ANNUAL FINANCIAL REPORT
WHITE COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2013

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FOR THE YEAR ENDED JUNE 30, 2013

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

DIVISION OF LOCAL GOVERNMENT AUDIT
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State Auditors

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

WHITE COUNTY, TENNESSEE
TABLE OF CONTENTS

	Exhibit	Page(s)
Audit Highlights		6
INTRODUCTORY SECTION		7
White County Officials		8
FINANCIAL SECTION		9
Independent Auditor's Report		10-13
BASIC FINANCIAL STATEMENTS:		14
Government-wide Financial Statements:		
Statement of Net Position	A	15
Statement of Activities	B	16-17
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	18
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C-2	19
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	21
Statements of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Fund	C-5	22-25
Highway/Public Works Fund	C-6	26
Proprietary Funds:		
Statement of Net Position	D-1	27
Statement of Revenues, Expenses, and Changes in Net Position	D-2	28
Statement of Cash Flows	D-3	29
Fiduciary Funds:		
Statement of Fiduciary Assets and Liabilities	E	30
Index and Notes to the Financial Statements		31-74
REQUIRED SUPPLEMENTARY INFORMATION:		75
Schedule of Funding Progress – Pension Plan – Primary Government and Discretely Presented White County School Department	F-1	76
Schedule of Funding Progress – Pension Plan – Discretely Presented White County Emergency Communications District	F-2	77
Schedule of Funding Progress – Other Postemployment Benefits Plan – Discretely Presented White County School Department	F-3	78
Notes to the Required Supplementary Information		79

	Exhibit	Page(s)
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		80
Nonmajor Governmental Funds:		81
Combining Balance Sheet	G-1	82
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	G-2	83
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual and Budget:		
Industrial/Economic Development Fund	G-3	84
Drug Control Fund	G-4	85
Major Governmental Fund:		86
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget:		
General Debt Service Fund	H	87
Fiduciary Funds:		88
Combining Statement of Fiduciary Assets and Liabilities	I-1	89
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	I-2	90
Component Unit:		
Discretely Presented White County School Department:		91
Statement of Activities	J-1	92
Balance Sheet – Governmental Funds	J-2	93
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	J-3	94
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	J-4	95
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	J-5	96
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Purpose School Fund	J-6	97-98
School Federal Projects Fund	J-7	99
Central Cafeteria Fund	J-8	100

	Exhibit	Page(s)
Miscellanous Schedules:		101
Schedule of Changes in Long-term Notes and Bonds	K-1	102
Schedule of Long-term Debt Requirements by Year	K-2	103
Schedule of Notes Receivable	K-3	104
Schedule of Transfers – Primary Government and Discretely Presented White County School Department	K-4	105
Schedule of Salaries and Official Bonds of Principal Officials – Primary Government and Discretely Presented White County School Department	K-5	106
Schedule of Detailed Revenues – All Governmental Fund Types	K-6	107-110
Schedule of Detailed Revenues – All Governmental Fund Types – Discretely Presented White County School Department	K-7	111-112
Schedule of Detailed Expenditures – All Governmental Fund Types	K-8	113-126
Schedule of Detailed Expenditures – All Governmental Fund Types – Discretely Presented White County School Department	K-9	127-135
Schedule of Detailed Revenues and Expenses – Solid Waste Disposal Fund (Enterprise Fund)	K-10	136
Schedule of Detailed Revenues and Expenses – Central Service Fund (Internal Service Fund)	K-11	137
Schedule of Detailed Receipts, Disbursements, and Changes in Cash Balance – City Agency Fund	K-12	138
SINGLE AUDIT SECTION		139
Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*		140-141
Auditor's 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		142-144
Schedule of Expenditures of Federal Awards and State Grants		145-146
Schedule of Audit Findings Not Corrected		147
Schedule of Findings and Questioned Costs		148-151
Auditee Reporting Responsibilities		152

Audit Highlights

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICE OF FINANCE DIRECTOR

- The Solid Waste Disposal Fund had a deficit in unrestricted net position.

OFFICES OF COUNTY CLERK AND REGISTER OF DEEDS

- Multiple employees operated from the same cash drawer.

Introductory Section

White County Officials
June 30, 2013

Officials

Herd Sullivan, County Executive
Clay Parker, Road Superintendent
Sandra Crouch, Director of Schools
Brenda Officer, Trustee
Paytina Miller, Assessor of Property
Connie Jolley, County Clerk
Beverly Templeton, Circuit and General Sessions Courts Clerk
Gena Brock, Clerk and Master
Gary Brogden, Register of Deeds
Oddie Shoupe, Sheriff
Chad Marcum, Finance Director

Board of County Commissioners

Paul Bailey, Chairman
Andy Alley
Terry Alley
Jerry Austin
Wallace Austin
Marion Bumbalough
Hank Clark
Joe England
Diana Haston
Al Klee
B.K. Luna
Matt McBride
Bruce Null
Denny Wayne Robinson

Board of Education

Gary Sparkman, Chairman
Ed Cantrell
Donna Jones
Richard McBride
Kenneth Robinson
Janet Webb
Roy Whited

Financial Management Committee

Paul Bailey, Chairman
Herd Sullivan, County Executive
Clay Parker, Road Superintendent
Sandra Crouch, Director of Schools
Andy Alley
Joe England
Diana Haston

Audit Committee

Bruce Null, Chairman
Wallace Austin
Paul Bailey
Ben Holland
Denny Wayne Robinson

Financial Section

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

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the White County Emergency Communications District, which represent 3.33 percent, 3.48 percent, and 2.46 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the White County Emergency Communications District, is based solely on the report of the other auditors. We conducted

our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White 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., White 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. White 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 that accounting principles generally accepted in the United States of America requires 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 76 -79 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 White 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 White 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 White 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

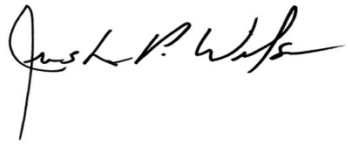
in accordance with auditing standards generally accepted in the United States of America. In our opinion, The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial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

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

September 30, 2013

JPW/kp

Basic Financial Statements

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

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	White County School Department	White County Emergency Communications District
ASSETS					
Cash	$ 23,040	$ 0	$ 23,040	$ 532	$ 563,923
Equity in Pooled Cash and Investments	3,728,785	585,556	4,314,341	20,889,970	0
Accounts Receivable	1,886,322	131,748	2,018,070	25	17,548
Allowance for Uncollectibles	(783,192)	(38,558)	(821,750)	0	0
Due from Other Governments	904,483	2,825	907,308	819,360	34,642
Due from Other Funds	0	994	994	0	0
Due from Component Units	12,899	0	12,899	0	0
Property Taxes Receivable	4,605,954	0	4,605,954	3,357,612	0
Allowance for Uncollectible Property Taxes	(153,940)	0	(153,940)	(112,218)	0
Prepaid Items	0	0	0	0	31,823
Notes Receivable - Long-term	219,673	0	219,673	0	0
Customer Deposits	0	0	0	0	350
Capital Assets:					
Assets Not Depreciated:					
Land	1,004,978	580,078	1,585,056	1,191,942	67,261
Assets Net of Accumulated Depreciation:					
Buildings and Improvements	7,652,969	848,364	8,501,333	18,529,700	56,816
Infrastructure	6,186,611	0	6,186,611	0	0
Other Capital Assets	884,988	461,510	1,346,498	817,431	796,426
Total Assets	$ 26,173,570	$ 2,572,517	$ 28,746,087	$ 45,494,354	$ 1,568,789
LIABILITIES					
Accounts Payable	$ 32,072	$ 7	$ 32,079	$ 45,000	$ 67,626
Accrued Payroll	93,947	2,448	96,395	0	6,332
Payroll Deductions Payable	0	0	0	413,760	0
Accrued Interest Payable	30,909	0	30,909	0	0
Due to Other Funds	994	0	994	0	0
Due to Litigants, Heirs, and Others	59,183	0	59,183	0	0
Due to Primary Government	0	0	0	12,899	0
Due to State of Tennessee	830	0	830	0	0
Noncurrent Liabilities:					
Due Within One Year	1,237,857	209,644	1,447,501	70,425	6,927
Due in More Than One Year	8,082,858	1,242,647	9,325,505	631,990	0
Total Liabilities	$ 9,538,650	$ 1,454,746	$ 10,993,396	$ 1,174,074	$ 80,885
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	$ 4,270,300	$ 0	$ 0	$ 3,112,929	$ 0
Total Deferred Inflow of Resources	$ 4,270,300	$ 0	$ 0	$ 3,112,929	$ 0
NET POSITION					
Net Investment in Capital Assets	$ 11,131,831	$ 1,501,855	$ 12,633,686	$ 20,539,073	$ 856,769
Restricted for:					
Industrial/Economic Development	572,906	0	572,906	0	0
Drug Control	105,785	0	105,785	0	0
Highway/Public Works	661,659	0	661,659	0	0
School Federal Projects	0	0	0	59,478	0
Central Cafeteria	0	0	0	746,655	0
Other Purposes	101,624	0	101,624	36,061	0
Unrestricted	(209,185)	(384,084)	(593,269)	19,826,084	631,135
Total Net Position	$ 12,364,620	$ 1,117,771	$ 13,482,391	$ 41,207,351	$ 1,487,904

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

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

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position – Primary Government: Total Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: White County School Department	Component Units: White County Emergency Communications District
Primary Government:									
Governmental Activities:									
General Government	$ 1,253,282	$ 349,465	$ 17,474	$ 0	$ (886,343)	$ 0	$ (886,343)	$ 0	$ 0
Finance	824,741	470,634	0	0	(354,107)	0	(354,107)	0	0
Administration of Justice	741,015	456,698	9,000	0	(275,317)	0	(275,317)	0	0
Public Safety	4,242,150	1,175,718	91,844	0	(2,974,588)	0	(2,974,588)	0	0
Public Health and Welfare	1,492,564	957,155	59,436	0	(475,973)	0	(475,973)	0	0
Social, Cultural, and Recreational Services	420,579	2,011	139,001	0	(279,567)	0	(279,567)	0	0
Agriculture and Natural Resources	102,186	0	30,000	0	(72,186)	0	(72,186)	0	0
Other Operations	1,385,578	8,623	114,718	0	(1,262,237)	0	(1,262,237)	0	0
Highways/Public Works	1,493,057	3,963	1,630,883	236,191	377,980	0	377,980	0	0
Interest on Long-term Debt	418,033	0	0	0	(418,033)	0	(418,033)	0	0
Other Debt Service	18,921	0	62,899	0	43,978	0	43,978	0	0
Total Governmental Activities	$ 12,392,106	$ 3,424,267	$ 2,155,255	$ 236,191	$ (6,576,393)	$ 0	$ (6,576,393)	$ 0	$ 0
Business-type Activities:									
Solid Waste Disposal	$ 1,154,370	$ 1,099,983	$ 15,736	$ 0	$ 0	$ (38,651)	$ (38,651)	$ 0	$ 0
Total Primary Government	$ 13,546,476	$ 4,524,250	$ 2,170,991	$ 236,191	$ (6,576,393)	$ (38,651)	$ (6,615,044)	$ 0	$ 0
Component Units:									
School Department	$ 31,200,557	$ 603,089	$ 4,086,381	$ 0	$ 0	$ 0	$ 0	$ (26,511,087)	$ 0
Emergency Communications District	622,109	221,230	290,855	0	0	0	0	0	(110,024)
Total Component Units	$ 31,822,666	$ 824,319	$ 4,377,236	$ 0	$ 0	$ 0	$ 0	$ (26,511,087)	$ (110,024)

(Continued)

White County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: White County School Department	Component Units: White County Emergency Communications District
General Revenues:									
Taxes:									
Property Taxes Levied for General Purposes					$ 4,164,156	$ 0	$ 4,164,156	$ 3,280,849	$ 0
Property Taxes Levied for Debt Service					336,493	0	336,493	0	0
Local Option Sales Taxes					1,311,231	0	1,311,231	1,441,658	0
Litigation Tax - General					57,392	0	57,392	0	0
Litigation Tax - Special Purpose					42,538	0	42,538	0	0
Litigation Tax - Jail/Workhouse					19,785	0	19,785	0	0
Wholesale Beer Tax					171,292	0	171,292	0	0
Mineral Severance Tax					63,687	0	63,687	0	0
Business Tax					188,703	0	188,703	0	0
Other Local Taxes					10,566	0	10,566	3,929	0
Grants and Contributions Not Restricted to Specific Programs					551,674	63,340	615,014	22,080,249	281,864
Unrestricted Investment Earnings					54,956	0	54,956	1,394	1,039
Sale of Equipment					47,478	0	47,478	5,694	0
Sale of Gasoline					383,710	0	383,710	0	0
Premium Amortization					68,680	0	68,680	0	975
Miscellaneous					141,583	38,943	180,526	32,949	0
Total General Revenues					$ 7,613,924	$ 102,283	$ 7,716,207	$ 26,846,722	$ 283,878
Insurance Recovery					$ 10,055	$ 0	$ 10,055	$ 10,083	$ 0
Change in Net Position					$ 1,047,586	$ 63,632	$ 1,111,218	$ 345,718	$ 173,854
Net Position, July 1, 2012					11,443,694	1,054,139	12,497,833	40,861,633	1,314,050
Prior-period Adjustment					(126,660)	0	(126,660)	0	0
Net Position, June 30, 2013					$ 12,364,620	$ 1,117,771	$ 13,482,391	$ 41,207,351	$ 1,487,904

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

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern-mental Funds	Total Governmental Funds
ASSETS					
Cash	$ 662	$ 0	$ 0	$ 22,378	$ 23,040
Equity in Pooled Cash and Investments	2,224,427	291,102	695,055	518,201	3,728,785
Accounts Receivable	1,884,881	0	1,003	438	1,886,322
Allowance for Uncollectibles	(783,192)	0	0	0	(783,192)
Due from Other Governments	237,396	526,303	140,784	0	904,483
Due from Other Funds	22,816	0	0	0	22,816
Due from Component Units	0	0	12,899	0	12,899
Property Taxes Receivable	4,261,584	0	344,370	0	4,605,954
Allowance for Uncollectible Property Taxes	(142,430)	0	(11,510)	0	(153,940)
Notes Receivable - Long-term	0	0	0	219,673	219,673
Total Assets	$ 7,706,144	$ 817,405	$ 1,182,601	$ 760,690	$ 10,466,840
LIABILITIES					
Accounts Payable	$ 32,072	$ 0	$ 0	$ 0	$ 32,072
Accrued Payroll	93,947	0	0	0	93,947
Due to Other Funds	994	0	0	22,816	23,810
Due to State of Tennessee	830	0	0	0	830
Due to Litigants, Heirs, and Others	0	0	0	59,183	59,183
Total Liabilities	$ 127,843	$ 0	$ 0	$ 81,999	$ 209,842
DEFERRED INFLOWS OF RESOURCES					
Deferred Current Property Taxes	$ 3,951,025	$ 0	$ 319,275	$ 0	$ 4,270,300
Deferred Delinquent Property Taxes	165,068	0	13,339	0	178,407
Other Deferred/Unavailable Revenue	1,015,011	140,410	70,392	0	1,225,813
Total Deferred Inflows of Resources	$ 5,131,104	$ 140,410	$ 403,006	$ 0	$ 5,674,520
FUND BALANCES					
Restricted:					
Restricted for General Government	$ 14,851	$ 0	$ 0	$ 0	$ 14,851
Restricted for Finance	10,046	0	0	0	10,046
Restricted for Administration of Justice	76,263	0	0	0	76,263
Restricted for Public Safety	464	0	0	105,785	106,249
Restricted for Other Operations	0	0	0	572,906	572,906
Restricted for Highways/Public Works	0	521,249	0	0	521,249
Committed:					
Committed for Public Safety	19,092	0	0	0	19,092
Committed for Highways/Public Works	0	155,746	0	0	155,746
Committed for Debt Service	0	0	779,595	0	779,595
Assigned:					
Assigned for General Government	17,810	0	0	0	17,810
Assigned for Finance	150	0	0	0	150
Assigned for Administration of Justice	156	0	0	0	156
Assigned for Public Safety	1,983	0	0	0	1,983
Assigned for Public Health and Welfare	1,608	0	0	0	1,608
Assigned for Social, Cultural, and Recreational Services	1,047	0	0	0	1,047
Assigned for Other Operations	11,939	0	0	0	11,939
Unassigned	2,291,788	0	0	0	2,291,788
Total Fund Balances	$ 2,447,197	$ 676,995	$ 779,595	$ 678,691	$ 4,582,478
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 7,706,144	$ 817,405	$ 1,182,601	$ 760,690	$ 10,466,840

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

White 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)		$ 4,582,478
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	$ 1,004,978	
Add: buildings and improvements net of accumulated depreciation	7,652,969	
Add: infrastructure net of accumulated depreciation	6,186,611	
Add: other capital assets net of accumulated depreciation	884,988	15,729,546
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	$ (9,035,000)	
Less: notes payable	(285,715)	
Less: accrued interest on bonds and notes	(30,909)	(9,351,624)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		1,404,220
Net position of governmental activities (Exhibit A)		$ 12,364,620

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

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern-mental Funds	Total Governmental Funds
Revenues					
Local Taxes	$ 5,114,865	$ 63,687	$ 1,274,510	$ 0	$ 6,453,062
Licenses and Permits	94,049	0	0	0	94,049
Fines, Forfeitures, and Penalties	114,092	0	0	55,086	169,178
Charges for Current Services	1,028,377	0	0	1,019	1,029,396
Other Local Revenues	131,472	155,746	49,710	5,685	342,613
Fees Received from County Officials	920,995	0	0	0	920,995
State of Tennessee	1,687,822	1,827,504	24,965	0	3,540,291
Federal Government	134,711	0	0	0	134,711
Other Governments and Citizens Groups	261,980	0	62,899	0	324,879
Total Revenues	$ 9,488,363	$ 2,046,937	$ 1,412,084	$ 61,790	$ 13,009,174
Expenditures					
Current:					
General Government	$ 1,199,024	$ 0	$ 0	$ 1,019	$ 1,200,043
Finance	824,741	0	0	0	824,741
Administration of Justice	741,015	0	0	0	741,015
Public Safety	4,228,328	0	0	45,831	4,274,159
Public Health and Welfare	1,484,184	0	0	0	1,484,184
Social, Cultural, and Recreational Services	420,579	0	0	0	420,579
Agriculture and Natural Resources	102,186	0	0	0	102,186
Other Operations	727,533	0	0	239,451	966,984
Highways	0	2,002,560	0	0	2,002,560
Debt Service:					
Principal on Debt	0	0	1,207,857	0	1,207,857
Interest on Debt	0	0	427,332	0	427,332
Other Debt Service	0	0	18,921	0	18,921
Total Expenditures	$ 9,727,590	$ 2,002,560	$ 1,654,110	$ 286,301	$ 13,670,561
Excess (Deficiency) of Revenues Over Expenditures	$ (239,227)	$ 44,377	$ (242,026)	$ (224,511)	$ (661,387)
Other Financing Sources (Uses)					
Insurance Recovery	$ 10,055	$ 0	$ 0	$ 0	$ 10,055
Transfers In	86,000	0	0	0	86,000
Transfers Out	0	(86,000)	0	0	(86,000)
Total Other Financing Sources (Uses)	$ 96,055	$ (86,000)	$ 0	$ 0	$ 10,055
Net Change in Fund Balances	$ (143,172)	$ (41,623)	$ (242,026)	$ (224,511)	$ (651,332)
Fund Balance, July 1, 2012	2,590,369	718,618	1,021,621	903,202	5,233,810
Fund Balance, June 30, 2013	$ 2,447,197	$ 676,995	$ 779,595	$ 678,691	$ 4,582,478

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

White 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)		$ (651,332)
(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	$ 1,113,420	
Less: current-year depreciation expense	(668,190)	445,230
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Loss on disposal of capital assets		(1,000)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2013	$ 1,404,220	
Less: deferred delinquent property taxes and other deferred June 30, 2012	(1,435,368)	(31,148)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Add: principal payments on notes	$ 142,857	
Add: principal payments on bonds	1,065,000	
Add: annual premium on debt proceeds	68,680	1,276,537
(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		9,299
Change in net position of governmental activities (Exhibit B)		$ 1,047,586

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

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 5,114,865	$ 0	$ 0	$ 5,114,865	$ 5,039,258	$ 5,039,258	$ 75,607
Licenses and Permits	94,049	0	0	94,049	79,100	79,100	14,949
Fines, Forfeitures, and Penalties	114,092	0	0	114,092	146,600	146,600	(32,508)
Charges for Current Services	1,028,377	0	0	1,028,377	1,121,200	1,121,200	(92,823)
Other Local Revenues	131,472	0	0	131,472	187,000	140,200	(8,728)
Fees Received from County Officials	920,995	0	0	920,995	948,000	948,000	(27,005)
State of Tennessee	1,687,822	0	0	1,687,822	1,878,032	1,878,032	(190,210)
Federal Government	134,711	0	0	134,711	85,000	117,145	17,566
Other Governments and Citizens Groups	261,980	0	0	261,980	457,661	463,161	(201,181)
Total Revenues	$ 9,488,363	$ 0	$ 0	$ 9,488,363	$ 9,941,851	$ 9,932,696	$ (444,333)
Expenditures							
General Government							
County Commission	$ 63,675	$ 0	$ 0	$ 63,675	$ 75,278	$ 71,078	$ 7,403
County Mayor/Executive	140,893	0	0	140,893	147,813	147,813	6,920
County Attorney	25,054	0	0	25,054	25,055	25,055	1
Election Commission	162,829	(1,171)	255	161,913	186,266	186,266	24,353
Register of Deeds	223,285	(68,860)	1,148	155,573	186,343	186,343	30,770
Development	29,280	0	0	29,280	30,000	30,000	720
County Buildings	494,646	(1,366)	6,493	499,773	512,534	523,802	24,029
Other General Administration	5,666	0	9,800	15,466	60,000	36,671	21,205
Preservation of Records	53,696	(257)	114	53,553	60,688	61,188	7,635
Finance							
Accounting and Budgeting	224,766	0	150	224,916	255,336	255,336	30,420
Property Assessor's Office	195,494	(8,000)	0	187,494	217,235	217,235	29,741
Reappraisal Program	28,290	0	0	28,290	40,089	40,089	11,799
County Trustee's Office	162,377	(182)	0	162,195	166,799	170,999	8,804
County Clerk's Office	213,814	0	0	213,814	226,020	226,020	12,206

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Administration of Justice							
Circuit Court	$ 301,779	$ 0	$ 87	$ 301,866	$ 328,425	$ 328,425	$ 26,559
General Sessions Court	208,281	0	24	208,305	210,618	211,646	3,341
Drug Court	25,815	0	20	25,835	37,457	37,457	11,622
Chancery Court	144,622	(1,153)	25	143,494	159,895	159,895	16,401
Judicial Commissioners	49,556	0	0	49,556	50,804	50,804	1,248
Other Administration of Justice	10,962	0	0	10,962	19,600	19,600	8,638
Public Safety							
Sheriff's Department	1,559,865	(16,243)	1,204	1,544,826	1,542,994	1,570,854	26,028
Special Patrols	102,491	0	0	102,491	102,013	108,413	5,922
Traffic Control	21,942	0	0	21,942	25,032	25,032	3,090
Jail	1,976,496	(52,280)	104	1,924,320	1,863,234	1,970,389	46,069
Juvenile Services	52,709	0	0	52,709	52,939	52,939	230
Fire Prevention and Control	238,752	0	0	238,752	217,699	242,699	3,947
Civil Defense	12,375	(30)	675	13,020	21,000	21,000	7,980
Rescue Squad	16,273	0	0	16,273	16,273	16,273	0
County Coroner/Medical Examiner	33,934	0	0	33,934	45,000	45,000	11,066
Other Public Safety	213,491	0	0	213,491	220,950	220,950	7,459
Public Health and Welfare							
Local Health Center	128,243	0	35	128,278	143,390	143,390	15,112
Rabies and Animal Control	67,806	(198)	0	67,608	68,991	80,251	12,643
Ambulance/Emergency Medical Services	1,239,547	(16,867)	1,573	1,224,253	1,184,094	1,257,557	33,304
Crippled Children Services	0	0	0	0	4,720	4,720	4,720
Other Local Health Services	0	0	0	0	1,250	1,250	1,250
General Welfare Assistance	4,594	0	0	4,594	4,800	4,800	206
Other Local Welfare Services	0	0	0	0	1,250	1,250	1,250
Sanitation Education/Information	43,994	0	0	43,994	44,300	45,725	1,731
Social, Cultural, and Recreational Services							
Senior Citizens Assistance	148,047	(148)	0	147,899	205,920	205,920	58,021

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Social, Cultural, and Recreational Services (Cont.)							
Libraries	$ 202,236	$ (724)	$ 0	$ 201,512	$ 205,679	$ 212,824	$ 11,312
Parks and Fair Boards	52,296	(4,300)	1,046	49,042	72,500	72,500	23,458
Other Social, Cultural, and Recreational	18,000	0	0	18,000	18,000	18,000	0
Agriculture and Natural Resources							
Agriculture Extension Service	77,748	0	0	77,748	85,100	85,100	7,352
Forest Service	2,000	0	0	2,000	2,000	2,000	0
Soil Conservation	22,438	0	0	22,438	22,459	22,459	21
Other Operations							
Tourism	6,000	0	0	6,000	6,000	6,000	0
Industrial Development	76,925	(8,800)	11,667	79,792	397,500	397,500	317,708
Housing and Urban Development	0	0	0	0	50,000	50,000	50,000
Airport	28,000	0	0	28,000	28,000	28,000	0
Veterans' Services	50,174	(44)	0	50,130	53,559	53,559	3,429
Other Charges	335,292	(219)	273	335,346	364,338	364,338	28,992
Contributions to Other Agencies	96,779	0	0	96,779	44,000	123,300	26,521
Employee Benefits	22,644	0	0	22,644	30,000	30,000	7,356
Miscellaneous	111,719	0	0	111,719	110,000	110,000	(1,719)
Total Expenditures	$ 9,727,590	$ (180,842)	$ 34,693	$ 9,581,441	$ 10,251,239	$ 10,579,714	$ 998,273
Excess (Deficiency) of Revenues Over Expenditures	$ (239,227)	$ 180,842	$ (34,693)	$ (93,078)	$ (309,388)	$ (647,018)	$ 553,940
Other Financing Sources (Uses)							
Notes Issued	$ 0	$ 0	$ 0	$ 0	$ 284,000	$ 284,000	$ (284,000)
Insurance Recovery	10,055	0	0	10,055	15,000	24,536	(14,481)
Transfers In	86,000	0	0	86,000	11,000	86,000	0
Total Other Financing Sources	$ 96,055	$ 0	$ 0	$ 96,055	$ 310,000	$ 394,536	$ (298,481)

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Net Change in Fund Balance	$ (143,172)	$ 180,842	$ (34,693)	$ 2,977	$ 612	$ (252,482)	$ 255,459
Fund Balance, July 1, 2012	2,590,369	(180,842)	0	2,409,527	2,812,429	2,812,429	(402,902)
Fund Balance, June 30, 2013	$ 2,447,197	$ 0	$ (34,693)	$ 2,412,504	$ 2,813,041	$ 2,559,947	$ (147,443)

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

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Local Taxes	$ 63,687	$ 0	$ 63,687	$ 75,000	$ 75,000	$ (11,313)
Other Local Revenues	155,746	0	155,746	43,000	164,004	(8,258)
State of Tennessee	1,827,504	0	1,827,504	2,065,940	2,111,515	(284,011)
Total Revenues	$ 2,046,937	$ 0	$ 2,046,937	$ 2,183,940	$ 2,350,519	$ (303,582)
Expenditures						
Highways						
Administration	$ 145,541	$ (99)	$ 145,442	$ 150,555	$ 147,555	$ 2,113
Highway and Bridge Maintenance	1,109,161	0	1,109,161	1,129,413	1,253,417	144,256
Operation and Maintenance of Equipment	142,101	(5)	142,096	220,000	155,000	12,904
Other Charges	111,638	0	111,638	109,000	120,237	8,599
Employee Benefits	0	0	0	3,000	3,000	3,000
Capital Outlay	494,119	(67,287)	426,832	560,900	606,475	179,643
Total Expenditures	$ 2,002,560	$ (67,391)	$ 1,935,169	$ 2,172,868	$ 2,285,684	$ 350,515
Excess (Deficiency) of Revenues Over Expenditures	$ 44,377	$ 67,391	$ 111,768	$ 11,072	$ 64,835	$ 46,933
Other Financing Sources (Uses)						
Transfers Out	$ (86,000)	$ 0	$ (86,000)	$ (11,000)	$ (86,000)	$ 0
Total Other Financing Sources	$ (86,000)	$ 0	$ (86,000)	$ (11,000)	$ (86,000)	$ 0
Net Change in Fund Balance	$ (41,623)	$ 67,391	$ 25,768	$ 72	$ (21,165)	$ 46,933
Fund Balance, July 1, 2012	718,618	(67,391)	651,227	669,050	669,050	(17,823)
Fund Balance, June 30, 2013	$ 676,995	$ 0	$ 676,995	$ 669,122	$ 647,885	$ 29,110

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

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

	Business-type Activities - Enterprise Fund Solid Waste Disposal Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Investments	$ 585,556
Accounts Receivable	131,748
Allowance for Uncollectibles	(38,558)
Due from Other Governments	2,825
Due from Other Funds	994
Total Current Assets	$ 682,565
Noncurrent Assets:	
Capital Assets:	
Assets Not Depreciated:	
Land	$ 580,078
Assets Net of Accumulated Depreciated:	
Buildings and Improvements	848,364
Other Capital Assets	461,510
Total Noncurrent Assets	$ 1,889,952
Total Assets	$ 2,572,517
LIABILITIES	
Current Liabilities:	
Accounts Payable	$ 7
Accrued Payroll	2,448
Accrued Liability for Landfill Closure/Postclosure Care Costs	67,677
Capital Outlay Notes Payable	141,967
Total Current Liabilities	$ 2,455
Noncurrent Liabilities:	
Accrued Liability for Landfill Closure/Postclosure Care Costs	$ 996,517
Capital Outlay Notes Payable - Long-term	246,130
Total Noncurrent Liabilities	$ 1,452,291
Total Liabilities	$ 1,454,746
NET POSITION	
Net Investment in Capital Assets	$ 1,501,856
Unrestricted (Deficit)	(384,085)
Total Net Position	$ 1,117,771

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

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

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
	Solid Waste Disposal Fund	Central Service Fund
Operating Revenues		
Charges for Current Services	$ 1,099,983	$ 1,274
Other Local Revenues	38,943	383,710
Total Operating Revenues	$ 1,138,926	$ 384,984
Operating Expenses		
Public Health and Welfare	$ 1,030,360	$ 0
Other Operations	10,980	384,984
Depreciation	91,653	0
Total Operating Expenses	$ 1,132,993	$ 384,984
Operating Income (Loss)	$ 5,933	$ 0
Nonoperating Revenues (Expenses)		
Grants	$ 15,736	$ 0
Contributions	63,340	0
Interest on Notes	(21,377)	0
Total Nonoperating Revenues (Expenses)	$ 57,699	$ 0
Change in Net Position	$ 63,632	$ 0
Net Position, June 30, 2012	1,054,139	0
Net Position, June 30, 2013	$ 1,117,771	$ 0

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

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

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
	Solid Waste Disposal Fund	Central Service Fund
Cash Flows from Operating Activities		
Receipts from Customers and Users	$ 1,135,936	$ 384,984
Payments to Suppliers	(466,101)	(384,460)
Payments to Employees	(463,260)	0
Other Payments	(10,980)	(524)
Net Cash Provided By (Used In) Operating Activities	$ 195,595	$ 0
Cash Flows from Noncapital Financing Activities		
Grants Received	$ 16,292	$ 0
Net Cash Provided By (Used In) Noncapital Financing Activities	$ 16,292	$ 0
Cash Flows from Capital and Related Financing Activities		
Principal Paid on Capital Outlay Notes	$ (141,967)	$ 0
Interest Paid on Capital Outlay Notes	(21,377)	0
Net Cash Provided By (Used In) Capital and Related Financing Activities	$ (163,344)	$ 0
Net Increase (Decrease) in Cash	$ 48,543	$ 0
Cash, July 1, 2012	537,013	0
Cash, June 30, 2013	$ 585,556	$ 0
Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities		
Operating Income (Loss)	$ 5,933	$ 0
Adjustment to Reconcile Net Operating Income to Net Cash Provided By (Used In) Operating Activities:		
Depreciation	91,653	0
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(2,990)	0
Increase (Decrease) in Accounts Payable	(6,082)	0
Increase (Decrease) in Landfill Closure/Postclosure Care Costs	107,081	0
Net Cash Provided By (Used In) Operating Activities	$ 195,595	$ 0

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

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

	Agency Funds
ASSETS	
Cash	$ 433,974
Accounts Receivable	1,971
Due from Other Governments	264,458
Total Assets	$ 700,403
LIABILITIES	
Due to Other Taxing Units	$ 264,458
Due to Litigants, Heirs, and Others	435,945
Total Liabilities	$ 700,403

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

WHITE COUNTY, TENNESSEE
Index of Notes to Financial Statements

Note		Page(s)
I.	**Summary of Significant Accounting Policies**	
	A. Reporting Entity	32
	B. Government-wide and Fund Financial Statements	33
	C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	34
	D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	
	1. Deposits and Investments	36
	2. Receivables and Payables	37
	3. Capital Assets	38
	4. Deferred Outflows/Inflows of Resources	39
	5. Compensated Absences	39
	6. Long-term Obligations	40
	7. Net Position and Fund Balance	41
	8. Minimum Fund Balance Policy	43
	9. Prior-period Adjustment	43
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	43
	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	43
III.	**Stewardship, Compliance, and Accountability**	
	A. Budgetary Information	44
	B. Net Position Deficit	45
IV.	**Detailed Notes on All Funds**	
	A. Deposits and Investments	45
	B. Notes Receivable	46
	C. Capital Assets	46
	D. Interfund Receivables, Payables, and Transfers	50
	E. Long-term Obligations	51
	F. On-Behalf Payments	55
V.	**Other Information**	
	A. Risk Management	55
	B. Accounting Changes	56
	C. Contingent Liabilities	57
	D. Change in Administration	58
	E. Landfill Closure/Postclosure Care Costs	58
	F. Joint Ventures	58
	G. Jointly Governed Organizations	59
	H. Retirement Commitments	59
	I. Other Postemployment Benefits (OPEB)	63
	J. Office of Central Accounting, Budgeting, and Purchasing	65
	K. Purchasing Laws	65
VI.	**Other Notes - Discretely Presented White County Emergency Communications District**	66

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

White 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 White County:

A. Reporting Entity

White County is a public municipal corporation governed by an elected 14-member board. As required by GAAP, these financial statements present White 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 White County School Department operates the public school system in the county, and the voters of White 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 White County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of White County, and the White 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 White County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the White County School Department are included in this report as listed in the table of contents. Complete financial statements of the White County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

White County Emergency
Communications District
2677 Crossville Highway
P.O. Box 911
Sparta, TN 38583

B. Government-wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds, proprietary funds (internal service and enterprise), and fiduciary funds. 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 and the major enterprise fund are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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 White County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. White County reports two proprietary funds, a major enterprise fund and an internal service fund.

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

White 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.

White County reports the following major proprietary fund:

Solid Waste Disposal Fund – This fund accounts for the county's solid waste landfill operations.

Additionally, White County reports the following fund types:

Capital Projects Fund – The General Capital Projects Fund accounts for funds to be used in the construction of a centralized fuel distribution facility in the county.

Internal Service Fund – The Central Service Fund is used to account for transactions of the county's centralized fuel distribution facility.

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, pass-through community development grants, and local sales taxes received by the state to be forwarded to the various cities in White County. Agency funds are custodial in nature (assets equal liabilities) and do not

involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

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

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

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

Central Cafeteria Fund – This special revenue fund is used to account for the cafeteria operations in each of the schools. Grant funds and collections from food sales are the foundational revenues of this fund.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has two proprietary funds, a major enterprise fund used to account for the operations of the county's landfill and an internal service fund used to account for the transactions at the county's centralized fuel distribution facility. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the county's proprietary funds are charges for services.

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

1. Deposits and Investments

For the 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 White 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. White County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost. Investments in the State Treasurer's Investment Pool are reported at fair value. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Accordingly, the pool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. <u>Receivables and Payables</u>

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

Notes receivable in the Industrial/Economic Development Fund represent loans made by the county to local industries in the current and prior years and are included in the restricted fund balance.

All ambulance service, solid waste, and property taxes receivables are shown with an allowance for uncollectibles. Ambulance and solid waste receivables allowances for uncollectibles are based on historical collection data. The allowance for uncollectible property taxes is equal to 1.75 percent of total taxes levied.

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are recognized in the period for which the taxes are levied, which is the ensuing fiscal year. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less

an estimated allowance for uncollectible taxes, is reported as deferred inflow of resources as of June 30.

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

Most payables are disaggregated on the face of the financial statements.

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 and business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of $20,000 or more and an estimated useful life exceeding five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

Assets	Years
Buildings and Improvements	20 - 40
Other Capital Assets	5 - 15
Infrastructure:	
Roads	40

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 has no items that qualify for reporting in this category.

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 one item that qualifies for reporting in this category. Accordingly, the item is reported in the government-wide Statement of Net Position and the governmental funds balance sheet. This revenue is from current property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

5. Compensated Absences

It is the county's policy not to allow for the accumulation of unused vacation days beyond year-end.

County employees may accumulate up to 60 days of sick leave. The granting of sick leave generally has no guaranteed payment attached and is not required to be accrued or recorded. However, county policy allows employees who retire with 30 years of continuous service to receive payment for 100 percent of their accumulated sick days based on their ending daily wage. The county did not determine and record the dollar value of these guaranteed payments for sick leave. Dollar values for compensated absences should be reported in the government-wide statements; however, due to the limited terms under which payment will be required for this leave, the amount would be immaterial to the financial statements of White County.

The general policy of the discretely presented School Department does not allow for the accumulation of vacation days beyond year-end for non-professional personnel. Professional personnel (teachers) receive two vacation days per year, which they are allowed to accumulate beyond year-end. Vacation pay is accrued when incurred in the government-wide financial statements for the discretely presented School Department.

The School Department's policy allows employees to accumulate sick days at varying rates depending upon their position. All professional personnel (teachers) of the School Department are allowed to accumulate unlimited sick leave days. The granting of sick leave for professional personnel has no guaranteed payment attached and therefore is not required to be accrued or recorded. Nonteaching personnel may accumulate up to 60 days sick leave. Based on their daily wage, nonteaching personnel resigning or retiring with ten or more years of service are paid for 50 percent of their accumulated sick leave, while those resigning or retiring with 30 or more years of service receive 100 percent of their accumulated sick leave. All sick days for nonteaching personnel are accrued when incurred in the government-wide statements for the School Department.

A liability for vacation leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

Vested or accumulated vacation leave is accrued when incurred in proprietary funds using the accrual basis of accounting. White County's proprietary fund did not have a policy for accruing vested or accumulated vacation leave when it was incurred. However, these amounts would be immaterial to the financial statements of White County.

6. Long-term Obligations

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

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

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

7. Net Position and Fund Balance

In the government-wide financial statements and the proprietary 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.

On the government-wide Statement of Net Position (Exhibit A), the account Restricted for Other Purposes for the primary government consists of various restrictions totaling $101,624, with the primary restrictions being for alcohol and drug treatment ($34,522) and drug court ($20,034).

As of June 30, 2013, White County had $4,723,000 in outstanding debt for capital purposes for the discretely presented White County School Department. This debt is a liability of White County; however, the capital assets acquired are reported in the financial statements of the School Department. Therefore, White 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 Financial Management 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 has not been restricted, committed, or assigned to

specific purposes within the General and General Purpose School funds.

8. Minimum Fund Balance Policy

According to the policies and procedures manual for White County Government, each of the county's funds strives to maintain a minimum fund balance of no less than ten percent of its total appropriations.

9. Prior-period Adjustment

Net position of the governmental funds was restated $126,660 from the prior year because of the implementation of GASB Statement No. 65, which now requires debt issuance costs to be expensed. Prior to July 1, 2012, debt issuance costs were deferred and amortized over the life of the debt.

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

Discretely Presented White 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

A. Budgetary Information

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

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (special revenue fund), which is not budgeted, and the General Capital Projects Fund, which adopts a project length budget. 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/Executive, 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 White County School Department reported the following significant encumbrances:

Funds	Description	Amount
School Department:		
Major Funds:		
General Purpose School	Classroom Furniture	$ 43,967
"	Chillers - Vocational School	54,561
"	Chiller - Doyle	53,814
"	Roof Project - Findlay	52,880
Central Cafeteria	Dishwasher - Woodland Park	21,759

B. Net Position Deficit

The Solid Waste Disposal Fund had a deficit in unrestricted net position of $384,085 at June 30, 2013. This deficit primarily resulted from the recognition of a liability totaling $1,064,194 for costs associated with closing the county's landfill and monitoring the landfill for 30 years after closure.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

Investments

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

The county had no pooled or nonpooled investments as of June 30, 2013.

B. Notes Receivable

Notes receivable of $219,673 in the Industrial/Economic Development Fund resulted from loans issued by the county to local industries in the current and prior years.

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	$ 1,004,978	$ 0	$ 0	$ 1,004,978
Construction in Progress	86,976	0	(86,976)	0
Total Capital Assets Not Depreciated	$ 1,091,954	$ 0	$ (86,976)	$ 1,004,978
Capital Assets Depreciated:				
Buildings and Improvements	$ 11,149,294	$ 370,913	$ (20,081)	$ 11,500,126
Infrastructure	6,452,081	566,029	0	7,018,110
Other Capital Assets	3,049,401	283,535	(20,353)	3,312,583
Total Capital Assets Depreciated	$ 20,650,776	$ 1,220,477	$ (40,434)	$ 21,830,819
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 3,567,950	$ 279,207	$ 0	$ 3,847,157
Infrastructure	656,675	174,824	0	831,499
Other Capital Assets	2,232,789	214,159	(19,353)	2,427,595
Total Accumulated Depreciation	$ 6,457,414	$ 668,190	$ (19,353)	$ 7,106,251
Total Capital Assets Depreciated, Net	$ 14,193,362	$ 552,287	$ (21,081)	$ 14,724,568
Governmental Activities Capital Assets, Net	$ 15,285,316	$ 552,287	$ (108,057)	$ 15,729,546

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

Governmental Activities:

General Government	$ 276,863
Public Safety	69,191
Public Health and Welfare	73,720
Other Operations	33,610
Highways/Public Works	214,806
Total Depreciation Expense - Governmental Activities	$ 668,190

Business-type Activities:

	Balance 7-1-12	Increases	Balance 6-30-13
Capital Assets Not Depreciated:			
Land	$ 580,078	$ 0	$ 580,078
Total Capital Assets Not Depreciated	$ 580,078	$ 0	$ 580,078
Capital Assets Depreciated:			
Buildings and Improvements	$ 1,829,735	$ 0	$ 1,829,735
Other Capital Assets	1,593,102	63,340	1,656,442
Total Capital Assets Depreciated	$ 3,422,837	$ 63,340	$ 3,486,177
Less Accumulated Depreciation For:			
Buildings and Improvements	$ 945,251	$ 36,120	$ 981,371
Other Capital Assets	1,139,399	55,533	1,194,932
Total Accumulated Depreciation	$ 2,084,650	$ 91,653	$ 2,176,303
Total Capital Assets Depreciated, Net	$ 1,338,187	$ (28,313)	$ 1,309,874
Business-type Activities Capital Assets, Net	$ 1,918,265	$ (28,313)	$ 1,889,952

There were no decreases in capital assets to report during the year ended June 30, 2013.

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

Business-type Activities:

Public Health and Welfare	$ 91,653
Total Depreciation Expense - Business-type Activities	$ 91,653

Discretely Presented White County School Department

Governmental Activities:

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets Not Depreciated:				
Land	$ 693,842	$ 498,100	$ 0	$ 1,191,942
Total Capital Assets Not Depreciated	$ 693,842	$ 498,100	$ 0	$ 1,191,942
Capital Assets Depreciated:				
Buildings and Improvements	$ 28,699,391	$ 464,684	$ 0	$ 29,164,075
Other Capital Assets	2,270,876	190,966	(96,616)	2,365,226
Total Capital Assets Depreciated	$ 30,970,267	$ 655,650	$ (96,616)	$ 31,529,301
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 9,929,380	$ 704,995	$ 0	$ 10,634,375
Other Capital Assets	1,508,590	133,821	(94,616)	1,547,795
Total Accumulated Depreciation	$ 11,437,970	$ 838,816	$ (94,616)	$ 12,182,170
Total Capital Assets Depreciated, Net	$ 19,532,297	$ (183,166)	$ (2,000)	$ 19,347,131
Governmental Activities Capital Assets, Net	$ 20,226,139	$ 314,934	$ (2,000)	$ 20,539,073

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

Governmental Activities:

Instruction	$	706,220
Support Services		132,596
Total Depreciation Expense - Governmental Activities	$	838,816

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	$	22,816
Solid Waste Disposal	General		994
Discretely Presented School Department:			
Central Cafeteria	General Purpose School		40

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

Due to/from Primary Government and Component Units:

Receivable Fund	Payable Fund		Amount
Primary Government:	Component Unit:		
General Debt Service	School Department - General Purpose Schools	$	12,899

Interfund Transfers:

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

Primary Government

Transfer Out	Transfer In General Fund
Highway/Public Works Fund	$ 86,000

Discretely Presented White County School Department

Transfer Out	Transfer In General Purpose School Fund
School Federal Projects Fund	$ 20,524

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

E. Long-term Obligations

Primary Government

General Obligation Bonds and Notes

White County issues general obligation bonds 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 loans. Capital outlay notes are issued to fund capital facilities and other capital outlay purchases, such as equipment.

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

bonds and capital outlay notes will be retired from the General Debt Service Fund.

General obligation bonds and capital outlay notes 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	4 to 4.4 %	6-15-25	$ 1,000,000	$ 705,000
General Obligation Bond - Refunding	3.85 to 4.24	6-1-20	13,245,000	8,330,000
Capital Outlay Notes	4.15	6-1-15	1,000,000	285,715

The annual requirements to amortize all general obligation bonds and notes outstanding as of June 30, 2013, including interest payments, are presented in the following tables:

Year Ending June 30	Bonds Principal	Interest	Total
2014	$ 1,095,000	$ 370,898	$ 1,465,898
2015	1,145,000	329,123	1,474,123
2016	1,190,000	283,323	1,473,323
2017	1,240,000	235,723	1,475,723
2018	1,290,000	185,028	1,475,028
2019-2023	2,930,000	241,693	3,171,693
2024-2025	145,000	9,680	154,680
Total	$ 9,035,000	$ 1,655,468	$ 10,690,468

Year Ending June 30	Notes Principal	Interest	Total
2014	$ 142,857	$ 11,857	$ 154,714
2015	142,858	5,928	148,786
Total	$ 285,715	$ 17,785	$ 303,500

There is $779,595 available in the General Debt Service Fund to service long-term debt. Debt per capita, including bonds and notes totaled $361, based on the 2010 federal census.

Changes in Long-term Obligations

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

Governmental Activities:

	Bonds	Notes
Balance, July 1, 2012	$ 10,100,000	$ 428,572
Reductions	(1,065,000)	(142,857)
Balance, June 30, 2013	$ 9,035,000	$ 285,715
Balance Due Within One Year	$ 1,095,000	$ 142,857

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2013	$ 9,320,715
Less: Balance Due Within One Year	(1,237,857)
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	$ 8,082,858

Solid Waste Disposal Fund (enterprise fund)

Capital outlay notes were issued for original terms of up to 12 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All capital outlay notes included in long-term debt as of June 30, 2013, will be retired from the Solid Waste Disposal Fund.

Capital outlay notes outstanding as of June 30, 2013, for business-type activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-13
Capital Outlay Notes	4.48 to 4.5 %	12-1-15	$ 1,628,000	$ 388,097

The annual requirements to amortize all notes outstanding as of June 30, 2013, including interest payments, are presented in the following table:

Year Ending June 30	Notes Principal	Notes Interest	Notes Total
2014	$ 141,967	$ 15,069	$ 157,036
2015	141,967	8,701	150,668
2016	104,163	2,333	106,496
Total	$ 388,097	$ 26,103	$ 414,200

Changes in Long-term Liabilities

Long-term obligation activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2013, was as follows:

Business-type Activities:	Notes	Closure/ Postclosure Care Costs
Balance, July 1, 2012	$ 530,064	$ 957,113
Additions	0	107,081
Reductions	(141,967)	0
Balance, June 30, 2013	$ 388,097	$ 1,064,194
Balance Due Within One Year	$ 141,967	$ 67,677

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2013	$ 1,452,291
Less: Balance Due Within One Year	(209,644)
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	$ 1,242,647

Debt per capita of the enterprise fund for the notes totaled $15, based on the 2010 federal census.

Discretely Presented White County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2012	$ 191,430	$ 401,607
Additions	119,203	322,012
Reductions	(90,554)	(241,283)
Balance, June 30, 2013	$ 220,079	$ 482,336
Balance Due Within One Year	$ 70,425	$ 0

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2013	$ 702,415
Less: Balance Due Within One Year	(70,425)
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	$ 631,990

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

F. On-Behalf Payments

Discretely Presented White County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the White 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 $115,113 and $27,612, 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

White County and the discretely presented White County School Department participate in the Tennessee Risk Management Trust (TN-RMT), which is a

public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The county and the School Department pay annual premiums to the TN-RMT for their general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

White County offers its general government employees a select benefits limited health plan purchased through a commercial carrier. This is a fully insured fixed rate limited plan in which all employees are eligible to participate; however, pre-65 age retirees are not allowed to remain on the program. Settled claims have not exceeded this commercial coverage.

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

B. Accounting Changes

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 $126,660 has been recognized for accumulated debt issuance costs on the government-wide financial statements.

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. White 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 limited 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.

C. Contingent Liabilities

The attorney representing White County stated that the county is currently involved in a lawsuit alleging civil rights violations and wrongful arrest of a citizen by the Sheriff's Department. The county's insurance company is defending the suit; however, there is a question as to whether the insurance policy covers civil rights violations. The potential liability to the county is estimated to be in excess of $200,000.

The attorney for the county and the School Department was not aware of any other pending or threatened litigation wherein the county has any liability exposure other than what might be covered by insurance.

D. Change in Administration

Finance Director Mark Farley resigned August 13, 2012, and was succeeded by Lisa Robinson on an interim basis until a new director was hired. On September 5, 2012, Chad Marcum was hired as White County Finance Director effective October 1, 2012.

E. Landfill Closure and Postclosure Care Costs

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

State and federal laws and regulations require White County to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The $1,064,194 reported as landfill closure and postclosure care liability at June 30, 2013, represents the cumulative amount reported to date based on the use of 65 percent of the estimated capacity of the landfill. The county will recognize the remaining estimated costs of $573,027 for closure and postclosure care as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2013. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

F. Joint Ventures

The Upper Cumberland Regional Airport was established as a joint venture between White County, Putnam County, the City of Cookeville, and the City of Sparta. The Upper Cumberland Regional Airport operates the regional airport for the two-county area. The five-member board of the airport is comprised of one member appointed by each of the four participating governments with the fifth member of the board being the chief executive of one of the participating governments. This fifth board position serves a one-year term and rotates among the four participating governments in a prescribed order. Each participant retains a 25 percent ownership in the airport. White County contributed $28,000 to the Upper Cumberland Regional Airport for the year ended June 30, 2013.

The Thirteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Thirteenth Judicial District and participating municipalities within the district. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. White County did not make appropriations to the DTF for the year ended June 30, 2013.

White County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Upper Cumberland Regional Airport and the DTF can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Upper Cumberland Regional Airport
750 Airport Road
Sparta, TN 38583-8077

Office of District Attorney General
Thirteenth Judicial District Drug Task Force
1519A East Spring Street
Cookeville, TN 38506

G. Jointly Governed Organization

The Tri-County Railroad Authority was jointly created by White, Coffee, and Warren counties. The Tri-County Railroad Authority's board comprises the county executive/mayor of each county and one member selected by the governing body of each county; however, the counties do not have any ongoing financial interest or responsibility for the entity.

H. Retirement Commitments

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.

1. Tennessee Consolidated Retirement System (TCRS)

Plan Description

Employees of White 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 White 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

White County requires employees to contribute five percent of their earnable compensation to the plan. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2012, was 6.03 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, the county's annual pension cost of $551,549 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), and (d) projected 3.5 percent annual increase in the Social Security wage base. 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 six 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	$551,549	100%	$0
6-30-11	373,405	100	0
6-30-10	525,396	100	0

Funded Status and Funding Progress

As of July 1, 2009, the most recent actuarial valuation date, the plan was 99.18 percent funded. The actuarial accrued liability for benefits was $15.19 million, and the actuarial value of assets was $15.07 million, resulting in an unfunded actuarial accrued liability (UAAL) of $.12 million. The covered payroll (annual payroll of active employees covered by the plan) was $8.48 million, and the ratio of the UAAL to the covered payroll was 1.46 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 White 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. Cost of living adjustments (COLA) are provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent.

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

Funding Policy

Most teachers are required by state statute to contribute five percent of their salary 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 $1,309,268, $1,299,956, and $898,552, respectively, equal to the required contributions for each year.

2. Deferred Compensation

The White County School Department offers its employees a deferred compensation plan established pursuant to IRC Section 403(b). All costs of administering and funding the program are the responsibility of the plan participants. The Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 403(b) establishes participation, contribution, and withdrawal provisions for the plans.

I. Other Postemployment Benefits (OPEB)

Plan Description

The 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 teachers. Prior to reaching the age of 65, all members have the option of choosing between the standard or partnership preferred provider organization (PPO) plan for healthcare benefits. Subsequent to age 65, members who are also in the state's retirement system may participate in a state-administered Medicare Supplement Plan that does not include pharmacy. The plans are reported in the State of Tennessee Comprehensive Annual Financial Report (CAFR). The CAFR is available on the state's website at http://tennessee.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 White County School Department provides postretirement benefits, in accordance with contract provisions, to certified employees who retire from the School Department. The School Department pays each retiree $1,500 per year until the retiree is eligible for Medicare. This benefit is available to employees who retired after July 1, 1998, with a minimum of 30 years service. During the year examined, approximately 43 retirees met those eligibility requirements, and the School Department contributed $241,283 for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	Local Education Group Plan
ARC	$ 323,000
Interest on the NOPEBO	16,064
Adjustment to the ARC	(17,052)
Annual OPEB cost	$ 322,012
Amount of contribution	(241,283)
Increase/decrease in NOPEBO	$ 80,729
Net OPEB obligation, 7-1-12	401,607
Net OPEB obligation, 6-30-13	$ 482,336

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	$ 239,843	112 %	$ 326,303
6-30-12	"	318,198	76	401,607
6-30-13	"	322,012	75	482,336

Funded Status and Funding Progress

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

	Local Education Group Plan
Actuarial valuation date	7-1-11
Actuarial accrued liability (AAL)	$ 3,237,000
Actuarial value of plan assets	$ 0
Unfunded actuarial accrued liability (UAAL)	$ 3,237,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	$ 14,343,028
UAAL as a % of covered payroll	23%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about

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

Actuarial Methods and Assumptions

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

In the July 1, 2011, actuarial valuation for the Local Education Plan, the projected unit credit actuarial cost method was used, and the actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8.75 percent for fiscal year 2013. The trend rate will decrease to 8.25 percent in fiscal year 2014 and then be reduced by decrements to an ultimate rate of five percent by fiscal year 2018. Both rates include a 2.5 percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with July 1, 2007.

J. Office of Central Accounting and Budgeting

Office of Director of Finance

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

K. Purchasing Law

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

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

A. Summary of Significant Accounting Policies

The White County 911 Emergency Communications District was established on January 21, 1991, by a resolution of the Board of Commissioners of White County, Tennessee, in accordance with the Emergency Communications District Law (9-1-1 Law), *Tennessee Code Annotated*, Section 7-86-101. The resolution was passed after the voters of White County approved the establishment of such a district on November 6, 1990. The jurisdiction of the district includes all of White County, Tennessee. The White County 911 Emergency Communications District has adopted the following accounting policies:

1. Reporting Entity

The White County 911 Emergency Communications District is a component unit of White County, Tennessee. The Board of Directors of the district is appointed by White County's Board of Commissioners and the mayor of the City of Sparta in the same proportion as each entity contributor to the funding of the district. Any short fall between the district's budgeted revenues and operating expenses are subsidized by White County and the City of Sparta, Tennessee, 75 percent and 25 percent, respectively. Also, the district must obtain the approval of the Board of Commissioners before the issuance of most debt instruments.

2. Basis of Accounting

The district uses the accrual method of accounting to prepare its financial statements.

The activities of the district are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The accounting and financial reporting treatment applied to the district is determined by its measurement focus. The transactions of the district are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations are included on the statement of net position.

3. Capital Assets

Capital assets in service are carried at cost and are depreciated over the estimated useful life of the asset using the straight-line method of depreciation. Cost consists of all direct costs related to construction or acquisition of capital assets. In addition, the district capitalizes interest costs related to qualified expenditures for projects under development.

Maintenance and repairs, which do not significantly extend the value or life of the property or equipment, are expensed as incurred.

Capital policy for the district is items purchased or betterment, not repairs, in excess of $2,500 and having a useful life of one year or more will be capitalized.

Assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Equipment	3 - 10
Buildings	10 - 40
Vehicles	5
Furniture and Fixtures	10

4. Provision for Uncollectible Accounts

Management has not made an allowance for uncollectible accounts receivable as losses, if any, are recognized on the direct charge-off method.

5. Cash Equivalents

For purposes of the Statement of Cash Flows, all highly liquid investments with a maturity date of three months or less when purchased are considered to be cash equivalents.

6. Compensated Absences

The district's policy for compensated absences is that employees must use accumulated vacation before the end of the calendar year in which the days are accrued. Vacation days not used before December 31 are not carried forward. The district accrues the portion of vacation days available at June 30.

7. Restricted Assets

Restricted assets represent cash and investments maintained in accordance with bond resolutions, loan agreements, grant awards, and other resolutions and formal actions of the district or by agreement for the purpose of funding certain debt service payments, depreciation and contingency activities, and improvements and extensions to the system. Restricted assets are generally not available for current operating expenses. The district had no restricted assets at June 30, 2013.

8. Receivables and Revenues

Revenues from Ben Lomand Rural Telephone Cooperative, Inc., and Frontier Communications of the South, Inc., are received monthly. Revenues not received by June 30 are accrued.

Operating revenue consists of monies received from Ben Lomand and Frontier, shared wireless charge from the State Emergency Communications Board and other miscellaneous income. Non-operating revenue consists of interest income earned on cash investments, noncapital contributions from the primary government and other governments and noncapital grants from the State Emergency Communications Board.

9. Expenses

Operating expenses consist of salaries, wages, and the related employee benefits; the fees charged by the telephone companies; materials and supplies and other general and administrative expenses.

10. Contributions

Contributions are recognized in the Statement of Revenues, Expenses, and Changes in Net Position when earned. Contributions include capacity and support by other districts and federal, state, and local grants in support of district operations.

11. Net Position

Net position contains the various net earnings from operating and non-operating revenues, expenses, and contributions of capital. Net position is classified as net investment in capital assets and unrestricted net position. Net investment in capital assets is all capital assets, net of accumulated depreciation and outstanding debt attributable to the acquisition, construction, or improvement of the assets. Debt related to unspent proceeds or other restricted cash and investments is not included in this determination. Restricted for

capital activity and debt service includes assets, net of the liabilities, restricted by external parties such as lenders, grantors, contributors, laws, regulations, and enabling legislation, including self-imposed legal mandates. Unrestricted net position consists of the assets, net of the liabilities that do not meet the definition of net investment in capital assets.

12. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

13. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial 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) until then.

In addition to liabilities, the Statement of Financial 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.

For the year ended June 30, 2013, the district has neither a deferred inflow nor outflow of resources.

14. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date, and reported amounts of revenues and expenses during the reporting period. Estimates are used to determine depreciation expense, the allowance for doubtful accounts and certain claims and judgment liabilities, among other accounts. Actual results may vary from those estimates.

15. Budgets

Prior to July 1, the budget is approved by the commissioners and submitted to the State Comptroller's Office as required by state statute. The budget is prepared on the basis where current available funds must be sufficient to meet current expenditures.

The district prepares its budget using the cash basis. The legal level of control over the budget is at the line-item level.

16. Implementation of New GASB Standards

During the fiscal year ended June 30, 2013, the district implemented GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 1989 FASB and AICPA Pronouncements*, which incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance, included in certain FASB and AICPA pronouncements issued prior to November 30, 1989, which does not conflict with or contradict GASB pronouncements.

During the fiscal year ended June 30, 2013, the district implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which establishes guidance for reporting the balance sheets and statements of revenues, expenses, and changes in net position.

During the fiscal year ended June 30, 2013, the district implemented GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which 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.

B. Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's deposit policy for custodial risk is as follows:

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 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 district.

C. Capital Assets

Capital assets activity during the year was as follows:

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets Not Depreciated:				
Land	$ 67,261	$ 0	$ 0	$ 67,261
Construction in Progress	169,228	0	(169,228)	0
Total Capital Assets Not Depreciated	$ 236,489	$ 0	$ (169,228)	$ 67,261
Capital Assets Depreciated:				
Buildings and Improvements	$ 101,264	$ 0	$ 0	$ 101,264
Other Capital Assets	988,167	458,006	0	1,446,173
Total Capital Assets Depreciated	$ 1,089,431	$ 458,006	$ 0	$ 1,547,437

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 41,588	$ 2,860	$ 0	$ 44,448
Other Capital Assets	565,675	84,072	0	649,747
Total Accumulated Depreciation	$ 607,263	$ 86,932	$ 0	$ 694,195
Total Capital Assets Depreciated, Net	$ 482,168	$ 371,074	$ 0	$ 853,242
Business-type Activities Capital Assets, Net	$ 718,657	$ 371,074	$ (169,228)	$ 920,503

Depreciation expense was $86, 932.

D. Risk Financing Activities

It is the policy of the district to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, errors and omissions, and worker's compensation. The district also carries commercial insurance to cover the district's vehicles and commercial property. Settled claims have not exceeded this commercial coverage in any of the past three years.

E. Retirement Plan

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.

1. Plan Description

Employees of The White County 911 Emergency Communications District 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 the White County 911 Emergency Communications District 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, Tennessee 37243-0230 or can be accessed at http://www.treasury.state.tn.us/tcrs/PS/.

2. Funding Policy

The White County 911 Emergency Communications District requires employees to contribute five percent of earnable compensation. The district is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2012, was 8.83 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the district is established and may be amended by the TCRS Board of Trustees.

3. Annual Pension Cost

For the year ended June 30, 2012, the district's annual pension cost of $11,422 to TCRS was equal to the district'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), and (d) projected 3.5 percent annual increase in the Social Security wage base. 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 district'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 six years. The actuarial valuation was performed as of July 1, 2011, which established contribution rates effective July 1, 2012.

Trend Information

Year Ended	Pension Cost (APC)	of APC Contributed	Pension Obligation
6-30-12	$ 11,422	100 %	$ 0
6-30-11	13,003	100	0
6-30-10	9,536	100	0

Funded Status and Funding Progress

As of July 1, 2011, the most recent actuarial valuation date, the plan was 98.13 percent funded. The actuarial accrued liability for benefits was $.31 million, and the actuarial value of assets was $.30 million, resulting in an unfunded actuarial accrued liability (UAAL) of $.01 million. The covered payroll (annual payroll of active employees covered by the plan) was $.11 million, and the ratio of the UAAL to the covered payroll was 5.3 percent.

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

F. Litigation

There were no lawsuits pending in which the district is involved, which could result in any liability to the district.

G. Subsequent Event

During the August 12, 2013, meeting, the director was placed on paid administrative leave pending an internal investigation. Concerns were raised about dispatcher errors, radio signal strength, and protocol.

Required Supplementary Information

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

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7-1-11	$ 15,068	$ 15,192	$ 124	99.18 %	$ 8,477	1.46 %
7-1-09	12,421	12,595	174	98.62	7,654	2.27
7-1-07	11,547	11,763	216	98.16	7,072	3.05

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.

White County, Tennessee
Schedule of Funding Progress – Pension Plan
Discretely Presented White County Emergency Communications District
June 30, 2013

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7-1-11	$ 300	$ 306	$ 6	98.13 %	$ 108	5.30 %
7-1-09	233	239	6	97.47	130	4.65
7-1-07	216	224	8	96.43	133	6.02

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.

White County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefits Plan
Discretely Presented White 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	7-1-11	$ 0	$ 2,477	$ 2,477	0 %	$ 10,364	24 %
"	7-1-12	0	3,237	3,237	0	14,343	23
"	7-1-13	0	3,237	3,237	0	14,343	23

WHITE 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.

Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to account for transactions involving notes receivable from corporations.

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

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

Capital Projects Fund

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

General Capital Projects Fund – The General Capital Projects Fund is used to account for funds to be used in the construction of a centralized fuel distribution facility in the county. This project was completed during the year examined and the fund was closed.

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

	Special Revenue Funds			
	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Total Nonmajor Governmental Funds
ASSETS				
Cash	$ 0	$ 0	$ 22,378	$ 22,378
Equity in Pooled Cash and Investments	353,233	164,968	0	518,201
Accounts Receivable	0	0	438	438
Notes Receivable - Long-term	219,673	0	0	219,673
Total Assets	$ 572,906	$ 164,968	$ 22,816	$ 760,690
LIABILITIES				
Due to Other Funds	$ 0	$ 0	$ 22,816	$ 22,816
Due to Litigants, Heirs, and Others	0	59,183	0	59,183
Total Liabilities	$ 0	$ 59,183	$ 22,816	$ 81,999
FUND BALANCES				
Restricted:				
Restricted for Public Safety	$ 0	$ 105,785	$ 0	$ 105,785
Restricted for Other Operations	572,906	0	0	572,906
Total Fund Balances	$ 572,906	$ 105,785	$ 0	$ 678,691
Total Liabilities and Fund Balances	$ 572,906	$ 164,968	$ 22,816	$ 760,690

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

	Special Revenue Funds				Capital Projects Fund	
	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Total	General Capital Projects	Total Nonmajor Governmental Funds
Revenues						
Fines, Forfeitures, and Penalties	$ 0	$ 55,086	$ 0	$ 55,086	$ 0	$ 55,086
Charges for Current Services	0	0	1,019	1,019	0	1,019
Other Local Revenues	5,246	439	0	5,685	0	5,685
Total Revenues	$ 5,246	$ 55,525	$ 1,019	$ 61,790	$ 0	$ 61,790
Expenditures						
Current:						
General Government	$ 0	$ 0	$ 1,019	$ 1,019	$ 0	$ 1,019
Public Safety	0	45,831	0	45,831	0	45,831
Other Operations	0	451	0	451	239,000	239,451
Total Expenditures	$ 0	$ 46,282	$ 1,019	$ 47,301	$ 239,000	$ 286,301
Excess (Deficiency) of Revenues Over Expenditures	$ 5,246	$ 9,243	$ 0	$ 14,489	$ (239,000)	$ (224,511)
Net Change in Fund Balances	$ 5,246	$ 9,243	$ 0	$ 14,489	$ (239,000)	$ (224,511)
Fund Balance, July 1, 2012	567,660	96,542	0	664,202	239,000	903,202
Fund Balance, June 30, 2013	$ 572,906	$ 105,785	$ 0	$ 678,691	$ 0	$ 678,691

White County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Industrial/Economic Development Fund
For the Year Ended June 30, 2013

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Other Local Revenues	$ 5,246	$ 6,000	$ 6,000	$ (754)
Total Revenues	$ 5,246	$ 6,000	$ 6,000	$ (754)
Total Expenditures	$ 0	$ 0	$ 0	$ 0
Excess (Deficiency) of Revenues Over Expenditures	$ 5,246	$ 6,000	$ 6,000	$ (754)
Net Change in Fund Balance	$ 5,246	$ 6,000	$ 6,000	$ (754)
Fund Balance, July 1, 2012	567,660	567,660	567,660	0
Fund Balance, June 30, 2013	$ 572,906	$ 573,660	$ 573,660	$ (754)

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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Fines, Forfeitures, and Penalties	$ 55,086	$ 63,000	$ 63,000	$ (7,914)
Other Local Revenues	439	1,000	1,000	(561)
Total Revenues	$ 55,525	$ 64,000	$ 64,000	$ (8,475)
Expenditures				
Public Safety				
Drug Enforcement	$ 45,831	$ 63,250	$ 63,250	$ 17,419
Other Operations				
Miscellaneous	451	750	750	299
Total Expenditures	$ 46,282	$ 64,000	$ 64,000	$ 17,718
Excess (Deficiency) of Revenues Over Expenditures	$ 9,243	$ 0	$ 0	$ 9,243
Net Change in Fund Balance	$ 9,243	$ 0	$ 0	$ 9,243
Fund Balance, July 1, 2012	96,542	95,735	95,735	807
Fund Balance, June 30, 2013	$ 105,785	$ 95,735	$ 95,735	$ 10,050

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.

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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 1,274,510	$ 1,196,000	$ 1,196,000	$ 78,510
Other Local Revenues	49,710	100,000	100,000	(50,290)
State of Tennessee	24,965	26,000	26,000	(1,035)
Other Governments and Citizens Groups	62,899	150,000	150,000	(87,101)
Total Revenues	$ 1,412,084	$ 1,472,000	$ 1,472,000	$ (59,916)
Expenditures				
Principal on Debt				
General Government	$ 628,357	$ 628,357	$ 628,357	$ 0
Education	579,500	579,500	579,500	0
Interest on Debt				
General Government	216,187	184,660	216,660	473
Education	211,145	211,200	211,200	55
Other Debt Service				
General Government	18,921	28,000	28,000	9,079
Total Expenditures	$ 1,654,110	$ 1,631,717	$ 1,663,717	$ 9,607
Excess (Deficiency) of Revenues Over Expenditures	$ (242,026)	$ (159,717)	$ (191,717)	$ (50,309)
Net Change in Fund Balance	$ (242,026)	$ (159,717)	$ (191,717)	$ (50,309)
Fund Balance, July 1, 2012	1,021,621	1,057,892	1,057,892	(36,271)
Fund Balance, June 30, 2013	$ 779,595	$ 898,175	$ 866,175	$ (86,580)

Fiduciary Funds

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

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

Community Development - Agency Fund – The Community Development - Agency Fund is used to account for transactions related to pass-through community development grant funds.

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.

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

	Agency Funds		
	Cities - Sales Tax	Constitutional Officers - Agency	Total
ASSETS			
Cash	$ 0	$ 433,974	$ 433,974
Accounts Receivable	0	1,971	1,971
Due from Other Governments	264,458	0	264,458
Total Assets	$ 264,458	$ 435,945	$ 700,403
LIABILITIES			
Due to Other Taxing Units	$ 264,458	$ 0	$ 264,458
Due to Litigants, Heirs, and Others	0	435,945	435,945
Total Liabilities	$ 264,458	$ 435,945	$ 700,403

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

	Beginning Balance	Additions	Deductions	Ending Balance
Cities - Sales Tax Fund				
Assets				
Equity in Pooled Cash and Investments	$ 0	$ 1,585,866	$ 1,585,866	$ 0
Due from Other Governments	264,188	264,458	264,188	264,458
Total Assets	$ 264,188	$ 1,850,324	$ 1,850,054	$ 264,458
Liabilities				
Due to Other Taxing Units	$ 264,188	$ 1,850,324	$ 1,850,054	$ 264,458
Total Liabilities	$ 264,188	$ 1,850,324	$ 1,850,054	$ 264,458
Community Development - Agency Fund				
Assets				
Equity in Pooled Cash and Investments	$ 0	$ 213,847	$ 213,847	$ 0
Due from Other Governments	64,030	0	64,030	0
Total Assets	$ 64,030	$ 213,847	$ 277,877	$ 0
Liabilities				
Accounts Payable	$ 54,694	$ 0	$ 54,694	$ 0
Contracts Payable	9,336	213,847	223,183	0
Total Liabilities	$ 64,030	$ 213,847	$ 277,877	$ 0
Constitutional Officers - Agency Fund				
Assets				
Cash	$ 756,132	$ 3,584,630	$ 3,906,788	$ 433,974
Accounts Receivable	0	1,971	0	1,971
Total Assets	$ 756,132	$ 3,586,601	$ 3,906,788	$ 435,945
Liabilities				
Due to Litigants, Heirs, and Others	$ 756,132	$ 3,586,601	$ 3,906,788	$ 435,945
Total Liabilities	$ 756,132	$ 3,586,601	$ 3,906,788	$ 435,945
Totals - All Agency Funds				
Assets				
Cash	$ 756,132	$ 3,584,630	$ 3,906,788	$ 433,974
Equity in Pooled Cash and Investments	64,030	213,847	277,877	0
Accounts Receivable	0	1,971	0	1,971
Due from Other Governments	264,188	264,458	264,188	264,458
Total Assets	$ 1,084,350	$ 4,064,906	$ 4,448,853	$ 700,403
Liabilities				
Due to Other Taxing Units	$ 264,188	$ 1,850,324	$ 1,850,054	$ 264,458
Accounts Payable	54,694	0	54,694	0
Contracts Payable	9,336	213,847	223,183	0
Due to Litigants, Heirs, and Others	756,132	3,586,601	3,906,788	435,945
Total Liabilities	$ 1,084,350	$ 5,650,772	$ 6,034,719	$ 700,403

White County School Department

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

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.

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

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental Activities:				
Instruction	$ 19,374,499	$ 0	$ 1,836,689	$ (17,537,810)
Support Services	9,224,661	104,264	599,766	(8,520,631)
Operation of Non-Instructional Services	2,588,498	498,825	1,649,926	(439,747)
Other Debt Service	12,899	0	0	(12,899)
Total Governmental Activities	$ 31,200,557	$ 603,089	$ 4,086,381	$ (26,511,087)
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				$ 3,280,849
Local Option Sales Taxes				1,441,658
Other Local Taxes				3,929
Grants and Contributions Not Restricted to Specific Programs				22,080,249
Unrestricted Investment Earnings				1,394
Sale of Equipment				5,694
Miscellaneous				32,949
Total General Revenues				$ 26,846,722
Insurance Recovery				$ 10,083
Change in Net Position				$ 345,718
Net Position, July 1, 2012				40,861,633
Net Position, June 30, 2013				$ 41,207,351

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

	Major Funds			
	General Purpose School	School Federal Projects	Central Cafeteria	Total Governmental Funds
ASSETS				
Cash	$ 0	$ 0	$ 532	$ 532
Equity in Pooled Cash and Investments	19,882,538	221,195	786,237	20,889,970
Accounts Receivable	0	0	25	25
Due from Other Governments	481,077	338,283	0	819,360
Due from Other Funds	0	0	40	40
Property Taxes Receivable	3,357,612	0	0	3,357,612
Allowance for Uncollectible Property Taxes	(112,218)	0	0	(112,218)
Total Assets	$ 23,609,009	$ 559,478	$ 786,834	$ 24,955,321
LIABILITIES				
Accounts Payable	$ 45,000	$ 0	$ 0	$ 45,000
Payroll Deductions Payable	413,760	0	0	413,760
Due to Other Funds	40	0	0	40
Due to Primary Government	12,899	0	0	12,899
Total Liabilities	$ 471,699	$ 0	$ 0	$ 471,699
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	$ 3,112,929	$ 0	$ 0	$ 3,112,929
Deferred Delinquent Property Taxes	130,053	0	0	130,053
Other Deferred/Unavailable Revenue	114,470	0	0	114,470
Total Deferred Inflows of Resources	$ 3,357,452	$ 0	$ 0	$ 3,357,452
FUND BALANCES				
Restricted:				
Restricted for Education	$ 36,061	$ 59,478	$ 786,834	$ 882,373
Committed:				
Committed for Education	10,971,773	0	0	10,971,773
Assigned:				
Assigned for Education	355,510	500,000	0	855,510
Unassigned	8,416,514	0	0	8,416,514
Total Fund Balances	$ 19,779,858	$ 559,478	$ 786,834	$ 21,126,170
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 23,609,009	$ 559,478	$ 786,834	$ 24,955,321

White County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
Discretely Presented White 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)		$ 21,126,170
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	$ 1,191,942	
Add: buildings and improvements net of accumulated depreciation	18,529,700	
Add: other capital assets net of accumulated depreciation	817,431	20,539,073
(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	$ (220,079)	
Less: other postemployment benefits liability	(482,336)	(702,415)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		244,523
Net position of governmental activities (Exhibit A)		$ 41,207,351

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

	Major Funds			
	General Purpose School	School Federal Projects	Central Cafeteria	Total Governmental Funds
Revenues				
Local Taxes	$ 4,792,668	$ 0	$ 0	$ 4,792,668
Licenses and Permits	2,289	0	0	2,289
Charges for Current Services	75,933	0	498,825	574,758
Other Local Revenues	80,006	0	6,807	86,813
State of Tennessee	21,076,011	0	24,082	21,100,093
Federal Government	170,571	3,172,142	1,625,844	4,968,557
Other Governments and Citizens Groups	12,000	0	0	12,000
Total Revenues	$ 26,209,478	$ 3,172,142	$ 2,155,558	$ 31,537,178
Expenditures				
Current:	#			
Instruction	$ 16,252,444	$ 2,338,364	$ 0	$ 18,590,808
Support Services	7,929,513	753,776	0	8,683,289
Operation of Non-Instructional Services	464,040	0	2,123,036	2,587,076
Capital Outlay	1,535,299	0	0	1,535,299
Debt Service:	#			
Principal on Debt	12,899	0	0	12,899
Total Expenditures	$ 26,194,195	$ 3,092,140	$ 2,123,036	$ 31,409,371
Excess (Deficiency) of Revenues Over Expenditures	$ 15,283	$ 80,002	$ 32,522	$ 127,807
Other Financing Sources (Uses)				
Insurance Recovery	$ 10,083	$ 0	$ 0	$ 10,083
Transfers In	20,524	0	0	20,524
Transfers Out	0	(20,524)	0	(20,524)
Total Other Financing Sources (Uses)	$ 30,607	$ (20,524)	$ 0	$ 10,083
Net Change in Fund Balances	$ 45,890	$ 59,478	$ 32,522	$ 137,890
Fund Balance, July 1, 2012	19,733,968	500,000	754,312	20,988,280
Fund Balance, June 30, 2013	$ 19,779,858	$ 559,478	$ 786,834	$ 21,126,170

White County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented White 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)		$ 137,890
(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	$ 1,153,750	
Less: current-year depreciation expense	(838,816)	314,934
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Loss on disposal of capital assets		(2,000)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2013	$ 244,523	
Less: deferred delinquent property taxes and other deferred June 30, 2012	(240,251)	4,272
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in other postemployment benefits liability	$ (80,729)	
Change in compensated absences payable	(28,649)	(109,378)
Change in net position of governmental activities (Exhibit B)		$ 345,718

White County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented White 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 4,792,668	$ 0	$ 0	$ 4,792,668	$ 4,765,000	$ 4,765,000	$ 27,668
Licenses and Permits	2,289	0	0	2,289	3,300	3,300	(1,011)
Charges for Current Services	75,933	0	0	75,933	63,830	63,830	12,103
Other Local Revenues	80,006	0	0	80,006	70,400	70,400	9,606
State of Tennessee	21,076,011	0	0	21,076,011	21,103,516	21,143,407	(67,396)
Federal Government	170,571	0	0	170,571	186,000	186,000	(15,429)
Other Governments and Citizens Groups	12,000	0	0	12,000	74,000	74,000	(62,000)
Total Revenues	$ 26,209,478	$ 0	$ 0	$ 26,209,478	$ 26,266,046	$ 26,305,937	$ (96,459)
Expenditures							
Instruction							
Regular Instruction Program	$ 13,841,238	$ (125,971)	$ 43,967	$ 13,759,234	$ 14,885,465	$ 14,775,185	$ 1,015,951
Special Education Program	1,689,419	(1,060)	0	1,688,359	1,709,465	1,714,965	26,606
Vocational Education Program	689,720	0	0	689,720	774,295	774,295	84,575
Adult Education Program	32,067	0	0	32,067	63,600	63,600	31,533
Support Services							
Attendance	77,989	0	0	77,989	78,765	78,765	776
Health Services	174,114	0	0	174,114	184,830	184,830	10,716
Other Student Support	749,958	0	0	749,958	777,240	785,170	35,212
Regular Instruction Program	808,646	0	0	808,646	839,190	848,040	39,394
Special Education Program	104,040	0	0	104,040	104,790	104,790	750
Vocational Education Program	65,226	0	0	65,226	61,660	66,660	1,434
Adult Programs	83,156	0	0	83,156	87,975	87,975	4,819
Other Programs	142,725	0	0	142,725	0	142,725	0
Board of Education	452,884	0	1,380	454,264	535,060	499,397	45,133
Director of Schools	133,571	(3,600)	0	129,971	134,450	134,450	4,479
Office of the Principal	1,420,036	0	0	1,420,036	1,436,219	1,436,219	16,183
Fiscal Services	132,978	(3,091)	0	129,887	135,390	134,053	4,166

(Continued)

White County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented White 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Support Services (Cont.)							
Operation of Plant	$ 1,855,008	$ (17,023)	$ 22,728	$ 1,860,713	$ 2,237,700	$ 2,237,700	$ 376,987
Maintenance of Plant	394,678	(23,076)	8,872	380,474	440,560	440,560	60,086
Transportation	1,334,504	(62,442)	0	1,272,062	1,335,845	1,335,845	63,783
Operation of Non-Instructional Services							
Community Services	55,429	0	0	55,429	64,700	64,700	9,271
Early Childhood Education	408,611	0	0	408,611	408,616	408,616	5
Capital Outlay							
Regular Capital Outlay	1,535,299	(276,253)	225,152	1,484,198	1,275,000	1,534,877	50,679
Principal on Debt							
Education	12,899	0	0	12,899	90,000	90,000	77,101
Total Expenditures	$ 26,194,195	$ (512,516)	$ 302,099	$ 25,983,778	$ 27,660,815	$ 27,943,417	$ 1,959,639
Excess (Deficiency) of Revenues Over Expenditures	$ 15,283	$ 512,516	$ (302,099)	$ 225,700	$ (1,394,769)	$ (1,637,480)	$ 1,863,180
Other Financing Sources (Uses)							
Insurance Recovery	$ 10,083	$ 0	$ 0	$ 10,083	$ 0	$ 0	$ 10,083
Transfers In	20,524	0	0	20,524	22,239	22,239	(1,715)
Total Other Financing Sources	$ 30,607	$ 0	$ 0	$ 30,607	$ 22,239	$ 22,239	$ 8,368
Net Change in Fund Balance	$ 45,890	$ 512,516	$ (302,099)	$ 256,307	$ (1,372,530)	$ (1,615,241)	$ 1,871,548
Fund Balance, July 1, 2012	19,733,968	(512,516)	0	19,221,452	19,391,585	19,391,585	(170,133)
Fund Balance, June 30, 2013	$ 19,779,858	$ 0	$ (302,099)	$ 19,477,759	$ 18,019,055	$ 17,776,344	$ 1,701,415

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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Federal Government	$ 3,172,142	$ 3,494,667	$ 3,732,933	$ (560,791)
Total Revenues	$ 3,172,142	$ 3,494,667	$ 3,732,933	$ (560,791)
Expenditures				
Instruction				
Regular Instruction Program	$ 1,698,201	$ 1,818,262	$ 1,992,865	$ 294,664
Special Education Program	580,064	751,075	766,764	186,700
Vocational Education Program	60,099	57,943	60,099	0
Support Services				
Other Student Support	157,675	188,601	190,853	33,178
Regular Instruction Program	296,364	282,770	340,962	44,598
Special Education Program	248,968	317,144	295,205	46,237
Vocational Education Program	98	300	98	0
Transportation	50,671	54,952	61,203	10,532
Total Expenditures	$ 3,092,140	$ 3,471,047	$ 3,708,049	$ 615,909
Excess (Deficiency) of Revenues Over Expenditures	$ 80,002	$ 23,620	$ 24,884	$ 55,118
Other Financing Sources (Uses)				
Transfers Out	$ (20,524)	$ (23,620)	$ (24,884)	$ 4,360
Total Other Financing Sources	$ (20,524)	$ (23,620)	$ (24,884)	$ 4,360
Net Change in Fund Balance	$ 59,478	$ 0	$ 0	$ 59,478
Fund Balance, July 1, 2012	500,000	500,000	500,000	0
Fund Balance, June 30, 2013	$ 559,478	$ 500,000	$ 500,000	$ 59,478

White County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented White 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Charges for Current Services	$ 498,825	$ 0	$ 0	$ 498,825	$ 590,000	$ 590,000	$ (91,175)
Other Local Revenues	6,807	0	0	6,807	7,000	7,000	(193)
State of Tennessee	24,082	0	0	24,082	55,000	55,000	(30,918)
Federal Government	1,625,844	0	0	1,625,844	1,698,000	1,698,000	(72,156)
Total Revenues	$ 2,155,558	$ 0	$ 0	$ 2,155,558	$ 2,350,000	$ 2,350,000	$ (194,442)
Expenditures							
Operation of Non-Instructional Services							
Food Service	$ 2,123,036	$ (32,869)	$ 22,659	$ 2,112,826	$ 2,348,878	$ 2,348,878	$ 236,052
Total Expenditures	$ 2,123,036	$ (32,869)	$ 22,659	$ 2,112,826	$ 2,348,878	$ 2,348,878	$ 236,052
Excess (Deficiency) of Revenues Over Expenditures	$ 32,522	$ 32,869	$ (22,659)	$ 42,732	$ 1,122	$ 1,122	$ 41,610
Net Change in Fund Balance	$ 32,522	$ 32,869	$ (22,659)	$ 42,732	$ 1,122	$ 1,122	$ 41,610
Fund Balance, July 1, 2012	754,312	(32,869)	0	721,443	738,976	738,976	(17,533)
Fund Balance, June 30, 2013	$ 786,834	$ 0	$ (22,659)	$ 764,175	$ 740,098	$ 740,098	$ 24,077

Miscellaneous Schedules

White County, Tennessee
Schedule of Changes in Long-term Notes and Bonds
For the Year Ended June 30, 2013

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-12	Paid and/or Matured During Period	Outstanding 6-30-13
GOVERNMENTAL ACTIVITIES:							
NOTES PAYABLE							
Payable through General Debt Service Fund							
Industrial Development Land	$ 1,000,000	4.15 %	6-11-08	6-1-15	$ 428,572	$ 142,857	$ 285,715
Total Notes Payable					$ 428,572	$ 142,857	$ 285,715
BONDS PAYABLE							
Payable through General Debt Service Fund							
Library	1,000,000	4 to 4.4	6-15-05	6-15-25	$ 750,000	$ 45,000	$ 705,000
School Refunding, Series 2008	5,120,000	3.85	9-17-08	6-1-20	3,600,000	395,000	3,205,000
School/Judicial Complex Refunding, Series 2008A	8,125,000	4.24	12-2-08	6-1-20	5,750,000	625,000	5,125,000
Total Bonds Payable					$ 10,100,000	$ 1,065,000	$ 9,035,000
BUSINESS-TYPE ACTIVITIES:							
NOTES PAYABLE							
Payable through Solid Waste Disposal Fund							
Landfill Improvements and Vehicles	1,250,000	4.48	12-1-03	12-1-15	$ 416,664	$ 104,167	$ 312,497
Compactor	378,000	4.5	6-21-05	6-21-15	113,400	37,800	75,600
Total Notes Payable					$ 530,064	$ 141,967	$ 388,097

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

GOVERNMENTAL ACTIVITIES:

Year Ending June 30	Notes Principal	Notes Interest	Notes Total
2014	$ 142,857	$ 11,857	$ 154,714
2015	142,858	5,928	148,786
Total	$ 285,715	$ 17,785	$ 303,500

Year Ending June 30	Bonds Principal	Bonds Interest	Bonds Total
2014	$ 1,095,000	$ 370,898	$ 1,465,898
2015	1,145,000	329,123	1,474,123
2016	1,190,000	283,323	1,473,323
2017	1,240,000	235,723	1,475,723
2018	1,290,000	185,028	1,475,028
2019	1,340,000	131,389	1,471,389
2020	1,400,000	74,639	1,474,639
2021	60,000	14,520	74,520
2022	65,000	11,970	76,970
2023	65,000	9,175	74,175
2024	70,000	6,380	76,380
2025	75,000	3,300	78,300
Total	$ 9,035,000	$ 1,655,468	$ 10,690,468

BUSINESS-TYPE ACTIVIES:

Year Ending June 30	Notes Principal	Notes Interest	Notes Total
2014	$ 141,967	$ 15,069	$ 157,036
2015	141,967	8,701	150,668
2016	104,163	2,333	106,496
Total	$ 388,097	$ 26,103	$ 414,200

White County, Tennessee
Schedule of Notes Receivable
For the Year Ended June 30, 2013

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-13
Industrial/Economic Development Fund						
Industrial Development	K & V Automotive	$ 80,000	5-04	5-11	2%	$ 36,409 (1)
"	Jackson Kayak	250,000	12-08	12-15	2	93,325
"	CLS Molding	15,950	5-09	5-16	2	7,110
"	S&S Screw	90,000	9-10	9-18	2	55,081
"	CLS Molding	40,000	2-11	2-18	2	27,748
Total						$ 219,673

(1) This loan became delinquent during FYE June 30, 2011. K & V Automotive is making reduced payments on the loan, and during the year examined, K&V made principal payments totaling $1,928.

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

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
Highway/Public Works	General	Finance Department services	$ 11,000
"	"	Maintenance garage operations	75,000
Total Transfers Primary Government			$ 86,000
DISCRETELY PRESENTED WHITE COUNTY SCHOOL DEPARTMENT			
School Federal Projects	General Purpose School	Indirect costs	$ 20,524
Total Transfers Discretely Presented White County School Department			$ 20,524

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, *TCA*	$ 72,463	$ 50,000	Auto Owners Insurance Company
Road Superintendent	Section 8-24-102, *TCA*	69,013	100,000	"
Director of Schools	State Board of Education and White County Board of Education	98,000 (1)	50,000	"
Trustee	Section 8-24-102, *TCA*	62,739	972,000	"
Assessor of Property	Section 8-24-102, *TCA*	62,739	10,000	"
Finance Director:				
Mark Farley (7-1-12 to 8-13-12)	County Commission	10,135	50,000	"
Lisa Robinson (8-14-12 to 9-30-12)	County Commission	0 (2)	(3)	
Chad Marcum (10-1-12 to 6-30-13)	County Commission	45,000	50,000	"
County Clerk	Section 8-24-102, *TCA*	62,739	50,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, *TCA*	62,739	50,000	RLI Insurance Company
Clerk and Master	Section 8-24-102, *TCA* and Chancery Court Judge	62,739 (4)	75,000	Auto Owners Insurance Company
Register of Deeds	Section 8-24-102, *TCA*	62,739	25,000	"
Sheriff	Section 8-24-102, *TCA*	69,013 (5)	50,000	"
Employee Dishonesty Bond Coverage:				
General County and Highway Employees			150,000	Tennessee Risk Management Trust
School Department Employees			150,000	"

(1) Includes chief executive officer training supplement of $3,000.
(2) Ms. Robinson was appointed interim director. She was not paid as director but received a supplement to her regular pay as deputy finance director for her service.
(3) During her time as interim director, Ms. Robinson was covered by the county's blanket bond.
(4) Does not include special commissioner fees of $6,479.
(5) Does not include a law enforcement training supplement of $600.

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

	General	Special Revenue Funds: Industrial / Economic Development	Special Revenue Funds: Drug Control	Special Revenue Funds: Constitu - tional Officers - Fees	Special Revenue Funds: Highway / Public Works	Debt Service Fund: General Debt Service	Total
Local Taxes							
County Property Taxes							
Current Property Tax	$ 3,874,704	$ 0	$ 0	$ 0	$ 0	$ 313,105	$ 4,187,809
Trustee's Collections - Prior Year	150,722	0	0	0	0	12,179	162,901
Circuit/Clerk & Master Collections - Prior Years	86,698	0	0	0	0	7,006	93,704
Interest and Penalty	29,024	0	0	0	0	2,344	31,368
Payments in-Lieu-of Taxes - T.V.A.	15,617	0	0	0	0	1,262	16,879
Payments in-Lieu-of Taxes - Other	11,835	0	0	0	0	956	12,791
County Local Option Taxes							
Local Option Sales Tax	399,239	0	0	0	0	927,362	1,326,601
Hotel/Motel Tax	5,283	0	0	0	0	5,283	10,566
Litigation Tax - General	57,392	0	0	0	0	0	57,392
Litigation Tax - Special Purpose	42,538	0	0	0	0	0	42,538
Litigation Tax - Jail, Workhouse, or Courthouse	19,785	0	0	0	0	0	19,785
Business Tax	188,703	0	0	0	0	0	188,703
Mineral Severance Tax	0	0	0	0	63,687	0	63,687
Statutory Local Taxes							
Bank Excise Tax	62,033	0	0	0	0	5,013	67,046
Wholesale Beer Tax	171,292	0	0	0	0	0	171,292
Total Local Taxes	$ 5,114,865	$ 0	$ 0	$ 0	$ 63,687	$ 1,274,510	$ 6,453,062
Licenses and Permits							
Licenses							
Cable TV Franchise	$ 88,591	$ 0	$ 0	$ 0	$ 0	$ 0	$ 88,591
Permits							
Beer Permits	5,368	0	0	0	0	0	5,368
Other Permits	90	0	0	0	0	0	90
Total Licenses and Permits	$ 94,049	$ 0	$ 0	$ 0	$ 0	$ 0	$ 94,049
Fines, Forfeitures, and Penalties							
Circuit Court							
Fines	$ 9,367	$ 0	$ 0	$ 0	$ 0	$ 0	$ 9,367
Officers Costs	9,019	0	0	0	0	0	9,019
Drug Control Fines	10,429	0	0	0	0	0	10,429
Drug Court Fees	491	0	0	0	0	0	491
Jail Fees	757	0	0	0	0	0	757
DUI Treatment Fines	1,816	0	0	0	0	0	1,816
Data Entry Fee - Circuit Court	895	0	0	0	0	0	895
Courtroom Security Fee	1,399	0	0	0	0	0	1,399

(Continued)

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

	General	Special Revenue Funds: Industrial / Economic Development	Special Revenue Funds: Drug Control	Special Revenue Funds: Constitu - tional Officers - Fees	Special Revenue Funds: Highway / Public Works	Debt Service Fund: General Debt Service	Total
Fines, Forfeitures, and Penalties (Cont.)							
General Sessions Court							
Fines	$ 18,483	$ 0	$ 0	$ 0	$ 0	$ 0	$ 18,483
Officers Costs	32,922	0	0	0	0	0	32,922
Game and Fish Fines	3,475	0	0	0	0	0	3,475
Drug Control Fines	831	0	0	0	0	0	831
Drug Court Fees	665	0	0	0	0	0	665
Jail Fees	4,993	0	0	0	0	0	4,993
DUI Treatment Fines	1,540	0	0	0	0	0	1,540
Data Entry Fee - General Sessions Court	8,556	0	0	0	0	0	8,556
Chancery Court							
Officers Costs	4,064	0	0	0	0	0	4,064
Data Entry Fee - Chancery Court	2,140	0	0	0	0	0	2,140
Other Courts - In-county							
Drug Control Fines	0	0	21,384	0	0	0	21,384
Other Fines, Forfeitures, and Penalties							
Proceeds from Confiscated Property	2,250	0	33,702	0	0	0	35,952
Total Fines, Forfeitures, and Penalties	$ 114,092	$ 0	$ 55,086	$ 0	$ 0	$ 0	$ 169,178
Charges for Current Services							
General Service Charges							
Patient Charges	$ 987,787	$ 0	$ 0	$ 0	$ 0	$ 0	$ 987,787
Other General Service Charges	120	0	0	0	0	0	120
Fees							
Library Fees	2,011	0	0	0	0	0	2,011
Telephone Commissions	18,873	0	0	0	0	0	18,873
Constitutional Officers' Fees and Commissions	0	0	0	1,019	0	0	1,019
Data Processing Fee - Register	8,694	0	0	0	0	0	8,694
Probation Fees	720	0	0	0	0	0	720
Data Processing Fee - Sheriff	4,636	0	0	0	0	0	4,636
Sexual Offender Registration Fees - Sheriff	3,300	0	0	0	0	0	3,300
Data Processing Fee - County Clerk	2,236	0	0	0	0	0	2,236
Total Charges for Current Services	$ 1,028,377	$ 0	$ 0	$ 1,019	$ 0	$ 0	$ 1,029,396
Other Local Revenues							
Recurring Items							
Investment Income	$ 0	$ 5,246	$ 0	$ 0	$ 0	$ 49,710	$ 54,956
Lease/Rentals	4,800	0	0	0	0	0	4,800

(Continued)

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

	General	Special Revenue Funds: Industrial / Economic Development	Special Revenue Funds: Drug Control	Special Revenue Funds: Constitu - tional Officers - Fees	Special Revenue Funds: Highway / Public Works	Debt Service Fund: General Debt Service	Total
Other Local Revenues (Cont.)							
Recurring Items (Cont.)							
Sale of Materials and Supplies	$ 4,168	$ 0	$ 0	$ 0	$ 0	$ 0	$ 4,168
Commissary Sales	67,528	0	0	0	0	0	67,528
Sale of Recycled Materials	2,219	0	0	0	3,963	0	6,182
Sale of Animals/Livestock	8,623	0	0	0	0	0	8,623
Miscellaneous Refunds	7,168	0	439	0	133,248	0	140,855
Nonrecurring Items							
Sale of Equipment	30,996	0	0	0	18,535	0	49,531
Damages Recovered from Individuals	728	0	0	0	0	0	728
Contributions and Gifts	5,242	0	0	0	0	0	5,242
Total Other Local Revenues	$ 131,472	$ 5,246	$ 439	$ 0	$ 155,746	$ 49,710	$ 342,613
Fees Received from County Officials							
Fees in-Lieu-of Salary							
County Clerk	$ 171,276	$ 0	$ 0	$ 0	$ 0	$ 0	$ 171,276
Circuit Court Clerk	83,800	0	0	0	0	0	83,800
General Sessions Court Clerk	161,921	0	0	0	0	0	161,921
Clerk and Master	77,031	0	0	0	0	0	77,031
Register	106,207	0	0	0	0	0	106,207
Sheriff	23,638	0	0	0	0	0	23,638
Trustee	297,122	0	0	0	0	0	297,122
Total Fees Received from County Officials	$ 920,995	$ 0	$ 0	$ 0	$ 0	$ 0	$ 920,995
State of Tennessee							
General Government Grants							
Juvenile Services Program	$ 9,000	$ 0	$ 0	$ 0	$ 0	$ 0	$ 9,000
Public Safety Grants							
Law Enforcement Training Programs	16,200	0	0	0	0	0	16,200
Drug Control Grants	11,597	0	0	0	0	0	11,597
Health and Welfare Grants							
Other Health and Welfare Grants	59,436	0	0	0	0	0	59,436
Public Works Grants							
State Aid Program	0	0	0	0	236,191	0	236,191
Litter Program	37,620	0	0	0	0	0	37,620
Other State Revenues							
Flood Control	860	0	0	0	0	0	860
Income Tax	56,248	0	0	0	0	0	56,248

(Continued)

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

	General	Special Revenue Funds: Industrial / Economic Development	Special Revenue Funds: Drug Control	Special Revenue Funds: Constitu - tional Officers - Fees	Special Revenue Funds: Highway / Public Works	Debt Service Fund: General Debt Service	Total
State of Tennessee (Cont.)							
Other State Revenues (Cont.)							
Beer Tax	$ 18,586	$ 0	$ 0	$ 0	$ 0	$ 0	$ 18,586
Alcoholic Beverage Tax	46,692	0	0	0	0	0	46,692
State Revenue Sharing - T.V.A.	308,941	0	0	0	0	24,965	333,906
Contracted Prisoner Boarding	979,756	0	0	0	0	0	979,756
Gasoline and Motor Fuel Tax	0	0	0	0	1,572,668	0	1,572,668
Petroleum Special Tax	0	0	0	0	18,645	0	18,645
Registrar's Salary Supplement	15,164	0	0	0	0	0	15,164
Other State Grants	123,650	0	0	0	0	0	123,650
Other State Revenues	4,072	0	0	0	0	0	4,072
Total State of Tennessee	$ 1,687,822	$ 0	$ 0	$ 0	$ 1,827,504	$ 24,965	$ 3,540,291
Federal Government							
Federal Through State							
Other Federal through State	$ 59,191	$ 0	$ 0	$ 0	$ 0	$ 0	$ 59,191
Direct Federal Revenue							
Other Direct Federal Revenue	75,520	0	0	0	0	0	75,520
Total Federal Government	$ 134,711	$ 0	$ 0	$ 0	$ 0	$ 0	$ 134,711
Other Governments and Citizens Groups							
Other Governments							
Prisoner Board	$ 42,035	$ 0	$ 0	$ 0	$ 0	$ 0	$ 42,035
Contributions	6,000	0	0	0	0	62,899	68,899
Contracted Services	126,915	0	0	0	0	0	126,915
Citizens Groups							
Donations	5,142	0	0	0	0	0	5,142
Other							
Other	81,888	0	0	0	0	0	81,888
Total Other Governments and Citizens Groups	$ 261,980	$ 0	$ 0	$ 0	$ 0	$ 62,899	$ 324,879
Total	$ 9,488,363	$ 5,246	$ 55,525	$ 1,019	$ 2,046,937	$ 1,412,084	$ 13,009,174

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

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Total
Local Taxes				
County Property Taxes				
Current Property Tax	$ 3,052,798	$ 0	$ 0	$ 3,052,798
Trustee's Collections - Prior Year	118,751	0	0	118,751
Circuit/Clerk & Master Collections - Prior Years	68,308	0	0	68,308
Interest and Penalty	22,865	0	0	22,865
Payments in-Lieu-of Taxes - T.V.A.	12,304	0	0	12,304
Payments in-Lieu-of Taxes - Other	9,325	0	0	9,325
County Local Option Taxes				
Local Option Sales Tax	1,455,513	0	0	1,455,513
Statutory Local Taxes				
Bank Excise Tax	48,875	0	0	48,875
Interstate Telecommunications Tax	3,929	0	0	3,929
Total Local Taxes	$ 4,792,668	$ 0	$ 0	$ 4,792,668
Licenses and Permits				
Licenses				
Marriage Licenses	$ 1,948	$ 0	$ 0	$ 1,948
Permits				
Other Permits	341	0	0	341
Total Licenses and Permits	$ 2,289	$ 0	$ 0	$ 2,289
Charges for Current Services				
Education Charges				
Lunch Payments - Children	$ 0	$ 0	$ 256,335	$ 256,335
Lunch Payments - Adults	0	0	49,386	49,386
Income from Breakfast	0	0	31,087	31,087
A la carte Sales	0	0	162,017	162,017
Receipts from Individual Schools	70,834	0	0	70,834
TBI Criminal Background Fees	4,740	0	0	4,740
Other Charges for Services				
Other Charges for Services	359	0	0	359
Total Charges for Current Services	$ 75,933	$ 0	$ 498,825	$ 574,758
Other Local Revenues				
Recurring Items				
Investment Income	$ 0	$ 0	$ 1,394	$ 1,394
Lease/Rentals	27,990	0	0	27,990
Refund of Telecommunication & Internet Fees (E-Rate)	16,579	0	0	16,579
Miscellaneous Refunds	10,525	0	5,413	15,938
Nonrecurring Items				
Sale of Equipment	10,952	0	0	10,952
Damages Recovered from Individuals	432	0	0	432
Contributions and Gifts	3,500	0	0	3,500
Other Local Revenues				
Other Local Revenues	10,028	0	0	10,028
Total Other Local Revenues	$ 80,006	$ 0	$ 6,807	$ 86,813
State of Tennessee				
General Government Grants				
On-Behalf Contributions for OPEB	$ 142,725	$ 0	$ 0	$ 142,725
State Education Funds				
Basic Education Program	19,858,766	0	0	19,858,766
Early Childhood Education	408,611	0	0	408,611
School Food Service	0	0	24,082	24,082
Energy Efficient School Initiative	14,995	0	0	14,995
Driver Education	837	0	0	837

(Continued)

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

		Special Revenue Funds		
	General Purpose School	School Federal Projects	Central Cafeteria	Total
State of Tennessee (Cont.)				
State Education Funds (Cont.)				
Other State Education Funds	$ 199,482	$ 0	$ 0	$ 199,482
Career Ladder Program	135,756	0	0	135,756
Career Ladder - Extended Contract	62,765	0	0	62,765
Other State Revenues				
State Revenue Sharing - T.V.A.	243,409	0	0	243,409
Other State Grants	4,800	0	0	4,800
Other State Revenues	3,865	0	0	3,865
Total State of Tennessee	$ 21,076,011	$ 0	$ 24,082	$ 21,100,093
Federal Government				
Federal Through State				
USDA School Lunch Program	$ 0	$ 0	$ 1,101,040	$ 1,101,040
USDA - Commodities	0	0	131,429	131,429
Breakfast	0	0	358,343	358,343
USDA - Other	0	0	35,032	35,032
Adult Education State Grant Program	61,568	0	0	61,568
Vocational Education - Basic Grants to States	0	68,325	0	68,325
Title I Grants to Local Education Agencies	0	1,328,758	0	1,328,758
Special Education - Grants to States	31,348	982,894	0	1,014,242
Special Education Preschool Grants	0	16,901	0	16,901
Safe and Drug-Free Schools - State Grants	0	282,250	0	282,250
Rural Education	0	77,979	0	77,979
Eisenhower Professional Development State Grants	0	193,790	0	193,790
Job Training Partnership Act	11,000	0	0	11,000
Race-to-the-Top - ARRA	0	204,526	0	204,526
Other Federal through State	0	16,719	0	16,719
Direct Federal Revenue				
ROTC Reimbursement	66,655	0	0	66,655
Total Federal Government	$ 170,571	$ 3,172,142	$ 1,625,844	$ 4,968,557
Other Governments and Citizens Groups				
Other Governments				
Contributions	$ 12,000	$ 0	$ 0	$ 12,000
Total Other Governments and Citizens Groups	$ 12,000	$ 0	$ 0	$ 12,000
Total	$ 26,209,478	$ 3,172,142	$ 2,155,558	$ 31,537,178

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

General Fund				
General Government				
County Commission				
Board and Committee Members Fees	$	42,000		
Other Per Diem and Fees		1,200		
Social Security		2,678		
State Retirement		65		
Employer Medicare		626		
Advertising		1,358		
Audit Services		7,752		
Dues and Memberships		3,350		
Travel		2,216		
Other Supplies and Materials		2,430		
Total County Commission			$	63,675
County Mayor/Executive				
County Official/Administrative Officer	$	72,463		
Assistant(s)		33,408		
Social Security		6,478		
State Retirement		5,491		
Employer Medicare		1,515		
Communication		1,992		
Dues and Memberships		1,854		
Maintenance Agreements		3,492		
Postal Charges		2,975		
Travel		5,661		
Office Supplies		3,136		
Office Equipment		2,428		
Total County Mayor/Executive				140,893
County Attorney				
County Official/Administrative Officer	$	18,192		
Social Security		1,128		
State Retirement		1,079		
Employer Medicare		264		
Legal Services		4,391		
Total County Attorney				25,054
Election Commission				
County Official/Administrative Officer	$	56,465		
Assistant(s)		31,044		
Election Commission		3,300		
Election Workers		26,890		
Social Security		6,254		
State Retirement		5,189		
Employer Medicare		1,464		
Communication		1,403		
Dues and Memberships		225		
Legal Notices, Recording, and Court Costs		4,083		
Maintenance and Repair Services - Office Equipment		3,225		
Postal Charges		4,227		
Travel		2,001		
Office Supplies		837		

(Continued)

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

General Fund (Cont.)				
General Government (Cont.)				
Election Commission (Cont.)				
Other Supplies and Materials	$	1,689		
Data Processing Equipment		14,533		
Total Election Commission			$	162,829
Register of Deeds				
County Official/Administrative Officer	$	62,739		
Assistant(s)		29,599		
Deputy(ies)		31,044		
Social Security		7,650		
State Retirement		7,018		
Employer Medicare		1,789		
Communication		784		
Dues and Memberships		593		
Maintenance and Repair Services - Office Equipment		17,734		
Postal Charges		956		
Travel		2,135		
Office Supplies		6,314		
Data Processing Equipment		54,930		
Total Register of Deeds				223,285
Development				
Other Contracted Services	$	29,280		
Total Development				29,280
County Buildings				
Custodial Personnel	$	48,288		
Other Salaries and Wages		6,690		
Social Security		4,587		
State Retirement		2,153		
Employer Medicare		790		
Maintenance and Repair Services - Buildings		80,194		
Maintenance and Repair Services - Equipment		15,857		
Rentals		7,800		
Diesel Fuel		15,825		
Gasoline		10,443		
Utilities		72,445		
Other Supplies and Materials		19,766		
Building and Contents Insurance		139,326		
Workers' Compensation Insurance		70,482		
Total County Buildings				494,646
Other General Administration				
Building Improvements	$	5,666		
Total Other General Administration				5,666
Preservation of Records				
Supervisor/Director	$	29,998		
Other Salaries and Wages		8,566		
Social Security		2,378		
State Retirement		1,124		

(Continued)

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

General Fund (Cont.)		
General Government (Cont.)		
Preservation of Records (Cont.)		
Employer Medicare	$ 556	
Communication	2,161	
Other Supplies and Materials	8,913	
Total Preservation of Records		$ 53,696
Finance		
Accounting and Budgeting		
County Official/Administrative Officer	$ 55,135	
Assistant(s)	94,021	
Social Security	9,185	
State Retirement	8,785	
Employer Medicare	2,148	
Accounting Services	6,642	
Advertising	2,924	
Communication	4,827	
Postal Charges	9,363	
Travel	114	
Other Contracted Services	6,053	
Office Supplies	11,957	
Premiums on Corporate Surety Bonds	704	
In Service/Staff Development	380	
Data Processing Equipment	11,392	
Office Equipment	1,136	
Total Accounting and Budgeting		224,766
Property Assessor's Office		
County Official/Administrative Officer	$ 62,739	
Assistant(s)	52,974	
Deputy(ies)	31,044	
Board and Committee Members Fees	1,880	
Social Security	9,099	
State Retirement	7,796	
Employer Medicare	2,128	
Communication	1,690	
Data Processing Services	4,835	
Dues and Memberships	1,400	
Postal Charges	547	
Travel	1,092	
Other Contracted Services	12,086	
Gasoline	1,081	
Office Supplies	2,586	
Premiums on Corporate Surety Bonds	397	
In Service/Staff Development	1,657	
Office Equipment	463	
Total Property Assessor's Office		195,494
Reappraisal Program		
Secretary(ies)	$ 22,871	
Social Security	1,418	
Employer Medicare	332	

(Continued)

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

General Fund (Cont.)				
Finance (Cont.)				
Reappraisal Program (Cont.)				
Data Processing Services	$	2,812		
Postal Charges		857		
Total Reappraisal Program			$	28,290
County Trustee's Office				
County Official/Administrative Officer	$	62,739		
Assistant(s)		30,648		
Deputy(ies)		31,044		
Social Security		7,715		
State Retirement		7,260		
Employer Medicare		1,804		
Advertising		242		
Communication		960		
Dues and Memberships		675		
Postal Charges		5,151		
Travel		732		
Other Contracted Services		4,196		
Office Supplies		1,981		
Data Processing Equipment		7,230		
Total County Trustee's Office				162,377
County Clerk's Office				
County Official/Administrative Officer	$	62,739		
Assistant(s)		85,135		
Deputy(ies)		27,831		
Social Security		10,883		
State Retirement		9,987		
Employer Medicare		2,545		
Communication		1,403		
Dues and Memberships		478		
Postal Charges		2,887		
Office Supplies		2,820		
Data Processing Equipment		7,106		
Total County Clerk's Office				213,814
Administration of Justice				
Circuit Court				
County Official/Administrative Officer	$	62,739		
Assistant(s)		137,057		
Deputy(ies)		31,044		
Social Security		14,158		
State Retirement		13,689		
Medical Insurance		1,372		
Employer Medicare		3,311		
Communication		3,553		
Dues and Memberships		898		
Maintenance and Repair Services - Office Equipment		4,504		
Postal Charges		1,822		
Travel		582		
Office Supplies		10,925		

(Continued)

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

General Fund (Cont.)				
Administration of Justice (Cont.)				
Circuit Court (Cont.)				
In Service/Staff Development	$	405		
Data Processing Equipment		13,073		
Office Equipment		2,647		
Total Circuit Court			$	301,779
General Sessions Court				
Judge(s)	$	145,545		
Secretary(ies)		33,812		
Social Security		9,063		
State Retirement		10,636		
Employer Medicare		2,601		
Communication		2,957		
Dues and Memberships		470		
Travel		1,312		
Office Supplies		1,885		
Total General Sessions Court				208,281
Drug Court				
Other Salaries and Wages	$	4,800		
Social Security		297		
State Retirement		285		
Employer Medicare		70		
Contracts with Government Agencies		20,000		
Other Supplies and Materials		363		
Total Drug Court				25,815
Chancery Court				
County Official/Administrative Officer	$	62,739		
Assistant(s)		11,153		
Deputy(ies)		31,044		
Social Security		6,506		
State Retirement		5,561		
Employer Medicare		1,522		
Advertising		1,245		
Communication		846		
Dues and Memberships		588		
Postal Charges		7,030		
Other Contracted Services		20		
Office Supplies		4,612		
Data Processing Equipment		9,268		
Office Equipment		2,488		
Total Chancery Court				144,622
Judicial Commissioners				
County Official/Administrative Officer	$	44,407		
Social Security		2,753		
Employer Medicare		644		
Other Supplies and Materials		1,752		
Total Judicial Commissioners				49,556

(Continued)

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

General Fund (Cont.)				
Administration of Justice (Cont.)				
Other Administration of Justice				
Jury and Witness Expense	$	7,496		
Other Contracted Services		3,466		
Total Other Administration of Justice			$	10,962
Public Safety				
Sheriff's Department				
County Official/Administrative Officer	$	69,013		
Deputy(ies)		1,009,474		
Secretary(ies)		30,672		
Other Salaries and Wages		26,219		
Social Security		69,869		
State Retirement		62,842		
Medical Insurance		2,261		
Employer Medicare		16,340		
Dues and Memberships		2,400		
Maintenance and Repair Services - Vehicles		32,011		
Travel		156		
Other Contracted Services		15,228		
Gasoline		117,809		
Uniforms		12,876		
Other Supplies and Materials		11,089		
In Service/Staff Development		8,055		
Other Charges		2,683		
Data Processing Equipment		2,000		
Law Enforcement Equipment		26,804		
Motor Vehicles		42,064		
Total Sheriff's Department				1,559,865
Special Patrols				
Other Salaries and Wages	$	74,416		
Social Security		4,613		
State Retirement		3,483		
Employer Medicare		1,075		
Communication		944		
Gasoline		8,018		
Office Supplies		92		
Other Supplies and Materials		3,232		
Other Charges		6,618		
Total Special Patrols				102,491
Traffic Control				
Overtime Pay	$	14,837		
Social Security		920		
State Retirement		970		
Employer Medicare		215		
Law Enforcement Equipment		5,000		
Total Traffic Control				21,942
Jail				
Supervisor/Director	$	28,800		

(Continued)

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

General Fund (Cont.)		
Public Safety (Cont.)		
Jail (Cont.)		
Guards	$ 916,480	
Clerical Personnel	30,672	
Cafeteria Personnel	21,678	
Other Salaries and Wages	20,525	
Social Security	63,094	
State Retirement	59,437	
Medical Insurance	428	
Employer Medicare	14,756	
Communication	15,691	
Contracts with Other Public Agencies	6,830	
Maintenance Agreements	22,620	
Medical and Dental Services	219,393	
Travel	635	
Food Supplies	272,139	
Uniforms	8,986	
Utilities	192,414	
Other Supplies and Materials	28,727	
In Service/Staff Development	4,913	
Data Processing Equipment	19,953	
Food Service Equipment	10,515	
Law Enforcement Equipment	6,035	
Site Development	11,775	
Total Jail		$ 1,976,496
Juvenile Services		
Other Salaries and Wages	$ 43,310	
Social Security	2,678	
State Retirement	2,568	
Employer Medicare	626	
Communication	499	
Travel	2,843	
Office Supplies	185	
Total Juvenile Services		52,709
Fire Prevention and Control		
Contracts with Government Agencies	$ 29,545	
Contributions	172,031	
Other Supplies and Materials	12,176	
Motor Vehicles	25,000	
Total Fire Prevention and Control		238,752
Civil Defense		
Diesel Fuel	$ 60	
Gasoline	1,915	
Other Supplies and Materials	10,400	
Total Civil Defense		12,375
Rescue Squad		
Contributions	$ 16,273	
Total Rescue Squad		16,273

(Continued)

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

General Fund (Cont.)		
Public Safety (Cont.)		
County Coroner/Medical Examiner		
Medical Personnel	$ 33,934	
Total County Coroner/Medical Examiner		$ 33,934
Other Public Safety		
Contracts with Other Public Agencies	$ 100,000	
Road Signs	4,381	
Other Supplies and Materials	110	
Other Capital Outlay	109,000	
Total Other Public Safety		213,491
Public Health and Welfare		
Local Health Center		
Other Salaries and Wages	$ 51,166	
Social Security	3,172	
State Retirement	1,528	
Employer Medicare	742	
Communication	3,455	
Contracts with Government Agencies	39,080	
Maintenance and Repair Services - Buildings	10,935	
Travel	2,973	
Utilities	10,701	
Other Supplies and Materials	2,041	
Other Charges	2,450	
Total Local Health Center		128,243
Rabies and Animal Control		
Part-time Personnel	$ 3,045	
Other Salaries and Wages	33,990	
Social Security	2,296	
State Retirement	1,620	
Employer Medicare	537	
Communication	2,233	
Licenses	370	
Travel	34	
Other Contracted Services	7,221	
Gasoline	2,010	
Other Supplies and Materials	9,862	
Other Construction	4,588	
Total Rabies and Animal Control		67,806
Ambulance/Emergency Medical Services		
County Official/Administrative Officer	$ 40,464	
Paraprofessionals	632,611	
Part-time Personnel	51,992	
Overtime Pay	107,802	
Social Security	51,431	
State Retirement	45,988	
Medical Insurance	1,200	
Employer Medicare	12,028	
Communication	4,002	

(Continued)

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

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
Ambulance/Emergency Medical Services (Cont.)		
Dues and Memberships	$ 2,700	
Laundry Service	3,887	
Maintenance and Repair Services - Buildings	7,774	
Maintenance and Repair Services - Office Equipment	3,990	
Maintenance and Repair Services - Vehicles	16,916	
Postal Charges	138	
Tuition	4,580	
Other Contracted Services	3,349	
Diesel Fuel	56,280	
Drugs and Medical Supplies	64,950	
Gasoline	856	
Office Supplies	4,343	
Uniforms	6,971	
Utilities	8,444	
In Service/Staff Development	9,199	
Data Processing Equipment	12,329	
Motor Vehicles	68,440	
Other Equipment	16,883	
Total Ambulance/Emergency Medical Services		$ 1,239,547
General Welfare Assistance		
Pauper Burials	$ 4,594	
Total General Welfare Assistance		4,594
Sanitation Education/Information		
Other Salaries and Wages	$ 30,373	
Social Security	1,884	
State Retirement	1,069	
Employer Medicare	445	
Rentals	994	
Kindergarten Textbooks	8,796	
Other Supplies and Materials	433	
Total Sanitation Education/Information		43,994
Social, Cultural, and Recreational Services		
Senior Citizens Assistance		
County Official/Administrative Officer	$ 37,495	
Other Salaries and Wages	70,621	
Social Security	6,703	
State Retirement	5,464	
Employer Medicare	1,568	
Communication	1,798	
Maintenance and Repair Services - Buildings	292	
Postal Charges	100	
Other Contracted Services	4,482	
Utilities	18,577	
Building and Contents Insurance	929	
Other Charges	18	
Total Senior Citizens Assistance		148,047

(Continued)

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

General Fund (Cont.)		
Social, Cultural, and Recreational Services (Cont.)		
Libraries		
Librarians	$ 42,585	
Clerical Personnel	81,418	
Social Security	7,688	
State Retirement	5,281	
Employer Medicare	1,798	
Communication	6,014	
Janitorial Services	4,299	
Maintenance Agreements	5,696	
Postal Charges	1,905	
Printing, Stationery, and Forms	124	
Other Contracted Services	729	
Library Books/Media	14,284	
Office Supplies	932	
Utilities	20,026	
Other Supplies and Materials	831	
In Service/Staff Development	787	
Building Improvements	1,782	
Data Processing Equipment	6,057	
Total Libraries		$ 202,236
Parks and Fair Boards		
Other Contracted Services	$ 24,347	
Other Supplies and Materials	7,368	
Other Construction	20,581	
Total Parks and Fair Boards		52,296
Other Social, Cultural, and Recreational		
Contributions	$ 18,000	
Total Other Social, Cultural, and Recreational		18,000
Agriculture and Natural Resources		
Agriculture Extension Service		
Salary Supplements	$ 49,775	
Other Fringe Benefits	11,600	
Communication	2,163	
Contributions	6,000	
Utilities	3,684	
Data Processing Equipment	4,526	
Total Agriculture Extension Service		77,748
Forest Service		
Other Contracted Services	$ 2,000	
Total Forest Service		2,000
Soil Conservation		
Secretary(ies)	$ 19,315	
Social Security	1,198	
State Retirement	1,145	
Employer Medicare	280	
Contributions	500	
Total Soil Conservation		22,438

(Continued)

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

General Fund (Cont.)		
Other Operations		
Tourism		
Other Charges	$ 6,000	
Total Tourism		$ 6,000
Industrial Development		
Contributions	$ 30,000	
Other Contracted Services	24,492	
Other Supplies and Materials	536	
Other Charges	11,591	
Other Construction	10,306	
Total Industrial Development		76,925
Airport		
Maintenance Agreements	$ 28,000	
Total Airport		28,000
Veterans' Services		
Supervisor/Director	$ 26,941	
Other Salaries and Wages	6,670	
Social Security	2,068	
State Retirement	1,598	
Employer Medicare	487	
Communication	1,641	
Contributions	8,000	
Postal Charges	283	
Travel	848	
Office Supplies	1,124	
Data Processing Equipment	514	
Total Veterans' Services		50,174
Other Charges		
Supervisor/Director	$ 43,015	
Mechanic(s)	88,282	
Clerical Personnel	23,557	
Social Security	9,566	
State Retirement	9,182	
Medical Insurance	1,200	
Employer Medicare	2,237	
Communication	1,670	
Other Contracted Services	2,531	
Diesel Fuel	817	
Equipment Parts - Heavy	78,448	
Garage Supplies	4,466	
Gasoline	2,028	
Lubricants	6,854	
Office Supplies	711	
Small Tools	412	
Tires and Tubes	23,177	
Utilities	10,665	
Motor Vehicles	13,018	
Other Equipment	13,456	
Total Other Charges		335,292

(Continued)

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

General Fund (Cont.)			
Other Operations (Cont.)			
Contributions to Other Agencies			
Contributions	$ 23,668		
Other Contracted Services	5,611		
Other Charges	67,500		
Total Contributions to Other Agencies		$ 96,779	
Employee Benefits			
Unemployment Compensation	$ 22,644		
Total Employee Benefits		22,644	
Miscellaneous			
Trustee's Commission	$ 111,719		
Total Miscellaneous		111,719	
Total General Fund			$ 9,727,590
Drug Control Fund			
Public Safety			
Drug Enforcement			
Confidential Drug Enforcement Payments	$ 5,000		
Other Supplies and Materials	15,431		
Law Enforcement Equipment	25,400		
Total Drug Enforcement		$ 45,831	
Other Operations			
Miscellaneous			
Trustee's Commission	$ 451		
Total Miscellaneous		451	
Total Drug Control Fund			46,282
Constitutional Officers - Fees Fund			
General Government			
Other General Administration			
Constitutional Officers' Operating Expenses	$ 1,019		
Total Other General Administration		$ 1,019	
Total Constitutional Officers - Fees Fund			1,019
Highway/Public Works Fund			
Highways			
Administration			
County Official/Administrative Officer	$ 69,013		
Accountants/Bookkeepers	28,571		
Secretary(ies)	24,565		
Social Security	7,530		
State Retirement	7,243		
Employer Medicare	1,761		
Dues and Memberships	2,595		
Maintenance and Repair Services - Office Equipment	281		
Postal Charges	57		

(Continued)

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

Highway/Public Works Fund (Cont.)			
Highways (Cont.)			
Administration (Cont.)			
Office Supplies	$ 1,734		
Other Charges	2,191		
Total Administration		$ 145,541	
Highway and Bridge Maintenance			
Foremen	$ 49,716		
Equipment Operators - Heavy	195,315		
Equipment Operators - Light	246,511		
Truck Drivers	26,832		
Laborers	34,146		
Other Salaries and Wages	13,915		
Social Security	35,219		
State Retirement	33,187		
Medical Insurance	7,251		
Employer Medicare	8,155		
Other Contracted Services	12,267		
Asphalt - Hot Mix	353,601		
Asphalt - Liquid	16,405		
Concrete	484		
General Construction Materials	3,347		
Pipe - Metal	4,484		
Road Signs	4,274		
Salt	5,306		
Gravel and Chert	58,746		
Total Highway and Bridge Maintenance		1,109,161	
Operation and Maintenance of Equipment			
Maintenance and Repair Services - Equipment	$ 9,893		
Maintenance and Repair Services - Vehicles	10,470		
Diesel Fuel	76,438		
Gasoline	45,300		
Total Operation and Maintenance of Equipment		142,101	
Other Charges			
Communication	$ 12,073		
Contributions	485		
Travel	607		
Electricity	4,503		
Water and Sewer	77		
Trustee's Commission	16,656		
Vehicle and Equipment Insurance	40,237		
Workers' Compensation Insurance	37,000		
Total Other Charges		111,638	
Capital Outlay			
Communication Equipment	$ 873		
Highway Equipment	128,948		
State Aid Projects	300,767		
Other Construction	63,531		
Total Capital Outlay		494,119	
Total Highway/Public Works Fund			$ 2,002,560

(Continued)

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

General Debt Service Fund			
Principal on Debt			
General Government			
Principal on Bonds	$ 485,500		
Principal on Notes	142,857		
Total General Government		$ 628,357	
Education			
Principal on Bonds	$ 579,500		
Total Education		579,500	
Interest on Debt			
General Government			
Interest on Bonds	$ 198,403		
Interest on Notes	17,784		
Total General Government		216,187	
Education			
Interest on Bonds	$ 211,145		
Total Education		211,145	
Other Debt Service			
General Government			
Trustee's Commission	$ 16,948		
Other Debt Service	1,973		
Total General Government		18,921	
Total General Debt Service Fund			$ 1,654,110
General Capital Projects Fund			
Other Operations			
Public Transportation			
Other Construction	$ 239,000		
Total Public Transportation		$ 239,000	
Total General Capital Projects Fund			239,000
Total Governmental Funds - Primary Government			$ 13,670,561

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

General Purpose School Fund		
Instruction		
Regular Instruction Program		
Teachers	$ 9,101,641	
Career Ladder Program	78,500	
Career Ladder Extended Contracts	49,970	
Homebound Teachers	21,067	
Educational Assistants	511,695	
Certified Substitute Teachers	110,984	
Non-certified Substitute Teachers	95,404	
Social Security	588,239	
State Retirement	844,431	
Medical Insurance	1,371,889	
Unemployment Compensation	19,263	
Employer Medicare	137,470	
Maintenance and Repair Services - Equipment	8,786	
Instructional Supplies and Materials	307,732	
Textbooks	318,291	
Fee Waivers	7,101	
Other Charges	70,488	
Regular Instruction Equipment	198,287	
Total Regular Instruction Program		$ 13,841,238
Special Education Program		
Teachers	$ 1,182,046	
Career Ladder Program	11,000	
Homebound Teachers	7,818	
Educational Assistants	85,777	
Other Salaries and Wages	32,612	
Certified Substitute Teachers	80	
Non-certified Substitute Teachers	910	
Social Security	78,425	
State Retirement	113,236	
Medical Insurance	158,113	
Employer Medicare	18,342	
Instructional Supplies and Materials	1,060	
Total Special Education Program		1,689,419
Vocational Education Program		
Teachers	$ 488,933	
Career Ladder Program	2,500	
Non-certified Substitute Teachers	2,750	
Social Security	28,425	
State Retirement	43,675	
Medical Insurance	92,918	
Employer Medicare	6,654	
Maintenance and Repair Services - Equipment	3,015	
Travel	850	
Instructional Supplies and Materials	20,000	
Total Vocational Education Program		689,720

(Continued)

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

General Purpose School Fund (Cont.)				
Instruction (Cont.)				
Adult Education Program				
Teachers	$	30,272		
Social Security		155		
State Retirement		94		
Employer Medicare		439		
Instructional Supplies and Materials		1,107		
Total Adult Education Program			$	32,067
Support Services				
Attendance				
Supervisor/Director	$	58,940		
Career Ladder Program		1,000		
Social Security		3,488		
State Retirement		5,323		
Medical Insurance		8,259		
Employer Medicare		816		
Travel		163		
Total Attendance				77,989
Health Services				
Medical Personnel	$	39,775		
Other Salaries and Wages		82,498		
Social Security		7,501		
State Retirement		8,419		
Medical Insurance		6,142		
Employer Medicare		1,755		
Travel		1,592		
Drugs and Medical Supplies		5,633		
Other Supplies and Materials		19,047		
Other Charges		1,752		
Total Health Services				174,114
Other Student Support				
Career Ladder Program	$	6,000		
Guidance Personnel		481,220		
Clerical Personnel		20,240		
Social Security		29,874		
State Retirement		44,465		
Medical Insurance		72,892		
Employer Medicare		6,987		
Evaluation and Testing		13,879		
Other Contracted Services		74,401		
Total Other Student Support				749,958
Regular Instruction Program				
Supervisor/Director	$	137,940		
Career Ladder Program		9,000		
Data Processing Personnel		880		
Career Ladder Extended Contracts		5,600		
Librarians		343,005		

(Continued)

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

General Purpose School Fund (Cont.)				
Support Services (Cont.)				
Regular Instruction Program (Cont.)				
Instructional Computer Personnel	$	48,925		
Educational Assistants		13,859		
Other Salaries and Wages		23,040		
Social Security		35,050		
State Retirement		49,094		
Medical Insurance		61,545		
Employer Medicare		8,197		
Travel		5,525		
Other Contracted Services		8,500		
Library Books/Media		52,605		
In Service/Staff Development		5,881		
Total Regular Instruction Program			$	808,646
Special Education Program				
Supervisor/Director	$	65,185		
Career Ladder Program		1,000		
Clerical Personnel		11,088		
Social Security		4,567		
State Retirement		6,535		
Medical Insurance		8,583		
Employer Medicare		1,068		
Travel		1,204		
Other Supplies and Materials		4,810		
Total Special Education Program				104,040
Vocational Education Program				
Supervisor/Director	$	28,392		
Secretary(ies)		20,240		
Social Security		2,910		
State Retirement		3,721		
Medical Insurance		4,156		
Employer Medicare		680		
Travel		4,627		
Other Supplies and Materials		500		
Total Vocational Education Program				65,226
Adult Programs				
Supervisor/Director	$	52,505		
Career Ladder Program		1,000		
Clerical Personnel		3,000		
Social Security		3,256		
State Retirement		4,929		
Medical Insurance		8,259		
Employer Medicare		761		
Travel		770		
Other Contracted Services		5,400		
Other Supplies and Materials		1,362		
In Service/Staff Development		1,914		
Total Adult Programs				83,156

(Continued)

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

General Purpose School Fund (Cont.)				
Support Services (Cont.)				
Other Programs				
On-Behalf Payments to OPEB	$	142,725		
Total Other Programs			$	142,725
Board of Education				
Board and Committee Members Fees	$	16,140		
In-Service Training		11,535		
Social Security		1,000		
Employer Medicare		235		
Payments to Retirees		66,875		
Audit Services		6,000		
Dues and Memberships		8,987		
Legal Services		7,890		
Liability Insurance		36,473		
Premiums on Corporate Surety Bonds		1,871		
Trustee's Commission		124,501		
Workers' Compensation Insurance		166,337		
Criminal Investigation of Applicants - TBI		5,040		
Total Board of Education				452,884
Director of Schools				
County Official/Administrative Officer	$	95,000		
Career Ladder Program		3,000		
Social Security		6,055		
State Retirement		8,702		
Medical Insurance		5,905		
Employer Medicare		1,416		
Communication		3,390		
Dues and Memberships		1,955		
Postal Charges		7,590		
Travel		558		
Total Director of Schools				133,571
Office of the Principal				
Principals	$	536,738		
Career Ladder Program		6,000		
Accountants/Bookkeepers		52,280		
Assistant Principals		335,900		
Secretary(ies)		163,900		
Other Salaries and Wages		18,556		
Social Security		65,995		
State Retirement		90,843		
Medical Insurance		111,940		
Employer Medicare		15,434		
Communication		21,000		
Dues and Memberships		1,450		
Total Office of the Principal				1,420,036
Fiscal Services				
Supervisor/Director	$	45,980		

(Continued)

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

General Purpose School Fund (Cont.)				
Support Services (Cont.)				
Fiscal Services (Cont.)				
Secretary(ies)	$	24,234		
Clerical Personnel		24,234		
Social Security		5,248		
State Retirement		5,601		
Medical Insurance		3,600		
Employer Medicare		1,227		
Contributions		13,000		
Maintenance and Repair Services - Equipment		2,203		
Travel		57		
Office Supplies		6,862		
In Service/Staff Development		318		
Administration Equipment		414		
Total Fiscal Services			$	132,978
Operation of Plant				
Custodial Personnel	$	614,080		
Other Salaries and Wages		3,554		
Social Security		37,869		
State Retirement		35,259		
Medical Insurance		6,642		
Employer Medicare		8,857		
Other Contracted Services		105,600		
Electricity		642,562		
Natural Gas		154,470		
Water and Sewer		55,903		
Other Supplies and Materials		72,778		
Boiler Insurance		5,986		
Building and Contents Insurance		111,448		
Total Operation of Plant				1,855,008
Maintenance of Plant				
Maintenance Personnel	$	151,542		
Social Security		9,367		
State Retirement		8,750		
Medical Insurance		1,200		
Employer Medicare		2,191		
Pest Control		5,597		
Other Contracted Services		18,480		
Other Supplies and Materials		132,402		
Other Charges		2,921		
Maintenance Equipment		62,228		
Total Maintenance of Plant				394,678
Transportation				
Supervisor/Director	$	53,190		
Mechanic(s)		58,500		
Bus Drivers		464,177		
Other Salaries and Wages		50,872		
Social Security		38,364		

(Continued)

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Transportation (Cont.)		
State Retirement	$ 37,192	
Medical Insurance	8,063	
Employer Medicare	8,972	
Communication	3,011	
Medical and Dental Services	3,186	
Towing Services	1,000	
Other Contracted Services	356	
Diesel Fuel	197,532	
Garage Supplies	4,457	
Gasoline	48,423	
Lubricants	7,956	
Tires and Tubes	11,812	
Vehicle Parts	54,058	
Vehicle and Equipment Insurance	33,668	
In Service/Staff Development	991	
Other Charges	7,794	
Transportation Equipment	240,930	
Total Transportation		$ 1,334,504
Operation of Non-Instructional Services		
Community Services		
Supervisor/Director	$ 29,472	
Educational Assistants	1,080	
Social Security	1,893	
State Retirement	1,843	
Medical Insurance	469	
Employer Medicare	443	
Travel	915	
Other Supplies and Materials	18,314	
Other Charges	1,000	
Total Community Services		55,429
Early Childhood Education		
Teachers	$ 174,335	
Educational Assistants	56,774	
Social Security	13,694	
State Retirement	18,784	
Medical Insurance	36,804	
Employer Medicare	3,203	
Instructional Supplies and Materials	32,551	
Regular Instruction Equipment	72,466	
Total Early Childhood Education		408,611
Capital Outlay		
Regular Capital Outlay		
Other Contracted Services	$ 19,984	
Building Improvements	640,315	
Land	875,000	
Total Regular Capital Outlay		1,535,299

(Continued)

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

General Purpose School Fund (Cont.)			
Principal on Debt			
Education			
Debt Service Contribution to Primary Government	$ 12,899		
Total Education		$ 12,899	
Total General Purpose School Fund			$ 26,194,195
School Federal Projects Fund			
Instruction			
Regular Instruction Program			
Teachers	$ 868,956		
Educational Assistants	239,963		
Other Salaries and Wages	3,240		
Social Security	63,027		
State Retirement	90,466		
Medical Insurance	86,795		
Unemployment Compensation	4,047		
Employer Medicare	15,566		
Instructional Supplies and Materials	244,543		
Other Charges	3,172		
Regular Instruction Equipment	78,426		
Total Regular Instruction Program		$ 1,698,201	
Special Education Program			
Teachers	$ 96,075		
Educational Assistants	334,522		
Speech Pathologist	45,885		
Other Salaries and Wages	630		
Social Security	28,410		
State Retirement	32,046		
Medical Insurance	27,680		
Unemployment Compensation	2,260		
Employer Medicare	6,647		
Instructional Supplies and Materials	3,158		
Other Supplies and Materials	2,671		
Special Education Equipment	80		
Total Special Education Program		580,064	
Vocational Education Program			
Other Supplies and Materials	$ 13,372		
Vocational Instruction Equipment	46,727		
Total Vocational Education Program		60,099	
Support Services			
Other Student Support			
Bus Drivers	$ 300		
Other Salaries and Wages	79,788		
Social Security	4,418		
State Retirement	7,177		
Medical Insurance	16,342		
Unemployment Compensation	182		

(Continued)

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

School Federal Projects Fund (Cont.)				
Support Services (Cont.)				
Other Student Support (Cont.)				
Employer Medicare	$	1,034		
Travel		13,173		
Other Contracted Services		500		
In Service/Staff Development		13,302		
Other Charges		21,459		
Total Other Student Support			$	157,675
Regular Instruction Program				
Supervisor/Director	$	89,982		
Clerical Personnel		13,626		
Other Salaries and Wages		110,992		
Social Security		10,582		
State Retirement		12,740		
Medical Insurance		10,388		
Unemployment Compensation		263		
Employer Medicare		2,967		
Maintenance and Repair Services - Equipment		234		
Travel		6,488		
Other Supplies and Materials		5,780		
In Service/Staff Development		32,322		
Total Regular Instruction Program				296,364
Special Education Program				
Psychological Personnel	$	149,884		
Assessment Personnel		5,000		
Social Security		8,652		
State Retirement		13,319		
Medical Insurance		29,509		
Unemployment Compensation		711		
Employer Medicare		2,023		
Maintenance and Repair Services - Equipment		2,064		
Travel		5,135		
Other Contracted Services		30,893		
Other Supplies and Materials		1,000		
In Service/Staff Development		778		
Total Special Education Program				248,968
Vocational Education Program				
Travel	$	98		
Total Vocational Education Program				98
Transportation				
Bus Drivers	$	39,884		
Other Salaries and Wages		2,613		
Social Security		2,577		
State Retirement		2,507		
Medical Insurance		1,373		
Unemployment Compensation		162		
Employer Medicare		603		

(Continued)

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

School Federal Projects Fund (Cont.)			
Support Services (Cont.)			
Transportation (Cont.)			
Contracts with Parents	$ 132		
Transportation Equipment	820		
Total Transportation		$ 50,671	
Total School Federal Projects Fund			$ 3,092,140
Central Cafeteria Fund			
Operation of Non-Instructional Services			
Food Service			
Supervisor/Director	$ 43,497		
Clerical Personnel	21,788		
Cafeteria Personnel	666,005		
Temporary Personnel	21,298		
Other Salaries and Wages	3,112		
Social Security	46,457		
State Retirement	38,265		
Medical Insurance	13,721		
Unemployment Compensation	3,283		
Employer Medicare	10,752		
Communication	4,660		
Maintenance and Repair Services - Equipment	39,898		
Transportation - Other than Students	53,374		
Travel	219		
Food Preparation Supplies	62,346		
Food Supplies	789,549		
USDA - Commodities	131,429		
Other Supplies and Materials	70,508		
In Service/Staff Development	5,620		
Other Charges	16,370		
Data Processing Equipment	11,691		
Food Service Equipment	69,194		
Total Food Service		$ 2,123,036	
Total Central Cafeteria Fund			2,123,036
Total Governmental Funds - White County School Department			$ 31,409,371

White County, Tennessee
Schedule of Detailed Revenues and Expenses
Solid Waste Disposal Fund (Enterprise Fund)
For the Year Ended June 30, 2013

	Business-type Activities - Enterprise Fund Solid Waste Disposal Fund
Revenues	
Operating Revenues	
Charges for Current Services	
Solid Waste Disposal Fees	$ 1,099,983
Other Local Revenues	
Lease/Rentals	994
Sale of Recycled Materials	37,415
Miscellaneous Refunds	534
Total Operating Revenues	$ 1,138,926
Nonoperating Revenues	
Other Local Revenues	
Other State Grants	$ 15,736
Other Governments	
Contributions	63,340
Total Nonoperating Revenues	$ 79,076
Total Revenues	$ 1,218,002
Expenses	
Operating Expenses	
Public Health and Welfare	
Landfill Operation and Maintenance	
Supervisor/Director	$ 46,481
Other Salaries and Wages	371,985
Social Security	24,488
State Retirement	15,547
Medical Insurance	1,200
Employer Medicare	6,007
Communication	6,178
Maintenance and Repair Services - Equipment	86,126
Travel	1,616
Permits	78,299
Other Contracted Services	28,489
Diesel Fuel	122,823
Gasoline	18,270
Lubricants	13,285
Office Supplies	1,624
Utilities	19,010
Other Supplies and Materials	22,832
Building and Contents Insurance	17,000
Refunds	131
Workers' Compensation Insurance	15,000
Depreciation	91,653
Landfill Closure/Postclosure Care Costs	107,081
Other Charges	6,496
Data Processing Equipment	1,220
Other Equipment	19,172
Trustee's Commission	10,980
Total Operating Expenses	$ 1,132,993
Nonoperating Expenses	
General Government	
Interest on Notes	$ 21,377
Total Nonoperating Expenses	$ 21,377
Total Expenses	$ 1,154,370

White County, Tennessee
Schedule of Detailed Revenues and Expenses
Central Service Fund (Internal Service Fund)
For the Year Ended June 30, 2013

	Governmental Activities - Internal Service Fund Central Service Fund
Revenues	
Operating Revenues	
Charges for Current Services	
Other General Service Charges	$ 1,274
Other Local Revenues	
Sale of Gasoline	383,710
Total Operating Revenues	$ 384,984
Total Revenues	$ 384,984
Expenses	
Operating Expenses	
Other Operations	
Other Charges	
Communication	$ 632
Diesel Fuel	227,056
Electricity	629
Gasoline	156,143
Refunds	524
Total Operating Expenses	$ 384,984
Total Expenses	$ 384,984

White County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balance - City Agency Fund
For the Year Ended June 30, 2013

	Cities - Sales Tax Fund
Cash Receipts	
Local Option Sales Tax	$ 1,585,866
Cash Disbursements	
Remittance of Revenues Collected	$ 1,570,007
Trustee's Commission	15,859
Total Cash Disbursements	$ 1,585,866
Excess of Cash Receipts Over (Under) Cash Disbursements	$ 0
Cash Balance, July 1, 2012	0
Cash Balance, June 30, 2013	$ 0

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

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

To the County Executive and Board of County Commissioners:

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

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered White 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 White County's internal control. Accordingly, we do not express an opinion on the effectiveness of White 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: 2013-001 and 2013-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether White County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

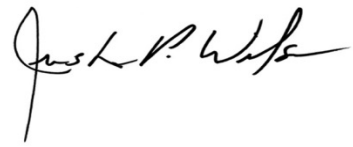
White County's Response to Findings

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

Purpose of this Report

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

STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
SUITE 1500
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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

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

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited White 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 White County's major federal programs for the year ended June 30, 2013. White 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 White 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 White 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 White County's compliance.

Opinion on Each Major Federal Program

In our opinion, White 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 White 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 White 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 White County's internal control over compliance.

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

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

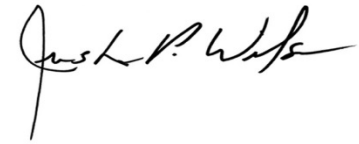
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on

the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise White 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 Expenditure 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/kp

White 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	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	$ 358,343
National School Lunch Program	10.555	N/A	1,125,626 (3)
Fresh Fruits and Vegetables Program	10.582	N/A	10,446
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	131,429 (3)
Direct Program:			
Rural Business Enterprise Grants	10.769	N/A	30,000
Total U.S. Department of Agriculture			$ 1,655,844
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	GG-11-34903-00	$ 213,847
U.S. Department of Interior:			
Direct Program:			
Payments in-Lieu-of Taxes	15.226	N/A	$ 2,369
U.S. Department of Labor:			
Passed-through Upper Cumberland Human Resource Agency:			
WIA Youth Activities	17.259	(2)	$ 11,000
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Alcohol Open Container Requirements	20.607	(4)	$ 20,827
Passed through State Deparment of Environment and Conservation:			
Recreational Trails Program	20.219	GG-11-33899	22,141
Total U.S. Department of Transportation			$ 42,968
Institutue of Museum and Library Services:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	(2)	$ 2,145
U.S. Department of Education:			
Passed-through State Department of Labor and Workforce Development:			
Adult Education - State Grant Program	84.002	(2)	$ 61,568
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	1,229,431
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	954,764
Special Education - Preschool Grants	84.173	N/A	16,901
Career and Technical Education - Basic Grants to States	84.048	N/A	68,325
Safe and Drug-free Schools and Communities - National Programs	84.184	(2)	16,719
Twenty-first Century Community Learning Centers	84.287	(2)	282,250
Rural Education	84.358	(2)	77,979
Improving Teacher Quality State Grants	84.367	(2)	193,790
School Improvement Grants	84.377	(2)	99,327
State Fiscal Stabilization Fund - Race-to-the-Top Incentive Grants, Recovery Act	84.395	(2)	204,526
Total U.S. Department of Education			$ 3,205,580

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Passed-through Entity Identifying Number	Expenditures
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
Help America Vote Act Requirements Payments	90.401	30510-00112-66	$ 2,310
U.S. Department of Health and Human Services:			
Passed-through Upper Cumberland Development District:			
Special Program for the Aging - Title III, Part B_Grants for Supportive Services and Senior Centers	93.044	N/A	$ 11,768
Total Expenditures of Federal Awards			$ 5,147,831
State Grants		Contract Number	
Aging Program - Upper Cumberland Development District	N/A	(2)	$ 11,232
Local Health Services Grant - State Department of Health	N/A	GG-13-38839	59,436
Litter Program - State Department of Transportation	N/A	Z13LIT093	37,620
State Supplement Juvenile Court Improvement Funds - State Department of Children Services	N/A	GG-10-3011-00	9,000
Drug Court - State Department of Mental Health and Substance Abuse Services	N/A	(2)	11,597
FastTrack Infrastructure Development Program - State Department of Economic and Community Development	N/A	GG-11-33486-00	112,418
Law Enforcement Training - State Department of Safety	N/A	(2)	16,200
High Schools that Work - State Departement of Education	N/A	(2)	8,212
Voluntary Pre-K for Tennessee - State Departement of Education	N/A	(2)	408,611
Adult Education - State Department of Labor and Workforce Development	N/A	(2)	20,523
Coordinated School Health - State Department of Education	N/A	(2)	95,000
Family Resource Centers - State Department of Education	N/A	(2)	29,612
ConnectTenn (Internet Connectivity) - State Department of Education	N/A	(2)	13,189
Safe Schools Act - State Department of Education	N/A	(2)	22,400
Statewide Student Management System - State Department of Education	N/A	(2)	10,546
Arts Program Categorical Grants - State Arts Commission	N/A	(2)	4,800
Energy Efficient Schools Initiative - State Department of Agriculture	N/A	(2)	14,995
Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	15,736
Total State Grants			$ 901,127

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 $1,257,055.
(4) 154-AL-12-148: $11,880; 154-AL-13-285: $8,947.

White 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 White County, Tennessee, for the year ended June 30, 2012, which have not been corrected.

OFFICE OF FINANCE DIRECTOR

Finding Number	Page Number	Subject
12.02	146	The Solid Waste Disposal Fund had a deficit in unrestricted net position

OFFICES OF COUNTY CLERK AND REGISTER OF DEEDS

Finding Number	Page Number	Subject
12.04	147	Multiple employees operated from the same cash drawer

WHITE 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 White County is unmodified.

2. The audit of the financial statements of White County disclosed significant deficiencies in internal control; however, 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 White 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 and National School Lunch Program (CFDA Nos. 10.553 and 10.555), The Special Education Cluster: Special Education - Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173), and State Fiscal Stabilization Fund - Race-to-the-Top Incentive Grants, Recovery Act (CFDA No. 84.395) were determined to be major programs.

8. A $300,000 threshold was used to distinguish between Type A and Type B federal programs.

9. White County did not qualify as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. The finance director provided a written response on a finding, which is included in this report. Other management officials did not provide responses for inclusion in this report.

OFFICE OF FINANCE DIRECTOR

FINDING 2013-001 **THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The Solid Waste Disposal Fund had a deficit of $384,084 in unrestricted net position at June 30, 2013. This deficit resulted from the recognition of a liability totaling $1,064,194 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after its closure. Generally accepted accounting principles and state statutes require that such costs be reflected in the financial statements. This deficiency exists due to the failure of management to correct the finding noted in the prior-year audit report.

RECOMMENDATION

County officials should develop and implement a plan that would fund the deficit in unrestricted net position.

MANAGEMENT'S RESPONSE – FINANCE DIRECTOR

We concur with this finding and will continue to work toward fully funding the deficit in unrestricted net position.

OFFICES OF COUNTY CLERK AND REGISTER OF DEEDS

FINDING 2013-002 **MULTIPLE EMPLOYEES OPERATED FROM THE SAME CASH DRAWER**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Multiple employees operated from the same cash drawer in the Offices of County Clerk and Register of Deeds. Good internal controls dictate that each employee have their own cash drawer, start the day with a standard fixed amount of cash, and remove all but that beginning amount at the end of the day. This amount should be verified to that employee's receipts at the end of each day. Failure to adhere to this control regimen greatly increases the risk that a cash shortage may not be detected in a timely manner. Furthermore, in the

event of a cash shortage, the officials would not be able to determine who was responsible for the shortage because multiple employees were working from one cash drawer. This deficiency in internal control was the result of a lack of management oversight over risks related to safeguarding assets and the failure of management to correct the finding noted in the prior-year audit report.

RECOMMENDATION

Management should assign each employee their own cash drawer.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs for federal awards.

WHITE 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.