare	\$	2,405	
Contracts with Private Agencies		41,530	
Data Processing Services		11,258	
Dues and Memberships		1,700	
Legal Notices, Recording, and Court Costs		98	
Postal Charges		1,496	
Rentals		3,871	
Travel		656	
Data Processing Supplies		3,000	
Office Supplies		4,336	
Premiums on Corporate Surety Bonds		100	
Other Charges		296	
Office Equipment		500	
Total Property Assessor's Office	\$		293,373

Reappraisal Program

Other Salaries and Wages	\$	29,987	
Other Per Diem and Fees		8,400	
Social Security		1,633	
Medical Insurance		4,844	
Local Retirement		750	
Employer Medicare		382	
Data Processing Services		3,613	
Postal Charges		898	
Office Supplies		37	
Total Reappraisal Program			50,544

County Trustee's Office

County Official/Administrative Officer	\$	65,472	
Deputy(ies)		77,922	
Social Security		8,003	
Medical Insurance		15,227	
Local Retirement		6,139	
Employer Medicare		1,872	
Legal Notices, Recording, and Court Costs		300	
Maintenance and Repair Services - Office Equipment		540	
Postal Charges		9,750	
Printing, Stationery, and Forms		800	
Travel		1,320	
Other Contracted Services		16,800	
Data Processing Supplies		680	
Office Supplies		794	
In Service/Staff Development		750	
Office Equipment		3,000	
Total County Trustee's Office			209,369

County Clerk's Office

County Official/Administrative Officer	\$	65,472	
Deputy(ies)		176,663	
Social Security		13,655	

(Continued)

Exhibit K-8

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

General Fund (Cont.)Finance (Cont.)County Clerk's Office (Cont.)

Medical Insurance	\$	34,056	
Local Retirement		7,487	
Employer Medicare		3,193	
Dues and Memberships		672	
Legal Notices, Recording, and Court Costs		175	
Postal Charges		6,000	
Printing, Stationery, and Forms		1,849	
Rentals		1,400	
Travel		154	
Data Processing Supplies		32,058	
Other Supplies and Materials		4,864	
Other Charges		2,431	
Office Equipment		1,500	
Total County Clerk's Office			\$ 351,629

Other Finance

Communication	\$	14,089	
Maintenance and Repair Services - Buildings		4,793	
Maintenance and Repair Services - Office Equipment		970	
Pest Control		540	
Electricity		22,260	
Utilities		4,628	
Refunds		14,229	
Total Other Finance			61,509

Administration of JusticeCircuit Court

County Official/Administrative Officer	\$	65,472	
Deputy(ies)		221,722	
Jury and Witness Expense		26,630	
Other Per Diem and Fees		2,970	
Social Security		15,633	
Medical Insurance		37,394	
Local Retirement		8,251	
Employer Medicare		3,656	
Maintenance and Repair Services - Office Equipment		7,894	
Postal Charges		3,265	
Printing, Stationery, and Forms		8,520	
Travel		3,649	
Data Processing Supplies		11,130	
Office Supplies		5,158	
Total Circuit Court			421,344

General Sessions Court

Judge(s)	\$	145,528	
Clerical Personnel		24,407	
Social Security		8,396	
Medical Insurance		3,682	
Local Retirement		10,143	
Employer Medicare		2,445	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Dues and Memberships	\$	1,540	
Travel		1,178	
Other Contracted Services		528	
Office Supplies		500	
Other Charges		398	
Total General Sessions Court			\$ 198,745

Drug Court

Supervisor/Director	\$	9,600	
Probation Officer(s)		4,800	
Social Security		848	
Employer Medicare		198	
Travel		759	
Drug Treatment		29,373	
Other Supplies and Materials		28	
Total Drug Court			45,606

Chancery Court

County Official/Administrative Officer	\$	65,472	
Deputy(ies)		135,883	
Social Security		11,726	
Medical Insurance		23,899	
Local Retirement		8,224	
Employer Medicare		2,742	
Advertising		2,937	
Maintenance and Repair Services - Office Equipment		734	
Postal Charges		1,500	
Printing, Stationery, and Forms		5,396	
Rentals		1,547	
Travel		786	
Other Contracted Services		94	
Data Processing Supplies		32,381	
Office Supplies		2,636	
Office Equipment		986	
Total Chancery Court			296,943

Juvenile Court

Probation Officer(s)	\$	99,735	
Youth Service Officer(s)		39,840	
Social Security		7,995	
Medical Insurance		22,166	
Local Retirement		1,176	
Employer Medicare		1,870	
Contracts with Government Agencies		76,157	
Contracts with Other Public Agencies		4,555	
Contracts with Private Agencies		2,100	
Dues and Memberships		60	
Maintenance and Repair Services - Office Equipment		1,139	
Postal Charges		220	
Printing, Stationery, and Forms		431	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Office Supplies	\$	1,827	
In Service/Staff Development		80	
Office Equipment		2,912	
Total Juvenile Court			\$ 262,263

Other Administration of Justice

Communication	\$	19,664	
Maintenance and Repair Services - Buildings		2,456	
Maintenance and Repair Services - Office Equipment		1,760	
Pest Control		240	
Other Contracted Services		14,950	
Electricity		30,002	
Office Supplies		504	
Utilities		9,524	
Office Equipment		435	
Total Other Administration of Justice			79,535

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	75,635	
Deputy(ies)		557,271	
Investigator(s)		197,283	
Captain(s)		47,074	
Lieutenant(s)		81,955	
Sergeant(s)		154,492	
Accountants/Bookkeepers		54,310	
Salary Supplements		19,200	
Dispatchers/Radio Operators		210,756	
Other Salaries and Wages		44,931	
Social Security		82,237	
Medical Insurance		170,244	
Local Retirement		16,799	
Employer Medicare		19,233	
Communication		42,874	
Contracts with Government Agencies		13,583	
Contracts with Private Agencies		12,630	
Dues and Memberships		1,314	
Maintenance and Repair Services - Office Equipment		560	
Maintenance and Repair Services - Vehicles		28,581	
Postal Charges		5,061	
Printing, Stationery, and Forms		4,701	
Rentals		4,499	
Transportation - Other than Students		1,841	
Travel		4,098	
Data Processing Supplies		5,060	
Gasoline		143,620	
Law Enforcement Supplies		33,283	
Lubricants		2,839	
Office Supplies		8,421	
Tires and Tubes		13,467	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Uniforms	\$	16,575	
Vehicle and Equipment Insurance		9,000	
In Service/Staff Development		13,182	
Motor Vehicles		99,857	
Total Sheriff's Department			\$ 2,196,466

Drug Enforcement

Temporary Personnel	\$	1,360	
Social Security		84	
Employer Medicare		20	
Drug Treatment		807	
Other Supplies and Materials		422	
Total Drug Enforcement			2,693

Jail

Assistant(s)	\$	40,156	
Deputy(ies)		230,628	
Lieutenant(s)		42,000	
Sergeant(s)		91,758	
Accountants/Bookkeepers		83,728	
Medical Personnel		31,500	
Attendants		573,866	
Cafeteria Personnel		65,492	
Other Salaries and Wages		51,937	
Social Security		70,762	
Medical Insurance		140,267	
Local Retirement		8,137	
Employer Medicare		16,549	
Laundry Service		2,198	
Maintenance and Repair Services - Buildings		40,166	
Maintenance and Repair Services - Equipment		15,464	
Medical and Dental Services		32,000	
Pest Control		480	
Drug Treatment		13,487	
Custodial Supplies		16,977	
Drugs and Medical Supplies		54,670	
Electricity		89,510	
Food Preparation Supplies		15,725	
Food Supplies		148,029	
Prisoners Clothing		6,982	
Uniforms		5,147	
Utilities		49,283	
Building and Contents Insurance		60,000	
Liability Insurance		46,100	
In Service/Staff Development		2,959	
Furniture and Fixtures		12,701	
Law Enforcement Equipment		15,298	
Total Jail			2,073,956

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control

County Official/Administrative Officer	\$	40,848	
Part-time Personnel		16,000	
Social Security		3,342	
Medical Insurance		34	
Disability Insurance		5,450	
Local Retirement		1,013	
Employer Medicare		782	
Communication		3,710	
Contracts with Other Public Agencies		30,600	
Dues and Memberships		165	
Maintenance and Repair Services - Equipment		16,387	
Maintenance and Repair Services - Vehicles		4,609	
Postal Charges		100	
Electricity		630	
Uniforms		154	
Utilities		481	
Other Supplies and Materials		1,966	
Vehicle and Equipment Insurance		5,650	
Workers' Compensation Insurance		26,100	
Other Charges		924	
Motor Vehicles		25,000	
Office Equipment		252	
Other Equipment		8,233	
Total Fire Prevention and Control	\$		192,430

Disaster Relief

Supervisor/Director	\$	7,023	
Other Salaries and Wages		7,023	
In-Service Training		921	
Social Security		835	
Local Retirement		360	
Employer Medicare		195	
Communication		3,379	
Maintenance and Repair Services - Equipment		318	
Postal Charges		200	
Travel		383	
Office Supplies		462	
Other Supplies and Materials		240	
In Service/Staff Development		2,202	
Other Charges		1,630	
Office Equipment		99	
State Aid Projects		65,796	
Total Disaster Relief			91,066

County Coroner/Medical Examiner

Contracts with Private Agencies	\$	10,360	
Other Contracted Services		1,200	
Total County Coroner/Medical Examiner			11,560

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Other Public Safety

Contracts with Government Agencies	\$	25,000	
Contributions		6,932	
Other Contracted Services		30,000	
Electricity		1,638	
Total Other Public Safety			\$ 63,570

Public Health and Welfare

Local Health Center

Salary Supplements	\$	43,872	
Communication		4,200	
Janitorial Services		9,480	
Maintenance Agreements		4,135	
Maintenance and Repair Services - Buildings		2,701	
Maintenance and Repair Services - Office Equipment		1,089	
Postal Charges		1,202	
Drugs and Medical Supplies		2,643	
Electricity		15,879	
Office Supplies		10,057	
Utilities		3,934	
Other Supplies and Materials		593	
Office Equipment		330	
Total Local Health Center			100,115

Rabies and Animal Control

Contracts with Other Public Agencies	\$	79,750	
Total Rabies and Animal Control			79,750

Crippled Children Services

Contributions	\$	1,240	
Total Crippled Children Services			1,240

Other Local Health Services

Medical Personnel	\$	33,254	
Social Security		2,114	
Employer Medicare		494	
Travel		1,208	
Total Other Local Health Services			37,070

General Welfare Assistance

Supervisor/Director	\$	26,898	
Equipment Operators		23,455	
Social Security		2,588	
Medical Insurance		13,051	
Local Retirement		586	
Employer Medicare		605	
Communication		3,008	
Maintenance and Repair Services - Buildings		148	
Maintenance and Repair Services - Vehicles		461	
Electricity		9,211	
Gasoline		3,019	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

General Welfare Assistance (Cont.)

Office Supplies	\$	1,306	
Utilities		2,715	
Total General Welfare Assistance			\$ 87,051

Aid to Dependent Children

Salary Supplements	\$	3,900	
Educational Assistants		42,558	
Communication		1,134	
Maintenance and Repair Services - Buildings		55	
Postal Charges		180	
Rentals		4,400	
Travel		3,393	
Electricity		2,364	
Food Supplies		68,531	
Office Supplies		824	
Other Supplies and Materials		1,935	
Total Aid to Dependent Children			129,274

Sanitation Education/Information

Guards	\$	31,269	
Other Salaries and Wages		6,221	
Social Security		1,905	
Medical Insurance		7,555	
Employer Medicare		445	
Communication		1,200	
Consultants		7,200	
Maintenance and Repair Services - Vehicles		1,111	
Other Contracted Services		333	
Gasoline		5,007	
Other Supplies and Materials		1,306	
Other Charges		2,372	
Total Sanitation Education/Information			65,924

Other Public Health and Welfare

Social Security	\$	575	
Employer Medicare		134	
Other Contracted Services		9,275	
Total Other Public Health and Welfare			9,984

Social, Cultural, and Recreational Services

Adult Activities

Supervisor/Director	\$	35,767	
Clerical Personnel		36,686	
Social Security		4,410	
Medical Insurance		147	
Local Retirement		894	
Employer Medicare		1,031	
Dues and Memberships		155	
Maintenance and Repair Services - Vehicles		1,985	
Postal Charges		248	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Adult Activities (Cont.)

Travel	\$	579	
Other Contracted Services		654	
Gasoline		4,478	
Office Supplies		699	
Liability Insurance		801	
Other Charges		1,471	
Office Equipment		500	
Total Adult Activities			\$ 90,505

Senior Citizens Assistance

Assistant(s)	\$	25,750	
Supervisor/Director		30,432	
Other Salaries and Wages		118,751	
Social Security		10,717	
Medical Insurance		7,941	
Local Retirement		1,524	
Employer Medicare		2,506	
Communication		702	
Dues and Memberships		810	
Maintenance and Repair Services - Office Equipment		1,337	
Maintenance and Repair Services - Vehicles		130	
Travel		2,511	
Other Contracted Services		9,718	
Gasoline		443	
Office Supplies		1,176	
Other Supplies and Materials		201	
Tax Relief Program		100,426	
Total Senior Citizens Assistance			315,075

Libraries

Contracts with Other Public Agencies	\$	130,895	
Total Libraries			130,895

Parks and Fair Boards

Contributions	\$	2,295	
Total Parks and Fair Boards			2,295

Other Social, Cultural, and Recreational

Communication	\$	7,531	
Contributions		66,666	
Dues and Memberships		14,185	
Maintenance and Repair Services - Buildings		1,100	
Maintenance and Repair Services - Office Equipment		1,200	
Electricity		16,776	
Utilities		7,328	
Total Other Social, Cultural, and Recreational			114,786

Agriculture and Natural Resources

Agriculture Extension Service

Salary Supplements	\$	101,178	
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(Continued)

Exhibit K-8

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agriculture Extension Service (Cont.)

Communication	\$	1,505	
Maintenance and Repair Services - Buildings		4,341	
Maintenance and Repair Services - Office Equipment		2,887	
Pest Control		1,000	
Travel		3,567	
Electricity		3,174	
Office Supplies		7,867	
Utilities		3,346	
Office Equipment		1,000	
Total Agriculture Extension Service			\$ 129,865

Soil Conservation

Secretary(ies)	\$	23,474	
Social Security		1,393	
Local Retirement		587	
Employer Medicare		326	
Total Soil Conservation			25,780

Flood Control

Contracts with Other Public Agencies	\$	31,699	
Total Flood Control			31,699

Other Agriculture and Natural Resources

Other Salaries and Wages	\$	4,405	
Social Security		38	
Employer Medicare		9	
Dues and Memberships		651	
Travel		209	
Total Other Agriculture and Natural Resources			5,312

Other Operations

Industrial Development

Site Development	\$	41,193	
Total Industrial Development			41,193

Other Economic and Community Development

Other Salaries and Wages	\$	3,509	
Travel		352	
Office Supplies		1,792	
Total Other Economic and Community Development			5,653

Miscellaneous

Bonus Payments	\$	68,500	
Medical Insurance		113,652	
Trustee's Commission		118,405	
Other Charges		6,953	
Total Miscellaneous			307,510

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Principal on Debt

General Government

Principal on Capital Leases	\$ 74,019	
Total General Government		\$ 74,019

Interest on Debt

General Government

Interest on Capital Leases	\$ 1,928	
Total General Government		1,928

Total General Fund		\$ 10,231,793
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Law Library Fund

Administration of Justice

Other Administration of Justice

Trustee's Commission	\$ 23	
Total Other Administration of Justice		\$ 23

Total Law Library Fund		23
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Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Attendants	\$ 9,440	
Social Security	585	
Employer Medicare	137	
Communication	339	
Contracts with Government Agencies	17,942	
Contracts with Private Agencies	87,619	
Utilities	1,204	
Trustee's Commission	1,250	
Total Sanitation Management		\$ 118,516

Total Solid Waste/Sanitation Fund		118,516
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Drug Control Fund

Public Safety

Drug Enforcement

Temporary Personnel	\$ 38,263	
Confidential Drug Enforcement Payments	1,000	
Animal Food and Supplies	1,000	
Law Enforcement Supplies	1,756	
Trustee's Commission	166	
Other Charges	797	
Law Enforcement Equipment	900	
Motor Vehicles	57,000	
Total Drug Enforcement		\$ 100,882

Total Drug Control Fund		100,882
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(Continued)

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

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	75,338	
Accountants/Bookkeepers		37,863	
Bonus Payments		1,000	
Communication		6,226	
Data Processing Services		2,726	
Dues and Memberships		5,663	
Evaluation and Testing		763	
Legal Notices, Recording, and Court Costs		416	
Maintenance Agreements		1,205	
Postal Charges		561	
Printing, Stationery, and Forms		882	
Travel		1,106	
Electricity		7,986	
Natural Gas		366	
Office Supplies		1,001	
Uniforms		2,881	
Water and Sewer		3,018	
Other Supplies and Materials		2,706	
Total Administration			\$ 151,707

Highway and Bridge Maintenance

Foremen	\$	39,686	
Equipment Operators		280,485	
Equipment Operators - Light		108,256	
Truck Drivers		155,480	
Laborers		113,219	
Overtime Pay		19,483	
Bonus Payments		10,500	
Contracts with Private Agencies		343,078	
Rentals		58	
Asphalt - Cold Mix		2,744	
Asphalt - Hot Mix		1,027,243	
Asphalt - Liquid		105,588	
Concrete		3,976	
Crushed Stone		394,734	
Fertilizer, Lime, and Seed		1,954	
General Construction Materials		5,722	
Other Road Supplies		15,814	
Pipe - Metal		109,149	
Road Signs		1,271	
Sand		7,091	
Wood Products		3,587	
Gravel and Chert		27,123	
Other Supplies and Materials		2,235	
Total Highway and Bridge Maintenance			2,778,476

Operation and Maintenance of Equipment

Mechanic(s)	\$	107,474	
Laborers		32,302	
Bonus Payments		2,000	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Diesel Fuel	\$	264,818	
Equipment and Machinery Parts		136,399	
Garage Supplies		13,993	
Gasoline		20,488	
Lubricants		16,516	
Small Tools		1,655	
Tires and Tubes		43,697	
Other Supplies and Materials		1,521	
Total Operation and Maintenance of Equipment	\$		640,863

Other Charges

Liability Insurance	\$	39,002	
Trustee's Commission		53,241	
Vehicle and Equipment Insurance		43,563	
Workers' Compensation Insurance		37,055	
Total Other Charges			172,861

Employee Benefits

Social Security	\$	55,766	
Employee and Dependent Insurance		156,895	
Local Retirement		13,330	
Employer Medicare		13,042	
Total Employee Benefits			239,033

Capital Outlay

Engineering Services	\$	39,120	
Highway Equipment		96,645	
State Aid Projects		543,968	
Other Equipment		84,129	
Other Capital Outlay		51,094	
Total Capital Outlay			814,956

Total Highway/Public Works Fund \$ 4,797,896

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	330,000	
Principal on Notes		54,479	
Total General Government	\$		384,479

Education

Principal on Bonds	\$	1,310,000	
Principal on Other Loans		913,076	
Total Education			2,223,076

Interest on Debt

General Government

Interest on Bonds	\$	291,645	
Interest on Notes		1,200	
Total General Government			292,845

(Continued)

Exhibit K-8

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

General Debt Service Fund (Cont.)

Interest on Debt (Cont.)

Education

Interest on Bonds	\$ 1,049,604	
Interest on Other Loans	340,814	
Total Education	<u>1,390,418</u>	\$ 1,390,418

Other Debt Service

General Government

Financial Advisory Services	\$ 15,000	
Trustee's Commission	54,327	
Other Debt Service	<u>795</u>	
Total General Government		70,122

Education

Other Debt Service	\$ 13,999	
Total Education		<u>13,999</u>

Total General Debt Service Fund \$ 4,374,939

Total Governmental Funds - Primary Government \$ 19,624,049

Exhibit K-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 8,265,190	
Career Ladder Program	54,015	
Career Ladder Extended Contracts	26,180	
Educational Assistants	626,135	
Other Salaries and Wages	2,500	
Certified Substitute Teachers	28,536	
Non-certified Substitute Teachers	82,266	
Social Security	512,991	
State Retirement	724,084	
Life Insurance	10,913	
Medical Insurance	1,388,719	
Unemployment Compensation	5,338	
Local Retirement	6,792	
Employer Medicare	121,870	
Other Fringe Benefits	4,925	
Contracts with Other School Systems	245,366	
Contracts with Private Agencies	21,330	
Maintenance and Repair Services - Equipment	14,094	
Instructional Supplies and Materials	373,239	
Textbooks	376,075	
Regular Instruction Equipment	342,750	
Total Regular Instruction Program	\$ 13,233,308	

Special Education Program

Teachers	\$ 984,915	
Career Ladder Program	8,000	
Clerical Personnel	33,902	
Educational Assistants	188,168	
Speech Pathologist	82,930	
Social Security	73,696	
State Retirement	94,857	
Life Insurance	1,835	
Medical Insurance	227,156	
Local Retirement	1,612	
Employer Medicare	17,240	
Other Fringe Benefits	575	
Contracts with Private Agencies	10,451	
Maintenance and Repair Services - Equipment	1,538	
Instructional Supplies and Materials	7,960	
Special Education Equipment	12,988	
Total Special Education Program	1,747,823	

Vocational Education Program

Teachers	\$ 355,018
Career Ladder Program	3,000
Career Ladder Extended Contracts	1,000
Educational Assistants	15,494
Social Security	21,885
State Retirement	31,881

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Vocational Education Program (Cont.)

Life Insurance	\$	415	
Medical Insurance		54,609	
Local Retirement		17	
Employer Medicare		5,118	
Other Fringe Benefits		200	
Other Contracted Services		2,297	
Instructional Supplies and Materials		49,219	
Vocational Instruction Equipment		30,822	
Total Vocational Education Program			\$ 570,975

Student Body Education Program

Instructional Supplies and Materials	\$	5,128	
Other Supplies and Materials		598	
Total Student Body Education Program			5,726

Support Services

Attendance

Supervisor/Director	\$	42,492	
Career Ladder Program		1,000	
Social Security		2,398	
State Retirement		3,770	
Life Insurance		33	
Medical Insurance		7,667	
Employer Medicare		564	
Communication		25,155	
Travel		1,862	
Other Contracted Services		14,237	
Other Supplies and Materials		186	
Total Attendance			99,364

Health Services

Medical Personnel	\$	102,069	
Other Salaries and Wages		72,554	
Social Security		10,642	
State Retirement		13,224	
Life Insurance		158	
Medical Insurance		6,595	
Employer Medicare		2,489	
Communication		2,747	
Postal Charges		720	
Printing, Stationery, and Forms		238	
Travel		6,601	
Other Contracted Services		9,759	
Drugs and Medical Supplies		9,641	
Other Supplies and Materials		33,075	
Total Health Services			270,512

Other Student Support

Career Ladder Program	\$	1,108	
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(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Guidance Personnel	\$	183,498	
Clerical Personnel		20,360	
Social Security		12,070	
State Retirement		16,905	
Life Insurance		258	
Medical Insurance		33,729	
Employer Medicare		2,823	
Contracts with Government Agencies		46,576	
Evaluation and Testing		30,929	
Travel		5,714	
Other Supplies and Materials		1,287	
Total Other Student Support	\$		355,257

Regular Instruction Program

Supervisor/Director	\$	72,904	
Career Ladder Program		4,000	
Librarians		48,965	
Materials Supervisor		33,902	
Instructional Computer Personnel		124,039	
Secretary(ies)		33,266	
Educational Assistants		33,266	
Other Salaries and Wages		31,474	
Social Security		21,841	
State Retirement		13,972	
Life Insurance		413	
Medical Insurance		63,167	
Local Retirement		3,585	
Employer Medicare		5,194	
Communication		7,612	
Consultants		26,389	
Contracts with Other School Systems		10,618	
Travel		41,282	
Other Contracted Services		40,241	
Library Books/Media		35,935	
Other Supplies and Materials		25,058	
In Service/Staff Development		42,266	
Other Equipment		54,523	
Total Regular Instruction Program			773,912

Special Education Program

Supervisor/Director	\$	72,052	
Career Ladder Program		1,000	
Clerical Personnel		16,951	
Social Security		5,507	
State Retirement		6,487	
Life Insurance		77	
Medical Insurance		2,063	
Employer Medicare		1,288	
Communication		2,520	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Postal Charges	\$	1,170	
Travel		2,922	
In Service/Staff Development		1,783	
Other Equipment		329	
Total Special Education Program			\$ 114,149

Vocational Education Program

Supervisor/Director	\$	7,314	
Clerical Personnel		16,951	
Social Security		1,446	
State Retirement		649	
Life Insurance		26	
Medical Insurance		2,063	
Employer Medicare		338	
Communication		141	
Maintenance and Repair Services - Equipment		858	
Postal Charges		90	
Travel		9,625	
Other Contracted Services		2,066	
Other Supplies and Materials		2,565	
In Service/Staff Development		737	
Total Vocational Education Program			44,869

Other Programs

On-Behalf Payments to OPEB	\$	140,186	
Total Other Programs			140,186

Board of Education

Secretary to Board	\$	2,267	
Board and Committee Members Fees		24,720	
Social Security		1,673	
Employer Medicare		391	
Audit Services		11,400	
Dues and Memberships		13,358	
Legal Services		163,372	
Other Contracted Services		17,733	
Liability Insurance		64,030	
Premiums on Corporate Surety Bonds		189	
Trustee's Commission		156,872	
Workers' Compensation Insurance		94,094	
In Service/Staff Development		8,033	
Criminal Investigation of Applicants - TBI		5,002	
Total Board of Education			563,134

Director of Schools

County Official/Administrative Officer	\$	107,408	
Secretary(ies)		33,902	
Social Security		2,102	
Life Insurance		51	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Medical Insurance	\$	33	
Local Retirement		898	
Employer Medicare		2,052	
Other Fringe Benefits		1,048	
Communication		14,987	
Dues and Memberships		4,848	
Postal Charges		6,396	
Travel		11,213	
Other Contracted Services		5,204	
Office Supplies		7,841	
Administration Equipment		10,619	
Total Director of Schools			\$ 208,602

Office of the Principal

Principals	\$	597,390	
Career Ladder Program		14,000	
Career Ladder Extended Contracts		13,320	
Assistant Principals		286,259	
Secretary(ies)		197,345	
Other Salaries and Wages		6,653	
Social Security		65,367	
State Retirement		80,938	
Life Insurance		962	
Medical Insurance		143,222	
Local Retirement		3,704	
Employer Medicare		15,287	
Other Fringe Benefits		75	
Communication		40,957	
Maintenance and Repair Services - Equipment		692	
Travel		12,279	
Other Contracted Services		30,980	
Office Supplies		20,316	
Administration Equipment		4,180	
Other Equipment		40,429	
Total Office of the Principal			1,574,355

Fiscal Services

Accountants/Bookkeepers	\$	40,064	
Purchasing Personnel		53,653	
Clerical Personnel		33,902	
Other Salaries and Wages		34,570	
Social Security		9,778	
Life Insurance		181	
Medical Insurance		19,586	
Local Retirement		4,055	
Employer Medicare		2,287	
Dues and Memberships		341	
Maintenance and Repair Services - Equipment		2,964	
Travel		4,473	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Other Contracted Services	\$	20,956	
Office Supplies		15,974	
Administration Equipment		5,615	
Total Fiscal Services			\$ 248,399

Operation of Plant

Custodial Personnel	\$	523,647	
Other Salaries and Wages		3,700	
Social Security		29,425	
Life Insurance		1,317	
Medical Insurance		119,356	
Local Retirement		6,327	
Employer Medicare		6,932	
Pest Control		4,231	
Disposal Fees		39,069	
Other Contracted Services		121,988	
Custodial Supplies		80,599	
Electricity		759,042	
Natural Gas		125,273	
Water and Sewer		26,477	
Other Supplies and Materials		2,214	
Building and Contents Insurance		355,019	
Plant Operation Equipment		24,700	
Total Operation of Plant			2,229,316

Maintenance of Plant

Supervisor/Director	\$	53,653	
Secretary(ies)		33,265	
Other Salaries and Wages		310,528	
Social Security		23,045	
Life Insurance		489	
Medical Insurance		58,021	
Unemployment Compensation		115	
Local Retirement		7,379	
Employer Medicare		5,390	
Communication		6,128	
Maintenance and Repair Services - Buildings		261,985	
Maintenance and Repair Services - Equipment		68,036	
Other Contracted Services		79,061	
Equipment and Machinery Parts		15,037	
Gasoline		25,698	
Other Supplies and Materials		161,324	
Maintenance Equipment		30,117	
Total Maintenance of Plant			1,139,271

Operation of Non-Instructional Services

Food Service

Career Ladder Program	\$	1,000	
Social Security		62	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

State Retirement	\$	90	
Employer Medicare		15	
Food Supplies		6,671	
Total Food Service			\$ 7,838

Community Services

Supervisor/Director	\$	4,426	
Other Salaries and Wages		56,500	
Social Security		3,556	
State Retirement		393	
Life Insurance		102	
Medical Insurance		8,073	
Employer Medicare		828	
Communication		777	
Postal Charges		400	
Travel		8,881	
Other Supplies and Materials		4,572	
Total Community Services			88,508

Early Childhood Education

Supervisor/Director	\$	17,844	
Teachers		296,157	
Educational Assistants		110,518	
Certified Substitute Teachers		3,354	
Non-certified Substitute Teachers		3,982	
Social Security		24,280	
State Retirement		27,765	
Life Insurance		674	
Medical Insurance		79,946	
Local Retirement		387	
Employer Medicare		5,696	
Communication		4,226	
Maintenance and Repair Services - Equipment		841	
Travel		29	
Other Contracted Services		1,140	
Other Supplies and Materials		65,412	
In Service/Staff Development		8,767	
Other Equipment		10,258	
Total Early Childhood Education			661,276

Capital Outlay

Regular Capital Outlay

Architects	\$	67,970	
Other Contracted Services		64,858	
Building Construction		1,077,032	
Building Improvements		985,187	
Communication Equipment		366,855	
Furniture and Fixtures		5,586	
Land		5,000	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Capital Outlay (Cont.)

Regular Capital Outlay (Cont.)

Maintenance Equipment	\$ 24,280	
Motor Vehicles	111,305	
Regular Instruction Equipment	65,504	
Site Development	461,056	
Vocational Instruction Equipment	46,125	
Building Purchases	14,491	
Total Regular Capital Outlay		<u>\$ 3,295,249</u>

Total General Purpose School Fund \$ 27,372,029

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 275,072	
Educational Assistants	206,916	
Other Salaries and Wages	115,730	
Social Security	31,096	
State Retirement	29,554	
Life Insurance	955	
Medical Insurance	87,610	
Unemployment Compensation	3,418	
Employer Medicare	8,120	
Other Fringe Benefits	908	
Instructional Supplies and Materials	25,705	
Other Charges	404	
Regular Instruction Equipment	49,558	
Total Regular Instruction Program		<u>\$ 835,046</u>

Special Education Program

Teachers	\$ 124,711	
Educational Assistants	197,782	
Speech Pathologist	41,911	
Certified Substitute Teachers	654	
Non-certified Substitute Teachers	5,668	
Social Security	19,517	
State Retirement	14,835	
Life Insurance	785	
Medical Insurance	119,468	
Unemployment Compensation	1,792	
Employer Medicare	4,569	
Other Fringe Benefits	1,930	
Maintenance and Repair Services - Equipment	930	
Instructional Supplies and Materials	19,646	
Other Supplies and Materials	8,880	
Special Education Equipment	32,445	
Total Special Education Program		<u>595,523</u>

Vocational Education Program

Other Supplies and Materials	\$ 6,704	
Vocational Instruction Equipment	26,902	
Total Vocational Education Program		<u>33,606</u>

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services

Other Student Support

Assessment Personnel	\$	62,386	
Clerical Personnel		10,858	
Educational Assistants		29,152	
Other Salaries and Wages		128,708	
Social Security		11,949	
State Retirement		13,551	
Life Insurance		105	
Medical Insurance		10,649	
Unemployment Compensation		1,568	
Employer Medicare		3,277	
Communication		254	
Travel		13,256	
Other Contracted Services		10,650	
Other Supplies and Materials		67,595	
In Service/Staff Development		973	
Other Charges		4,812	
Other Equipment		15,290	
Total Other Student Support			\$ 385,033

Regular Instruction Program

Supervisor/Director	\$	47,210	
Other Salaries and Wages		10,010	
In-Service Training		20,920	
Social Security		4,671	
State Retirement		6,864	
Life Insurance		31	
Medical Insurance		6,389	
Unemployment Compensation		397	
Employer Medicare		1,106	
Communication		888	
Travel		5,375	
In Service/Staff Development		27,328	
Other Charges		230	
Total Regular Instruction Program			131,419

Special Education Program

Psychological Personnel	\$	51,839	
Speech Pathologist		9,247	
Other Salaries and Wages		36,282	
In-Service Training		90	
Social Security		5,350	
State Retirement		4,603	
Life Insurance		103	
Medical Insurance		4,026	
Unemployment Compensation		262	
Employer Medicare		1,385	
Other Fringe Benefits		876	
Communication		868	
Travel		20,964	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Other Contracted Services	\$	110,872	
Other Supplies and Materials		3,884	
In Service/Staff Development		16,715	
Total Special Education Program			\$ 267,366

Vocational Education Program

Travel	\$	300	
In Service/Staff Development		1,700	
Total Vocational Education Program			2,000

Total School Federal Projects Fund \$ 2,249,993

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	65,821	
Accountants/Bookkeepers		33,266	
Cafeteria Personnel		635,591	
Other Salaries and Wages		33,588	
Social Security		44,995	
State Retirement		5,845	
Life Insurance		2,396	
Medical Insurance		93,968	
Unemployment Compensation		3,254	
Local Retirement		2,501	
Employer Medicare		10,508	
Other Fringe Benefits		1,800	
Communication		7,863	
Data Processing Services		36,847	
Dues and Memberships		236	
Printing, Stationery, and Forms		1,794	
Transportation - Other than Students		6,767	
Travel		3,026	
Disposal Fees		1,478	
Permits		640	
Custodial Supplies		9,544	
Food Supplies		847,457	
Uniforms		120	
USDA - Commodities		121,244	
Other Supplies and Materials		52,130	
In Service/Staff Development		2,215	
Food Service Equipment		128,109	
Total Food Service			\$ 2,153,003

Total Central Cafeteria Fund 2,153,003

(Continued)

Exhibit K-9

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

School Transportation Fund

Support Services

Board of Education

Trustee's Commission	\$ 23,870	
Total Board of Education		\$ 23,870

Operation of Plant

Disposal Fees	\$ 2,304	
Electricity	14,893	
Natural Gas	2,212	
Water and Sewer	700	
Total Operation of Plant		20,109

Transportation

Supervisor/Director	\$ 53,653	
Mechanic(s)	175,674	
Bus Drivers	799,834	
Clerical Personnel	33,266	
Other Salaries and Wages	14,561	
Social Security	64,543	
Life Insurance	2,879	
Medical Insurance	72,700	
Unemployment Compensation	2,687	
Local Retirement	6,538	
Employer Medicare	15,111	
Communication	6,194	
Maintenance and Repair Services - Vehicles	19,968	
Other Contracted Services	52,817	
Diesel Fuel	352,020	
Food Supplies	562	
Lubricants	8,641	
Tires and Tubes	40,878	
Vehicle Parts	78,355	
Other Supplies and Materials	52,818	
Vehicle and Equipment Insurance	67,987	
In Service/Staff Development	4,114	
Transportation Equipment	75,500	
Total Transportation		<u>2,001,300</u>

Total School Transportation Fund		\$ 2,045,279
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Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$ 13,236	
Other Contracted Services	3,279	
Building Construction	169,553	
Furniture and Fixtures	145,241	
Plant Operation Equipment	8,950	
Site Development	88,208	
Total Education Capital Projects		<u>\$ 428,467</u>

Total Education Capital Projects Fund		<u>428,467</u>
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Total Governmental Funds - Dyer County School Department		<u><u>\$ 34,248,771</u></u>
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Exhibit K-10

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

	Cities - Sales Tax Fund	Cities - Property Tax Fund	City School ADA - Dyersburg Fund	Total
<u>Cash Receipts</u>				
Current Property Taxes	\$ 0	\$ 0	\$ 2,277,829	\$ 2,277,829
Trustee's Collections - Prior Years	0	0	96,206	96,206
Trustee's Collections - Bankruptcy	0	0	880	880
Circuit/Clerk and Master Collections - Prior Years	0	1,302	25,322	26,624
Interest and Penalty	0	254	16,609	16,863
Local Option Sales Tax	3,257,734	0	4,614,193	7,871,927
Wheel Tax	0	0	639,814	639,814
Interstate Telecommunications Tax	0	0	1,914	1,914
Marriage Licenses	0	0	1,322	1,322
Other Permits	0	0	122	122
Total Cash Receipts	<u>\$ 3,257,734</u>	<u>\$ 1,556</u>	<u>\$ 7,674,211</u>	<u>\$ 10,933,501</u>
<u>Cash Disbursements</u>				
Remittance of Revenues Collected	\$ 3,225,157	\$ 1,525	\$ 7,581,313	\$ 10,807,995
Trustee's Commission	32,577	31	100,709	133,317
Total Cash Disbursements	<u>\$ 3,257,734</u>	<u>\$ 1,556</u>	<u>\$ 7,682,022</u>	<u>\$ 10,941,312</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0	\$ 0	\$ (7,811)	\$ (7,811)
Cash Balance, July 1, 2012	0	0	131,232	131,232
Cash Balance, June 30, 2013	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 123,421</u>	<u>\$ 123,421</u>

SINGLE AUDIT SECTION



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

**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

Independent Auditor's Report

Dyer County Mayor and
Board of County Commissioners
Dyer 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 Dyer County, Tennessee, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Dyer County's basic financial statements, and have issued our report thereon dated September 30, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Dyer 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 Dyer County's internal control. Accordingly, we do not express an opinion on the effectiveness of Dyer County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is

a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies: 2013-002, 2013-004, and 2013-005.

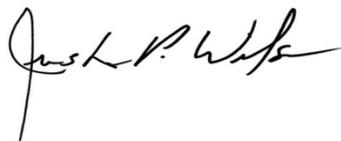
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dyer County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2013-001 and 2013-003.

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 Dyer County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

September 30, 2013

JPW/sb



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
SUITE 1500
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NASHVILLE, TENNESSEE 37243-1402
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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

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Dyer County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Dyer County's major federal programs for the year ended June 30, 2013. Dyer 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 Dyer 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 Dyer 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 Dyer County's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

Management of Dyer 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 Dyer 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 Dyer 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.

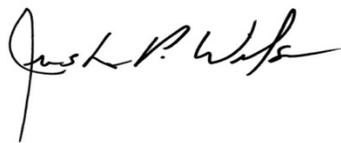
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any 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 Dyer County, Tennessee, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Dyer County's basic financial statements. We issued our report thereon dated September 30, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

September 30, 2013

JPW/sb

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Child Nutrition Cluster:			
Passed-through State Department of Education:			
School Breakfast Program	10.553	N/A	\$ 320,570
National School Lunch Program	10.555	N/A	1,033,717 (3)
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	121,244 (3)
Passed-through State Department of Human Services:			
Summer Food Service Program for Children	10.559	N/A	90,539
Passed-through State Department of Education:			
Child and Adult Care Food Program	10.558	N/A	10,826
Passed-through State Department of Health:			
Commodity Supplemental Food Program	10.565	GG133379000	49,670
Total U.S. Department of Agriculture			<u>\$ 1,626,566</u>
U.S. Department of Justice:			
Passed-through State Commission on Children and Youth:			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	GG1029733	\$ 9,000
Total U.S. Department of Justice			<u>\$ 9,000</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 754,695
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	879,374
Special Education - Preschool Grants	84.173	N/A	64,466
Career and Technical Education - Basic Grants to States	84.048	N/A	52,174
Twenty-first Century Community Learning Centers	84.287	N/A	278,467
Rural Education	84.358	N/A	54,577
Improving Teacher Quality State Grants	84.367	N/A	132,691
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	84.395	N/A	124,080
Total U.S. Department of Education			<u>\$ 2,340,524</u>
U.S. Department of Health and Human Services:			
Passed-through Northwest Tennessee Development District:			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	(2)	\$ 278,155
Total U.S. Department of Health and Human Services			<u>\$ 278,155</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(2)	\$ 19,100
Hazard Mitigation Grant	97.039	GG1135003	68,876
Homeland Security Grant Program	97.067	Z5760	78,937
Total U.S. Department of Homeland Security			<u>\$ 166,913</u>
Total Expenditures of Federal Awards			<u>\$ 4,421,158</u>

(Continued)

Dyer County, Tennessee

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>State Grants</u>			
Drug Court Treatment Resources Fund Grant - State Department of Finance and Administration	N/A	(2)	\$ 45,605
Preventive Health and Human Services - State Department of Health	N/A	GG133861302	33,330
Litter Program - State Department of Transportation	N/A	Z13LIT023	32,649
Project Diabetes Initiative Services - State Department of Health	N/A	(2)	5,980
School Wastewater Improvements - State Department of Economic and Community Delta Rural Health - Lebonheur Methodist Hospital	N/A	D60RH08546	8,007
Recreation Educational Trail Program Grant - State Department of Environment and Conservation	N/A	(2)	21,788
Waste Tire Options Grant - State Department of Environment and Conservation	N/A	(2)	27,676
Early Childhood Education - State Department of Education	N/A	(2)	675,912
Star Student Management System - State Department of Education	N/A	(2)	9,828
ACT/EXP - Internet Connectivity - State Department of Education	N/A	(2)	4,229
Coordinated School Health - State Department of Education	N/A	(2)	115,000
Family Resource - State Department of Education	N/A	(2)	59,223
Hazard Mitigation Grant - State Department of Military	N/A	(2)	11,510
Safe Schools - State Department of Education	N/A	(2)	18,700
ConnecTenn - State Department of Education	N/A	(2)	<u>12,250</u>
 Total State Grants			 <u>\$ 1,081,687</u>

CFDA = Catalog of Federal Domestic Assistance

N/A = Not Applicable

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.

(2) Information not available.

(3) Total for CFDA No. 10.555 is \$1,154,961.

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

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. Presented below are findings from the Annual Financial Report for Dyer County, Tennessee, for the year ended June 30, 2012, which have not been corrected.

OFFICE OF COUNTY MAYOR

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
12.03	159	Compensation was paid in-lieu-of insurance benefits to some employees

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
12.05	160	Unclaimed funds were not reported and paid to the state

OFFICES OF ROAD SUPERVISOR, CIRCUIT AND GENERAL SESSIONS COURTS CLERK, AND SHERIFF

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
12.07	161	Duties were not segregated adequately

DYER COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2013

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the financial statements of Dyer County is unmodified.
2. The audit of the financial statements of Dyer County disclosed significant deficiencies in internal control. None of these deficiencies was considered to be a material weakness.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of Dyer County.
4. The audit disclosed no significant deficiencies in internal control over major programs.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children (CFDA Nos. 10.553, 10.555, and 10.559); Title I Grants to Local Education Agencies (CFDA No. 84.010); and the Special Education Cluster: Special Education – Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173) were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. Dyer County did not qualify as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response; however, management did not provide responses for inclusion in this report.

OFFICE OF COUNTY MAYOR

FINDING 2013-001 **COMPENSATION WAS PAID IN-LIEU-OF INSURANCE BENEFITS TO SOME EMPLOYEES**
(Noncompliance Under *Government Auditing Standards*)

It is the policy of Dyer County to provide health insurance coverage for employees and their dependents. Dyer County pays additional compensation of up to \$400 per month to employees if they or their spouses become eligible for Medicare coverage and end participation in the county's health insurance plan. The state attorney general has opined (Opinion 04-162) that "Counties do not have the authority to make a cash payment to an official or employee who elects not to participate in the county insurance plan." This deficiency is the result of management's failure to correct the finding noted in the prior-year audit report.

RECOMMENDATION

The county should not pay employees additional compensation to cover their insurance costs under another health plan.

OFFICES OF COUNTY MAYOR AND ROAD SUPERVISOR

FINDING 2013-002 **BONUS PAYMENTS TO COUNTY EMPLOYEES WERE NOT MADE THROUGH THE PAYROLL SYSTEM**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

County officials and employees received bonus payments ranging from \$250 to \$500 in November 2012 that were not paid through the county's payroll system and were in addition to their regular salaries. Since these supplemental payments were not paid through the county's payroll system, the payments were not subjected to income tax, social security, and Medicare deductions. Also, the county did not report and pay its required matching portions of social security and Medicare associated with these supplemental payments. This compensation was not reported to the federal government on Forms 1099 or W-2.

RECOMMENDATION

All payroll related payments to county employees should be made through the county's payroll system to properly reflect the employee's total compensation. Also, all wages should be subject to the proper employee payroll taxes, the county's matching portions, and properly reported to the federal government.

OFFICE OF CIRCUIT AND GENERAL SESSIONS COURTS CLERK

FINDING 2013-003

UNCLAIMED FUNDS WERE NOT REPORTED AND PAID TO THE STATE

(Noncompliance Under *Government Auditing Standards*)

The clerk did not report and pay to the state unclaimed funds (old outstanding checks) totaling \$23,501. At June 30, 2013, Circuit Court had 329 outstanding checks totaling \$18,031 and General Sessions Court had 81 outstanding checks totaling \$5,470 that were all issued before July 1, 2012. The Unclaimed Property Act, Section 66-29-101, et seq., *Tennessee Code Annotated*, provides that any funds held by the court for more than one year and unclaimed by the owner are considered abandoned. This statute further provides for the funds to be reported and paid to the state Treasurer's Office. This deficiency is the result of management's failure to correct the finding noted in the prior-year audit report.

RECOMMENDATION

The clerk should report and pay to the state unclaimed funds held for more than one year as required by state statute.

FINDING 2013-004

THE OFFICE DID NOT IMPLEMENT ADEQUATE CONTROLS TO PROTECT ITS INFORMATION RESOURCES

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The office did not implement adequate controls to protect its information resources. This finding does not identify specific vulnerabilities that could allow someone to exploit the office's information system or misuse county funds. Disclosing those vulnerabilities could present a potential security risk by providing the readers with information that might be confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Sound business practices dictate that proper controls be implemented. Without these controls, unauthorized system activity could occur.

RECOMMENDATION

The office should ensure that adequate controls over its information systems and the resources associated with those systems are implemented.

OFFICES OF ROAD SUPERVISOR, CIRCUIT AND GENERAL SESSIONS COURTS CLERK, AND SHERIFF

FINDING 2013-005

DUTIES WERE NOT SEGREGATED ADEQUATELY

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

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

RECOMMENDATION

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

BEST PRACTICE

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

Dyer County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the County Commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Dyer County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.

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

There were no findings and questioned costs for federal awards.

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

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