ANNUAL FINANCIAL REPORT
WILLIAMSON 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

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WILLIAMSON COUNTY, TENNESSEE
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Audit Highlights

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

Scope

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

Results

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

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

Findings and Best Practice

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

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

- Bid specifications applied only to one brand.
- Cash with paying agent was not properly reconciled.
- Usernames and passwords were shared by employees.

OFFICE OF COUNTY CLERK

- Duties were not segregated adequately.

OFFICE OF JUVENILE COURT CLERK

- The office had deficiencies in computer system backup procedures.
- The accounting software did not identify the user who processed each transaction.
- Multiple employees operated from the same cash drawer.

BEST PRACTICE

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

INTRODUCTORY SECTION

Williamson County Officials
June 30, 2013

Officials

Rogers Anderson, County Mayor
Eddie Hood, Highway Superintendent
Dr. Mike Looney, Director of Schools
Walter Davis, Trustee
Brad Coleman, Assessor of Property
Elaine Anderson, County Clerk
Debbie McMillan Barrett, Circuit and General Sessions Courts Clerk
Elaine Beeler, Clerk and Master
Brenda Hyden, Juvenile Court Clerk
Sadie Wade, Register of Deeds
Jeff Long, Sheriff
Nena Graham, Director of Accounts and Budgets

Board of County Commissioners

Jack Walton, Chairman
Judy Herbert
Ricky Jones
Betsy Hester
John Hancock
Dwight Jones
Judy Hayes
Tommy Little
Cheryl Wilson
Lewis Green, Jr.
Tom Bain
Arlene Cooke
Jeff Ford
Bert Chalfant
Travis Hawkins
Greg Davis
Brandon Ryan
Mary Brockman
Ernie Williams
Bob Barnwell
Brian Beathard
Kathy Danner
Steve Smith
Doug Langston

Board of Education

Pat Anderson, Chairman
Kenneth Peterson
Janice Mills
Timothy McLaughlin
P.J. Mezera
Cherie Hammond
Robert Hullett
Gary Anderson
Rick Wimberley
Eric Welch
Mark Gregory
Vicki Vogt

Highway Commission

Rogers Anderson, County Mayor, Chairman
Dick Fowlkes
Charlie Bennett
Stan Tyson
Wayne Davis

Budget Committee

Ernie Williams, Chairman
Rogers Anderson, County Mayor
Judy Hayes
Steve Smith
Arlene Cooke

Audit Committee

Dwight Jones
Tom Bain
Ernie Williams

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

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson 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 Williamson County Emergency Communications District, which represent .3 percent, .5 percent, and .5 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units, and we did not audit the financial statements of the Williamson County Hospital District, which represent 28 percent, 33 percent, and 36 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished

to us, and our opinion, insofar as it relates to the amounts included for the Williamson County Emergency Communications District and the Williamson County Hospital District, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson 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

We draw attention to Note I.D.8. to the financial statements, which describes a restatement to the beginning net position of the governmental activities totaling $3,062,642. This restatement was necessary due to the implementation of GASB Statement No. 65.

We draw attention to Note I.D.9. to the financial statements, which describes a reclassification to beginning net position of governmental activities and to beginning balances of governmental funds totaling $268,536, which was necessary to reclassify the District Attorney General Fund from a special revenue fund to an agency fund.

As described in Note V.B., Williamson 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. *Williamson* 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 16 - 27 and the schedules of funding progress – pension plan and other postemployment benefits plans on pages 115 - 117 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 Williamson 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 and Rural Debt Service funds, combining and individual fund financial statements of the Williamson 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 and Rural Debt Service funds, combining and individual fund financial statements of the Williamson 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

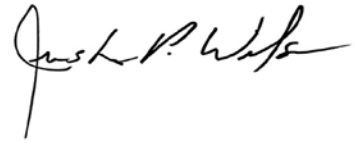
themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and Rural Debt Service funds, combining and individual fund financial statements of the Williamson 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 February 18, 2014, on our consideration of Williamson 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 Williamson County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

February 18, 2014

JPW/yu

Management's Discussion and Analysis

As management of Williamson County, Tennessee, we offer readers of Williamson County's financial statements this narrative overview and analysis of the financial activities of Williamson County, Tennessee, for the fiscal year ended June 30, 2013. This discussion and analysis focuses on the primary government only and does not include discussions of discretely presented component units.

Financial Highlights

- The liabilities and deferred inflows of Williamson County exceeded its assets and deferred outflows at the close of the fiscal year by $145,589,493 (net position). The liabilities include $336,836,000 in debt that is attributable to the Williamson County School Department.

- The government's total net position increased by $15,646,601.

- At June 30, 2013, Williamson County's governmental funds reported combined ending fund balances of $107,742,649, a decrease of $2,783,958 in comparison with the prior year.

- At June 30, 2013, unassigned fund balance for the General Fund was $25,376,318 or 37 percent of total General Fund expenditures.

- For the fiscal year ended June 30, 2013, Williamson County's total debt had a net decrease of $24,379,000. During the year, $31,014,000 of debt service principal payments were made, and $46,965,000 of existing debt was refunded. There was $11,710,000 of new debt issued, which was for various education and parks capital projects, while $41,890,000 of the new debt issued was for current and advance refunding of several General Obligation and Rural School bonds and other loans.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Williamson County's basic financial statements. The county's basic financial statements are composed of three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of Williamson County's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of Williamson County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Williamson County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Williamson County, which are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the county include general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; highway/public works; education; interest on long-term debt; and other debt service. The government-wide financial statements can be found on Exhibits A and B of this report.

The government-wide financial statements include not only Williamson County (known as the primary government), but also a legally separate School Department, Hospital District, and Emergency Communications District for which the county is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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

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

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

Williamson County maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General,

Highway/Public Works, General Debt Service, Rural Debt Service, and General Capital Projects funds all of which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Williamson County adopts an annual appropriated budget for all funds except the General Capital Projects and Constitutional Officers - Fees funds. A budgetary comparison schedule has been provided for the funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on Exhibits C-1 through C-6 of this report.

Proprietary fund. Williamson County has one proprietary fund. The county uses an internal service fund (Self-Insurance Fund) to account for the county's and School Department's self-insured health programs. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the internal service fund. The basic proprietary fund financial statements can be found on Exhibits D-1 through D-3 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the county's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on Exhibit E of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 48 through 113 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning pension information and other postemployment benefits information. Required supplementary information can be found after the basic financial statements section of this report.

The combining and individual fund statements and schedules for the nonmajor governmental funds can be found on Exhibits G-1 through G-4 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Williamson County, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $145,589,493 at the close of the fiscal year. The Constitution for the State of Tennessee allows only the local legislative body authorization to issue debt. Therefore, when the Williamson County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the county. As of June 30, 2013, the county had outstanding debt totaling $336,836,000 for capital purposes for the Williamson County Board of Education, but the capital assets are reported in the financial statements of the Williamson County Board of Education. As a result, the county has incurred the related liability without a corresponding increase in the county's capital assets, thereby significantly decreasing its unrestricted net position. Allocation of school debt to the Williamson County Board of Education resulted in Williamson County having net position of $191,246,507 at June 30, 2013.

The largest portion of Williamson County Government's net position totaling $107,419,265 reflects its investment in capital assets (e.g., land, intangibles, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding.

Williamson County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Williamson County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Williamson County's Net Position

	2013 Governmental Activities	2012 Governmental Activities
Current and Other Assets	$ 210,554,989	$ 200,737,349
Capital Assets	213,249,633	212,183,835
Deferred Outflows	8,240,706	0
Total Assets and Deferred Outflows of Resources	$ 432,045,328	$ 412,921,184
Long-term Liabilities Outstanding	$ 491,796,883	$ 498,184,169
Other Liabilities	7,895,509	75,973,109
Deferred Inflows	77,942,429	0
Total Liabilities and Deferred Inflows of Resources	$ 577,634,821	$ 574,157,278

Williamson County's Net Position (Cont.)

	2013 Governmental Activities	2012 Governmental Activities
Net Position:		
Net Investment in Capital Assets	$ 107,419,265	$ 99,422,897
Restricted	26,854,382	35,264,779
Unrestricted	(279,863,140)	(295,923,770)
Total Net Position	$ (145,589,493)	$ (161,236,094)

An additional portion of Williamson County's net position totaling $26,854,382 represents resources that are subject to external restrictions on how they may be used. The restricted net position includes capital projects, debt service, highway, all of the nonmajor funds, and other county general restricted or grant restrictions not accounted for in unrestricted net position.

Governmental activities. Governmental activities increased Williamson County's net position by $15,646,601. Of this amount, $18,977,779 reflects the change in net position while $3,062,642 was due to restatement of debt issuance cost because of changes in reporting and $268,536 was due to reclassifying the District Attorney General Fund from a special revenue fund to an agency fund. Elements of this increase are noted below:

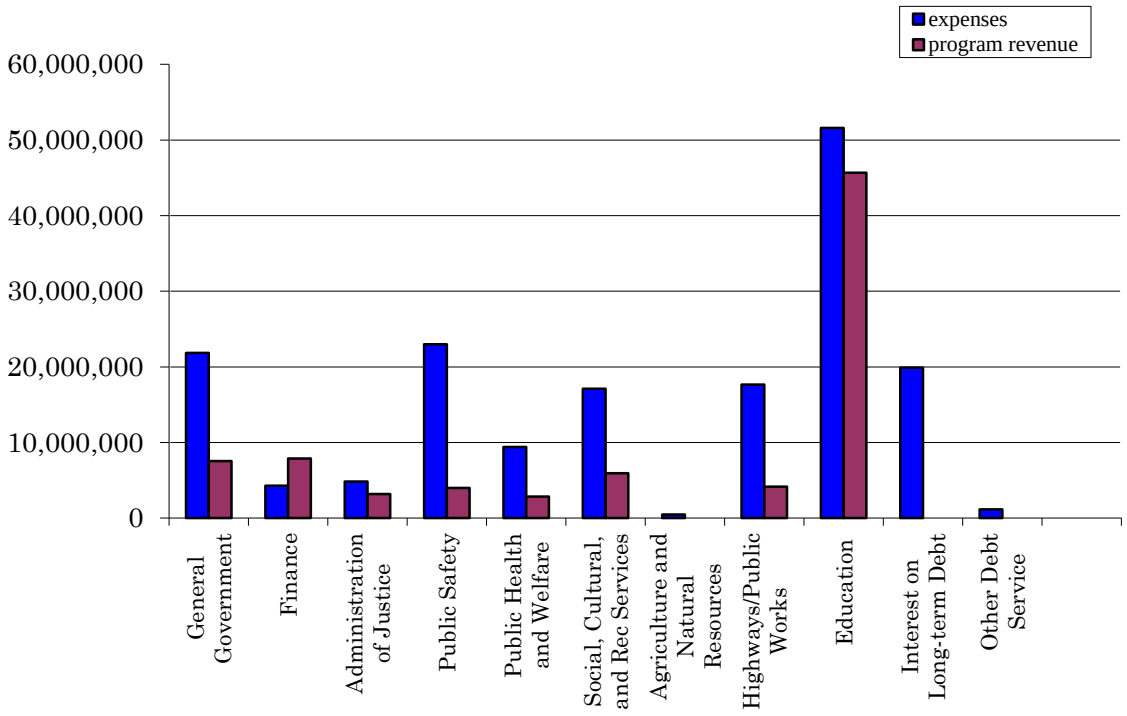
Williamson County's Changes in Net Position

	2013 Governmental Activities	2012 Governmental Activities
Revenues:		
Program Revenues:		
Charges for Services	$ 68,961,143	$ 67,543,494
Operating Grants and Contributions	8,255,407	6,653,830
Capital Grants and Contributions	4,015,848	1,236,756
Total Program Revenues	$ 81,232,398	$ 75,434,080
General Revenues:		
Property Taxes Levied for General Purposes	$ 39,388,208	$ 38,916,230
Property Taxes Levied for Debt Service	38,503,490	37,954,827
Local Option Sales Tax	1,103,506	1,430,829
Hotel/Motel Tax	3,259,702	3,124,796
Wheel Tax	3,999,845	3,870,520
Litigation Tax	755,666	842,891
Business Tax	4,376,230	4,136,082

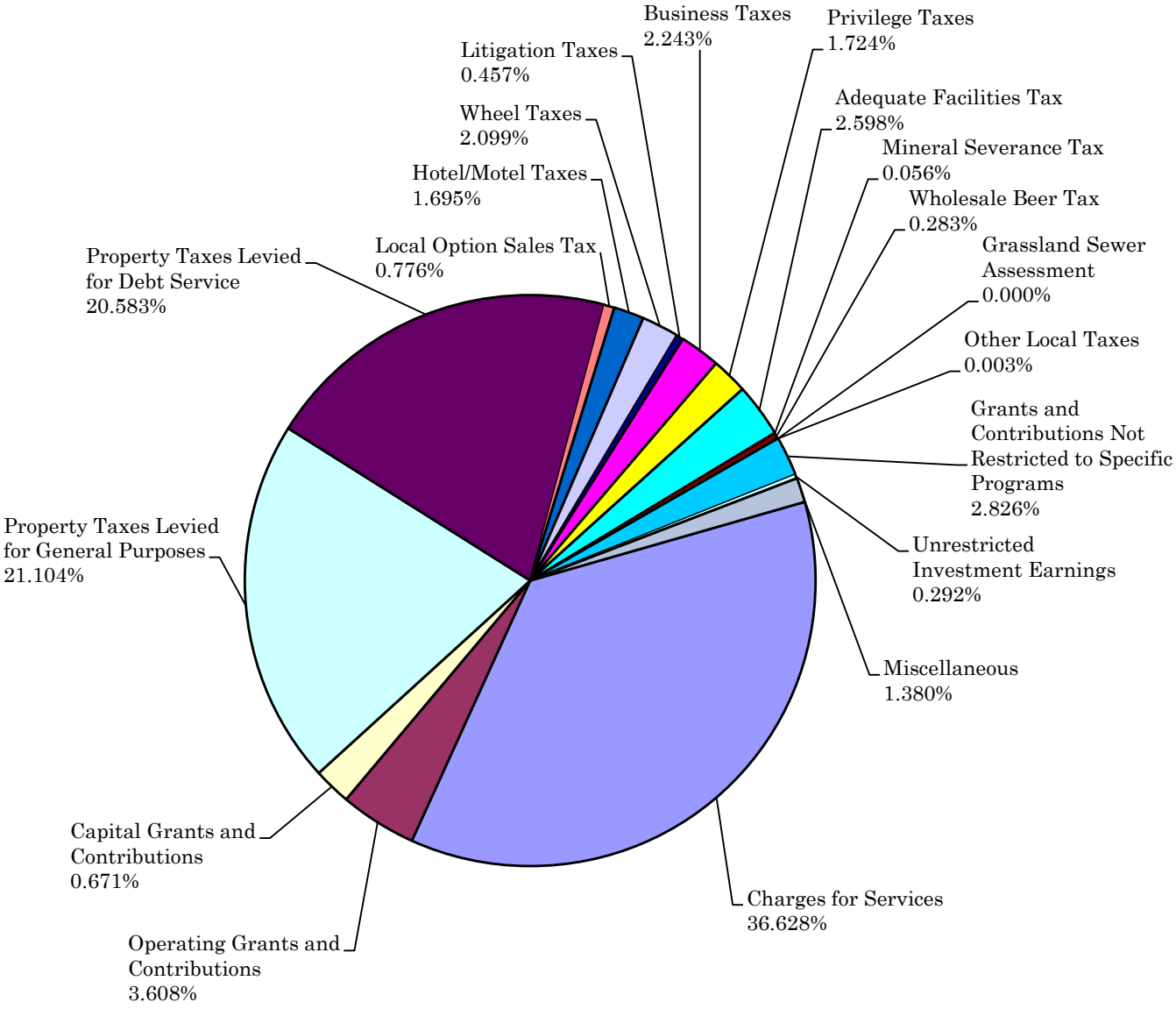
Williamson County's Changes in Net Position (Cont.)

	2013 Governmental Activities	2012 Governmental Activities
Privilege Taxes	$ 3,899,135	$ 3,179,851
Adequate Facilities Tax	5,750,950	4,791,653
Mineral Severance Tax	152,137	103,725
Wholesale Beer Tax	553,315	522,336
Grassland Sewer Assessment	0	2,141,194
Other Local Taxes	0	4,920
Grants and Contributions Not Restricted to Specific Programs	4,250,762	5,211,334
Unrestricted Investment Earnings	424,681	537,573
Miscellaneous	2,626,757	2,199,255
Total General Revenues	$ 109,044,384	$ 108,968,116
Total Revenues	$ 190,276,782	$ 184,402,196
Expenses:		
Governmental Activities:		
General Government	$ 21,861,022	$ 21,056,256
Finance	4,292,437	4,956,776
Administration of Justice	4,851,059	4,722,850
Public Safety	22,972,708	22,777,300
Public Health and Welfare	9,422,469	9,235,675
Social, Cultural, and Recreational Services	17,120,630	17,731,953
Agriculture and Natural Resources	469,184	404,814
Highway/Public Works	17,670,024	11,158,466
Education	51,596,342	47,337,904
Interest on Long-term Debt	19,899,850	20,875,585
Other Debt Service	1,143,278	825,856
Total Expenses	$ 171,299,003	$ 161,083,435
Change in Net Position	$ 18,977,779	$ 23,318,761
Restatement/Reclassification	(3,331,178)	0
Net Position - July 1,	(161,236,094)	(184,554,855)
Net Position - June 30,	$ (145,589,493)	$ (161,236,094)

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the Government's Funds

As noted earlier, Williamson County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Williamson County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Williamson County's financing requirements.

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 purpose for which amounts in these funds may be spent. These classifications may consist of the following: nonspendable, restricted, committed, assigned, or unassigned.

Nonspendable Fund Balance – As of June 30, 2013, Williamson County does not report any nonspendable fund balance. Nonspendable fund balance would primarily include amounts that cannot be spent because either (a) they are not in spendable form or (b) they are legally or contractually required to be maintained intact.

Restricted Fund Balance – As of June 30, 2013, Williamson County reports $28,974,898 in restricted fund balance, which 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 – As of June 30, 2013, Williamson County reports $41,597,771 in committed fund balance, which includes amounts that are constrained by the county's intent to be used for specific purposes pursuant to constraints imposed by formal resolution of the County Commission, the county's highest level of decision-making authority.

Assigned Fund Balance – As of June 30, 2013, Williamson County reports $11,793,662 in assigned fund balance, which includes amounts that are constrained by the county's intent to be used for specific purposes that are neither restricted nor committed.

Unassigned Fund Balance – As of June 30, 2013, Williamson County reports $25,376,318 in unassigned fund balance. This classification represents fund balance that has not been restricted, committed, or assigned for specific purposes within the General Fund.

As of the end of the current fiscal year, Williamson County's governmental funds reported combined ending fund balances of $107,742,649, a decrease of $2,783,958 in comparison with the prior year. Approximately 24 percent of this total amount ($25,376,318) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted, committed, or assigned to indicate that it is not available for new spending.

The General Fund is the chief operating fund of Williamson County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $25,376,318 while total fund balance was $38,454,118. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 37 percent of total General Fund expenditures, while total fund balance represents 56 percent of that same amount.

The fund balance of the General Fund decreased $1,076,394 from the prior year. The primary factor of the decrease was the funding of 32 school resource officers.

The fund balance of the Highway/Public Works Fund had an increase of $979,794 during the current fiscal year. The primary factors of the increase were revenues exceeded projections and expenditures were less than budgeted.

The fund balance of the General Debt Service Fund had a net decrease of $3,812,969 from the prior year due to the payment of debt service.

The fund balance of the Rural Debt Service Fund had a net decrease of $658,955 from the previous year.

The fund balance of the General Capital Projects Fund had a net increase of $1,992,335 from the prior year due to ongoing construction projects.

Proprietary fund. Williamson County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

General and Highway/Public Works Funds Budgetary Highlights

The final amended budget for General Fund expenditures reflected an increase of seven percent above the original budget.

During the current fiscal year, the final amended budget for the Highway/Public Works Fund expenditures reflected an increase of 16 percent above the original budget.

Capital Assets and Debt Administration

Capital assets. Williamson County's investment in capital assets for its governmental activities as of June 30, 2013, totaled $213,249,633 (net of accumulated depreciation). This investment in capital assets includes land, intangibles, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net increase in Williamson County's investment in capital assets for the current fiscal year was $1,065,798. There were several factors that contributed to the net increase of which one was the purchase of 44 sheriff patrol vehicles. There were also various equipment purchases for general government, highway, and landfill purposes. Construction in progress totaling $2,879,593 reflects Williamson County's various ongoing construction and renovation projects within the general operations, the parks and recreation facilities, convenience center improvements, emergency operations buildings, and the upgrade of finance software.

Williamson County's Capital Assets
As of June 30
(net of depreciation)

	2013 Governmental Activities	2012 Governmental Activities
Land	$ 58,046,253	$ 57,591,590
Intangibles - Indefinite Life	5,645,500	5,645,500
Construction in Progress	2,879,593	937,840
Buildings and Improvements	99,949,992	101,238,453
Other Capital Assets	20,681,599	20,235,892
Intangibles	73,733	116,278
Infrastructure	25,972,963	26,418,282
Total	$ 213,249,633	$ 212,183,835

Long-term debt. At the end of the current fiscal year, Williamson County had total bonded debt outstanding of $422,375,000 and $18,430,000 in notes. All debt is backed by the full faith and credit of the county. Of the amount outstanding for governmental activities, $336,836,000 reflects the balance of borrowings for education capital projects for the Williamson County Board of Education, which makes up 76.4 percent of Williamson County's outstanding debt.

Williamson County's Outstanding Debt
As of June 30

	2013 Governmental Activities	2012 Governmental Activities
Bonds Payable	$ 422,375,000	$ 451,090,000
Other Loans Payable	0	7,374,000
Notes Payable	18,430,000	6,720,000
Total	$ 440,805,000	$ 465,184,000

- For the fiscal year ended June 30, 2013, Williamson County's total debt had a net decrease of $24,379,000. During the year, $31,014,000 of debt service principal payments was made and $46,965,000 of existing debt was refunded. New debt totaling $11,710,000 was issued for various education capital projects, while $41,890,000 of the new debt issued was for current and advance refunding of general obligation and rural school bonds and other loans.

- The new debt issues for Williamson County are comprised of the following:

  a) General Bond Anticipation Notes of $8,540,000 were issued for various school construction projects, school building renovations, and improvement projects and parks renovation and building projects.

  b) Rural or county district school Bond Anticipation Notes of $3,170,000 were issued for various school construction projects, school building renovations, and improvement projects.

  c) General Obligation Refunding Bonds of $30,085,000 were issued for the current and advance refunding of several general obligation bonds and the Montgomery County Building Authority Loan Agreements.

  d) County District School Refunding Bonds of $11,805,000 were issued for the advance refunding of several county district (rural) school bonds.

The county maintains an Aaa bond rating from Moody's for general and rural obligation debt.

Additional information on the county's long-term debt can be found in Exhibits K-1 and K-2 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the county as of June 30, 2013, was 6.1 percent, which is a .2 percent increase from the 2012 rate of 5.9 percent. This compares to the state's average unemployment rate of 8.1 percent and the national average rate of 8.2 percent.

- The occupancy rate of the government's central business district for the past three years was 93.5 percent for 2011, 95.7 percent for 2012, and 96.7 percent for 2013.

- Inflationary trends in the region compare favorably to national indices.

- Assessed property value within the county is in excess of $8.5 billion.

All of these factors were considered in preparing the county's budget for the 2014 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of Williamson County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Accounts and Budgets at 1320 West Main Street, Suite 125, Franklin, TN 37064.

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government	Component Units		
	Governmental Activities	Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
ASSETS				
Cash	$ 1,457,255	$ 232,028	$ 18,035,636	$ 2,119,697
Equity in Pooled Cash and Investments	111,205,432	49,512,825	0	0
Accounts Receivable	1,412,889	390,474	25,513,028	150,675
Allowance for Uncollectibles	0	0	(8,316,696)	0
Property Taxes Receivable	79,757,512	101,614,333	0	0
Allowance for Uncollectible Property Taxes	(813,596)	(971,163)	0	0
Due from Other Governments	5,900,971	7,202,208	0	61,255
Prepaid Items	0	0	724,899	0
Cash Shortage	145,269	0	0	0
Inventories	0	0	3,381,424	0
Investment in Joint Venture	6,794,625	0	8,159,950	0
Goodwill and Other Intangible Assets	0	0	1,732,362	0
Other Receivable	0	0	390,301	0
Notes Receivable - Long-term	4,694,632	0	0	0
Restricted Assets:				
Customer Deposits	0	0	863,131	0
Bond Reserves	0	0	3,114,325	0
Capital Improvements	0	0	42,835,445	0
Capital Assets:				
Assets Not Depreciated:				
Land	58,046,253	34,255,744	7,449,198	0
Intangibles	5,645,500	0	0	0
Construction in Progress	2,879,593	1,579,471	1,182,230	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	99,949,992	326,422,621	88,614,434	0
Other Capital Assets	20,681,599	19,040,106	19,909,406	138,102
Intangibles	73,733	592,962	0	0
Infrastructure	25,972,963	0	0	0
Total Assets	$ 423,804,622	$ 539,871,609	$ 213,589,073	$ 2,469,729
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	$ 8,240,706	$ 0	$ 0	$ 0
Total Deferred Outflows of Resources	$ 8,240,706	$ 0	$ 0	$ 0

(Continued)

Exhibit A

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

	Primary Government	Component Units		
	Governmental Activities	Williamson County School Department	Williamson County Hospital District	Williamson County Emergency Communications District
LIABILITIES				
Accounts Payable	$ 41,131	$ 659,072	$ 4,294,838	$ 4,018
Accrued Payroll	0	13,725,695	6,645,614	0
Payroll Deductions Payable	0	2,213,569	0	0
Contracts Payable	0	462,838	0	0
Retainage Payable	0	19,702	0	0
Accrued Interest Payable	4,820,794	0	119,798	0
Due to Litigants, Heirs, and Others	3,400	0	0	8,717
Other Accrued Expenses	0	0	2,425,464	0
Other Current Liabilities	19,728	0	0	0
Estimated Amounts Due to Third-party Payors	0	0	150,000	0
Customer Deposits Payable	3,010,456	220,905	0	0
Noncurrent Liabilities:				
Due Within One Year	56,757,196	449,029	10,139,831	0
Due in More Than One Year (net of unamortized premium on debt)	435,039,687	103,073,678	30,105,404	0
Total Liabilities	$ 499,692,392	$ 120,824,488	$ 53,880,949	$ 12,735
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	$ 77,942,429	$ 99,519,675	$ 0	$ 0
Total Deferred Inflows of Resources	$ 77,942,429	$ 99,519,675	$ 0	$ 0
NET POSITION				
Net Investment in Capital Assets	$ 107,419,265	$ 381,890,904	$ 76,910,033	$ 138,102
Restricted for:				
Capital Projects	1,962,831	0	0	0
Debt Service	19,572,588	0	0	0
Highways	3,913,197	0	0	0
Solid Waste	123,949	0	0	0
Instruction	0	72,185	0	0
Academic Excellence	0	2,525	0	0
Career Ladder	0	94,656	0	0
Drug Control	72,783	0	0	0
Automation Purposes - Register	356,190	0	0	0
Automation Purposes - County Clerk	75,043	0	0	0
Unclaimed Property	37,419	0	0	0
Drug Court	42,300	0	0	0
Courtroom Security	403,747	0	0	0
Victims Assistance Program	86,904	0	0	0
Automation Purposes - Administration of Justice	106,247	0	0	0
Automation Purposes - Sheriff	38,347	0	0	0
Alcohol and Drug Treatment	51,850	0	0	0
Sexual Offender Registration	10,987	0	0	0
Hospital	0	0	909,690	0
Unrestricted	(279,863,140)	(62,532,824)	81,888,401	2,318,892
Total Net Position	$ (145,589,493)	$ 319,527,446	$ 159,708,124	$ 2,456,994

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

Exhibit B

Williamson 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	Net (Expense) Revenue and Changes in Net Position: Component Units: Williamson County School Department	Net (Expense) Revenue and Changes in Net Position: Component Units: Williamson County Hospital District	Net (Expense) Revenue and Changes in Net Position: Component Units: Williamson County Emergency Communications District
Primary Government:								
Governmental Activities:								
General Government	$ 21,861,022	$ 4,477,379	$ 1,513,294	$ 1,578,228	$ (14,292,121)	$ 0	$ 0	$ 0
Finance	4,292,437	7,741,186	162,067	0	3,610,816	0	0	0
Administration of Justice	4,851,059	3,143,366	0	42,495	(1,665,198)	0	0	0
Public Safety	22,972,708	1,955,660	1,774,104	249,653	(18,993,291)	0	0	0
Public Health and Welfare	9,422,469	1,662,716	1,183,758	0	(6,575,995)	0	0	0
Social, Cultural, and Recreational Services	17,120,630	4,266,144	687,182	996,006	(11,171,298)	0	0	0
Agriculture and Natural Resources	469,184	0	0	0	(469,184)	0	0	0
Highway/Public Works	17,670,024	62,972	2,935,002	1,149,466	(13,522,584)	0	0	0
Education	51,596,342	45,651,720	0	0	(5,944,622)	0	0	0
Interest on Long-term Debt	19,899,850	0	0	0	(19,899,850)	0	0	0
Other Debt Service	1,143,278	0	0	0	(1,143,278)	0	0	0
Total Primary Government	$ 171,299,003	$ 68,961,143	$ 8,255,407	$ 4,015,848	$ (90,066,605)	$ 0	$ 0	$ 0
Component Units:								
Williamson County School Department	$ 299,628,651	$ 11,499,634	$ 13,082,067	$ 8,754,164	$ 0	$ (266,292,786)	$ 0	$ 0
Williamson County Hospital District	152,563,522	156,534,577	0	135,180	0	0	4,106,235	0
Emergency Communications District	1,494,709	1,731,469	0	0	0	0	0	236,760
Total Component Units	$ 453,686,882	$ 169,765,680	$ 13,082,067	$ 8,889,344	$ 0	$ (266,292,786)	$ 4,106,235	$ 236,760
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					$ 39,388,208	$ 97,419,733	$ 0	$ 0
Property Taxes Levied for Debt Service					38,503,490	0	0	0
Local Option Sales Tax					1,103,506	39,549,213	0	0
Hotel/Motel Tax					3,259,702	0	0	0
Wheel Tax					3,999,845	0	0	0
Litigation Tax					755,666	0	0	0
Business Tax					4,376,230	0	0	0
Privilege Tax					3,899,135	0	0	0

(Continued)

Exhibit B

Williamson 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	Component Units: Williamson County School Department	Component Units: Williamson County Hospital District	Component Units: Williamson County Emergency Communications District
General Revenues (Cont.):								
Taxes (Cont.):								
Adequate Facilities Tax					$ 5,750,950	$ 0	$ 0	$ 0
Mineral Severance Tax					152,137	0	0	0
Wholesale Beer Tax					553,315	0	0	0
Other Local Taxes					0	13,408	0	0
Grants and Contributions Not Restricted to Specific Programs					4,250,762	106,344,292	1,943,624	231,962
Unrestricted Investment Income					424,681	217,014	441,356	12,247
Miscellaneous					2,626,757	288,944	212,692	0
Total General Revenues					$ 109,044,384	$ 243,832,604	$ 2,597,672	$ 244,209
Change in Net Position					$ 18,977,779	$ (22,460,182)	$ 6,703,907	$ 480,969
Reclassification - See Note I.D.9.					(268,536)	0	0	0
Restatement - See Note I.D.8.					(3,062,642)	0	0	0
Net Position, July 1, 2012					(161,236,094)	341,987,628	153,004,217	1,976,025
Net Position, June 30, 2013					$ (145,589,493)	$ 319,527,446	$ 159,708,124	$ 2,456,994

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

Exhibit C-1

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

	Major Funds					Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
ASSETS							
Cash	$ 15,280	$ 0	$ 0	$ 0	$ 0	$ 3,975	$ 19,255
Equity in Pooled Cash and Investments	35,376,405	14,966,970	13,381,758	7,728,485	26,569,923	4,350,653	102,374,194
Accounts Receivable	175,050	0	1,110,265	0	0	93,830	1,379,145
Due from Other Governments	4,061,683	545,362	0	200,000	1,058,926	35,000	5,900,971
Due from Other Funds	10,784	0	0	0	26,537	0	37,321
Property Taxes Receivable	35,794,766	990,653	26,181,076	13,537,013	0	3,254,004	79,757,512
Allowance for Uncollectible Property Taxes	(347,512)	(25,624)	(251,176)	(148,592)	0	(40,692)	(813,596)
Cash Shortage	145,269	0	0	0	0	0	145,269
Notes Receivable - Long-term	0	0	4,694,632	0	0	0	4,694,632
Total Assets	$ 75,231,725	$ 16,477,361	$ 45,116,555	$ 21,316,906	$ 27,655,386	$ 7,696,770	$ 193,494,703
LIABILITIES							
Accounts Payable	$ 22,547	$ 288	$ 0	$ 0	$ 0	$ 0	$ 22,835
Claims and Judgments Payable	413,000	47,500	0	0	0	6,500	467,000
Due to Other Funds	26,537	0	0	0	10,784	0	37,321
Due to Litigants, Heirs, and Others	0	0	0	0	0	3,400	3,400
Other Current Liabilities	0	0	0	0	0	19,728	19,728
Current Liabilities Payable from Restricted Assets:							
Customer Deposits Payable	0	0	0	0	3,010,456	0	3,010,456
Total Liabilities	$ 462,084	$ 47,788	$ 0	$ 0	$ 3,021,240	$ 29,628	$ 3,560,740
DEFERRED INFLOWS OF RESOURCES							
Deferred Current Property Taxes	$ 35,038,881	$ 916,413	$ 25,638,205	$ 13,193,957	$ 0	$ 3,154,973	$ 77,942,429
Deferred Delinquent Property Taxes	381,373	46,616	246,695	169,463	0	51,839	895,986
Other Deferred/Unavailable Revenue	895,269	259,347	1,094,839	100,000	980,777	22,667	3,352,899
Total Deferred Inflows of Resources	$ 36,315,523	$ 1,222,376	$ 26,979,739	$ 13,463,420	$ 980,777	$ 3,229,479	$ 82,191,314
FUND BALANCES							
Restricted:							
Restricted for General Government	$ 356,190	$ 0	$ 0	$ 0	$ 0	$ 0	$ 356,190
Restricted for Finance	112,462	0	0	0	0	0	112,462
Restricted for Administration of Justice	639,198	0	0	0	0	0	639,198
Restricted for Public Safety	49,334	0	0	0	0	72,783	122,117
Restricted for Public Health and Welfare	51,850	0	0	0	0	49,443	101,293
Restricted for Highways/Public Works	0	3,607,234	0	0	0	0	3,607,234

(Continued)

Exhibit C-1

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

	Major Funds					Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
FUND BALANCES (Cont.)							
Restricted (Cont.):							
Restricted for Capital Outlay	$ 0	$ 0	$ 0	$ 0	$ 9,225,262	$ 0	$ 9,225,262
Restricted for Debt Service	0	0	14,811,142	0	0	0	14,811,142
Committed:							
Committed for General Government	24,272	0	0	0	0	0	24,272
Committed for Administration of Justice	145	0	0	0	0	0	145
Committed for Public Health and Welfare	0	0	0	0	0	4,315,437	4,315,437
Committed for Social, Cultural, and Recreational Services	43,335	0	0	0	0	0	43,335
Committed for Highways/Public Works	0	11,599,963	0	0	0	0	11,599,963
Committed for Capital Outlay	0	0	0	0	14,428,107	0	14,428,107
Committed for Debt Service	0	0	3,325,674	7,853,486	0	0	11,179,160
Committed for Other Purposes	7,352	0	0	0	0	0	7,352
Assigned:							
Assigned for General Government	190,024	0	0	0	0	0	190,024
Assigned for Finance	99,771	0	0	0	0	0	99,771
Assigned for Administration of Justice	4,730	0	0	0	0	0	4,730
Assigned for Public Safety	547,604	0	0	0	0	0	547,604
Assigned for Public Health and Welfare	29,224	0	0	0	0	0	29,224
Assigned for Social, Cultural, and Recreational Services	166,650	0	0	0	0	0	166,650
Assigned for Agriculture and Natural Resources	2,071	0	0	0	0	0	2,071
Assigned for Other Purposes	10,753,588	0	0	0	0	0	10,753,588
Unassigned	25,376,318	0	0	0	0	0	25,376,318
Total Fund Balances	$ 38,454,118	$ 15,207,197	$ 18,136,816	$ 7,853,486	$ 23,653,369	$ 4,437,663	$ 107,742,649
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 75,231,725	$ 16,477,361	$ 45,116,555	$ 21,316,906	$ 27,655,386	$ 7,696,770	$ 193,494,703

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

Exhibit C-2

Williamson 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)			$ 107,742,649
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	$	58,046,253	
Add: intangibles		5,645,500	
Add: construction in progress		2,879,593	
Add: buildings and improvements net of accumulated depreciation		99,949,992	
Add: other capital assets net of accumulated depreciation		20,681,599	
Add: intangibles net of accumulated depreciation		73,733	
Add: infrastructure net of accumulated depreciation		25,972,963	213,249,633
(2) Investment in joint venture used in governmental activities is not a financial resource and therefore is not reported in governmental funds.			6,794,625
(3) Internal service funds are used to account for the county's and School Department's self-insured health programs. The assets and liabilities are included in governmental activities in the statement of net position.			4,116,850
(4) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Add: deferred amount on refunded debt	$	8,240,706	
Less: unamortized debt premiums		(21,813,437)	
Less: notes payable		(18,430,000)	
Less: bonds payable		(422,375,000)	
Less: accrued interest on bonds and notes		(4,820,794)	
Less: landfill closure/postclosure care costs		(66,030)	
Less: other postemployment benefits liability		(20,070,220)	
Less: compensated absences payable		(2,407,360)	(481,742,135)
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			4,248,885
Net position of governmental activities (Exhibit A)			$ (145,589,493)

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

Exhibit C-3

Williamson 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	Rural Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Revenues							
Local Taxes	$ 41,549,547	$ 7,932,712	$ 25,785,118	$ 14,395,811	$ 12,415,789	$ 3,125,021	$ 105,203,998
Licenses and Permits	1,482,948	0	0	0	0	0	1,482,948
Fines, Forfeitures, and Penalties	763,377	0	0	0	0	40,857	804,234
Charges for Current Services	5,461,211	0	0	0	0	767,976	6,229,187
Other Local Revenues	797,470	141,631	455,681	40,409	47,590	374,690	1,857,471
Fees Received from County Officials	11,790,560	0	0	0	0	0	11,790,560
State of Tennessee	5,635,694	3,423,930	0	0	41,410	216,101	9,317,135
Federal Government	2,370,874	0	677,769	953,632	411,315	0	4,413,590
Other Governments and Citizens Groups	733,660	8,037	218,318	0	687,182	4,450	1,651,647
Total Revenues	$ 70,585,341	$ 11,506,310	$ 27,136,886	$ 15,389,852	$ 13,603,286	$ 4,529,095	$ 142,750,770
Expenditures							
Current:							
General Government	$ 10,557,521	$ 0	$ 0	$ 0	$ 0	$ 0	$ 10,557,521
Finance	3,481,714	0	0	0	0	0	3,481,714
Administration of Justice	3,596,676	0	0	0	0	0	3,596,676
Public Safety	17,539,792	0	0	0	0	59,721	17,599,513
Public Health and Welfare	4,109,558	0	0	0	0	3,384,126	7,493,684
Social, Cultural, and Recreational Services	12,080,720	0	0	0	0	0	12,080,720
Agriculture and Natural Resources	348,302	0	0	0	0	0	348,302
Other Operations	16,712,319	0	0	0	0	674,481	17,386,800
Highways	0	10,626,516	0	0	0	0	10,626,516
Debt Service:							
Principal on Debt	0	0	19,479,000	11,535,000	0	0	31,014,000
Interest on Debt	0	0	10,926,725	9,235,368	0	0	20,162,093
Other Debt Service	0	0	756,615	386,663	0	0	1,143,278
Capital Projects	0	0	0	0	10,344,947	0	10,344,947
Capital Projects - Donated	0	0	0	0	8,690,000	0	8,690,000
Total Expenditures	$ 68,426,602	$ 10,626,516	$ 31,162,340	$ 21,157,031	$ 19,034,947	$ 4,118,328	$ 154,525,764
Excess (Deficiency) of Revenues Over Expenditures	$ 2,158,739	$ 879,794	$ (4,025,454)	$ (5,767,179)	$ (5,431,661)	$ 410,767	$ (11,774,994)
Other Financing Sources (Uses)							
Notes Issued	$ 0	$ 0	$ 0	$ 0	$ 11,710,000	$ 0	$ 11,710,000
Refunding Debt Issued	0	0	30,085,000	11,805,000	0	0	41,890,000
Premiums on Debt Issued	0	0	5,387,103	1,467,495	0	0	6,854,598
Transfers In	66,412	100,000	0	5,000,000	3,579,700	0	8,746,112
Transfers Out	(3,301,545)	0	0	0	(7,865,704)	(350,000)	(11,517,249)

(Continued)

Exhibit C-3

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

	Major Funds					Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Other Financing Sources (Uses) (Cont.)							
Payments to Refunded Debt Escrow Agent	0	0	(35,259,618)	(13,164,271)	0	0	(48,423,889)
Total Other Financing Sources (Uses)	$ (3,235,133)	$ 100,000	$ 212,485	$ 5,108,224	$ 7,423,996	$ (350,000)	$ 9,259,572
Net Change in Fund Balances	$ (1,076,394)	$ 979,794	$ (3,812,969)	$ (658,955)	$ 1,992,335	$ 60,767	$ (2,515,422)
Reclassification	0	0	0	0	0	(268,536)	(268,536)
Fund Balance, July 1, 2012	39,530,512	14,227,403	21,949,785	8,512,441	21,661,034	4,645,432	110,526,607
Fund Balance, June 30, 2013	$ 38,454,118	$ 15,207,197	$ 18,136,816	$ 7,853,486	$ 23,653,369	$ 4,437,663	$ 107,742,649

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

Exhibit C-4

Williamson 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)			$ (2,515,422)
(1)	Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
	Add: capital assets purchased in the current period	$ 6,136,590	
	Less: current-year depreciation expense	(7,399,590)	(1,263,000)
(2)	The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
	Add: assets donated and capitalized	$ 3,160,675	
	Less: loss on disposal of capital assets	(831,877)	2,328,798
(3)	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
	Less: deferred delinquent property taxes and other deferred June 30, 2012	$ (3,576,073)	
	Add: deferred delinquent property taxes and other deferred June 30, 2013	4,248,885	672,812
(4)	The issuance of long-term debt (e.g., notes, other loans, bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:		
	Less: note proceeds	$ (11,710,000)	
	Less: refunding debt proceeds	(41,890,000)	
	Less: change in deferred amount on refunding debt	(1,368,699)	
	Add: change in premium on debt issuances	2,444,993	
	Less: premium on debt issued during the year	(6,854,598)	
	Add: payment to refunding agent	48,423,889	
	Add: principal payments on other loans	859,000	
	Add: principal payments on bonds	30,155,000	20,059,585
(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	$ (459)	
	Change in other postemployment benefits liability	(3,695,150)	
	Change in landfill closure/postclosure care costs	(1,231)	
	Change in compensated absences payable	(186,779)	(3,883,619)
(6)	Internal service funds are used to account for the county's and School Department's self-insured health programs. The net revenue of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		3,578,625
Change in net position of governmental activities (Exhibit B)			$ 18,977,779

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

Exhibit C-5

Williamson 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	$ 41,549,547	$ 0	$ 0	$ 41,549,547	$ 37,533,460	$ 37,533,460	$ 4,016,087
Licenses and Permits	1,482,948	0	0	1,482,948	1,140,000	1,140,000	342,948
Fines, Forfeitures, and Penalties	763,377	0	0	763,377	412,500	427,500	335,877
Charges for Current Services	5,461,211	0	0	5,461,211	5,058,600	5,064,460	396,751
Other Local Revenues	797,470	0	0	797,470	765,500	770,778	26,692
Fees Received from County Officials	11,790,560	0	0	11,790,560	11,400,000	11,400,000	390,560
State of Tennessee	5,635,694	0	0	5,635,694	4,178,700	3,964,842	1,670,852
Federal Government	2,370,874	0	0	2,370,874	2,403,202	3,529,962	(1,159,088)
Other Governments and Citizens Groups	733,660	0	0	733,660	225,000	631,340	102,320
Total Revenues	$ 70,585,341	$ 0	$ 0	$ 70,585,341	$ 63,116,962	$ 64,462,342	$ 6,122,999
Expenditures							
General Government							
County Commission	$ 801,394	$ (3,850)	$ 3,500	$ 801,044	$ 670,635	$ 855,735	$ 54,691
Board of Equalization	4,801	0	0	4,801	7,700	7,700	2,899
Beer Board	2,325	0	0	2,325	2,700	2,700	375
Other Boards and Committees	825	0	0	825	3,300	3,300	2,475
County Mayor/Executive	427,221	(130)	2,592	429,683	739,100	739,100	309,417
Personnel Office	200,483	0	0	200,483	256,598	256,598	56,115
County Attorney	507,022	0	0	507,022	665,000	665,000	157,978
Election Commission	788,563	(5,540)	157	783,180	853,560	885,173	101,993
Register of Deeds	608,301	0	0	608,301	591,017	678,517	70,216
Development	2,080,833	(8,213)	3,902	2,076,522	2,280,966	2,280,966	204,444
Planning	11,824	(7,100)	4,751	9,475	23,855	23,855	14,380
Building	26,700	0	3,325	30,025	36,125	36,125	6,100
Engineering	18,633	(8,434)	15,027	25,226	47,997	47,997	22,771
Codes Compliance	5,750	(5,500)	2,520	2,770	50,381	50,381	47,611
Geographical Information Systems	1,441,924	(255,088)	37,937	1,224,773	1,204,296	1,252,796	28,023
County Buildings	2,936,372	(136,006)	107,999	2,908,365	3,153,050	3,153,050	244,685

(Continued)

Exhibit C-5

Williamson 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.)							
General Government (Cont.)							
Other Facilities	$ 101,953	$ 0	$ 0	$ 101,953	$ 104,264	$ 104,264	$ 2,311
Preservation of Records	168,890	(581)	8,175	176,484	216,857	216,857	40,373
Risk Management	159,584	0	139	159,723	198,536	198,536	38,813
Other Risk Management	264,123	(205)	0	263,918	278,576	278,576	14,658
Finance							
Accounting and Budgeting	750,381	(42,131)	24,022	732,272	944,928	944,928	212,656
Property Assessor's Office	1,353,849	(93,129)	68,781	1,329,501	1,532,140	1,536,800	207,299
County Trustee's Office	507,441	(14,538)	6,284	499,187	574,997	574,997	75,810
County Clerk's Office	870,043	(3,009)	685	867,719	946,591	979,091	111,372
Administration of Justice							
Circuit Court	1,381,716	(10,437)	6,185	1,377,464	1,477,740	1,508,740	131,276
General Sessions Court	1,072,485	(20)	1,862	1,074,327	973,750	1,213,238	138,911
Drug Court	86,351	0	0	86,351	0	86,351	0
Chancery Court	419,367	0	743	420,110	416,611	425,136	5,026
Juvenile Court	401,429	0	0	401,429	412,298	412,298	10,869
Other Administration of Justice	150,959	0	0	150,959	178,386	178,386	27,427
Victims Assistance Programs	84,369	0	0	84,369	0	84,369	0
Public Safety							
Sheriff's Department	8,508,328	(73,061)	295,158	8,730,425	7,148,182	9,557,400	826,975
Traffic Control	74,063	(440)	0	73,623	102,432	102,432	28,809
Jail	5,256,725	(86,323)	153,428	5,323,830	5,316,395	5,519,495	195,665
Workhouse	162,979	(5,259)	7,956	165,676	199,309	201,809	36,133
Juvenile Services	1,381,139	(1,563)	5,844	1,385,420	1,377,540	1,412,540	27,120
Fire Prevention and Control	477,545	(44,059)	62,702	496,188	496,359	496,359	171
Other Emergency Management	6,354	(6,500)	2,378	2,232	25,000	25,000	22,768
County Coroner/Medical Examiner	186,600	0	0	186,600	188,520	188,520	1,920
Other Public Safety	1,486,059	(12,648)	20,136	1,493,547	1,494,859	1,675,547	182,000

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2012	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Public Health and Welfare							
Local Health Center	$ 900,056	$ (4,815)	$ 14,126	$ 909,367	$ 1,500,064	$ 1,504,064	$ 594,697
Rabies and Animal Control	1,051,550	(1,540)	9,615	1,059,625	987,127	1,098,053	38,428
Ambulance/Emergency Medical Services	1,943,624	0	0	1,943,624	1,943,624	1,943,624	0
Other Local Health Services	9,576	0	0	9,576	9,576	9,576	0
Regional Mental Health Center	21,780	0	0	21,780	21,780	21,780	0
Appropriation to State	103,816	0	0	103,816	103,816	103,816	0
General Welfare Assistance	17,617	0	0	17,617	17,617	17,617	0
Aid to Dependent Children	10,389	0	0	10,389	11,000	11,000	611
Other Public Health and Welfare	51,150	0	5,482	56,632	66,932	66,932	10,300
Social, Cultural, and Recreational Services							
Adult Activities	45,464	0	0	45,464	45,464	45,464	0
Senior Citizens Assistance	83,527	0	0	83,527	87,760	87,760	4,233
Libraries	2,019,375	(9,988)	20,530	2,029,917	1,973,318	2,145,727	115,810
Parks and Fair Boards	8,926,235	(58,246)	110,545	8,978,534	9,230,308	9,461,803	483,269
Other Social, Cultural, and Recreational	1,006,119	(210)	35,577	1,041,486	1,198,078	1,198,078	156,592
Agriculture and Natural Resources							
Agriculture Extension Service	300,663	0	2,071	302,734	353,261	353,261	50,527
Soil Conservation	47,639	0	0	47,639	47,643	47,643	4
Other Operations							
Other Economic and Community Development	192,309	(1,565)	0	190,744	299,434	192,309	1,565
Public Transportation	501,930	0	0	501,930	1,525,356	2,165,956	1,664,026
Veterans' Services	14,864	0	40	14,904	14,513	15,033	129
Other Charges	2,615,915	(51,611)	39,023	2,603,327	2,700,288	2,731,656	128,329
Employee Benefits	12,456,136	0	0	12,456,136	12,848,000	13,161,950	705,814
ARRA Grant # 1	0	0	0	0	0	119	119
ARRA Grant # 6	4,844	0	0	4,844	0	4,844	0
Miscellaneous	926,321	(2,500)	0	923,821	898,959	934,239	10,418
Total Expenditures	$ 68,426,602	$ (954,239)	$ 1,083,197	$ 68,555,560	$ 71,074,468	$ 76,182,966	$ 7,627,406

(Continued)

Exhibit C-5

Williamson 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)
Excess (Deficiency) of Revenues Over Expenditures	$ 2,158,739	$ 954,239	$ (1,083,197)	$ 2,029,781	$ (7,957,506)	$ (11,720,624)	$ 13,750,405
Other Financing Sources (Uses)							
Transfers In	$ 66,412	$ 0	$ 0	$ 66,412	$ 68,835	$ 68,835	$ (2,423)
Transfers Out	(3,301,545)	0	0	(3,301,545)	0	(3,301,545)	0
Total Other Financing Sources	$ (3,235,133)	$ 0	$ 0	$ (3,235,133)	$ 68,835	$ (3,232,710)	$ (2,423)
Net Change in Fund Balance	$ (1,076,394)	$ 954,239	$ (1,083,197)	$ (1,205,352)	$ (7,888,671)	$ (14,953,334)	$ 13,747,982
Fund Balance, July 1, 2012	39,530,512	(954,239)	0	38,576,273	35,987,974	35,987,974	2,588,299
Fund Balance, June 30, 2013	$ 38,454,118	$ 0	$ (1,083,197)	$ 37,370,921	$ 28,099,303	$ 21,034,640	$ 16,336,281

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

Exhibit C-6

Williamson 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	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	$ 7,932,712	$ 0	$ 0	$ 7,932,712	$ 7,877,149	$ 7,877,149	$ 55,563
Other Local Revenues	141,631	0	0	141,631	60,000	60,000	81,631
State of Tennessee	3,423,930	0	0	3,423,930	2,700,000	2,989,007	434,923
Other Governments and Citizens Groups	8,037	0	0	8,037	50,000	50,000	(41,963)
Total Revenues	$ 11,506,310	$ 0	$ 0	$ 11,506,310	$ 10,687,149	$ 10,976,156	$ 530,154
Expenditures							
Highways							
Administration	$ 761,419	$ (2,935)	$ 27,364	$ 785,848	$ 835,557	$ 885,557	$ 99,709
Highway and Bridge Maintenance	5,311,000	(611,454)	1,423,306	6,122,852	5,419,386	6,313,547	190,695
Operation and Maintenance of Equipment	1,581,591	(55,209)	295,211	1,821,593	1,725,380	2,012,780	191,187
Quarry Operations	471,877	(19,763)	70,181	522,295	745,817	745,817	223,522
Other Charges	444,017	0	0	444,017	755,000	755,000	310,983
Employee Benefits	1,299,424	0	0	1,299,424	1,335,200	1,335,200	35,776
Capital Outlay	757,188	(104,626)	35,788	688,350	180,000	734,626	46,276
Total Expenditures	$ 10,626,516	$ (793,987)	$ 1,851,850	$ 11,684,379	$ 10,996,340	$ 12,782,527	$ 1,098,148
Excess (Deficiency) of Revenues Over Expenditures	$ 879,794	$ 793,987	$ (1,851,850)	$ (178,069)	$ (309,191)	$ (1,806,371)	$ 1,628,302
Other Financing Sources (Uses)							
Transfers In	$ 100,000	$ 0	$ 0	$ 100,000	$ 100,000	$ 100,000	$ 0
Total Other Financing Sources	$ 100,000	$ 0	$ 0	$ 100,000	$ 100,000	$ 100,000	$ 0
Net Change in Fund Balance	$ 979,794	$ 793,987	$ (1,851,850)	$ (78,069)	$ (209,191)	$ (1,706,371)	$ 1,628,302
Fund Balance, July 1, 2012	14,227,403	(793,987)	0	13,433,416	13,483,415	13,483,415	(49,999)
Fund Balance, June 30, 2013	$ 15,207,197	$ 0	$ (1,851,850)	$ 13,355,347	$ 13,274,224	$ 11,777,044	$ 1,578,303

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

Exhibit D-1

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

	Governmental Activities - Internal Service Fund
	Self-Insurance Fund
ASSETS	
Current Assets:	
Cash with Paying Agent	$ 1,438,000
Equity in Pooled Cash and Investments	8,831,238
Accounts Receivable	33,744
Total Assets	$ 10,302,982
LIABILITIES	
Current Liabilities:	
Payroll Deductions Payable	$ 18,296
Claims and Judgments Payable	6,167,836
Total Liabilities	$ 6,186,132
NET POSITION	
Unrestricted	$ 4,116,850
Total Net Position	$ 4,116,850

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

Exhibit D-2

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

	Governmental Activities - Internal Service Fund
	Self - Insurance Fund
Operating Revenues	
Charges for Services	$ 52,386,635
Other Local Revenues	4,277,752
Federal Government	42,481
Total Operating Revenues	$ 56,706,868
Operating Expenses	
Handling Charges and Administrative Costs	$ 5,223,831
Life Insurance	152,325
Dental Insurance	3,013,580
Flexible Benefit Charges	461,250
Medical Claims	35,355,907
Other Self-Insured Claims	8,921,350
Total Operating Expenses	$ 53,128,243
Operating Income (Loss)	$ 3,578,625
Net Position, July 1, 2012	538,225
Net Position, June 30, 2013	$ 4,116,850

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

Exhibit D-3

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

	Governmental Activities - Internal Service Fund
	Self - Insurance Fund
Cash Flows from Operating Activities	
Receipts from Interfund Services Provided	$ 43,172,495
Receipts from Customers and Users	13,496,950
Other Cash Receipts	42,481
Payments to Suppliers	(53,177,363)
Net Cash Provided By (Used In) Operating Activities	$ 3,534,563
Increase (Decrease) in Cash	$ 3,534,563
Cash, July 1, 2012	6,734,675
Cash, June 30, 2013	$ 10,269,238
Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities	
Operating Income (Loss)	$ 3,578,625
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
(Increase) Decrease in Accounts Receivable	5,058
Increase (Decrease) in Accounts Payable	(1,517,520)
Increase (Decrease) in Claims and Judgments Payable	1,468,400
Net Cash Provided By (Used In) Operating Activities	$ 3,534,563
Reconciliation of Cash With Statement of Net Position	
Cash With Paying Agent Per Net Position	$ 1,438,000
Equity in Pooled Cash and Investments Per Net Position	8,831,238
Cash, June 30, 2013	$ 10,269,238

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

Exhibit E

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

	Agency Funds
ASSETS	
Cash	$ 6,693,393
Equity in Pooled Cash and Investments	3,095,738
Investments	18,062
Accounts Receivable	46,596
Due from Other Governments	7,735,527
Taxes Receivable	10,950,335
Allowance for Uncollectible Taxes	(104,656)
Total Assets	$ 28,434,995
LIABILITIES	
Due to Other Taxing Units	$ 19,168,848
Due to Joint Venture	389,147
Due to Litigants, Heirs, and Others	8,877,000
Total Liabilities	$ 28,434,995

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Williamson 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 Williamson County:

A. Reporting Entity

Williamson County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Williamson 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 Williamson County School Department operates the public school system in the county, and the voters of Williamson 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 Williamson County Hospital District provides health care to the citizens of Williamson County, and the Williamson County Commission appoints its governing body. The county annually provides a subsidy to the hospital to help defray the costs of operating an ambulance service.

The Williamson County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Williamson County, and the Williamson 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 Williamson County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the School Department are included in this report as listed in the table of contents. Complete financial statements of the Williamson County Hospital District and the Williamson County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Williamson County Hospital District
d/b/a Williamson Medical Center
4321 Carothers Road
Franklin, TN 37064

Williamson County Emergency
Communications District
1320 West Main Street, Suite B-30
Franklin, TN 37064

Related Organization – The Williamson County Industrial Development Board and the War Memorial Public Library Board of Trustees are related organizations of Williamson County. The county's officials are responsible for appointing the members of the boards, but the county's accountability for these organizations does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

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

Williamson County issues all debt for the discretely presented Williamson County School Department. Net debt issues totaling $8,690,000 were contributed by the county to the School Department during the year ended June 30, 2013.

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of

accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Williamson County considers grants and similar revenues to be available if they are collected within 60 days after year-end. However, the discretely presented Williamson County School Department considers grants related to the American Recovery and Reinvestment Act to be available if they are collected within six months after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the debt service funds for payments to be made early in the following year.

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

Proprietary fund and fiduciary 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.

Williamson 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.

Rural Debt Service Fund – This fund accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs specifically issued for K-8 schools outside the territorial boundaries of the Franklin Special School District.

General Capital Projects Fund – This fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

Additionally, Williamson County reports the following fund types:

Internal Service Fund – The Self-Insurance Fund is used to account for the county's and the School Department's self-insured health programs. Amounts per employee are charged to the various funds, and employee payroll deductions are placed in this fund for the payment of claims.

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Williamson County, property taxes for the City of Nolensville and the Town of Thompson's Station, various cities' share of adequate facilities taxes collected by the county, the Franklin Special School District's share of educational revenues, funds held for the benefit of the judicial district drug task force, restricted revenues held for the benefit of the Office of District Attorney General, and assets held in a custodial capacity for the Williamson County Governmental Library Commission. 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 Williamson 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.

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

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

Special Revenue Funds – These funds account for and report the proceeds of specific revenue sources that are restricted, committed, or

assigned to expenditure for specified purposes other than debt service or capital projects.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an internal service fund, used to account for the county's and the School Department's employee self-insurance health programs. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. Insurance contributions and premiums are the principal operating revenues of the internal service fund. Operating expenses for the internal service fund include administrative expenses and employee benefits.

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

1. Deposits and Investments

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

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 Williamson 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, General Debt Service, and General Purpose School funds. In addition, investments are held separately by the Constitutional Officers - Agency Fund of the county. Williamson County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost. Investments in the State Treasurer's

Investment Pool are reported at fair value. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Accordingly, the pool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is one-half of a percent of total taxes levied.

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are recognized in the period for which the taxes are levied, which is the ensuing fiscal year. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as a deferred inflow of resources as of June 30.

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

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

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets (customer deposits payable) reflected in the primary government's General Capital Projects Fund represent deposits placed with Williamson County for road damage ($3,010,456) and in the School Department's Central Cafeteria Fund represent prepayments of student meals ($220,905). Claims and judgments payable are discussed in Note V.A. Risk Management.

Retainage payable in the School Department's Education Capital Projects Fund represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments.

3. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the primary government as assets with an initial, individual cost of $10,000 (buildings/improvements and intangibles $100,000 and infrastructure $50,000) or more and an estimated useful life of more than five years. Capital assets are defined by the School Department as assets with an initial, individual cost of $10,000 (buildings/improvements $100,000 and vehicles $20,000) and an estimated useful life of more than 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
Intangibles	Various*
Other Capital Assets	5 - 20
Infrastructure:	
Roads	20 - 50
Bridges	30 - 50

*applicable legal life of the asset

4. Deferred Outflows/Inflows of Resources

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

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

5. Compensated Absences

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

financial statements for the county and the discretely presented School Department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

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, claims and judgments, other postemployment benefits, and landfill closure/postclosure care costs, are recognized to the extent that the liabilities have matured (come due for payment) each period.

7. Net Position and Fund Equity

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.

As of June 30, 2013, Williamson County had $336,836,000 in outstanding debt for capital purposes for the discretely presented Williamson County School Department. This debt is a liability of Williamson County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Williamson County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

In the fund financial statements, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in these funds can be spent. These classifications may consist of the following:

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

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

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the County Commission, the county's highest level of decision-making authority and the Board of Education, the School

Department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes, but are neither restricted nor committed (excluding stabilization arrangements). The County Commission has by resolution authorized the county's Budget Committee to make assignments for the general government. The Board of Education makes assignments for the School Department.

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

8. Restatement

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. A restatement to beginning net position totaling $3,062,642 has been recognized for accumulated debt issuance costs on the government-wide financial statements.

9. Reclassification

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

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 Williamson 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 Williamson 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 capital projects funds, which adopt project length budgets. All annual appropriations lapse at fiscal year end.

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, Beer Board, Other Boards and Committees, 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, Williamson County and the Williamson County School Department reported the following significant encumbrances:

Funds	Description		Amount
Primary Government			
Major Fund:			
Highway/Public Works	Asphalt	$	1,277,125
School Department			
Major Fund:			
General Purpose School	Buses		842,380
"	Video equipment for buses		241,458
"	Playground equipment		100,170
"	Cleaning services		378,365
"	Textbooks		1,970,038

B. Cash Shortages – Prior Years

The audit of Williamson County for the 2005-06 year reported a cash shortage of at least $45,037.43, as of June 30, 2006, at the Fairview Recreational Center. This cash shortage resulted from collections that were not deposited or otherwise accounted for properly. On October 6, 2008, the defendant pled guilty and was sentenced to four years probation and ordered to pay restitution to Williamson County. On October 7, 2008, the defendant signed a promissory note with Williamson County. The promissory note states that the debtor shall pay the principal amount in full no later than 48 months from November 1, 2008. During 2012-13, this individual paid restitution totaling $141, leaving an outstanding cash shortage of $35,864.93.

The audit of Williamson County for the 2008-09 year reported a cash shortage of $3,386.18 in the Office of County Clerk. In December 2008, the county clerk discovered that collections from a title application transaction totaling $1,877.68 had been diverted for an employee's personal use. On December 29, 2008, the employee admitted to fraudulently substituting funds to cover the diversion of funds, and the county clerk terminated the employee for mishandling the funds. Subsequently, the county clerk's bookkeeper and auditors discovered two additional title applications totaling $1,508.50 had been stolen. Therefore, the amount of funds diverted from the office totaled

$3,386.18 ($1,877.68 plus $1,508.50). On November 10, 2009, the defendant pled guilty to one count of theft over $1,000 and one count of forgery. The defendant was sentenced to two years' probation, and ordered to pay restitution of $3,386.18 to Williamson County. As of June 30, 2013, no restitution had been paid, leaving the outstanding cash shortage of $3,386.18.

A special report of the Williamson County Animal Control Department released on July 26, 2010, for the period May 17, 2005, through March 31, 2010, reported a cash shortage of at least $106,446.17 from receipts that were not deposited with the county or otherwise accounted for properly. On November 15, 2010, the employee pled guilty to theft over $60,000 and was sentenced to eight years' confinement, which was suspended to eight years' probation, and was ordered to pay restitution of $106,446.17. During 2012-13, this individual paid restitution of $349.50, leaving the outstanding cash shortage of $106,017.67.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with

collateral whose market value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

Investments

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

Investment Balances. As of June 30, 2013, Williamson County had the following investments carried at fair value or amortized cost. Except for nonpooled investments in the Constitutional Officers - Agency Fund, all investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Williamson County and the discretely presented Williamson County School Department since both pool their deposits and investments through the county trustee.

Nonpooled investments in the Constitutional Officers - Agency Fund are by court order and at the request of a litigant. These investments do not expose the county to any risk; therefore, further disclosure is not required.

Investment	Weighted Average Maturity (days)	Fair Value or Cost
Pooled:		
State Treasurer's Investment Pool	11 to 138	$ 22,481,249
Nonpooled:		
Constitutional Officers - Agency	Various	18,062

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments, as previously explained. Williamson County has no investment policy that would further limit its investment choices. As of June 30, 2013, Williamson County's investment in the State Treasurer's Investment Pool was unrated.

B. Notes Receivable

Notes receivable in the General Debt Service Fund totaling $4,694,632 resulted from an agreement with the City of Spring Hill to help finance the construction of a recreational facility and related infrastructure and is included in the restricted fund balance account.

C. Capital Assets

Capital assets activity for the year ended June 30, 2013, is presented in the following table. This table does not include certain land, buildings, and equipment, which are titled to Williamson County and used by the Williamson Medical Center. Title to these assets were transferred from the hospital to the county based on a 1992 refunding of the Series 1985, Hospital Revenue Bonds. These assets are reported in the financial statements of the discretely presented Williamson County Hospital District. Chapter 107, Private Acts of 1957, as amended, provides that "the Board of Trustees shall be vested with full, absolute and complete authority and responsibility for the operation, management, conduct and control of the business and affairs of the Hospital District ..."

Primary Government

Governmental Activities:

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets Not Depreciated:				
Land	$ 57,591,590	$ 454,663	$ 0	$ 58,046,253
Intangible Assets-Indefinite Life	5,645,500	0	0	5,645,500
Construction in Progress	937,840	1,941,753	0	2,879,593
Total Capital Assets Not Depreciated	$ 64,174,930	$ 2,396,416	$ 0	$ 66,571,346

Governmental Activities (Cont.):

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets Depreciated:				
Buildings and Improvements	$ 138,331,825	$ 2,419,013	$ (413,030)	$ 140,337,808
Infrastructure	61,272,026	1,227,519	(695,261)	61,804,284
Intangibles	809,087	0	0	809,087
Other Capital Assets	50,437,137	3,254,317	(512,885)	53,178,569
Total Capital Assets Depreciated	$ 250,850,075	$ 6,900,849	$ (1,621,176)	$ 256,129,748
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 37,093,372	$ 3,297,886	$ (3,442)	$ 40,387,816
Infrastructure	34,853,744	1,284,922	(307,345)	35,831,321
Intangibles	692,809	42,545	0	735,354
Other Capital Assets	30,201,245	2,774,237	(478,512)	32,496,970
Total Accumulated Depreciation	$ 102,841,170	$ 7,399,590	$ (789,299)	$ 109,451,461
Total Capital Assets Depreciated, Net	$ 148,008,905	$ (498,741)	$ (831,877)	$ 146,678,287
Governmental Activities Capital Assets, Net	$ 212,183,835	$ 1,897,675	$ (831,877)	$ 213,249,633

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

Governmental Activities:

General Government	$ 1,066,708
Finance	95,707
Public Safety	1,304,796
Public Health and Welfare	550,310
Social, Cultural, and Recreational Services	2,309,951
Agriculture and Natural Resources	2,805
Other Operations	88,885
Highways/Public Works	1,980,428
Total Depreciation Expense - Governmental Activities	$ 7,399,590

Discretely Presented Williamson County School Department

Governmental Activities:

	Balance 7-1-12	Increases	Decreases	Balance 6-30-13
Capital Assets Not Depreciated:				
Land	$ 30,252,967	$ 4,010,577	$ (7,800)	$ 34,255,744
Construction in Progress	44,470	1,579,471	(44,470)	1,579,471
Total Capital Assets Not Depreciated	$ 30,297,437	$ 5,590,048	$ (52,270)	$ 35,835,215
Capital Assets Depreciated:				
Buildings and Improvements	$ 442,765,774	$ 3,528,122	$ (1,445,654)	$ 444,848,242
Intangibles	756,973	0	0	756,973
Other Capital Assets	32,015,328	3,614,974	(1,108,252)	34,522,050
Total Capital Assets Depreciated	$ 475,538,075	$ 7,143,096	$ (2,553,906)	$ 480,127,265
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 107,749,489	$ 11,007,094	$ (330,962)	$ 118,425,621
Intangibles	12,616	151,395	0	164,011
Other Capital Assets	14,240,562	2,272,093	(1,030,711)	15,481,944
Total Accumulated Depreciation	$ 122,002,667	$ 13,430,582	$ (1,361,673)	$ 134,071,576
Depreciated, Net	$ 353,535,408	$ (6,287,486)	$ (1,192,233)	$ 346,055,689
Governmental Activities Capital Assets, Net	$ 383,832,845	$ (697,438)	$ (1,244,503)	$ 381,890,904

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

Governmental Activities:

Instruction	$ 15,531
Support Services	13,224,830
Operation of Non-Instructional Services	190,221
Total Depreciation Expense - Governmental Activities	$ 13,430,582

D. Construction Commitments

At June 30, 2013, Williamson County had uncompleted construction contracts of approximately $645,442 in the General Capital Projects Fund for reroofing and building construction projects. Funding has been received for these future expenditures.

At June 30, 2013, the School Department had uncompleted construction contracts of approximately $3,169,647 in the Education Capital Projects Fund for the school building program. Funding has been received for these future expenditures.

E. 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
General	General Capital Projects	$ 10,784
General Capital Projects	General	26,537

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

Interfund Transfers:

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

	Transfers In		
Transfers Out	General Fund	Highway/ Public Works Fund	Rural Debt Service Fund
General Capital Projects Fund	$ 0	$ 100,000	$ 5,000,000
Fiduciary Fund	66,412	0	0
Total	$ 66,412	$ 100,000	$ 5,000,000

Transfers Out	Transfers In: General Capital Projects Fund	Transfers In: Fiduciary Funds
General Fund	$ 3,229,700	$ 71,845
General Capital Projects Fund	0	2,765,704
Nonmajor governmental fund	350,000	0
Total	$ 3,579,700	$ 2,837,549

Discretely Presented Williamson County School Department

Transfers Out	Transfers In: General Purpose School Fund	Transfers In: Education Capital Projects Fund
Nonmajor governmental funds	$ 457,633	$ 0
General Purpose School Fund	0	2,402,428
Total	$ 457,633	$ 2,402,428

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.

F. Long-term Obligations

Primary Government

General Obligation Bonds, Notes, and Other Loans

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

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, notes, and other loans outstanding were issued for original terms of up to 25 years for bonds and up to one year for notes. Repayment

terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds, notes, and other loans included in long-term debt as of June 30, 2013, will be retired from the debt service funds.

General obligation bonds and 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	1 to 5.75%	4-1-34	$ 116,215,000	$ 61,200,000
General Obligation Bonds - Refunding	2 to 5.5	4-1-29	215,325,000	165,310,000
Rural School Bonds	0.85 to 5.75	4-1-34	154,665,000	104,255,000
Rural School Bonds - Refunding	2 to 5.5	4-1-29	121,940,000	91,610,000
Notes	.45 to 1.38	3-1-14	18,430,000	18,430,000

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	$ 29,285,000	$ 18,599,019	$ 47,884,019
2015	30,625,000	17,427,329	48,052,329
2016	32,080,000	16,287,540	48,367,540
2017	33,410,000	14,956,564	48,366,564
2018	33,640,000	13,582,764	47,222,764
2019-2023	135,630,000	47,349,027	182,979,027
2024-2028	90,005,000	21,300,267	111,305,267
2029-2033	32,700,000	6,005,942	38,705,942
2034	5,000,000	287,500	5,287,500
Total	$ 422,375,000	$ 155,795,952	$ 578,170,952

Year Ending June 30	Notes		
	Principal	Interest	Total
2014	$ 18,430,000	$ 129,157	$ 18,559,157
Total	$ 18,430,000	$ 129,157	$ 18,559,157

There is $25,990,302 available in the debt service funds to service long-term debt. Debt per capita, including bonds and notes totaled $2,406, based on the 2010 federal census.

Changes in Long-term Obligations

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

Governmental Activities:

	Bonds	Other Loans	Notes
Balance, July 1, 2012	$ 451,090,000	$ 7,374,000	$ 6,720,000
Additions	41,890,000	0	11,710,000
Reductions	(70,605,000)	(7,374,000)	0
Balance, June 30, 2013	$ 422,375,000	$ 0	$ 18,430,000
Balance Due Within One Year	$ 29,285,000	$ 0	$ 18,430,000

	Compensated Absences	Claims and Judgments
Balance, July 1, 2012	$ 2,220,581	$ 5,086,403
Additions	2,388,196	40,649,289
Reductions	(2,201,417)	(39,100,856)
Balance, June 30, 2013	$ 2,407,360	$ 6,634,836
Balance Due Within One Year	$ 2,407,360	$ 6,634,836

	Closure/ Postclosure Care Costs	Self-Insured Other Postemployment Benefits
Balance, July 1, 2012	$ 64,799	$ 16,375,070
Additions	66,059	5,096,208
Reductions	(64,828)	(1,401,058)
Balance, June 30, 2013	$ 66,030	$ 20,070,220
Balance Due Within One Year	$ 0	$ 0

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2013	$ 469,983,446
Less: Due Within One Year	(56,757,196)
Add: Unamortized Premium on Debt	21,813,437
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	$ 435,039,687

The internal service fund primarily serves the governmental funds. Accordingly, long-term liabilities for the internal service fund are included as part of the above totals for governmental activities. At year-end, claims and judgments are comprised of the following amounts.

Fund	Amount
Self-Insurance	$ 6,167,836
General	413,000
Highway/Public Works	47,500
Solid Waste/Sanitation	6,500
Total	$ 6,634,836

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill closure/postclosure care costs will be paid from the General Capital Projects Fund.

Advance and Current Refunding

On December 7, 2012, Williamson County current and advance refunded other loans payable, several general obligation bond issues, and several rural school bond issues with separate general obligation bond and rural school bond issues. The county issued $30,085,000 of general obligation refunding bonds and $11,805,000 of rural school refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust to generate resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered defeased, and the liability has been removed from the county's long-term debt. As a result of the advance refunding, total debt service payments over the next ten years will be reduced by $6,035,048, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of $5,877,470 was obtained.

Defeasance of Prior Debt

In prior years, Williamson County defeased certain outstanding general obligation bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. The trustee is empowered and required to pay all principal and interest on the defeased bonds as originally scheduled. Accordingly, the trust accounts and the defeased bonds are not included in the county's financial statements. At June 30, 2013, the following outstanding bonds are considered defeased:

	Amount
2004A General Obligation	$ 6,320,000
2004B General Obligation	9,465,000
2006 GO School and Public Improvement	15,690,000
2004A Rural School	5,855,000
2004B Rural School	9,975,000
2006 Rural School	13,570,000

Discretely Presented Williamson County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Claims and Judgments
Balance, July 1, 2012	$ 1,017,582	$ 433,513
Additions	1,169,209	2,062,242
Reductions	(1,004,744)	(2,224,033)
Balance, June 30, 2013	$ 1,182,047	$ 271,722
Balance Due Within One Year	$ 177,307	$ 271,722

	State Medicare Postemployment Benefits	Self-Insured Other Postemployment Benefits
Balance, July 1, 2012	$ 1,235,313	$ 82,163,321
Additions	244,962	25,267,601
Reductions	(1,800)	(6,840,459)
Balance, June 30, 2013	$ 1,478,475	$ 100,590,463
Balance Due Within One Year	$ 0	$ 0

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2013	$ 103,522,707
Less: Due Within One Year	(449,029)
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	$ 103,073,678

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

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Williamson County School Department. These payments are made by the state to the Medicare Supplement Plan. This plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Medicare Supplement Plan for the year ended June 30, 2013, were $19,908. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

H. Short-term Debt

Williamson County issued tax anticipation notes in advance of property tax collections and deposited the proceeds in the General Purpose School Fund. These notes were necessary because funds were not available to meet various operational expenditures coming due before the current tax collections. Short-term debt activity for the year ended June 30, 2013, was as follows:

	Balance 7-1-12	Issued	Paid	Balance 6-30-13
Tax Anticipation Notes	$ 0	$ 10,000,000	$ (10,000,000)	$ 0

V. OTHER INFORMATION

A. Risk Management

Williamson County and the Williamson County School Department have chosen to establish the Self-Insurance Fund for risks associated with the employees' health insurance plans. The Self-Insurance Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of $200,000 per specific loss. The PPO and HMO plans do not carry aggregate reinsurance.

All full-time and certain retired employees of the primary government and the discretely presented Williamson County School Department are eligible to participate. A premium charge is allocated to each fund that accounts for its employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The Self-Insurance Fund establishes claim liabilities based on estimates of the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2011-12	$ 5,448,526	$ 36,668,335	$ (37,417,425)	$ 4,699,436
2012-13	4,699,436	38,521,812	(37,053,412)	6,167,836

Williamson County and the discretely presented Williamson County School Department are self-insured for all other risks of loss, including general liability, property, casualty, and workers' compensation. The county carries commercial insurance coverage for any specific loss exceeding $450,000 up to $2,000,000. Claims liabilities are reported as claims and judgments payable in the General, Highway/Public Works, Solid Waste/Sanitation, and the discretely presented General Purpose School funds.

B. Accounting Changes

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

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

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

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

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

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

and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

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

C. Subsequent Events

On September 16, 2013, the county's General and General Capital Projects funds issued a total of $10,000,000 in tax anticipation notes to the General Purpose School Fund for temporary operating funds.

On November 20, 2013, Williamson County issued general obligation school and public improvement bonds totaling $83,000,000 and county district school bonds totaling $18,100,000.

D. Contingent Liabilities

The county and School Department are involved in several pending lawsuits. Attorneys for the county and the School Department estimate that the potential claims against the county and School Department not covered by insurance resulting from such litigation would not materially affect the financial statements of the county and School Department.

Williamson County is contingently liable for certain revenue bonds and loans of the discretely presented Williamson County Hospital District. Williamson County would become liable for these bonds, loans, and the interest thereon, in case of default by the Williamson County Hospital District.

E. Change in Administration

Director of Accounts and Budgets, David Coleman, retired on August 31, 2012, and was succeeded by Nena Graham effective September 1, 2012.

F. Landfill Closure/Postclosure Care Costs

Williamson County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill, solid waste transfer station, demolition landfill, and a compost facility. 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 Williamson 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 $66,030 reported as landfill closure and postclosure care liability at June 30, 2013, represents the cumulative amount reported to date based on the use of seven percent of the estimated capacity of the landfill. The county will recognize the remaining estimated costs of closure and postclosure care of $877,251 if 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.

G. Joint Ventures

The Cool Springs Conference Center is a joint venture between Williamson County and the City of Franklin. The parties have agreed to share equally all revenues, expenses, and other legal obligations from the operation of the conference center. The county's net investment of $6,794,625 is reported as an asset in the governmental activities column on the Statement of Net Position. The county's share of 2012-13 revenues ($308,194) and expenditures ($61,318) related to the conference center are included in the county's General Fund. Williamson County and the City of Franklin have contracted with Noble Investments, Cool Springs, LLC, for the operation and maintenance of the conference center.

The Twenty-first Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-first Judicial District; Williamson, Perry, Lewis, and Hickman counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors, including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Williamson County does not retain an equity interest in the DTF.

Complete financial statements for the Cool Springs Conference Center and the Twenty-first Judicial District Drug Task Force can be obtained from their respective administrative offices at the following addresses:

Administrative Offices

Cool Springs Conference Center
City of Franklin
P.O. Box 305
Franklin, TN 37065-0305

Office of District Attorney General
Twenty-first Judicial District Drug Task Force
P.O. Box 937
Franklin, TN 37065

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Plan Description

Employees of Williamson 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 Williamson 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

Williamson 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, 2013, was 8.3 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, 2013, Williamson County's annual pension cost of $5,218,864 to TCRS was equal to the county's required and actual contributions. The required contribution was determined as part of the July 1, 2011, actuarial valuation using the frozen entry age actuarial cost method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected three percent annual rate of inflation, (c) projected salary increases of 4.75 percent (graded) annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (d) projected 3.5 percent annual increase in the Social Security wage base, and (e) projected postretirement increases of 2.5 percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a ten-year period. The county's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2011, was two years. An actuarial valuation was performed as of July 1, 2011, which established contribution rates effective July 1, 2012.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-13	$5,218,864	100%	$0
6-30-12	4,863,867	100	0
6-30-11	4,684,271	100	0

Funded Status and Funding Progress

As of July 1, 2011, the most recent actuarial valuation date, the plan was 95.96 percent funded. The actuarial accrued liability for benefits was $127.38 million, and the actuarial value of assets was

$122.23 million, resulting in an unfunded actuarial accrued liability (UAAL) of $5.15 million. The covered payroll (annual payroll of active employees covered by the plan) was $58.31 million, and the ratio of the UAAL to the covered payroll was 8.83 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 Williamson County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members who are at least 55 years of age or have 25 years of service. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the plan on or after July 1, 1979, are vested after five years of service. Members joining prior to July 1, 1979, are vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of *Tennessee Code Annotated*. State statutes are amended by the Tennessee General Assembly. A cost of living adjustment (COLA) is provided to retirees each July based on the percentage change in the Consumer Price Index (CPI) during the previous calendar year. No COLA is granted if the CPI increases less than one-half percent. The annual COLA is capped at three percent.

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

Funding Policy

Most teachers are required by state statute to contribute five percent of their salaries to the plan. The employer contribution rate for the School Department is established at an actuarially determined rate. The employer rate for the fiscal year ended June 30, 2013, was 8.88 percent of annual covered payroll. The employer contribution requirement for the School Department is established and may be amended by the TCRS Board of Trustees. The employer's contributions to TCRS for the years ended June 30, 2013, 2012, and 2011, were $10,816,773, $10,480,692, and $8,818,882, respectively, equal to the required contributions for each year.

2. Deferred Compensation

Primary Government

Williamson County offers its employees a deferred compensation plan established pursuant to IRC Section 457. All costs of administering and funding this program are the responsibility of plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 establishes participation, contribution, and withdrawal provisions for the plan.

Discretely Presented Williamson County School Department

The Williamson County School Department offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of plan participants. The Section 457 and the Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 457 and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

I. Other Postemployment Benefits (OPEB)

Self-Insurance Plan

Plan Description

All full-time employees hired prior to July 1, 2009, and eligible retirees of the primary government and the discretely presented Williamson County School Department are eligible to participate in the health and dental insurance cost sharing plan accounted for in the Self-Insurance Fund (internal service fund). Life insurance ranging from $2,700 to $15,000 is also provided at full cost to the retiree. For accounting purposes, the plan is an agent single-employer

defined benefit OPEB plan. Benefits are established and amended by an insurance committee established by the County Commission.

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The county develops its own contribution policy in terms of subsidizing active employees or retired employees' premiums.

An employee hired prior to July 1, 2009, who retires from Williamson County becomes eligible for retiree health coverage upon the earlier of attaining: (1) age 55 with ten years of service and active coverage for one year prior to retirement, or (2) any age with 30 years of service and active coverage for one year prior to retirement. Williamson County pays 80 percent of the costs of benefits. If the retiree is eligible for health and dental insurance coverage, the coverage is also provided for the retiree's spouse and/or dependent children. Once the retirees or their dependent(s) become eligible for Medicare, the county coverage will become the secondary insurance provider. The federal government contributed $42,481 to Williamson County's Medicare Plan.

Annual OPEB Cost and Net OPEB Obligation

	Primary Government	School Department	Total
ARC	$ 4,982,000	$ 24,710,000	$ 29,692,000
Interest on the NOPEBO	753,823	3,680,429	4,434,252
Adjustment to the ARC	(639,615)	(3,122,828)	(3,762,443)
Annual OPEB cost	$ 5,096,208	$ 25,267,601	$ 30,363,809
Amount of contribution	(1,401,058)	(6,840,459)	(8,241,517)
Increase/decrease in NOPEBO	$ 3,695,150	$ 18,427,142	$ 22,122,292
Net OPEB obligation, 7-1-12	16,375,070	82,163,321	98,538,391
Net OPEB obligation, 6-30-13	$ 20,070,220	$ 100,590,463	$ 120,660,683

Fiscal Year Ended	Plans	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-11	Primary Government	$ 5,270,523	14%	$ 11,567,383
6-30-12	"	5,610,221	14	16,375,070
6-30-13	"	5,096,208	27	20,070,220
6-30-11	School Department	26,914,185	13	57,508,862
6-30-12	"	28,572,714	14	82,163,321
6-30-13	"	25,267,607	27	100,590,463

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2012, was as follows:	Primary Government	School Department
Actuarial valuation date	7-1-12	7-1-12
Actuarial accrued liability (AAL)	$ 46,259,000	$ 209,218,000
Actuarial value of plan assets	$ 0	$ 0
Unfunded actuarial accrued liability (UAAL)	$ 46,259,000	$ 209,218,000
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	$ 31,894,978	$ 145,717,867
UAAL as a % of covered payroll	145%	144%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

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

In the July 1, 2012, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of ten percent, grading down to five percent. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis over a 30-year period beginning with June 30, 2008.

State Sponsored Medicare Supplement Plan

Plan Description

The Williamson County School Department participates in the state-administered Medicare Supplement 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 8-27-701, *Tennessee Code Annotated*. Subsequent to age 65, members who are also in the state's retirement system may participate in a state-administered Medicare Supplement Plan that does not include pharmacy. The plan is reported in the State of Tennessee Comprehensive Annual Financial Report (CAFR). The CAFR is available on the state's website at http://tn.gov/finance/act/cafr.html.

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in the plan develop their own contribution policy in terms of subsidizing retired employees' premiums since the committee is not prescriptive on that issue. The state provides a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The monthly support for noncertified School Department employees is based on years of service. If the retiree has between 15 and 19 years of service, the monthly support is $25. If the retiree has between 20 and 29 years of service, the monthly support is $37.50. Retirees with 30 or more years of service receive monthly support of $50. Expenditures for postretirement health care benefits are included in the government's annual budget. During the year, expenditures totaling $1,800 were recognized for postemployment health care.

Annual OPEB Cost and Net OPEB Obligation

	Medicare Supplement Plan
ARC	$ 248,000
Interest on the NOPEBO	49,412
Adjustment to the ARC	(52,450)
Annual OPEB cost	$ 244,962
Amount of contribution	(1,800)
Increase/decrease in NOPEBO	$ 243,162
Net OPEB obligation, 7-1-12	1,235,313
Net OPEB obligation, 6-30-13	$ 1,478,475

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-11	Medicare Supplement	$ 267,753	1%	$ 1,003,581
6-30-12	"	233,532	1	1,235,313
6-30-13	"	244,962	1	1,478,475

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2011, was as follows:	Medicare Supplement Plan
Actuarial valuation date	7-1-11
Actuarial accrued liability (AAL)	$ 1,939,000
Actuarial value of plan assets	$ 0
Unfunded actuarial accrued liability (UAAL)	$ 1,939,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	N/A
UAAL as a % of covered payroll	N/A

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 Medicare Supplement 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 premium trend rate was 6.25 percent for fiscal year 2013. The trend will decrease to six percent in fiscal year 2014 and then will 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, Budgeting, and Purchasing

Williamson County operates under provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county mayor and the highway superintendent. These funds are maintained in the Office of Central Accounting, Budgeting, and Purchasing under the supervision of the director of accounts and budgets. Williamson County also operates under provisions of the Williamson County Budget Act, Chapter 56, Private Acts of 2001.

K. Purchasing Laws

Offices of County Mayor and Highway Superintendent

Purchasing procedures for these offices are governed by provisions of the County Purchasing Law of 1957, Section 5-14-101, et seq., *Tennessee Code Annotated* (*TCA*). Purchasing procedures for the Highway Department are also governed by provisions of the Uniform Road Law, Section 54-7-113, *TCA*. These statutes require that purchase orders be issued for all purchases and that sealed bids be solicited on purchases exceeding $10,000 for the Offices of County Mayor and Highway Superintendent.

Office of Director of Schools

Purchasing procedures for the discretely presented Williamson County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of

Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids be solicited through newspaper advertisement on all purchases exceeding $10,000.

VI. OTHER NOTES – DISCRETELY PRESENTED WILLIAMSON COUNTY HOSPITAL DISTRICT

A. Nature of operations

Organization – Williamson County Hospital District operates under the name of Williamson Medical Center and is a general, short-term, acute care hospital organized as a political subdivision of Williamson County, Tennessee. The medical center constitutes a component unit of the county, which is considered the primary government unit. The Williamson County Commission adopted a resolution in 1992, in conjunction with acquiring title to the property and equipment of the district, giving the district complete authority and responsibility to manage and operate the medical center as provided in Chapter 107 of the Private Act of 1957, passed by the Tennessee legislature. The county is financially accountable as it appoints a voting majority of the district's Board of Trustees, and the full faith and credit of the county is pledged for payment of principal and interest on the outstanding hospital revenue and tax bonds.

The primary mission of the medical center is to provide inpatient and outpatient healthcare services to citizens of Williamson County and surrounding areas. The medical center also provides ambulance services in Williamson County.

Williamson Medical Center Foundation is a tax-exempt organization, which was established in 2003. The foundation was formed to coordinate the fund-raising and development activities of the medical center, which is the sole member of the organization. The activities of the foundation are reflected in the operating and nonoperating revenues (expenses) and capital grants and contributions as they relate to the foundation in the accompanying statements of revenues, expenses, and changes in net position. All assets of the foundation, other than unconditional promises to give, are shown as part of assets limited as to use in the accompanying Statement of Net Position. No contributions to the foundation were used for capital purposes, and thus all contributions during 2013 were classified as operating activities.

The medical center follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of* GASB Statements No. 14 and No. 34. As a result, the foundation is included in the accompanying financial statements as a discretely presented component unit of the medical center.

As required by accounting principles generally accepted in the United States of America, these financial statements present both Williamson Medical Center and its discretely presented component unit (collectively referred to as the reporting entity).

Financial statements for the discretely presented individual component unit may be obtained at the following address:

Williamson Medical Center
4321 Carothers Parkway
Franklin, TN 37067

B. Summary of Significant Accounting Policies

Basis of Presentation – The medical center utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis, which is an economic resources measurement focus approach to accounting. In December 2010, GASB issued statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre – November 30, 1989 FASB and AICPA Pronouncements.* GASB 62 makes the GASB *Accounting Standards Codification* the sole source of authoritative accounting technical literature for governmental entities in the United States of America. In June 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position.* GASB 62 and 63 were effective for periods beginning after December 15, 2011.

Cash and Cash Equivalents – The medical center considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. Cash and cash equivalents consist of amounts maintained in bank deposits and overnight repurchase agreements, which are insured by the Federal Deposit Insurance Corporation or are otherwise collateralized.

Inventories – Inventories consist principally of medical and pharmaceutical supplies and are stated at the lower of cost, determined on the first-in, first-out (FIFO) basis, or market (net realizable value).

Assets Limited as to Use – Assets limited as to use include cash and investments designated by the Board of Trustees for future capital improvements and debt repayment, over which the board retains control and may at its discretion use for other purposes; cash and investments from county bond proceeds to be used for capital improvements; and restricted cash and investments from donors through the foundation. Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools.*

Property and Equipment – Property and equipment are recorded at cost. The medical center capitalizes purchases that cost a minimum of $5,000 and have a useful life greater than two years. Assets are depreciated on a straight-line basis over their estimated useful lives as follows: land improvements two to 25 years; buildings generally 40 years; fixed equipment five to 20 years; and major movable equipment three to 20 years. Assets under capital leases are included in property and equipment, and the related amortization and accumulated amortization is included in depreciation and amortization expense and accumulated depreciation and amortization, respectively. The medical center reviews the carrying values of long-lived assets if facts and circumstances indicate that recoverability may have been impaired. Costs of maintenance and minor repairs are expensed as incurred. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Investment in Joint Ventures – Investment in joint ventures are accounted for under the equity method of accounting and the medical center recognizes its proportionate share in the results of the underlying activities of the joint ventures.

Goodwill and Other Intangible Assets – The medical center evaluates goodwill and intangible assets for impairment on an annual basis or more frequently if impairment indicators arise. In the event goodwill is considered to be impaired, a charge to earnings would be recorded during the period in which management makes such impairment assessment.

Accrual for Compensated Absences – The medical center recognizes an expense and accrues a liability for compensated future employee absences in the period in which employees' rights to such compensated absences are earned. Compensated absences consist of paid days off, including holiday, vacation, sick, and bereavement days to qualifying employees.

Patient Service Revenue – The medical center has agreements with third-party payors that provide for payments to the medical center at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Risk Management – The medical center is exposed to various risks of loss from medical malpractice; torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and natural disasters. Commercial insurance is purchased for claims arising from such matters.

The medical center is self-insured for employee medical and other healthcare benefit claims and judgments as discussed later.

Income Taxes – The medical center is classified as an organization exempt from federal income taxes as it is a political subdivision of Williamson County. The foundation is classified as an organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

Net Position – The medical center's net position is classified in three components. The net position invested in capital assets, net of related debt consist of capital assets net of accumulated depreciation and reduced by the remaining balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted net position is noncapital net position that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the medical center, including amounts related to county contributions and bond indebtedness restricted for specific purposes. The unrestricted net position is the remaining net position that do not meet the definition of invested in capital assets, net of related debt, or restricted. The medical center first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. During 2013, $849 of net position was released from restrictions and reclassified from restricted to unrestricted.

Operating Revenues and Expenses – The medical center's statement of revenues, expenses, and changes in net position distinguishes between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing healthcare services, the medical center's principal activity. Nonexchange revenues, including grants and contributions received for purposes other than capital asset acquisition, are reported as nonoperating revenues. Operating expenses are all expenses incurred to provide healthcare services, other than financing costs.

Charity Care – The medical center accepts all patients, regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies of the medical center. In assessing a patient's inability to pay, the medical center utilizes generally recognized poverty income levels. Because the medical center does not pursue collection of amounts determined to qualify as charity care, charges related to charity care are not included in net patient service revenue. These costs are estimated based on the ratio of total costs to gross charges. In addition to these charity care services, the medical center provides a number of other services to benefit underprivileged patients for which little or no payment is received, including providing services to TennCare and state indigent patients and providing various public health education, health evaluation, and screening programs.

Contributed Resources – The medical center receives grants from the county, as well as from individuals and private organizations through the foundation. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted for specific operating purposes are reported as nonoperating income (expenses). Amounts restricted to capital acquisitions are reported as other increases in net position.

Adoption of New Accounting Pronouncements – In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus.* This statement amends the reporting standards for reporting component units in a government's financial statements. The statement requires inclusion of component units if a financial benefit or burden is present of if the financial statements would be misleading if excluded. This accounting standard was effective for the financial statements for fiscal years beginning after June 15, 2012. Therefore the medical center adopted this accounting standard at the beginning of the fiscal year 2013. The adoption of this accounting standard did not have a material impact on the medical center's financial statements.

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.* This statement amends accounting standards relating to the application of FASB statements that do not contradict GASB pronouncements and incorporates into the GASB authoritative literature certain accounting and financial reporting guidance to bring all authoritative literature together in one place. This accounting standard was effective for financial statements for fiscal years beginning after December 15, 2011. Therefore, the medical center adopted this accounting standard at the beginning of fiscal year 2013. The adoption of this accounting standard did not have a material impact on the medical center's financial statements.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position.* This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources and identifies net position as the residual of all other elements presented in a statement of financial position. This accounting standard was effective for financial statements for fiscal years beginning after December 15, 2011. Therefore, the medical center adopted this accounting standard at the beginning of fiscal year 2013. The adoption of this accounting standard did not have a material impact on the medical center's financial statements.

New Accounting Pronouncements – In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities.* This statement 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 and is effective for financial statements for fiscal years beginning after December 15, 2012. Therefore, the medical center expects to adopt this accounting standard at the beginning of fiscal year 2014.

In January 2013, the GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. This statement relates to accounting and financial reporting for government combinations and disposals of government operations and is effective for financial statements for fiscal years beginning after December 15, 2013. Therefore, the medical center expects to adopt this accounting standard at the beginning of fiscal year 2015.

In March 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This statement relates to accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees and is effective for financial statements for fiscal years beginning after June 15, 2013. Therefore, the medical center expects to adopt this accounting standard at the beginning of fiscal year 2014.

The medical center is currently assessing the impact of adopting these accounting standards.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Performance Indicator – Excess of revenues over expenses reflected in the accompanying statement of revenues, expenses, and changes in net position is a performance indicator.

C. Fair Value Measurements

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity including quoted market prices in active markets for identical assets (Level 1), or significant other observable inputs (Level 2), and the reporting

entity's own assumptions about market participant assumptions (Level 3). The medical center does not have any fair value measurements using significant unobservable inputs (Level 3) as of June 30, 2013. All of the medical center's investments are classified as Level 1 under the hierarchy above.

Financial Assets – The carrying amount of financial assets, consisting of cash, accounts receivable, accounts payable, accrued expenses, and current portions of long-term debt and capital lease obligations approximate their fair value due to their relatively short maturities. Long-term debt and capital lease obligations are carried at amortized cost, which approximates fair value.

Non-Financial Assets – The medical center's non-financial assets, which include property and equipment, and goodwill, are not required to be measured at fair value on a recurring basis. However, if certain triggering events occur, or if an annual impairment test is required, and the medical center is required to evaluate the non-financial instrument for impairment, a resulting asset impairment would require that the non-financial asset be recorded at the fair value. During the year ended June 30, 2013, there were no triggering events that prompted an asset impairment test of the medical center's non-financial assets. Accordingly, the medical center did not measure any non-recurring, non-financial assets or recognize any amounts in earnings related to changes in fair value for non-financial assets for the year ended June 30, 2013.

D. Net Patient Service Revenue

A significant portion of the amount of services provided by the medical center is to patients whose bills are paid by third-party payors such as Medicare, TennCare, and private insurance carriers.

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue as presented in the statements of revenues, expenses, and changes in net position is as follows:

Gross Patient Service Charges	$ 455,778,995
Less:	
Medicare Contractual Adjustments	(134,192,940)
TennCare Contractual Adjustments	(22,232,299)
Other Contractual Adjustments	(132,628,383)
Bad Debt	(13,233,649)
Charity Care	(2,118,185)
Net Patient Service Revenue	$ 151,373,539

Net patient accounts receivable consists of the following:

Commercial and Managed Care Plans	$ 8,775,243
Medicare	4,132,869
TennCare	545,416
Patients, Including Self-Insured	12,059,500
Less: Allowance for Uncollectible Accounts	(8,316,696)
Total	$ 17,196,332

E. Third-party Reimbursement Programs

The medical center renders services to patients under contractual arrangements with the Medicare and Medicaid programs. Effective January 1, 1994, the Medicaid program in Tennessee was replaced with TennCare, a managed-care program designed to cover previous Medicaid-eligible enrollees, as well as other previously uninsured and uninsurable participants.

Amounts earned under these contractual arrangements are subject to review and final determination by fiscal intermediaries and other appropriate governmental authorities or their agents. Activity with respect to audits and reviews of governmental programs and reimbursement has increased and is expected to increase in the future. No additional reserves or allowances have been established with regard to these increased audits and reviews as management is not able to estimate such amounts. In the opinion of management, any adjustments, which may result from such audits and reviews, will not have a material impact on the financial statements; however, due to the uncertainties involved, it is at least reasonably possible that management's estimates will change in the future. In addition, participation in these programs subjects the medical center to significant rules and regulations; failure to adhere to such could result in fines, penalties, or expulsion from the programs.

The Medicare program pays for inpatient services on a prospective basis. Payments are based upon diagnostic-related group assignments, which are determined by the patient's clinical diagnosis and medical procedures utilized.

The Medicare program reimburses for outpatient services under a prospective method utilizing an ambulatory payment classification system, which classifies outpatient services based upon medical procedures and diagnosis codes.

The medical center contracts with various managed care organizations under the TennCare program. TennCare reimbursement for both inpatient and

outpatient services is based upon prospectively determined rates and per diem amounts.

Net patient service revenue related to Medicare and TennCare was approximately $46,707,000 and $4,083,000, respectively, in 2013.

The medical center has also entered into reimbursement agreements with certain commercial insurance companies, health maintenance organizations, and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates per discharge, per diem rates, case rates, and discounts from established charges.

The American Recovery and Reinvestment Act of 2009 (ARRA) established incentive payments under the Medicare and Medicaid programs for hospitals that implemented "meaningful use" certified electronic health record (EHR) technology. In order to receive incentive payments, a hospital that is able to meet the meaningful use criteria must attest that during the EHR reporting period, the hospital used certified EHR technology and must specify that the technology used, satisfied the required meaningful use objectives and associated measures for the applicable stage, and must also specify the EHR reporting period and provide the result of each applicable measure for all patients admitted to the inpatient or emergency department of the hospital during the EHR reporting period for which a selected measure is applicable. A hospital may receive an incentive payment for up to four years, provided it successfully demonstrates meaningful use of certified EHR technology for the EHR reporting period. Hospitals that adopt a certified EHR system and are meaningful users can begin receiving incentive payments in any federal fiscal year from 2011 (October 1, 2010 – September 30, 2011) to 2015; however, the incentive payments will decrease for hospitals that first start receiving payments in federal fiscal year 2014 or 2015.

The medical center met the Medicare meaningful use criteria during 2013. As a result, the medical center recognized income of approximately $1,785,000 from Medicare in 2013. The Medicare funds were received during June 2013. The income is reported as other revenue on the accompanying statements of revenue, expenses and changes in net position. The medical center does not expect to receive any Medicaid EHR incentive payments.

F. Assets Limited as to Use

Assets limited as to use consist of the following:

By Board for Capital Improvements:	
Cash and Certificates of Deposit	$ 42,835,445
By Board for Bond Principal and Interest Payments:	
Cash	3,114,325
By Donors:	
Cash and Cash Equivalents	124,354
Investments	738,777
Total Assets Limited as to Use	$ 46,812,901

Balances consist of cash and mutual funds at June 30, 2013. The mutual funds are held by the Foundation, which is a discretely presented component unit of the medical center and a 501(c)(3) organization. Amounts are classified as noncurrent assets to the extent they are not expected to be used to satisfy current obligations.

Amounts classified as current assets will be used to pay bond principal and interest payments.

All assets limited as to use relating to the primary enterprise at June 30, 2013, are insured by the Federal Deposit Insurance Corporation, registered or otherwise collateralized by the financial institution through the State of Tennessee Collateral Bank Pool. See Note VI.P. for additional information related to the medical center's risks with respect to its investments.

G. Capital Contributions

During 2003, the county contributed $20 million in funds toward the medical center's facility expansion and renovation project pursuant to a resolution of the County Commission. These funds were raised from a county bond issue, which will be repaid, along with interest, from county revenues. In March 2011, the county requested that the medical center pay the principal and interest payments related to the debt. In June 2011, the medical center Board of Trustees approved the payment of the 2012 principal and interest payments, which will approximate $1,667,000. The medical center subsequently made this payment. No additional payments have been requested by the county in 2013.

H. Property and Equipment

The major classifications and changes in property and equipment, as of and for the year ended June 30, 2013, are as follows:

	Balance 7-1-12	Additions	Retirements	Balance 6-30-13
Land	$ 7,449,198	$ 0	$ 0	$ 7,449,198
Land Improvements	2,383,068	0	0	2,383,068
Building and Improvements	132,329,613	109,073	(137,857)	132,300,829
Equipment	73,579,935	3,731,723	(18,557)	77,293,101
Equipment Under Capital Leases	14,621,390	0	0	14,621,390
Subtotal	$ 230,363,204	$ 3,840,796	$ (156,414)	$ 234,047,586
Less: Accumulated Depreciation and Amortization	(107,152,889)	(10,934,058)	12,399	(118,074,548)
Add: Construction in Progress	92,792	1,176,450	(87,012)	1,182,230
Total	$ 123,303,107	$ (5,916,812)	$ (231,027)	$ 117,155,268

Construction in progress at June 30, 2013, consists primarily of renovations to surgery suites and physician offices and an expansion project. Estimated costs to complete these projects totaled approximately $19,600,000 at June 30, 2013.

I. Investment in Joint Ventures

During 2006, the medical center entered into a joint venture with certain physicians to own and operate Williamson Surgery Center, LLC. As of June 30, 2013, the medical center's ownership interest in the surgery center was approximately 48 percent.

In August 2011 and June 2012, the medical center purchased the remaining 52 percent ownership interest in Williamson Surgery Center, LLC for total consideration of $1,224,000. The medical center incurred transaction expenses totaling $326,000 related to the purchase, which were expensed. Due to the change in control, the purchase was accounted for using the acquisition method of accounting. Under this method, the results of operations of the surgery center are included in the medical center's financial statements from the date control was obtained, which was June 30, 2012, and the assets and liabilities of the surgery center were recorded at fair value. In accordance with generally accepted accounting principles, the difference between the fair value and the book value of the previously held equity investment was recorded as a gain on acquisition. The fair value of the interest was estimated by using a market approach. The measurement is based on significant inputs that are observable in the market, which include but are not limited to acquisition multiples. The acquisition of the surgery center was allocated as follows on June 30, 2012:

Cash	$	251,982
Patient receivables		208,786
Inventory		132,056
Prepaid expenses		63,606
Property and equipment		321,029
Goodwill		1,767,469
Accounts payable		(77,085)
Accrued expenses and other liabilities		(107,852)
Long-term debt		(784,991)
Gain on acquisition		(551,000)
Total	$	1,224,000

During 2013, the medical center decreased goodwill relating to the acquisition of Williamson Surgery Center, LLC by $35,107 due to a change in an estimated liability as of the acquisition date.

The medical center has an investment in Shared Hospital Services, Inc. (S.H.S.), which provides laundry and linen services. This investment is in a joint venture in which the medical center owned approximately seven percent at June 30, 2013. Equity earnings are distributed based upon tons of laundry processed by S.H.S.

The medical center paid S.H.S. approximately $559,000 for laundry services for 2013.

On June 30, 2013, the medical center purchased a 49 percent ownership interest in Vanderbilt Health and Williamson Medical Center Clinics and Services, LLC (VHWMCCS) for $6,532,000. A capital contribution of $683,060 was also required as part of the purchase. The total investment balance is $7,215,060 at June 30, 2013, of which $6,532,000 was paid on June 30, 2013, and the capital contribution of $683,060 was paid on July 1, 2013, and is included in accounts payable at June 30, 2013. VHWMCCS owns and operates two primary care walk-in clinics located in Williamson County, Tennessee.

Summary information for the joint ventures as of June 30, 2013, and for the year then ended, is as follows:

Total Assets	$ 24,152,899
Total Liabilities	$ 1,299,749
Net Revenues	$ 12,229,872
Net Earnings	$ 512,702
Medical Center's Interest	
Investment in Joint Ventures	$ 8,159,950
Equity in Earnings of Joint Ventures	$ 4,699

J. Williamson County Ambulance Service

Pursuant to terms of an agreement with the county, which has been and may continue to be renewed annually upon agreement by both parties, the medical center controls and operates the Williamson County Ambulance Service. In accordance with this agreement, the county made unrestricted donations to the medical center of $1,943,624 in 2013, which is included in nonoperating income in the accompanying statements of revenues, expenses, and changes in net position. The agreement also provides for the medical center to return all related assets (as defined) of the Ambulance Service to the county at the end of the contract period. The net book value of assets related to the ambulance service was $850,228 at June 30, 2013.

K. Long-term Debt

A schedule of changes in the medical center's long-term debt is as follows:

	Balance 7-1-12	Additions	Reductions	Balance 6-30-13	Amounts Due Within One Year
Hospital Revenue and Tax Bonds Series 2004B	$ 2,150,000	$ 0	$ 0	$ 2,150,000	$ 700,000
Hospital Revenue and Tax Bonds Series 2004A	1,430,000	0	0	1,430,000	700,000
General Obligation Refunding Bonds Series 2012A	17,780,000	0	0	17,780,000	0
3.15% Note Payable to Bank (one-month LIBOR + 2.9%)	5,366,667	0	(1,400,000)	3,966,667	1,400,004
4.31% Note Payable to Bank	6,295,309	0	(417,278)	5,878,031	5,878,031
4.5% Note Payable to Bank	1,409,117	0	(189,795)	1,219,322	193,030

	Balance 7-1-12	Additions	Reductions	Balance 6-30-13	Amounts Due Within One Year
1.59% Note Payable to Bank (one-month LIBOR + 1.35%)	$ 85,331	$ 0	(85,331)	$ 0	$ 0
1.74% Note Payable to Bank (one-month LIBOR + 1.50%)	8,235,000	0	(915,000)	7,320,000	915,000
5.00% Note Payable to Bank (see Note VI I.)	784,991	0	(784,991)	0	0
Total	$ 43,536,415	$ 0	$ (3,792,395)	$ 39,744,020	$ 9,786,065

On December 1, 2004, the county issued $15,110,000 in Hospital Revenue and Tax Bonds, Series 2004B for the purpose of constructing improvements and renovations to and equipping of the medical center. Specifically, the 2004B Bonds were used for the multi-phase facility expansion and renovation project, which extended over several years and was substantially completed in 2007. The remaining Series 2004B Bonds bear interest rates ranging from 3.5 percent to four percent and are due through May 1, 2016.

On June 1, 2004, the county issued $15,110,000 in Hospital Revenue and Tax Bonds, Series 2004A to construct improvements and renovations to and for equipping of the medical center. Specifically, the 2004A Bonds were also used for the multi-phase facility expansion and renovation project. The remaining Series 2004A Bonds bear interest at rates ranging from four percent to 4.125 percent and are due through May 1, 2015.

In June 2012, the county issued $17,780,000 in General Obligation Refunding Bonds, Series 2012A to refund a portion of the Series 2004B and 2004A Bonds ($8,790,000 of the Series 2004B Bonds and $8,990,000 of the Series 2004A Bonds). The Series 2012A Bonds bear interest at rates ranging from two to four percent and are due through May 1, 2025, with the first principal payment due May 1, 2015.

The Series 2004A, Series 2004B, and the Series 2012A Bonds are collateralized by a pledge of the net revenues of the medical center and security interests in accounts receivable and certain other assets. In the event of a deficiency, the bonds are payable from unlimited ad valorem taxes levied on all taxable property within the county. The trust indentures related to the bonds contain certain covenants and restrictions, involving the issuance of additional debt and income available for debt service.

The medical center also issues notes payable to finance certain property and equipment additions. The 3.14 percent note payable to the bank represents

amounts drawn under a $10 million line of credit, which converted to a term loan on March 1, 2005, with monthly principal and interest payments based on a 20-year amortization, but maturing in March 2015. This loan is secured by a subordinated pledge of the medical center's net revenues and accounts receivable. The 4.31 percent note payable to bank represents amounts drawn under a $7.5 million construction loan, which converted to a term loan on December 1, 2008, with monthly principal and interest payments based on a 15-year amortization, with all outstanding principal and interest due November 2013. This loan is secured by security interests in accounts receivable, excluding Medicare payments. The 4.5 percent note payable to the bank is payable in monthly amounts of principal and interest of $20,390 through February 2019 and is secured by the medical center's deposit accounts and security interest in accounts receivable, excluding Medicare payments. The 1.59 percent note payable to the bank was paid on October 2012. The 1.74 percent note payable to bank bears interest at a variable rate based on the bank's index rate (LIBOR) plus 1.5 percent through July 2014 and is secured by accounts receivable. As part of the acquisition of the remaining ownership interest in the surgery center (see Note VI.I.), the medical center assumed a note payable to the bank. The five percent note payable to the bank is payable in monthly amounts of principal and interest of $11,250 through October 2019 and is secured by security interests in accounts receivable, equipment, and general intangibles of the surgery center. The five percent note payable to bank was paid in June 2013.

The debt service requirements at June 30, 2013, related to long-term debt are as follows:

Year Ending June 30	Principal Maturities or Sinking Fund Requirements	Interest
2014	$ 9,786,065	$ 1,067,464
2015	9,557,027	771,605
2016	3,043,008	652,478
2017	1,916,283	570,848
2018	2,016,592	492,738
2019-2023	10,175,045	1,333,868
2024-2025	3,250,000	94,477
Total	$ 39,744,020	$ 4,983,478

The medical center did not capitalize any interest relating to construction projects during 2013.

L. Other Receivables

Other current and long-term receivables at June 30, 2013, include $267,176 in receivables from certain physicians, which were made as part of the medical center's recruitment program to attract physicians to the medical center's service area. Under terms of the related agreements, such receivables will be forgiven over a period of time, generally over three years, as long as the physician continues to practice in the area. The medical center is amortizing these loans over the physicians' service commitments.

M. Employees Retirement Plan

The medical center participates in a tax-sheltered annuity program for substantially all of its employees who have one or more years of service, more than 1,000 scheduled hours, and have attained the age of 21. Benefits expense includes approximately $2,201,000 in 2013 related to the medical center's share of expenses for contributions and service charges on tax-sheltered annuities for covered employees. The medical center's contribution percentage is three percent of covered wages for non-management employees, seven percent for management employees, and ten percent for executives, as of June 30, 2013. The medical center also matches employee contributions up to two percent of compensation. Employees may make voluntary contributions so long as the total amount contributed by the employee does not exceed 25 percent of the employee's wages or maximum amounts as provided by law. The plan's investments at June 30, 2013, consist of various mutual fund and fixed income investments.

N. Functional Expenses

The following is a summary of management's functional classification of operating expenses:

Healthcare Services	$ 88,208,719
General and Administrative	62,947,864
Total	$ 151,156,583

O. Leases

The medical center leases equipment and office space under capital and operating lease agreements. Future minimum lease payments under capital leases and noncancellable operating leases with initial or remaining lease terms in excess of one year as of June 30, 2013, are as follows:

Year Ending June 30	Capital Leases	Operating Leases
2014	$ 365,169	$ 2,243,000
2015	150,640	1,393,000
2016	0	1,059,000
2017	0	599,000
2018	0	123,000
Total future minimum lease payments	$ 515,809	$ 5,417,000
Less amounts representing interest of 4% to 4.5%	(14,594)	
Present value of net minimum lease payments	$ 501,215	

A schedule of changes in the medical center's capital leases is as follows:

Balance 7-1-12	Additions	Reductions	Balance 6-30-13	Due Within One Year
$ 1,410,988	$ 0	$ (909,773)	$ 501,215	$ 353,766

The medical center generates rental income primarily from operating leases of two medical office buildings. Rental revenue was $1,897,579 in 2013 and is included in other revenue.

Approximate future minimum rental revenue under noncancellable leases at June 30, 2013, was as follows:

Year Ending June 30	Amount
2014	$ 1,764,000
2015	1,605,000
2016	1,637,000
2017	1,670,000
2018	1,412,000
Total	$ 8,088,000

Future minimum rental payments generally include minor annual increases for inflation.

P. Commitments and Contingencies

Medical malpractice liability is limited under provisions of the Tennessee Governmental Tort Liability Act (Section 29-20-403, et seq., *Tennessee Code Annotated*), which removed tort liability from governmental entities which, in the opinion of management and legal counsel for the medical center, includes the medical center. In addition to requiring claims to be made in conformance with this act, special provisions include, but are not limited to, special notice of requirements imposed upon the claimant, a one-year statute of limitations, and a provision requiring the governmental entity to purchase insurance or to be self-insured within certain limits. This act also prohibits a judgment or award exceeding the minimum amounts of insurance coverage set out in the act ($300,000 for bodily injury or death of any one person and $700,000 in the aggregate for all persons in any one accident, occurrence, or act) or the amount of insurance purchased by the governmental entity.

The medical center maintains commercial insurance on a claims-made basis for medical malpractice liabilities. Insurance coverages are $1 million per claim and $4 million in the aggregate annually with a deductible of $100,000 per claim. In addition, the medical center maintains a $4 million annual aggregate excess liability policy. Management intends to maintain such coverages in the future. During the past five fiscal years, no settlements of malpractice claims have exceeded insurance coverage limits.

There are known incidents occurring through June 30, 2013, that have resulted in the assertion of claims, although other claims may be asserted, arising from services provided to patients in the past. Management of the medical center is of the opinion that such liability, if any, related to these asserted claims will not have a material effect on the medical center's financial position. No amounts have been accrued for potential losses related to unreported incidents or reported incidents, which have not yet resulted in asserted claims, as the medical center is not able to estimate such amounts.

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, Medicare fraud and abuse, and, most recently under the provisions of the Health Insurance Portability and Accountability Act of 1996, matters related to patient records, privacy, and security. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

The medical center is self-insured for medical and other healthcare benefits provided to its employees and their families. The medical center maintains reinsurance through a commercial excess coverage policy, which covers annual individual employee claims paid in excess of $175,000 for the plan year. Contributions by the medical center and participating employees are based on actual claims experience. A provision for estimated incurred but not reported claims has been provided in the accompanying financial statements. Total expenses under this program amounted to approximately $7,403,000 for the year ended June 30, 2013.

The medical center is exposed to risks related to its cash and investments, a portion of which is included in assets limited as to use, although certain risks such as credit risk are mitigated due to the medical center's practice of maintaining investments primarily in cash and cash equivalents. The medical center's investment policy includes certificates of deposit, bank demand and savings accounts, and investment vehicles of the United States government. The medical center is subject to investment rate risk, the risk that changes in interest rates will adversely affect the fair value of an investment; however, the medical center's cash and investments are short-term in nature. The medical center's investment policy does not specifically address custodial credit risk, the risk that in the event of failure of a counterparty to a transaction, the medical center will not be able to recover the value of the investment or any collateral securities that are in the possession of an outside party, or concentration of credit risk, the risk that the amount of investments the medical center has with any one issuer exceeds five percent of its total investment. Substantially all of the medical center's cash and assets limited as to use are with two financial institutions.

Management continues to implement policies, procedures, and compliance overview of organizational structure to enforce and monitor compliance with the Health Insurance Portability and Accountability Act of 1996 and other government statutes and regulations. The medical center's compliance with such laws and regulations is subject to future government review and interpretations, as well as regulatory actions which are unknown or unasserted at this time.

The Centers for Medicare and Medicaid Services ("CMS") have implemented a Recovery Audit Contractors ("RAC") program. The purpose of the program is to reduce improper Medicare payments through the detection and recovery of overpayments. CMS has engaged subcontractors to perform these audits, and they are being compensated on a contingency basis based on the amount of overpayments that are recovered. While management believes that all Medicare billings are proper and adequate support is maintained, certain aspects of Medicare billing, coding and support are subject to interpretation and may be viewed differently by the RAC auditors. At June 30, 2013, the medical center recorded a reserve in accrued expenses and other liabilities in the accompanying balance sheet. The reserve is based on the percentage success rate and the total dollar of potential claims that are under audit.

In March 2010, Congress adopted comprehensive health care insurance legislation, the Patient Care Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (collectively, the "Health Care Reform Legislation"). The Health Care Reform Legislation, among other matters, is designed to expand access to health care coverage to substantially all citizens through a combination of public program expansion and private industry health insurance. Provisions of the Health Care Reform Legislation become effective at various dates over the next several years and a number of additional steps are required to implement these requirements. Due to the complexity of the Health Care Reform Legislation, reconciliation and implementation of the legislation continues to be under consideration by lawmakers, and it is not certain as to what changes may be made in the future regarding health care policies. Changes to existing Medicaid coverage and payments are also expected to occur as a result of this legislation. While the full impact of Health Care Reform Legislation is not yet fully known, changes to policies regarding reimbursement, universal health insurance and managed competition may materially impact the medical center's operations.

Q. Subsequent Events

On July 31, 2013, the Medical Center purchased a 20 percent ownership interest in Williamson Imaging, LLC, doing business as Cool Springs Imaging, LLC for $4,500,000. The investment in the joint venture will be accounted for under the equity method of accounting.

In connection with the purchase above, and the purchase of 49 percent ownership interest in VHWMCCS (see Note VI. I.), the Medical Center acquired a $6,700,000 note payable to bank. The note bears interest at a rate of 2.46 percent and matures August 1, 2016. The note is secured by certain personal property of the Medical Center.

VII. OTHER NOTES – DISCRETELY PRESENTED WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. Summary of Significant Accounting Policies

General Information – On May 15, 1984, the Tennessee state legislature approved the Tennessee Emergency Communications District Law (Acts 1984, Ch. 867), which enables a county, upon approval by voters, to create a district to provide local emergency telephone service. Subsequently, on March 11, 1988, the Williamson County Commission approved resolution number 3-88-7, which established a district for its county, the Williamson County Emergency Communications District. As provided by the Act, the district operates as a governmental organization through the directives of a seven-member board of directors and provides enhanced 911 emergency telephone service for its service area. The Williamson County Commission at its February 14, 2005, meeting added an eighth representative seat with the new director to be appointed from within the corporate limits of Franklin. The directors serve without compensation for terms of four years.

Financial Reporting Entity - Component Unit – The district is a component unit of the primary government of Williamson County, Tennessee. The district reports its financial information separately from Williamson County; however, the county in its financial report also presents the district's financial information.

Legally, the district is a separate governmental entity that has considerable legal, financial, and administrative autonomy. However, as the governing board is not elected but instead is entirely appointed by the Williamson County Mayor and approved by the Williamson County Commission, the district cannot be a primary government. Instead, it qualifies as a component unit according to the directives of Government Accounting Standards Board (GASB).

The GASB specifies that component units must be legally separate organizations, which have financial accountability to a primary government. Financial accountability exists prima facie if a special-purpose government is not fiscally independent. GASB states that to be fiscally independent, the government has to have the authority to do all of three activities. Two of these are to issue bonded debt without approval by another government and to levy taxes or set rates or charges without approval by another government. By Section 7-86-114, *Tennessee Code Annotated*, before issuing negotiable bonds, the district must have approval of the legislative body of a county wherein a district is established. It also must have approval before making purchase contracts, lease agreements, and notes payable of over five years' duration. In addition, the Williamson County Commission has the ability to adjust the district's service charges. Because the district is both a legal entity and financially accountable to the primary government of Williamson County as the County Commission approves all members of the governing board and by the nature of its fiscal dependence on Williamson County as described above, it is a component unit of Williamson County.

At June 30, 2013, there were no related receivables or payables between Williamson County and the district. The district did not engage in any activities that were subject to the approval of Williamson County.

Basis of Presentation – The financial statements are presented on the full accrual basis of accounting and conform to accounting principles generally accepted in the United States of America.

As a component unit of Williamson County, the accounts of the district are organized on the basis of a proprietary fund type, specifically an enterprise fund. The activities of this fund are accounted for with a separate set of self-balancing accounts that comprise the district's assets, liabilities, net position, revenues, and expenses. Enterprise funds account for activities (i) that are financed with debt that is secured by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by laws or regulations that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and

charges, rather than with taxes or similar revenue; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The district does not have the authority to levy or collect taxes but is supported instead by the fees collected from telephone subscribers who benefit from the availability of its service. It recovers the cost of providing its services from its customers. Consequently, the district functions in a manner similar to a private business enterprise and utilizes the accrual method of accounting. Income is recognized as it is earned, and expenses are recognized as they are incurred, whether or not cash is received or paid out at that time.

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 all liabilities associated with the operations are included on the Statement of Net Position. Net position (i.e., total assets plus net deferred outflows net of total liabilities and net deferred inflows) is segregated into net invested in capital assets, restricted for capital projects, and unrestricted components. As of June 30, 2013, the district had no debt that related to the aforementioned categories.

When both restricted and unrestricted resources are available for use, it is the district's policy to use restricted resources first and then unrestricted resources as they are needed.

Cash Flow - Cash and Cash Equivalents – The district presents its cash flow statement using the direct method. For purposes of cash flow presentation, the district considers cash in operating bank accounts, cash on hand, and certificates of deposit with an original maturity of 90 days or less to be cash and cash equivalents. At June 30, 2013, there were no certificates of deposit that qualified as cash equivalents.

Budgetary Law and Practice – The treasurer of the district files an annual budget with the mayor of Williamson County in accordance with *Tennessee Code Annotated*, Title 7, Chapter 86, Part 1. In March of each year, the treasurer presents a preliminary budget to the board of directors, which is then discussed and amended as necessary for approval by the board.

The budget for operations is prepared on the modified-cash receipts and disbursements basis by line item accounts. Revenues are budgeted in the year receipt is expected and disbursements are budgeted in the year that the disbursement is expected to occur.

Equipment – Equipment is stated at cost or estimated historical cost if actual cost is not available and depreciated from two to ten years by the straight-line method of depreciation. The district defines capital assets as assets with an initial, individual cost of more than $1,000 and an estimated useful life in excess of one year. Maintenance and repairs are charged to

operations when incurred. Major renewals and betterments are capitalized. When items of property are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included as non-operating revenue or loss.

Use of Estimates – The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and disclosure of contingencies at the date of the financial statements and the reported amounts of the revenues and expenses during the reported period. Actual results could differ from those estimates.

Use of Facilities – The district conducts its operations in the Williamson County government's office building at no cost to the district. The measurement of the contribution from Williamson County is not considered material for disclosure as in-kind support and as an expense in the accompanying statements of revenue, expenses, and changes in net position.

Operating Revenues and Expenses – The district's operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its principal ongoing operations. All other revenues and expenses are reported as non-operating revenues and expenses and consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities.

B. Cash and Certificates of Deposit Investments

The district is authorized to make investments in bonds, notes or treasury bills of the United States, Federal Land Bank bonds, Federal Home Loan Bank notes and bonds, Federal National Mortgage Association notes and debentures, banks for cooperative debentures, or any of its other agencies, or obligations guaranteed as to principal and interest by the United States or any of its agencies with a maturity not greater than one year, or in the pooled investment fund established under Tennessee law. During the year ended June 30, 2013, the board of directors chose to limit the investment of funds to certificates of deposits at banks. Cash reserves for operations were held in bank checking and savings accounts.

Cash – At June 30, 2013, the carrying amount of cash deposits was $1,369,697, and the bank balance was $1,604,371 as listed below. At June 30, 2013, the entire bank balance was covered by federal depository insurance, or by collateral held in the Tennessee Bank Collateral Pool. The Tennessee Bank Collateral pool is a multiple financial institution collateral pool to which member financial institutions holding public funds pledge collateral securities. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. The pool also has the ability to make additional assessments on a pro rata basis to the members of the pool if the value of collateral is inadequate to cover a loss.

Cash Accounts	Interest Rate	June 30, 2013 Carrying Amount	Bank Balance
Franklin Synergy Bank Checking	.12%	$ 1,105,280	$ 1,339,954
Franklin Synergy Bank Money Market	.42	264,417	264,417
Total		$ 1,369,697	$ 1,604,371

Certificates of Deposit – At June 30, 2013, the district held the following certificates of deposit:

Bank	Maturity	Interest	Amount
Franklin Synergy Bank	12-9-13	1 %	$ 250,000
Franklin Synergy Bank	12-9-13	1	250,000
Franklin Synergy Bank	12-9-13	1	250,000
Total			$ 750,000

The certificates of deposit are insured by the Federal Deposit Insurance Corporation or the Tennessee Bank Collateral Pool and are shown at their fair value.

C. Accounts Receivable

The district receives the majority of its revenue from the telephone subscribers residing within Williamson County. As provided in the act, telephone companies collect the 911 fees from the subscribers and remit the funds on a not longer than bi-monthly basis to the district. The policy of the telephone companies has been to remit based upon their billings rather than on their collections. Accordingly, the financial statements do not include a provision for bad debts. Also included in accounts receivable are amounts from the communities and organizations that have contracted with the district for 911 dispatch services.

The following is the detail of the receivables at June 30, 2013:

AT&T	$ 50,572
Fairview	36,000
Windstream	19,014
United Telephone	16,796
Others	28,293
Total	$ 150,675

D. Capital Assets

Capital assets are summarized as follows:

	Balance 7-1-12	Additions	Balance 6-30-13
Communications Equipment	$ 1,969,416	$ 20,967	$ 1,990,383
Office Furniture and Equipment	67,772	1,738	69,510
Subtotal	$ 2,037,188	$ 22,705	$ 2,059,893
Less: Accumulated Depreciation	(1,752,940)	(168,851)	(1,921,791)
Total	$ 284,248	$ (146,146)	$ 138,102

E. Risk Management

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district is covered under insurance policies maintained by Williamson County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

F. Accounts Payable

Accounts payable include the following:

Administrative fees-service charge to various telephone companies	$ 4,018

G. Due to Others

During the year ended June 30, 2012, the district was notified by a telephone company that the district was overpaid for emergency telephone fees totaling $8,717. The balance due to others as of June 30, 2013, was $8,717.

H. Related-party Transactions

Williamson County, Tennessee, provides dispatch employees and certain services to the district. The district and Williamson County signed an interlocal contract effective from July 1, 1998, to June 30, 1999, that automatically renews each year unless one party notifies the other in writing within 60 days prior to the commencement of the new fiscal year. The expenses, which are primarily salaries, employee benefits, and services, are billed to the district quarterly and are included in the Statement of Revenues, Expenses, and Changes in Net Position as contracts with government agencies. Amounts paid or payable to Williamson County for the fiscal year ended 2013 totaled $998,472.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

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

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Frozen Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6-30-11	$ 122,226	$ 127,375	$ 5,149	95.96 %	$ 58,312	8.83 %
6-30-09	93,313	97,035	3,721	96.16	56,545	6.58
6-30-07	81,676	86,320	4,644	94.62	49,964	9.29

Exhibit F-2

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

(Dollar amounts in thousands)

Plans	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Health and Dental Plans:							
Primary Government	7-1-10	$ 0	$ 41,828	$ 41,828	0 %	$ 29,797	140 %
"	7-1-11	0	41,828	41,828	0	30,495	137
"	7-1-12	0	46,259	46,259	0	31,895	145
School Department	7-1-10	0	185,332	185,332	0	135,582	137
"	7-1-11	0	185,332	185,332	0	139,170	133
"	7-1-12	0	209,218	209,218	0	145,717	144
School Department:							
State Medicare Supplement	7-1-09	0	2,145	2,145	0	N/A	N/A
"	7-1-10	0	2,145	2,145	0	N/A	N/A
"	7-1-11	0	1,939	1,939	0	N/A	N/A

WILLIAMSON 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.

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions of Williamson County's recycling and solid waste collection.

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

District Attorney General Fund – The District Attorney General Fund is used to account for restricted revenue held in trust for the benefit of the Office of District Attorney General. Effective July 1, 2012, this fund has been reclassified as an agency fund.

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

Exhibit G-1

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

	Special Revenue Funds			
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total Nonmajor Governmental Funds
ASSETS				
Cash	$ 575	$ 0	$ 3,400	$ 3,975
Equity in Pooled Cash and Investments	4,258,142	92,511	0	4,350,653
Accounts Receivable	93,830	0	0	93,830
Due from Other Governments	35,000	0	0	35,000
Property Taxes Receivable	3,254,004	0	0	3,254,004
Allowance for Uncollectible Property Taxes	(40,692)	0	0	(40,692)
Total Assets	$ 7,600,859	$ 92,511	$ 3,400	$ 7,696,770
LIABILITIES				
Claims and Judgments Payable	$ 6,500	$ 0	$ 0	$ 6,500
Due to Litigants, Heirs, and Others	0	0	3,400	3,400
Other Current Liabilities	0	19,728	0	19,728
Total Liabilities	$ 6,500	$ 19,728	$ 3,400	$ 29,628
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	$ 3,154,973	$ 0	$ 0	$ 3,154,973
Deferred Delinquent Property Taxes	51,839	0	0	51,839
Other Deferred/Unavailable Revenue	22,667	0	0	22,667
Total Deferred Inflows of Resources	$ 3,229,479	$ 0	$ 0	$ 3,229,479
FUND BALANCES				
Restricted:				
Restricted for Public Safety	$ 0	$ 72,783	$ 0	$ 72,783
Restricted for Public Health and Welfare	49,443	0	0	49,443
Committed:				
Committed for Public Health and Welfare	4,315,437	0	0	4,315,437
Total Fund Balances	$ 4,364,880	$ 72,783	$ 0	$ 4,437,663
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 7,600,859	$ 92,511	$ 3,400	$ 7,696,770

Exhibit G-2

Williamson 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			Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	District Attorney	
Revenues				
Local Taxes	$ 3,125,021	$ 0	$ 0	$ 3,125,021
Fines, Forfeitures, and Penalties	0	40,857	0	40,857
Charges for Current Services	767,976	0	0	767,976
Other Local Revenues	374,371	319	0	374,690
State of Tennessee	216,101	0	0	216,101
Other Governments and Citizens Groups	0	4,450	0	4,450
Total Revenues	$ 4,483,469	$ 45,626	$ 0	$ 4,529,095
Expenditures				
Current:				
Public Safety	$ 0	$ 59,721	$ 0	$ 59,721
Public Health and Welfare	3,384,126	0	0	3,384,126
Other Operations	674,481	0	0	674,481
Total Expenditures	$ 4,058,607	$ 59,721	$ 0	$ 4,118,328
Excess (Deficiency) of Revenues Over Expenditures	$ 424,862	$ (14,095)	$ 0	$ 410,767
Other Financing Sources (Uses)				
Transfers Out	$ (350,000)	$ 0	$ 0	$ (350,000)
Total Other Financing Sources (Uses)	$ (350,000)	$ 0	$ 0	$ (350,000)
Net Change in Fund Balances	$ 74,862	$ (14,095)	$ 0	$ 60,767
Reclassification	0	0	(268,536)	(268,536)
Fund Balance, July 1, 2012	4,290,018	86,878	268,536	4,645,432
Fund Balance, June 30, 2013	$ 4,364,880	$ 72,783	$ 0	$ 4,437,663

Exhibit G-3

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 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	$ 3,125,021	$ 0	$ 0	$ 3,125,021	$ 2,908,893	$ 2,908,893	$ 216,128
Charges for Current Services	767,976	0	0	767,976	1,000,000	1,000,000	(232,024)
Other Local Revenues	374,371	0	0	374,371	500,000	504,500	(130,129)
State of Tennessee	216,101	0	0	216,101	135,000	135,000	81,101
Total Revenues	$ 4,483,469	$ 0	$ 0	$ 4,483,469	$ 4,543,893	$ 4,548,393	$ (64,924)
Expenditures							
Public Health and Welfare							
Sanitation Management	$ 3,384,126	$ (221,866)	$ 122,909	$ 3,285,169	$ 4,029,853	$ 4,042,453	$ 757,284
Other Operations							
Other Charges	240,069	0	0	240,069	400,000	400,000	159,931
Employee Benefits	434,412	0	0	434,412	491,350	491,350	56,938
Total Expenditures	$ 4,058,607	$ (221,866)	$ 122,909	$ 3,959,650	$ 4,921,203	$ 4,933,803	$ 974,153
Excess (Deficiency) of Revenues Over Expenditures	$ 424,862	$ 221,866	$ (122,909)	$ 523,819	$ (377,310)	$ (385,410)	$ 909,229
Other Financing Sources (Uses)							
Transfers Out	$ (350,000)	$ 0	$ 0	$ (350,000)	$ 0	$ (350,000)	$ 0
Total Other Financing Sources	$ (350,000)	$ 0	$ 0	$ (350,000)	$ 0	$ (350,000)	$ 0
Net Change in Fund Balance	$ 74,862	$ 221,866	$ (122,909)	$ 173,819	$ (377,310)	$ (735,410)	$ 909,229
Fund Balance, July 1, 2012	4,290,018	(221,866)	0	4,068,152	4,068,153	4,068,153	(1)
Fund Balance, June 30, 2013	$ 4,364,880	$ 0	$ (122,909)	$ 4,241,971	$ 3,690,843	$ 3,332,743	$ 909,228

Exhibit G-4

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2013	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Fines, Forfeitures, and Penalties	$ 40,857	$ 0	$ 40,857	$ 36,000	$ 36,000	$ 4,857
Other Local Revenues	319	0	319	0	0	319
Other Governments and Citizens Groups	4,450	0	4,450	0	0	4,450
Total Revenues	$ 45,626	$ 0	$ 45,626	$ 36,000	$ 36,000	$ 9,626
Expenditures						
Public Safety						
Drug Enforcement	$ 59,721	$ 2,141	$ 61,862	$ 71,000	$ 71,000	$ 9,138
Total Expenditures	$ 59,721	$ 2,141	$ 61,862	$ 71,000	$ 71,000	$ 9,138
Excess (Deficiency) of Revenues Over Expenditures	$ (14,095)	$ (2,141)	$ (16,236)	$ (35,000)	$ (35,000)	$ 18,764
Net Change in Fund Balance	$ (14,095)	$ (2,141)	$ (16,236)	$ (35,000)	$ (35,000)	$ 18,764
Fund Balance, July 1, 2012	86,878	0	86,878	86,878	86,878	0
Fund Balance, June 30, 2013	$ 72,783	$ (2,141)	$ 70,642	$ 51,878	$ 51,878	$ 18,764

Major Governmental Funds

Debt Service Funds

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

General Debt Service Fund – The General Debt Service Fund is used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs.

Rural Debt Service Fund – The Rural Debt Service Fund is used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs specifically issued for schools outside the territorial boundaries of the Franklin Special School District.

Exhibit H-1

Williamson 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	$ 25,785,118	$ 23,942,471	$ 23,942,471	$ 1,842,647
Other Local Revenues	455,681	375,000	375,000	80,681
Federal Government	677,769	677,769	677,769	0
Other Governments and Citizens Groups	218,318	522,559	522,559	(304,241)
Total Revenues	$ 27,136,886	$ 25,517,799	$ 25,517,799	$ 1,619,087
Expenditures				
Principal on Debt				
General Government	$ 10,176,802	$ 10,176,802	$ 10,176,802	$ 0
Highways and Streets	165,600	165,600	165,600	0
Education	9,136,598	9,136,598	9,136,598	0
Interest on Debt				
General Government	4,656,260	5,555,000	4,877,900	221,640
Highways and Streets	42,170	42,200	42,200	30
Education	6,228,295	6,360,000	6,360,000	131,705
Other Debt Service				
General Government	756,615	620,000	832,485	75,870
Total Expenditures	$ 31,162,340	$ 32,056,200	$ 31,591,585	$ 429,245
Excess (Deficiency) of Revenues Over Expenditures	$ (4,025,454)	$ (6,538,401)	$ (6,073,786)	$ 2,048,332
Other Financing Sources (Uses)				
Refunding Debt Issued	$ 30,085,000	$ 0	$ 30,085,000	$ 0
Premiums on Debt Issued	5,387,103	0	5,387,103	0
Transfers In	0	677,100	0	0
Payments to Refunded Debt Escrow Agent	(35,259,618)	0	(35,259,618)	0
Total Other Financing Sources	$ 212,485	$ 677,100	$ 212,485	$ 0
Net Change in Fund Balance	$ (3,812,969)	$ (5,861,301)	$ (5,861,301)	$ 2,048,332
Fund Balance, July 1, 2012	21,949,785	16,950,911	16,950,911	4,998,874
Fund Balance, June 30, 2013	$ 18,136,816	$ 11,089,610	$ 11,089,610	$ 7,047,206

Exhibit H-2

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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 14,395,811	$ 13,235,692	$ 13,235,692	$ 1,160,119
Other Local Revenues	40,409	75,000	75,000	(34,591)
Federal Government	953,632	953,630	953,630	2
Total Revenues	$ 15,389,852	$ 14,264,322	$ 14,264,322	$ 1,125,530
Expenditures				
Principal on Debt				
Education	$ 11,535,000	$ 11,535,000	$ 11,535,000	$ 0
Interest on Debt				
Education	9,235,368	9,315,000	9,288,000	52,632
Other Debt Service				
Education	386,663	260,000	395,223	8,560
Total Expenditures	$ 21,157,031	$ 21,110,000	$ 21,218,223	$ 61,192
Excess (Deficiency) of Revenues Over Expenditures	$ (5,767,179)	$ (6,845,678)	$ (6,953,901)	$ 1,186,722
Other Financing Sources (Uses)				
Refunding Debt Issued	$ 11,805,000	$ 0	$ 11,805,000	$ 0
Premiums on Debt Issued	1,467,495	0	1,467,495	0
Transfers In	5,000,000	5,000,000	5,000,000	0
Payments to Refunded Debt Escrow Agent	(13,164,271)	0	(13,164,271)	0
Total Other Financing Sources	$ 5,108,224	$ 5,000,000	$ 5,108,224	$ 0
Net Change in Fund Balance	$ (658,955)	$ (1,845,678)	$ (1,845,677)	$ 1,186,722
Fund Balance, July 1, 2012	8,512,441	8,512,440	8,512,440	1
Fund Balance, June 30, 2013	$ 7,853,486	$ 6,666,762	$ 6,666,763	$ 1,186,723

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.

Cities - Property Tax Fund – The Cities Property Tax Fund is used to account for the property taxes of the City of Nolensville and Town of Thompson's Station. These collections are remitted to each city monthly.

Cities Adequate Facilities Tax Fund – The Cities Adequate Facilities Tax Fund is used to account for various cities' share of adequate facilities tax collected by the county. These collections are remitted to the cities on a monthly basis.

Special School District Fund – The Special School District Fund is used to account for the Franklin Special School District's share of education revenues collected by the county that must be apportioned between the county and special school district on an average daily attendance basis and property taxes assessed on parcels that lie within the Franklin Special School District. These collections are remitted to the special school district on a monthly basis.

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for state grants and other restricted revenues that are held in trust for the benefit of the judicial district drug task force.

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

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

Other Agency Fund – The Other Agency Fund is used to account for a special litigation tax levied by Chapter 9, Private Acts of 1957, as amended. Proceeds of the tax must be expended for the benefit of the county's law library under the control of the Williamson County Governmental Library Commission.

Exhibit I-1

Williamson County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
For the Year Ended June 30, 2013

	Agency Funds							
	Cities - Sales Tax	Cities - Property Tax	Special School District	Judicial District Drug	District Attorney General	Constitu-tional Officers - Agency	Other Agency	Total
ASSETS								
Cash	$ 0	$ 0	$ 0	$ 6,142	$ 0	$ 6,687,251	$ 0	$ 6,693,393
Equity in Pooled Cash and Investments	0	45,776	541,866	2,198,505	274,606	0	34,985	3,095,738
Investments	0	0	0	0	0	18,062	0	18,062
Accounts Receivable	0	0	0	0	0	46,596	0	46,596
Due from Other Governments	7,029,034	0	706,493	0	0	0	0	7,735,527
Taxes Receivable	0	0	10,950,335	0	0	0	0	10,950,335
Allowance for Uncollectible Taxes	0	0	(104,656)	0	0	0	0	(104,656)
Total Assets	$ 7,029,034	$ 45,776	$ 12,094,038	$ 2,204,647	$ 274,606	$ 6,751,909	$ 34,985	$ 28,434,995
LIABILITIES								
Due to Other Taxing Units	$ 7,029,034	$ 45,776	$ 12,094,038	$ 0	$ 0	$ 0	$ 0	$ 19,168,848
Due to Joint Venture	0	0	0	389,147	0	0	0	389,147
Due to Litigants, Heirs, and Others	0	0	0	1,815,500	274,606	6,751,909	34,985	8,877,000
Total Liabilities	$ 7,029,034	$ 45,776	$ 12,094,038	$ 2,204,647	$ 274,606	$ 6,751,909	$ 34,985	$ 28,434,995

Exhibit I-2

Williamson 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	$ 41,778,360	$ 41,778,360	$ 0
Due from Other Governments	6,723,737	7,029,034	6,723,737	7,029,034
Total Assets	$ 6,723,737	$ 48,807,394	$ 48,502,097	$ 7,029,034
Liabilities				
Due to Other Taxing Units	$ 6,723,737	$ 48,807,394	$ 48,502,097	$ 7,029,034
Total Liabilities	$ 6,723,737	$ 48,807,394	$ 48,502,097	$ 7,029,034
Cities - Property Tax Fund				
Assets				
Equity in Pooled Cash and Investments	$ 2,611	$ 390,953	$ 347,788	$ 45,776
Total Assets	$ 2,611	$ 390,953	$ 347,788	$ 45,776
Liabilities				
Due to Other Taxing Units	$ 2,611	$ 390,953	$ 347,788	$ 45,776
Total Liabilities	$ 2,611	$ 390,953	$ 347,788	$ 45,776
Cities Adequate Facilities Tax Fund				
Assets				
Equity in Pooled Cash and Investments	$ 0	$ 1,831,504	$ 1,831,504	$ 0
Total Assets	$ 0	$ 1,831,504	$ 1,831,504	$ 0
Liabilities				
Due to Other Taxing Units	$ 0	$ 1,831,504	$ 1,831,504	$ 0
Total Liabilities	$ 0	$ 1,831,504	$ 1,831,504	$ 0
Special School District Fund				
Assets				
Equity in Pooled Cash and Investments	$ 542,975	$ 33,603,759	$ 33,604,868	$ 541,866
Due from Other Governments	698,286	706,493	698,286	706,493
Taxes Receivable	10,216,253	10,950,335	10,216,253	10,950,335
Allowance for Uncollectible Taxes	(110,011)	(104,656)	(110,011)	(104,656)
Total Assets	$ 11,347,503	$ 45,155,931	$ 44,409,396	$ 12,094,038
Liabilities				
Due to Other Taxing Units	$ 11,347,503	$ 45,155,931	$ 44,409,396	$ 12,094,038
Total Liabilities	$ 11,347,503	$ 45,155,931	$ 44,409,396	$ 12,094,038

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
Judicial District Drug Fund				
Assets				
Cash	$ 7,122	$ 6,142	$ 7,122	$ 6,142
Equity in Pooled Cash and Investments	1,310,718	1,984,557	1,096,770	2,198,505
Total Assets	$ 1,317,840	$ 1,990,699	$ 1,103,892	$ 2,204,647
Liabilities				
Due to Joint Venture	$ 988,236	$ 423,532	$ 1,022,621	$ 389,147
Due to Litigants, Heirs, and Others	329,604	1,567,167	81,271	1,815,500
Total Liabilities	$ 1,317,840	$ 1,990,699	$ 1,103,892	$ 2,204,647
District Attorney General Fund				
Assets				
Cash	$ 0	$ 150	$ 150	$ 0
Equity in Pooled Cash and Investments	0	330,089	55,483	274,606
Total Assets	$ 0	$ 330,239	$ 55,633	$ 274,606
Liabilities				
Due to Litigants, Heirs, and Others	$ 0	$ 330,239	$ 55,633	$ 274,606
Total Liabilities	$ 0	$ 330,239	$ 55,633	$ 274,606
Constitutional Officers - Agency Fund				
Assets				
Cash	$ 6,261,488	$ 65,197,932	$ 64,772,169	$ 6,687,251
Investments	14,106	18,062	14,106	18,062
Accounts Receivable	28,477	46,596	28,477	46,596
Total Assets	$ 6,304,071	$ 65,262,590	$ 64,814,752	$ 6,751,909
Liabilities				
Due to Litigants, Heirs, and Others	$ 6,304,071	$ 65,262,590	$ 64,814,752	$ 6,751,909
Total Liabilities	$ 6,304,071	$ 65,262,590	$ 64,814,752	$ 6,751,909
Other Agency Fund				
Assets				
Equity in Pooled Cash and Investments	$ 34,566	$ 34,985	$ 34,566	$ 34,985
Total Assets	$ 34,566	$ 34,985	$ 34,566	$ 34,985
Liabilities				
Due to Litigants, Heirs, and Others	$ 34,566	$ 34,985	$ 34,566	$ 34,985
Total Liabilities	$ 34,566	$ 34,985	$ 34,566	$ 34,985

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
Totals - All Agency Funds				
Assets				
Cash	$ 6,268,610	$ 65,204,224	$ 64,779,441	$ 6,693,393
Equity in Pooled Cash and Investments	1,890,870	79,954,207	78,749,339	3,095,738
Investments	14,106	18,062	14,106	18,062
Due from Other Governments	7,422,023	7,735,527	7,422,023	7,735,527
Accounts Receivable	28,477	46,596	28,477	46,596
Taxes Receivable	10,216,253	10,950,335	10,216,253	10,950,335
Allowance for Uncollectible Taxes	(110,011)	(104,656)	(110,011)	(104,656)
Total Assets	$ 25,730,328	$ 163,804,295	$ 161,099,628	$ 28,434,995
Liabilities				
Due to Other Taxing Units	$ 18,073,851	$ 96,185,782	$ 95,090,785	$ 19,168,848
Due to Joint Venture	988,236	423,532	1,022,621	389,147
Due to Litigants, Heirs, and Others	6,668,241	67,194,981	64,986,222	8,877,000
Total Liabilities	$ 25,730,328	$ 163,804,295	$ 161,099,628	$ 28,434,995

Williamson County School Department

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

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

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

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

Extended School Program Fund – The Extended School Program Fund is used to account for transactions related to the after-school programs in the individual schools.

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

Exhibit J-1

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

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental Activities:					
Instruction	$ 185,852,458	$ 527,298	$ 9,545,692	$ 0	$ (175,779,468)
Support Services	99,843,138	56,139	200,100	8,754,164	(90,832,735)
Operation of Non-Instructional Services	13,933,055	10,916,197	3,336,275	0	319,417
Total Governmental Activities	$ 299,628,651	$ 11,499,634	$ 13,082,067	$ 8,754,164	$ (266,292,786)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					$ 97,419,733
Local Option Sales Tax					39,549,213
Other Local Taxes					13,408
Grants and Contributions Not Restricted to Specific Programs					106,344,292
Unrestricted Investment Income					217,014
Miscellaneous					288,944
Total General Revenues					$ 243,832,604
Change in Net Position					$ (22,460,182)
Net Position, July 1, 2012					341,987,628
Net Position, June 30, 2013					$ 319,527,446

Exhibit J-2

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

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern-mental Funds	Total Governmental Funds
ASSETS				
Cash	$ 300	$ 0	$ 231,728	$ 232,028
Equity in Pooled Cash and Investments	35,453,740	11,036,428	3,022,657	49,512,825
Accounts Receivable	382,526	0	7,948	390,474
Due from Other Governments	7,007,230	0	194,978	7,202,208
Property Taxes Receivable	101,614,333	0	0	101,614,333
Allowance for Uncollectible Property Taxes	(971,163)	0	0	(971,163)
Total Assets	$ 143,486,966	$ 11,036,428	$ 3,457,311	$ 157,980,705
LIABILITIES				
Accounts Payable	$ 428,103	$ 227,520	$ 3,449	$ 659,072
Accrued Payroll	13,606,619	0	119,076	13,725,695
Payroll Deductions Payable	2,194,405	0	19,164	2,213,569
Contracts Payable	0	462,838	0	462,838
Retainage Payable	0	19,702	0	19,702
Claims and Judgments Payable	271,722	0	0	271,722
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	0	0	220,905	220,905
Total Liabilities	$ 16,500,849	$ 710,060	$ 362,594	$ 17,573,503
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	$ 99,519,675	$ 0	$ 0	$ 99,519,675
Deferred Delinquent Property Taxes	1,023,494	0	0	1,023,494
Other Deferred/Unavailable Revenue	3,518,949	0	0	3,518,949
Total Deferred Inflows of Resources	$ 104,062,118	$ 0	$ 0	$ 104,062,118
FUND BALANCES				
Restricted:				
Restricted for Education	$ 169,366	$ 0	$ 0	$ 169,366
Committed:				
Committed for Education	24,337	0	250,063	274,400
Committed for Capital Outlay	0	10,326,368	0	10,326,368
Assigned:				
Assigned for Education	12,626,507	0	2,844,654	15,471,161
Unassigned	10,103,789	0	0	10,103,789
Total Fund Balances	$ 22,923,999	$ 10,326,368	$ 3,094,717	$ 36,345,084
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 143,486,966	$ 11,036,428	$ 3,457,311	$ 157,980,705

Exhibit J-3

Williamson County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
Discretely Presented Williamson 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)		$ 36,345,084
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	$ 34,255,744	
Add: construction in progress	1,579,471	
Add: buildings and improvements net of accumulated depreciation	326,422,621	
Add: intangibles net of accumulated depreciation	592,962	
Add: other capital assets net of accumulated depreciation	19,040,106	381,890,904
(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	$ (1,182,047)	
Less: other postemployment benefits liability - state Medicare plan	(1,478,475)	
Less: other postemployment benefits liability - self-insurance plan	(100,590,463)	(103,250,985)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		4,542,443
Net position of governmental activities (Exhibit A)		$ 319,527,446

Exhibit J-4

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

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Revenues				
Local Taxes	$ 136,741,745	$ 0	$ 0	$ 136,741,745
Licenses and Permits	8,825	0	0	8,825
Charges for Current Services	991,963	0	10,175,665	11,167,628
Other Local Revenues	931,263	56,526	16,171	1,003,960
State of Tennessee	107,935,309	0	93,521	108,028,830
Federal Government	1,185,805	0	9,914,585	11,100,390
Other Governments and Citizens Groups	0	8,690,000	0	8,690,000
Total Revenues	$ 247,794,910	$ 8,746,526	$ 20,199,942	$ 276,741,378
Expenditures				
Current:				
Instruction	$ 161,860,551	$ 0	$ 5,316,966	$ 167,177,517
Support Services	82,540,296	0	1,703,746	84,244,042
Operation of Non-Instructional Services	1,352,577	0	12,684,320	14,036,897
Capital Projects	0	13,334,396	0	13,334,396
Total Expenditures	$ 245,753,424	$ 13,334,396	$ 19,705,032	$ 278,792,852
Excess (Deficiency) of Revenues Over Expenditures	$ 2,041,486	$ (4,587,870)	$ 494,910	$ (2,051,474)
Other Financing Sources (Uses)				
Transfers In	$ 457,633	$ 2,402,428	$ 0	$ 2,860,061
Transfers Out	(2,402,428)	0	(457,633)	(2,860,061)
Total Other Financing Sources (Uses)	$ (1,944,795)	$ 2,402,428	$ (457,633)	$ 0
Net Change in Fund Balances	$ 96,691	$ (2,185,442)	$ 37,277	$ (2,051,474)
Fund Balance, July 1, 2012	22,827,308	12,511,810	3,057,440	38,396,558
Fund Balance, June 30, 2013	$ 22,923,999	$ 10,326,368	$ 3,094,717	$ 36,345,084

Exhibit J-5

Williamson County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Williamson 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)		$ (2,051,474)
(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	$ 12,624,510	
Less: current-year depreciation expense	(13,430,582)	(806,072)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: loss on disposal of capital assets	$ (1,200,033)	
Add: assets donated and capitalized	64,164	(1,135,869)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2012	$ (4,174,441)	
Add: deferred delinquent property taxes and other deferred June 30, 2013	4,542,443	368,002
(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 compensated absences payable	$ (164,465)	
Change in other postemployment benefits liability - state Medicare plan	(243,162)	
Change in other postemployment benefits liability - self-insurance plan	(18,427,142)	(18,834,769)
Change in net position of governmental activities (Exhibit B)		$ (22,460,182)

Exhibit J-6

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

	Special Revenue Funds			Total
	School Federal Projects	Central Cafeteria	Extended School Program	Nonmajor Governmental Funds
ASSETS				
Cash	$ 0	$ 3,039	$ 228,689	$ 231,728
Equity in Pooled Cash and Investments	195,851	2,046,021	780,785	3,022,657
Accounts Receivable	0	150	7,798	7,948
Due from Other Governments	194,978	0	0	194,978
Total Assets	$ 390,829	$ 2,049,210	$ 1,017,272	$ 3,457,311
LIABILITIES				
Accounts Payable	$ 2,526	$ 556	$ 367	$ 3,449
Accrued Payroll	119,076	0	0	119,076
Payroll Deductions Payable	19,164	0	0	19,164
Current Liabilities Payable from Restricted Assets:				
Customer Deposits Payable	0	220,905	0	220,905
Total Liabilities	$ 140,766	$ 221,461	$ 367	$ 362,594
FUND BALANCES				
Committed:				
Committed for Education	$ 250,063	$ 0	$ 0	$ 250,063
Assigned:				
Assigned for Education	0	1,827,749	1,016,905	2,844,654
Total Fund Balances	$ 250,063	$ 1,827,749	$ 1,016,905	$ 3,094,717
Total Liabilities and Fund Balances	$ 390,829	$ 2,049,210	$ 1,017,272	$ 3,457,311

Exhibit J-7

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

	Special Revenue Funds			Total
	School Federal Projects	Central Cafeteria	Extended School Program	Nonmajor Governmental Funds
Revenues				
Charges for Current Services	$ 0	$ 8,115,394	$ 2,060,271	$ 10,175,665
Other Local Revenues	0	15,038	1,133	16,171
State of Tennessee	0	93,521	0	93,521
Federal Government	7,195,101	2,719,484	0	9,914,585
Total Revenues	$ 7,195,101	$ 10,943,437	$ 2,061,404	$ 20,199,942
Expenditures				
Current:				
Instruction	$ 5,316,966	$ 0	$ 0	$ 5,316,966
Support Services	1,703,746	0	0	1,703,746
Operation of Non-Instructional Services	0	10,945,362	1,738,958	12,684,320
Total Expenditures	$ 7,020,712	$ 10,945,362	$ 1,738,958	$ 19,705,032
Excess (Deficiency) of Revenues Over Expenditures	$ 174,389	$ (1,925)	$ 322,446	$ 494,910
Other Financing Sources (Uses)				
Transfers Out	$ (167,133)	$ (250,000)	$ (40,500)	$ (457,633)
Total Other Financing Sources (Uses)	$ (167,133)	$ (250,000)	$ (40,500)	$ (457,633)
Net Change in Fund Balances	$ 7,256	$ (251,925)	$ 281,946	$ 37,277
Fund Balance, July 1, 2012	242,807	2,079,674	734,959	3,057,440
Fund Balance, June 30, 2013	$ 250,063	$ 1,827,749	$ 1,016,905	$ 3,094,717

Exhibit J-8

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Williamson 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	$ 136,741,745	$ 0	$ 0	$ 136,741,745	$ 129,472,236	$ 129,472,236	$ 7,269,509
Licenses and Permits	8,825	0	0	8,825	9,000	9,000	(175)
Charges for Current Services	991,963	0	0	991,963	1,003,482	1,003,482	(11,519)
Other Local Revenues	931,263	0	0	931,263	767,700	816,102	115,161
State of Tennessee	107,935,309	0	0	107,935,309	104,300,863	106,915,256	1,020,053
Federal Government	1,185,805	0	0	1,185,805	1,139,121	1,284,101	(98,296)
Total Revenues	$ 247,794,910	$ 0	$ 0	$ 247,794,910	$ 236,692,402	$ 239,500,177	$ 8,294,733
Expenditures							
Instruction							
Regular Instruction Program	$ 125,442,780	$ (815,888)	$ 2,049,699	$ 126,676,591	$ 125,086,735	$ 127,802,036	$ 1,125,445
Alternative Instruction Program	472,830	0	0	472,830	476,151	483,271	10,441
Special Education Program	29,117,800	(35,234)	90,619	29,173,185	28,723,704	29,756,650	583,465
Vocational Education Program	5,212,884	(48,824)	7,191	5,171,251	5,688,478	5,703,464	532,213
Student Body Education Program	1,457,939	(51,030)	47,783	1,454,692	1,600,000	1,599,999	145,307
Adult Education Program	156,318	(656)	112	155,774	224,866	249,866	94,092
Support Services							
Attendance	131,239	0	0	131,239	135,549	135,549	4,310
Health Services	2,956,790	(6,448)	5,205	2,955,547	3,105,660	3,105,660	150,113
Other Student Support	7,393,809	(13,866)	1,459	7,381,402	7,220,192	7,534,681	153,279
Regular Instruction Program	7,688,638	(45,673)	1,917	7,644,882	7,799,217	7,978,444	333,562
Special Education Program	2,661,873	(4,265)	32,170	2,689,778	2,686,495	2,834,909	145,131
Vocational Education Program	242,043	0	0	242,043	236,609	248,544	6,501
Adult Programs	118,321	0	0	118,321	147,552	147,552	29,231
Other Programs	19,908	0	0	19,908	0	19,908	0
Board of Education	4,300,836	(56,386)	59,449	4,303,899	4,359,124	4,375,097	71,198
Director of Schools	1,214,461	(2,833)	2,321	1,213,949	1,424,471	1,451,086	237,137
Office of the Principal	16,070,444	0	26,290	16,096,734	16,163,721	16,334,902	238,168

(Continued)

Exhibit J-8

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Williamson 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.)							
Fiscal Services	$ 1,462,671	$ (2,854)	$ 0	$ 1,459,817	$ 1,456,090	$ 1,469,246	$ 9,429
Human Services/Personnel	706,301	(24,191)	3,500	685,610	754,728	755,311	69,701
Operation of Plant	13,183,531	(381,806)	495,060	13,296,785	14,610,067	14,790,412	1,493,627
Maintenance of Plant	5,898,048	(659,409)	720,506	5,959,145	6,080,067	6,080,067	120,922
Transportation	14,749,705	(1,511,584)	1,176,840	14,414,961	12,782,664	14,706,564	291,603
Central and Other	3,741,678	(62,765)	36,677	3,715,590	3,816,558	3,816,558	100,968
Operation of Non-Instructional Services							
Community Services	588,813	(3,782)	2,074	587,105	585,450	620,450	33,345
Early Childhood Education	763,764	(1,776)	523	762,511	814,117	814,117	51,606
Total Expenditures	$ 245,753,424	$ (3,729,270)	$ 4,759,395	$ 246,783,549	$ 245,978,265	$ 252,814,343	$ 6,030,794
Excess (Deficiency) of Revenues Over Expenditures	$ 2,041,486	$ 3,729,270	$ (4,759,395)	$ 1,011,361	$ (9,285,863)	$ (13,314,166)	$ 14,325,527
Other Financing Sources (Uses)							
Transfers In	$ 457,633	$ 0	$ 0	$ 457,633	$ 150,000	$ 150,000	$ 307,633
Transfers Out	(2,402,428)	0	0	(2,402,428)	0	(2,402,428)	0
Total Other Financing Sources	$ (1,944,795)	$ 0	$ 0	$ (1,944,795)	$ 150,000	$ (2,252,428)	$ 307,633
Net Change in Fund Balance	$ 96,691	$ 3,729,270	$ (4,759,395)	$ (933,434)	$ (9,135,863)	$ (15,566,594)	$ 14,633,160
Fund Balance, July 1, 2012	22,827,308	(3,729,270)	0	19,098,038	18,767,033	18,767,033	331,005
Fund Balance, June 30, 2013	$ 22,923,999	$ 0	$ (4,759,395)	$ 18,164,604	$ 9,631,170	$ 3,200,439	$ 14,964,165

Exhibit J-9

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Williamson County School Department
School Federal Projects 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							
Federal Government	$ 7,195,101	$ 0	$ 0	$ 7,195,101	$ 6,369,396	$ 9,968,350	$ (2,773,249)
Total Revenues	$ 7,195,101	$ 0	$ 0	$ 7,195,101	$ 6,369,396	$ 9,968,350	$ (2,773,249)
Expenditures							
Instruction							
Regular Instruction Program	$ 1,018,602	$ 0	$ 0	$ 1,018,602	$ 635,201	$ 1,441,677	$ 423,075
Special Education Program	4,077,083	0	0	4,077,083	3,949,441	5,822,156	1,745,073
Vocational Education Program	221,281	(22,441)	19,944	218,784	186,220	219,103	319
Support Services							
Health Services	626,813	0	0	626,813	642,513	742,475	115,662
Other Student Support	72,256	0	0	72,256	85,469	80,513	8,257
Regular Instruction Program	630,504	(39,192)	0	591,312	397,480	984,053	392,741
Special Education Program	357,781	0	0	357,781	318,758	471,401	113,620
Vocational Education Program	100	0	0	100	100	100	0
Transportation	16,292	0	0	16,292	0	16,292	0
Total Expenditures	$ 7,020,712	$ (61,633)	$ 19,944	$ 6,979,023	$ 6,215,182	$ 9,777,770	$ 2,798,747
Excess (Deficiency) of Revenues Over Expenditures	$ 174,389	$ 61,633	$ (19,944)	$ 216,078	$ 154,214	$ 190,580	$ 25,498
Other Financing Sources (Uses)							
Transfers Out	$ (167,133)	$ 0	$ 0	$ (167,133)	$ (154,214)	$ (233,474)	$ 66,341
Total Other Financing Sources	$ (167,133)	$ 0	$ 0	$ (167,133)	$ (154,214)	$ (233,474)	$ 66,341
Net Change in Fund Balance	$ 7,256	$ 61,633	$ (19,944)	$ 48,945	$ 0	$ (42,894)	$ 91,839
Fund Balance, July 1, 2012	242,807	(61,633)	0	181,174	0	42,894	138,280
Fund Balance, June 30, 2013	$ 250,063	$ 0	$ (19,944)	$ 230,119	$ 0	$ 0	$ 230,119

Exhibit J-10

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Williamson 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	$ 8,115,394	$ 0	$ 0	$ 8,115,394	$ 7,975,053	$ 8,651,708	$ (536,314)
Other Local Revenues	15,038	0	0	15,038	19,200	19,200	(4,162)
State of Tennessee	93,521	0	0	93,521	100,000	100,000	(6,479)
Federal Government	2,719,484	0	0	2,719,484	1,900,000	2,424,939	294,545
Total Revenues	$ 10,943,437	$ 0	$ 0	$ 10,943,437	$ 9,994,253	$ 11,195,847	$ (252,410)
Expenditures							
Operation of Non-Instructional Services							
Food Service	$ 10,945,362	$ (150,966)	$ 208,030	$ 11,002,426	$ 10,096,797	$ 11,213,391	$ 210,965
Total Expenditures	$ 10,945,362	$ (150,966)	$ 208,030	$ 11,002,426	$ 10,096,797	$ 11,213,391	$ 210,965
Excess (Deficiency) of Revenues Over Expenditures	$ (1,925)	$ 150,966	$ (208,030)	$ (58,989)	$ (102,544)	$ (17,544)	$ (41,445)
Other Financing Sources (Uses)							
Transfers Out	$ (250,000)	$ 0	$ 0	$ (250,000)	$ 0	$ (250,000)	$ 0
Total Other Financing Sources	$ (250,000)	$ 0	$ 0	$ (250,000)	$ 0	$ (250,000)	$ 0
Net Change in Fund Balance	$ (251,925)	$ 150,966	$ (208,030)	$ (308,989)	$ (102,544)	$ (267,544)	$ (41,445)
Fund Balance, July 1, 2012	2,079,674	(150,966)	0	1,928,708	1,925,307	1,925,307	3,401
Fund Balance, June 30, 2013	$ 1,827,749	$ 0	$ (208,030)	$ 1,619,719	$ 1,822,763	$ 1,657,763	$ (38,044)

Exhibit J-11

Williamson County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Williamson County School Department
Extended School Program 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	$ 2,060,271	$ 0	$ 0	$ 2,060,271	$ 1,725,000	$ 1,873,033	$ 187,238
Other Local Revenues	1,133	0	0	1,133	1,500	1,500	(367)
Total Revenues	$ 2,061,404	$ 0	$ 0	$ 2,061,404	$ 1,726,500	$ 1,874,533	$ 186,871
Expenditures							
Operation of Non-Instructional Services							
Community Services	$ 1,738,958	$ (13,867)	$ 16,814	$ 1,741,905	$ 1,648,474	$ 1,763,508	$ 21,603
Total Expenditures	$ 1,738,958	$ (13,867)	$ 16,814	$ 1,741,905	$ 1,648,474	$ 1,763,508	$ 21,603
Excess (Deficiency) of Revenues Over Expenditures	$ 322,446	$ 13,867	$ (16,814)	$ 319,499	$ 78,026	$ 111,025	$ 208,474
Other Financing Sources (Uses)							
Transfers Out	$ (40,500)	$ 0	$ 0	$ (40,500)	$ 0	$ (40,500)	$ 0
Total Other Financing Sources	$ (40,500)	$ 0	$ 0	$ (40,500)	$ 0	$ (40,500)	$ 0
Net Change in Fund Balance	$ 281,946	$ 13,867	$ (16,814)	$ 278,999	$ 78,026	$ 70,525	$ 208,474
Fund Balance, July 1, 2012	734,959	(13,867)	0	721,092	713,058	713,058	8,034
Fund Balance, June 30, 2013	$ 1,016,905	$ 0	$ (16,814)	$ 1,000,091	$ 791,084	$ 783,583	$ 216,508

MISCELLANEOUS SCHEDULES

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-12	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-13
NOTES PAYABLE									
Payable through General Debt Service Fund									
Various Projects	$ 4,030,000	1.38 %	6-7-12	12-1-13	$ 4,030,000	$ 0	$ 0	$ 0	$ 4,030,000
Various Projects	8,540,000	.94	4-19-13	3-1-14	0	8,540,000	0	0	8,540,000
Payable through Rural Debt Service Fund									
Various Projects	2,690,000	.45	6-7-12	12-1-13	2,690,000	0	0	0	2,690,000
Various Projects	3,170,000	.94	4-19-13	3-1-14	0	3,170,000	0	0	3,170,000
Total Notes Payable					$ 6,720,000	$ 11,710,000	$ 0	$ 0	$ 18,430,000
OTHER LOANS PAYABLE									
Payable through General Debt Service Fund									
Various Projects	8,490,000	Variable	8-24-98	12-7-12	$ 3,609,000	$ 0	$ 527,000	$ 3,082,000	$ 0
Recreational Facilities	4,095,000	Variable	4-21-03	12-7-12	2,578,000	0	198,000	2,380,000	0
Various Projects	2,015,000	Variable	5-31-05	12-7-12	1,187,000	0	134,000	1,053,000	0
Total Other Loans Payable					$ 7,374,000	$ 0	$ 859,000	$ 6,515,000	$ 0
BONDS PAYABLE									
Payable through General Debt Service Fund									
General Obligation Refunding	34,110,000	4.5 to 5.5	8-1-1998	9-1-14	$ 8,130,000	$ 0	$ 2,565,000	$ 0	$ 5,565,000
General Obligation Refunding	9,220,000	3 to 5	7-1-02	12-7-12	7,565,000	0	790,000	6,775,000	0
General Obligation Refunding - Schools	20,805,000	3 to 5	7-1-02	12-7-12	17,095,000	0	1,780,000	15,315,000	0
General Obligation	4,450,000	2.25 to 4.4	12-1-03	12-7-12	2,930,000	0	215,000	2,715,000	0
General Obligation Refunding	6,360,000	2 to 4	2-1-04	4-1-18	3,865,000	0	585,000	0	3,280,000
General Obligation and School Improvements	11,830,000	4 to 4.75	6-1-04	5-1-14	970,000	0	470,000	0	500,000
General Obligation Refunding	15,910,000	2 to 5	11-15-04	4-1-21	14,505,000	0	1,315,000	0	13,190,000

(Continued)

Exhibit K-1

Williamson County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds (Cont.)

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-12	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-13
BONDS PAYABLE (CONT.)									
Payable through General Debt Service Fund (Cont.)									
General Obligation Refunding - Schools	$ 23,605,000	2 to 5 %	11-15-04	4-1-21	$ 21,515,000	$ 0	$ 1,945,000	$ 0	$ 19,570,000
Landfill Refunding	955,000	2 to 5	11-15-04	4-1-21	865,000	0	80,000	0	785,000
General Obligation and School Improvements	20,900,000	3 to 4.375	12-1-04	5-1-15	6,000,000	0	1,000,000	3,000,000	2,000,000
General Obligation	16,075,000	4 to 4.75	7-1-06	4-1-16	3,315,000	0	775,000	0	2,540,000
School Improvements	8,300,000	4 to 4.75	7-1-06	4-1-16	1,020,000	0	240,000	0	780,000
Landfill Public Improvement	1,360,000	4 to 4.75	7-1-06	4-1-16	275,000	0	65,000	0	210,000
General Obligation Refunding	16,170,000	5	12-20-06	4-1-22	16,170,000	0	1,320,000	0	14,850,000
General Obligation Refunding - Schools	145,000	5	12-20-06	4-1-22	145,000	0	10,000	0	135,000
Landfill Refunding	440,000	5	12-20-06	4-1-22	440,000	0	35,000	0	405,000
General Obligation	3,565,000	4 to 5	2-22-07	4-1-27	3,020,000	0	155,000	0	2,865,000
School Improvements	4,070,000	4 to 5	2-22-07	4-1-27	3,445,000	0	175,000	0	3,270,000
General Obligation Schools	7,465,000	3.5 to 4.25	2-28-08	5-1-28	7,005,000	0	270,000	0	6,735,000
General Obligation Refunding	3,635,000	3.5 to 4.25	2-28-08	5-1-28	3,395,000	0	130,000	0	3,265,000
General Obligation Refunding	26,450,000	2.5 to 4.4	2-24-09	4-1-29	24,950,000	0	1,100,000	0	23,850,000
General Obligation - Build America Bonds	24,700,000	2.25 to 5.75	12-3-09	4-1-34	24,700,000	0	100,000	0	24,600,000
General Obligation Refunding	32,960,000	2.5 to 5	4-1-10	4-1-26	32,810,000	0	150,000	0	32,660,000
General Obligation - Build America Bonds	17,950,000	1 to 4.6	10-26-10	4-1-30	17,850,000	0	150,000	0	17,700,000
General Obligation Refunding	24,500,000	2 to 4	12-22-10	3-1-19	20,870,000	0	3,200,000	0	17,670,000
General Obligation Refunding	30,085,000	2 to 4	12-7-12	3-1-25	0	30,085,000	0	0	30,085,000
Total Payable through General Debt Service Fund					$ 242,850,000	$ 30,085,000	$ 18,620,000	$ 27,805,000	$ 226,510,000
Payable through Rural Debt Service Fund									
Rural School Refunding	22,015,000	4.5 to 5.5	8-1-1998	9-1-15	$ 3,770,000	$ 0	$ 1,840,000	$ 0	$ 1,930,000
Rural School Refunding	11,745,000	3 to 5	7-1-02	12-7-12	9,465,000	0	995,000	8,470,000	0
Rural School	1,365,000	2 to 4.4	12-1-03	12-7-12	1,065,000	0	65,000	1,000,000	0
Rural School Refunding	11,750,000	2 to 5	2-1-04	4-1-18	7,585,000	0	1,100,000	0	6,485,000
Rural School	9,970,000	3.5 to 4.875	6-1-04	5-1-14	890,000	0	435,000	0	455,000
Rural School	20,840,000	3 to 4.375	12-1-04	5-1-15	6,175,000	0	1,000,000	3,175,000	2,000,000
Rural School	20,045,000	4 to 4.75	7-1-06	4-1-16	3,970,000	0	930,000	0	3,040,000
Rural School	27,560,000	4 to 4.5	2-22-07	4-1-27	25,285,000	0	1,325,000	0	23,960,000
Rural School	19,250,000	3.5 to 4.25	2-28-08	5-1-28	18,550,000	0	400,000	0	18,150,000
Rural School Refunding	23,660,000	2.5 to 5	2-24-09	4-1-29	22,910,000	0	700,000	0	22,210,000

(Continued)

Exhibit K-1

Williamson County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds (Cont.)

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-12	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-13
BONDS PAYABLE (CONT.)									
Payable through Rural Debt Service Fund (Cont.)									
Rural School - Build America Bonds	$ 39,000,000	2.25 to 5.75 %	12-31-09	4-1-34	$ 39,000,000	$ 0	$ 100,000	$ 0	$ 38,900,000
Rural School Refunding	38,930,000	3 to 5	4-1-10	4-1-26	38,820,000	0	810,000	0	38,010,000
Rural School - Build America Bonds	18,000,000	.85 to 5	10-26-10	4-1-30	17,900,000	0	150,000	0	17,750,000
Rural School Refunding	14,500,000	2 to 4	12-22-10	3-1-19	12,855,000	0	1,685,000	0	11,170,000
Rural School Refunding	11,085,000	2 to 4	12-7-12	3-1-25	0	11,805,000	0	0	11,805,000
Total Payable through Rural Debt Service Fund					$ 208,240,000	$ 11,805,000	$ 11,535,000	$ 12,645,000	$ 195,865,000
Total Bonds Payable					$ 451,090,000	$ 41,890,000	$ 30,155,000	$ 40,450,000	$ 422,375,000

Exhibit K-2

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

Year Ending June 30	Notes Principal	Notes Interest	Notes Total
2014	$ 18,430,000	$ 129,157	$ 18,559,157
Total	$ 18,430,000	$ 129,157	$ 18,559,157

Year Ending June 30	Bonds Principal	Bonds Interest	Bonds Total
2014	$ 29,285,000	$ 18,599,019	$ 47,884,019
2015	30,625,000	17,427,329	48,052,329
2016	32,080,000	16,287,540	48,367,540
2017	33,410,000	14,956,564	48,366,564
2018	33,640,000	13,582,764	47,222,764
2019	32,685,000	12,133,276	44,818,276
2020	30,190,000	10,735,913	40,925,913
2021	27,445,000	9,360,014	36,805,014
2022	23,720,000	8,108,250	31,828,250
2023	21,590,000	7,011,574	28,601,574
2024	21,750,000	6,018,023	27,768,023
2025	20,975,000	5,068,598	26,043,598
2026	18,510,000	4,201,041	22,711,041
2027	15,420,000	3,355,480	18,775,480
2028	13,350,000	2,657,125	16,007,125
2029	11,160,000	2,030,742	13,190,742
2030	7,570,000	1,484,875	9,054,875
2031	4,480,000	1,090,775	5,570,775
2032	4,640,000	833,175	5,473,175
2033	4,850,000	566,375	5,416,375
2034	5,000,000	287,500	5,287,500
Total	$ 422,375,000	$ 155,795,952	$ 578,170,952

Exhibit K-3

Williamson County, Tennessee
Schedule of Investments
June 30, 2013

Fund and Type	Date of Purchase	Date of Maturity	Interest Rates	Amount
Constitutional Officers - Agency Fund				
Clerk and Master				
Putnam Fund for Growth and Income	April 2001	various	varies	$ 18,062

Exhibit K-4

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

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance
General Debt Service Fund						
Spring Hill Recreation Center	City of Spring Hill	$ 1,395,000	2-22-07	4-1-27	4 to 5 %	$ 1,120,000
Spring Hill Recreation Center	City of Spring Hill	2,858,428	4-1-10	4-1-26	3 to 5	2,850,000
Spring Hill Recreation Center	City of Spring Hill	1,010,000	4-1-10	4-1-16	4 to 4.375	630,000
Road Construction for Spring Hill Recreation Center	City of Spring Hill	221,650	10-1-09	7-31-14	4.563	94,632
Total Notes Receivable						$ 4,694,632

Exhibit K-5

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

From Fund	To Fund	Purpose	Amount
PRIMARY GOVERNMENT			
General	General Capital Projects	Public safety and emergency operations center	$ 950,000
"	"	Various capital projects	2,115,000
"	"	Land for parks and recreation	112,000
"	"	TMA vanpool vehicle purchase	52,700
"	Judicial District Drug	Salaries	71,845
Solid Waste/Sanitation	General Capital Projects	Convenience center equipment and repairs	350,000
General Capital Projects	Highway/Public Works	Highway projects	100,000
"	Rural Debt Service	Allocation of school privilege tax	5,000,000
"	Cities Adequate Facilities Tax	Allocation of cities share of adequate facilities tax	1,831,504
"	Special School District	Allocation of ADA share of privilege tax	518,471
"	"	Allocation of ADA share of adequate facilities tax	415,729
Judicial District Drug	General	Salaries	66,412
Total Transfers Primary Government			$ 11,583,661
DISCRETELY PRESENTED WILLIAMSON COUNTY SCHOOL DEPARTMENT			
General Purpose School	Education Capital Projects	Various capital projects	$ 2,402,428
School Federal Projects	General Purpose School	Indirect costs	167,133
Central Cafeteria	"	"	250,000
Extended School Program	"	"	40,500
Total Transfers Discretely Presented Williamson County School Department			$ 2,860,061

Exhibit K-6

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

Official	Authorization for Salary	Salary Paid During Period		Bond	Surety
County Mayor	Section 8-24-102, *TCA*	$ 139,006		$ 50,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, *TCA*	115,086		100,000	"
Director of Schools	State Board of Education and Williamson County Board of Education	186,552	(2)	100,000	(1)
Trustee	Section 8-24-102, *TCA*	104,624		5,000,000	Cincinnati Insurance Company
"	"			4,740,065	Travelers Casualty and Surety Company of America
Assessor of Property	Section 8-24-102, *TCA*	104,624		10,000	Cincinnati Insurance Company
County Clerk	Section 8-24-102, *TCA*	104,624		50,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, *TCA*	104,624		50,000	"
Clerk and Master	Section 8-24-102, *TCA*	104,624		50,000	"
Juvenile Court Clerk	Section 8-24-102, *TCA*	104,624		50,000	"
Register of Deeds	Section 8-24-102, *TCA*	104,624		25,000	"
Sheriff	Section 8-24-102, *TCA*	115,086	(3)	25,000	"
Director of Accounts and Budgets:					
David Coleman (7-1-12 through 8-31-12)	County Commission	19,666		15,000	"
Nena Graham (9-1-12 through 6-30-13)	County Commission	75,170		15,000	"
Employee Blanket Bonds - All County and School Department Employees:					
Public Employee Dishonesty				250,000	Self-insured
Public Employee Dishonesty				250,001 to 5,000,000	Travelers Casualty and Surety Company of America

(1) Covered under county's employee blanket bond.
(2) Includes vacation pay of $7,395.
(3) Does not include a law enforcement training supplement of $600.

Exhibit K-7

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

		Special Revenue Funds			Debt Service Funds		Capital Projects Fund	
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Total
Local Taxes								
County Property Taxes								
Current Property Tax	$ 34,873,103	$ 3,047,988	$ 0	$ 863,243	$ 24,909,141	$ 12,911,101	$ 0	$ 76,604,576
Trustee's Collections - Prior Year	232,515	37,315	0	14,952	198,474	228,101	0	711,357
Circuit/Clerk & Master Collections - Prior Years	275,777	23,191	0	9,490	196,983	94,227	0	599,668
Interest and Penalty	92,070	9,403	0	3,718	65,767	35,128	0	206,086
Payments in-Lieu-of Taxes - T.V.A.	932	133	0	111	666	444	0	2,286
Payments in-Lieu-of Taxes - Other	48,937	6,991	0	2,394	34,955	23,304	0	116,581
County Local Option Taxes								
Local Option Sales Tax	0	0	0	0	0	1,103,506	0	1,103,506
Hotel/Motel Tax	3,259,702	0	0	0	0	0	0	3,259,702
Wheel Tax	499,845	0	0	3,500,000	0	0	0	3,999,845
Litigation Tax - General	39,579	0	0	0	0	0	0	39,579
Litigation Tax - Special Purpose	63,051	0	0	0	0	0	0	63,051
Litigation Tax - Jail, Workhouse, or Courthouse	4,802	0	0	0	379,132	0	0	383,934
Litigation Tax - Courtroom Security	269,102	0	0	0	0	0	0	269,102
Business Tax	976,230	0	0	3,400,000	0	0	0	4,376,230
Mineral Severance Tax	0	0	0	138,804	0	0	0	138,804
Other County Local Option Taxes	0	0	0	0	0	0	12,415,789	12,415,789
Statutory Local Taxes								
Bank Excise Tax	354,386	0	0	0	0	0	0	354,386
Wholesale Beer Tax	553,315	0	0	0	0	0	0	553,315
Beer Privilege Tax	2,470	0	0	0	0	0	0	2,470
Interstate Telecommunications Tax	3,731	0	0	0	0	0	0	3,731
Total Local Taxes	$ 41,549,547	$ 3,125,021	$ 0	$ 7,932,712	$ 25,785,118	$ 14,395,811	$ 12,415,789	$ 105,203,998
Licenses and Permits								
Licenses								
Animal Vaccination	$ 141,360	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 141,360
Cable TV Franchise	719,865	0	0	0	0	0	0	719,865
Permits								
Beer Permits	2,375	0	0	0	0	0	0	2,375
Building Permits	569,038	0	0	0	0	0	0	569,038
Electrical Permits	960	0	0	0	0	0	0	960
Other Permits	49,350	0	0	0	0	0	0	49,350
Total Licenses and Permits	$ 1,482,948	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 1,482,948

(Continued)

Exhibit K-7

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

		Special Revenue Funds			Debt Service Funds		Capital Projects Fund	
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Total
Fines, Forfeitures, and Penalties								
Circuit Court								
Fines	$ 26,027	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 26,027
Officers Costs	37,461	0	0	0	0	0	0	37,461
Drug Control Fines	0	0	8,035	0	0	0	0	8,035
Jail Fees	8,036	0	0	0	0	0	0	8,036
Judicial Commissioner Fees	949	0	0	0	0	0	0	949
DUI Treatment Fines	8,707	0	0	0	0	0	0	8,707
Data Entry Fee - Circuit Court	5,070	0	0	0	0	0	0	5,070
Courtroom Security Fee	1,298	0	0	0	0	0	0	1,298
Criminal Court								
Drug Control Fines	145	0	0	0	0	0	0	145
Drug Court Fees	6,203	0	0	0	0	0	0	6,203
Data Entry Fee - Criminal Court	21,436	0	0	0	0	0	0	21,436
Courtroom Security Fee	6,825	0	0	0	0	0	0	6,825
Victims Assistance Assessments	16,349	0	0	0	0	0	0	16,349
General Sessions Court								
Fines	92,864	0	0	0	0	0	0	92,864
Officers Costs	154,545	0	0	0	0	0	0	154,545
Game and Fish Fines	227	0	0	0	0	0	0	227
Drug Control Fines	0	0	25,088	0	0	0	0	25,088
Drug Court Fees	30,977	0	0	0	0	0	0	30,977
Jail Fees	23,761	0	0	0	0	0	0	23,761
Judicial Commissioner Fees	4,846	0	0	0	0	0	0	4,846
DUI Treatment Fines	43,143	0	0	0	0	0	0	43,143
Data Entry Fee - General Sessions Court	14,488	0	0	0	0	0	0	14,488
Victims Assistance Assessments	67,910	0	0	0	0	0	0	67,910
Juvenile Court								
Fines	86,129	0	0	0	0	0	0	86,129
Judicial Commissioner Fees	6,092	0	0	0	0	0	0	6,092
Data Entry Fee - Juvenile Court	5,813	0	0	0	0	0	0	5,813
Chancery Court								
Officers Costs	13,280	0	0	0	0	0	0	13,280
Data Entry Fee - Chancery Court	13,440	0	0	0	0	0	0	13,440
Other Courts - In-county								
Drug Court Fees	1,060	0	0	0	0	0	0	1,060
DUI Treatment Fines	1,549	0	0	0	0	0	0	1,549

(Continued)

Exhibit K-7

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

		Special Revenue Funds			Debt Service Funds		Capital Projects Fund	
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Total
Fines, Forfeitures, and Penalties (Cont.)								
Judicial District Drug Program								
Victims Assistance Assessments	$ 2,645	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 2,645
Other Fines, Forfeitures, and Penalties								
Proceeds from Confiscated Property	507	0	7,734	0	0	0	0	8,241
Other Fines, Forfeitures, and Penalties	61,595	0	0	0	0	0	0	61,595
Total Fines, Forfeitures, and Penalties	$ 763,377	$ 0	$ 40,857	$ 0	$ 0	$ 0	$ 0	$ 804,234
Charges for Current Services								
General Service Charges								
Tipping Fees	$ 0	$ 767,976	$ 0	$ 0	$ 0	$ 0	$ 0	$ 767,976
Other General Service Charges	18,060	0	0	0	0	0	0	18,060
Service Charges	91,070	0	0	0	0	0	0	91,070
Fees								
Engineer Review Fees	3,500	0	0	0	0	0	0	3,500
Recreation Fees	4,202,531	0	0	0	0	0	0	4,202,531
Copy Fees	24,269	0	0	0	0	0	0	24,269
Library Fees	63,613	0	0	0	0	0	0	63,613
Telephone Commissions	128,827	0	0	0	0	0	0	128,827
Data Processing Fee - Register	112,749	0	0	0	0	0	0	112,749
Probation Fees	616,749	0	0	0	0	0	0	616,749
Data Processing Fee - Sheriff	17,703	0	0	0	0	0	0	17,703
Sexual Offender Registration Fees - Sheriff	2,400	0	0	0	0	0	0	2,400
Data Processing Fee - County Clerk	22,856	0	0	0	0	0	0	22,856
Education Charges								
Transportation from Individuals	4,250	0	0	0	0	0	0	4,250
Other Charges for Services								
Other Charges for Services	152,634	0	0	0	0	0	0	152,634
Total Charges for Current Services	$ 5,461,211	$ 767,976	$ 0	$ 0	$ 0	$ 0	$ 0	$ 6,229,187
Other Local Revenues								
Recurring Items								
Investment Income	$ 159,503	$ 20,389	$ 0	$ 0	$ 187,430	$ 40,409	$ 16,950	$ 424,681
Lease/Rentals	445,167	0	0	0	146,001	0	0	591,168
Sale of Materials and Supplies	675	147,382	0	19,890	0	0	0	167,947
Commissary Sales	31	0	0	0	0	0	0	31
Sale of Gasoline	0	0	0	41,072	0	0	0	41,072
Sale of Maps	61,861	0	0	0	0	0	0	61,861

(Continued)

Exhibit K-7

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

	General	Special Revenue Funds: Solid Waste / Sanitation	Special Revenue Funds: Drug Control	Special Revenue Funds: Highway / Public Works	Debt Service Funds: General Debt Service	Debt Service Funds: Rural Debt Service	Capital Projects Fund: General Capital Projects	Total
Other Local Revenues (Cont.)								
Recurring Items (Cont.)								
Sale of Recycled Materials	$ 440	$ 196,258	$ 0	$ 0	$ 0	$ 0	$ 0	$ 196,698
Miscellaneous Refunds	12,861	0	0	78,659	0	0	0	91,520
Nonrecurring Items								
Sale of Equipment	8,384	0	319	0	0	0	0	8,703
Sale of Property	56,161	0	0	0	0	0	0	56,161
Damages Recovered from Individuals	490	0	0	0	0	0	0	490
Contributions and Gifts	15,000	0	0	0	0	0	0	15,000
Other Local Revenues								
Other Local Revenues	36,897	10,342	0	2,010	122,250	0	30,640	202,139
Total Other Local Revenues	$ 797,470	$ 374,371	$ 319	$ 141,631	$ 455,681	$ 40,409	$ 47,590	$ 1,857,471
Fees Received from County Officials								
Fees in-Lieu-of Salary								
County Clerk	$ 2,364,245	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 2,364,245
Circuit Court Clerk	385,291	0	0	0	0	0	0	385,291
General Sessions Court Clerk	728,189	0	0	0	0	0	0	728,189
Clerk and Master	556,478	0	0	0	0	0	0	556,478
Juvenile Court Clerk	42,606	0	0	0	0	0	0	42,606
Register	2,209,352	0	0	0	0	0	0	2,209,352
Sheriff	150,314	0	0	0	0	0	0	150,314
Trustee	5,354,085	0	0	0	0	0	0	5,354,085
Total Fees Received from County Officials	$ 11,790,560	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 11,790,560
State of Tennessee								
General Government Grants								
Juvenile Services Program	$ 13,500	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 13,500
Solid Waste Grants	0	211,319	0	0	0	0	0	211,319
Public Safety Grants								
Law Enforcement Training Programs	61,800	0	0	0	0	0	0	61,800
Public Works Grants								
Bridge Program	0	0	0	78,824	0	0	0	78,824
State Aid Program	0	0	0	277,930	0	0	0	277,930
Litter Program	62,996	0	0	0	0	0	0	62,996
Other State Revenues								
Income Tax	2,444,622	0	0	0	0	0	0	2,444,622
Beer Tax	18,586	0	0	0	0	0	0	18,586

(Continued)

Exhibit K-7

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

		Special Revenue Funds			Debt Service Funds		Capital Projects Fund	
	General	Solid Waste / Sanitation	Drug Control	Highway / Public Works	General Debt Service	Rural Debt Service	General Capital Projects	Total
State of Tennessee (Cont.)								
Other State Revenues (Cont.)								
Alcoholic Beverage Tax	$ 220,138	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 220,138
Mixed Drink Tax	52,201	0	0	0	0	0	0	52,201
Contracted Prisoner Boarding	1,637,487	0	0	0	0	0	0	1,637,487
Gasoline and Motor Fuel Tax	0	0	0	2,935,002	0	0	0	2,935,002
Petroleum Special Tax	0	0	0	132,174	0	0	0	132,174
Registrar's Salary Supplement	15,164	0	0	0	0	0	0	15,164
Other State Grants	967,657	0	0	0	0	0	41,410	1,009,067
Other State Revenues	141,543	4,782	0	0	0	0	0	146,325
Total State of Tennessee	$ 5,635,694	$ 216,101	$ 0	$ 3,423,930	$ 0	$ 0	$ 41,410	$ 9,317,135
Federal Government								
Federal Through State								
Civil Defense Reimbursement	$ 1,196,042	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 1,196,042
Homeland Security Grants	0	0	0	0	0	0	246,454	246,454
Other Federal through State	959,990	0	0	0	0	0	164,861	1,124,851
Direct Federal Revenue								
Asset Forfeiture Funds	166,048	0	0	0	0	0	0	166,048
Tax Credit Bond Rebate	0	0	0	0	677,769	953,632	0	1,631,401
ARRA Grant # 6	3,199	0	0	0	0	0	0	3,199
Other Direct Federal Revenue	45,595	0	0	0	0	0	0	45,595
Total Federal Government	$ 2,370,874	$ 0	$ 0	$ 0	$ 677,769	$ 953,632	$ 411,315	$ 4,413,590
Other Governments and Citizens Groups								
Other Governments								
Prisoner Board	$ 2,620	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 2,620
Paving and Maintenance	0	0	0	8,037	0	0	0	8,037
Contributions	0	0	0	0	218,318	0	0	218,318
Contracted Services	239,308	0	0	0	0	0	0	239,308
Citizens Groups								
Donations	483,232	0	4,450	0	0	0	687,182	1,174,864
Other								
Other	8,500	0	0	0	0	0	0	8,500
Total Other Governments and Citizens Groups	$ 733,660	$ 0	$ 4,450	$ 8,037	$ 218,318	$ 0	$ 687,182	$ 1,651,647
Total	$ 70,585,341	$ 4,483,469	$ 45,626	$ 11,506,310	$ 27,136,886	$ 15,389,852	$ 13,603,286	$ 142,750,770

Exhibit K-8

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

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Special Revenue Funds: Extended School Program	Capital Projects Fund: Education Capital Projects	Total
Local Taxes						
County Property Taxes						
Current Property Tax	$ 95,793,971	$ 0	$ 0	$ 0	$ 0	$ 95,793,971
Trustee's Collections - Prior Year	842,731	0	0	0	0	842,731
Circuit/Clerk & Master Collections - Prior Years	757,879	0	0	0	0	757,879
Interest and Penalty	247,344	0	0	0	0	247,344
Payments in-Lieu-of Taxes - T.V.A.	2,565	0	0	0	0	2,565
Payments in-Lieu-of Taxes - Local Utilities	134,634	0	0	0	0	134,634
County Local Option Taxes						
Local Option Sales Tax	38,949,213	0	0	0	0	38,949,213
Statutory Local Taxes						
Interstate Telecommunications Tax	13,408	0	0	0	0	13,408
Total Local Taxes	$ 136,741,745	$ 0	$ 0	$ 0	$ 0	$ 136,741,745
Licenses and Permits						
Licenses						
Marriage Licenses	$ 8,825	$ 0	$ 0	$ 0	$ 0	$ 8,825
Total Licenses and Permits	$ 8,825	$ 0	$ 0	$ 0	$ 0	$ 8,825
Charges for Current Services						
Education Charges						
Tuition - Regular Day Students	$ 191,800	$ 0	$ 0	$ 0	$ 0	$ 191,800
Tuition - Summer School	9,497	0	0	0	0	9,497
Lunch Payments - Children	0	0	4,479,691	0	0	4,479,691
Lunch Payments - Adults	0	0	224,004	0	0	224,004
Income from Breakfast	0	0	155,440	0	0	155,440
A la carte Sales	0	0	3,256,259	0	0	3,256,259
Contract for Instructional Services with Other LEAs	56,139	0	0	0	0	56,139
Receipts from Individual Schools	73,200	0	0	0	0	73,200
Community Service Fees - Children	398,720	0	0	2,060,271	0	2,458,991
Other Charges for Services						
Other Charges for Services	262,607	0	0	0	0	262,607
Total Charges for Current Services	$ 991,963	$ 0	$ 8,115,394	$ 2,060,271	$ 0	$ 11,167,628
Other Local Revenues						
Recurring Items						
Investment Income	$ 201,850	$ 0	$ 4,605	$ 1,133	$ 9,426	$ 217,014

(Continued)

Exhibit K-8

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

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Special Revenue Funds: Extended School Program	Capital Projects Fund: Education Capital Projects	Total
Other Local Revenues (Cont.)						
Recurring Items (Cont.)						
Lease/Rentals	$ 341,812	$ 0	$ 0	$ 0	$ 0	$ 341,812
Refund of Telecommunication & Internet Fees (E-Rate)	30,000	0	0	0	0	30,000
Commodity Rebates	43,898	0	0	0	0	43,898
Miscellaneous Refunds	67,011	0	10,433	0	47,100	124,544
Nonrecurring Items						
Sale of Equipment	41,739	0	0	0	0	41,739
Damages Recovered from Individuals	33,930	0	0	0	0	33,930
Contributions and Gifts	8,345	0	0	0	0	8,345
Other Local Revenues						
Other Local Revenues	162,678	0	0	0	0	162,678
Total Other Local Revenues	$ 931,263	$ 0	$ 15,038	$ 1,133	$ 56,526	$ 1,003,960
State of Tennessee						
General Government Grants						
On-Behalf Contributions for OPEB	$ 19,908	$ 0	$ 0	$ 0	$ 0	$ 19,908
State Education Funds						
Basic Education Program	103,731,969	0	0	0	0	103,731,969
Early Childhood Education	482,698	0	0	0	0	482,698
School Food Service	0	0	93,521	0	0	93,521
Driver Education	10,811	0	0	0	0	10,811
Other State Education Funds	330,967	0	0	0	0	330,967
Career Ladder Program	758,656	0	0	0	0	758,656
Career Ladder - Extended Contract	132,200	0	0	0	0	132,200
Other Vocational	10,146	0	0	0	0	10,146
Other State Revenues						
Mixed Drink Tax	681,204	0	0	0	0	681,204
State Revenue Sharing - T.V.A.	1,776,427	0	0	0	0	1,776,427
Other State Revenues	323	0	0	0	0	323
Total State of Tennessee	$ 107,935,309	$ 0	$ 93,521	$ 0	$ 0	$ 108,028,830
Federal Government						
Federal Through State						
USDA School Lunch Program	$ 0	$ 0	$ 1,922,107	$ 0	$ 0	$ 1,922,107
USDA - Commodities	0	0	524,939	0	0	524,939
Breakfast	0	0	272,438	0	0	272,438

(Continued)

Exhibit K-8

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

	General Purpose School	Special Revenue Funds: School Federal Projects	Special Revenue Funds: Central Cafeteria	Special Revenue Funds: Extended School Program	Capital Projects Fund: Education Capital Projects	Total
Federal Government (Cont.)						
Federal Through State (Cont.)						
Adult Education State Grant Program	$ 149,236	$ 0	$ 0	$ 0	$ 0	$ 149,236
Vocational Education - Basic Grants to States	0	286,471	0	0	0	286,471
Title I Grants to Local Education Agencies	0	1,011,948	0	0	0	1,011,948
Special Education - Grants to States	626,230	5,171,013	0	0	0	5,797,243
Special Education Preschool Grants	36,603	63,154	0	0	0	99,757
English Language Acquisition Grants	0	86,410	0	0	0	86,410
Eisenhower Professional Development State Grants	0	439,616	0	0	0	439,616
Race-to-the-Top - ARRA	0	99,270	0	0	0	99,270
Other Federal through State	0	37,219	0	0	0	37,219
Direct Federal Revenue						
ROTC Reimbursement	373,736	0	0	0	0	373,736
Total Federal Government	$ 1,185,805	$ 7,195,101	$ 2,719,484	$ 0	$ 0	$ 11,100,390
Other Governments and Citizens Groups						
Other Governments						
Contributions	$ 0	$ 0	$ 0	$ 0	$ 8,690,000	$ 8,690,000
Total Other Governments and Citizens Groups	$ 0	$ 0	$ 0	$ 0	$ 8,690,000	$ 8,690,000
Total	$ 247,794,910	$ 7,195,101	$ 10,943,437	$ 2,061,404	$ 8,746,526	$ 276,741,378

Exhibit K-9

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

General Fund				
General Government				
County Commission				
County Official/Administrative Officer	$	144,594		
Other Per Diem and Fees		4,000		
Audit Services		66,705		
Legal Notices, Recording, and Court Costs		356		
Maintenance and Repair Services - Office Equipment		7,098		
Postal Charges		1,950		
Travel		1,679		
Refunds		3,033		
Tax Relief Program		571,838		
Other Charges		141		
Total County Commission			$	801,394
Board of Equalization				
Board and Committee Members Fees	$	4,801		
Total Board of Equalization				4,801
Beer Board				
Board and Committee Members Fees	$	2,325		
Total Beer Board				2,325
Other Boards and Committees				
Board and Committee Members Fees	$	825		
Total Other Boards and Committees				825
County Mayor/Executive				
County Official/Administrative Officer	$	139,006		
Supervisor/Director		77,754		
Secretary(ies)		107,309		
Temporary Personnel		944		
Part-time Personnel		549		
Longevity Pay		2,800		
Overtime Pay		341		
Communication		3,096		
Consultants		19,161		
Dues and Memberships		2,368		
Operating Lease Payments		1,602		
Maintenance and Repair Services - Office Equipment		215		
Postal Charges		4,450		
Printing, Stationery, and Forms		356		
Travel		1,704		
Other Contracted Services		59,781		
Office Supplies		1,008		
Other Supplies and Materials		712		
Premiums on Corporate Surety Bonds		113		
Other Charges		3,952		
Total County Mayor/Executive				427,221
Personnel Office				
Assistant(s)	$	84,729		
Supervisor/Director		95,014		

(Continued)

Exhibit K-9

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

General Fund (Cont.)				
General Government (Cont.)				
Personnel Office (Cont.)				
Clerical Personnel	$	11,730		
Longevity Pay		1,750		
Communication		678		
Data Processing Services		2,860		
Dues and Memberships		55		
Postal Charges		250		
Printing, Stationery, and Forms		2,210		
Office Supplies		449		
Periodicals		361		
In Service/Staff Development		397		
Total Personnel Office			$	200,483
County Attorney				
Legal Services	$	507,022		
Total County Attorney				507,022
Election Commission				
County Official/Administrative Officer	$	94,162		
Assistant(s)		131,061		
Temporary Personnel		149,887		
Part-time Personnel		35,746		
Longevity Pay		1,850		
Overtime Pay		24,586		
Election Commission		5,070		
Election Workers		124,031		
Advertising		8,469		
Communication		1,340		
Dues and Memberships		2,545		
Freight Expenses		16,657		
Operating Lease Payments		6,630		
Licenses		8,200		
Maintenance and Repair Services - Equipment		50,180		
Maintenance and Repair Services - Office Equipment		26,312		
Postal Charges		40,214		
Printing, Stationery, and Forms		45,021		
Travel		3,715		
Office Supplies		11,175		
Periodicals		272		
Other Charges		1,440		
Total Election Commission				788,563
Register of Deeds				
County Official/Administrative Officer	$	104,624		
Deputy(ies)		400,742		
Part-time Personnel		3,677		
Longevity Pay		7,650		
Communication		313		
Dues and Memberships		795		
Operating Lease Payments		10,728		
Maintenance and Repair Services - Office Equipment		41,619		

(Continued)

Exhibit K-9

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

General Fund (Cont.)				
General Government (Cont.)				
Register of Deeds (Cont.)				
Postal Charges	$	6,240		
Printing, Stationery, and Forms		25,481		
Premiums on Corporate Surety Bonds		75		
Data Processing Equipment		6,357		
Total Register of Deeds			$	608,301
Development				
Assistant(s)	$	1,228,704		
Supervisor/Director		101,816		
Deputy(ies)		371,530		
Secretary(ies)		297,773		
Temporary Personnel		6,030		
Longevity Pay		26,350		
Board and Committee Members Fees		11,838		
Communication		8,215		
Consultants		1,735		
Dues and Memberships		728		
Operating Lease Payments		8,740		
Maintenance and Repair Services - Office Equipment		1,848		
Postal Charges		4,844		
Travel		210		
Office Supplies		9,560		
In Service/Staff Development		854		
Other Charges		58		
Total Development				2,080,833
Planning				
Advertising	$	1,145		
Consultants		2,000		
Dues and Memberships		1,240		
Evaluation and Testing		3,375		
Maintenance and Repair Services - Vehicles		196		
Travel		178		
Gasoline		528		
Instructional Supplies and Materials		862		
In Service/Staff Development		2,300		
Total Planning				11,824
Building				
Communication	$	190		
Dues and Memberships		425		
Maintenance and Repair Services - Vehicles		6,388		
Gasoline		11,479		
Uniforms		1,791		
In Service/Staff Development		6,427		
Total Building				26,700
Engineering				
Board and Committee Members Fees	$	2,393		
Dues and Memberships		1,550		

(Continued)

Exhibit K-9

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

General Fund (Cont.)				
General Government (Cont.)				
Engineering (Cont.)				
Evaluation and Testing	$	17		
Maintenance and Repair Services - Vehicles		2,952		
Permits		3,460		
Gasoline		4,546		
Instructional Supplies and Materials		1,288		
Uniforms		652		
In Service/Staff Development		1,775		
Total Engineering			$	18,633
Codes Compliance				
Advertising	$	238		
Communication		1,013		
Maintenance and Repair Services - Vehicles		586		
Travel		930		
Gasoline		2,032		
Periodicals		175		
Uniforms		496		
In Service/Staff Development		280		
Total Codes Compliance				5,750
Geographical Information Systems				
Supervisor/Director	$	95,285		
Data Processing Personnel		556,985		
Secretary(ies)		27,700		
Part-time Personnel		19,933		
Longevity Pay		7,450		
Communication		411,346		
Dues and Memberships		1,580		
Licenses		288,463		
Maintenance and Repair Services - Vehicles		376		
Travel		134		
Other Contracted Services		8,329		
Gasoline		3,763		
Instructional Supplies and Materials		308		
Office Supplies		6,961		
Uniforms		2,081		
In Service/Staff Development		11,130		
Other Charges		100		
Total Geographical Information Systems				1,441,924
County Buildings				
Supervisor/Director	$	104,395		
Deputy(ies)		69,945		
Foremen		56,757		
Mechanic(s)		633,312		
Nightwatchmen		27,040		
Clerical Personnel		37,586		
Custodial Personnel		302,686		
Part-time Personnel		207,850		
Longevity Pay		14,500		

(Continued)

Exhibit K-9

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

General Fund (Cont.)				
General Government (Cont.)				
County Buildings (Cont.)				
Overtime Pay	$	49,057		
Communication		40,529		
Contracts with Private Agencies		59,844		
Operating Lease Payments		1,068		
Maintenance and Repair Services - Buildings		417,428		
Maintenance and Repair Services - Vehicles		19,102		
Custodial Supplies		73,924		
Electricity		630,847		
Gasoline		51,120		
Natural Gas		45,477		
Office Supplies		2,498		
Uniforms		16,515		
Water and Sewer		53,976		
In Service/Staff Development		900		
Other Charges		1,420		
Motor Vehicles		18,596		
Total County Buildings			$	2,936,372
Other Facilities				
Assistant(s)	$	31,949		
Supervisor/Director		49,400		
Part-time Personnel		12,914		
Longevity Pay		700		
Communication		542		
Maintenance and Repair Services - Office Equipment		425		
Maintenance and Repair Services - Vehicles		1,945		
Travel		153		
Gasoline		492		
Office Supplies		852		
Other Supplies and Materials		2,581		
Total Other Facilities				101,953
Preservation of Records				
County Official/Administrative Officer	$	52,104		
Assistant(s)		83,734		
Temporary Personnel		2,158		
Longevity Pay		2,350		
Communication		1,836		
Operating Lease Payments		1,727		
Licenses		2,650		
Maintenance and Repair Services - Office Equipment		116		
Postal Charges		187		
Office Supplies		7,145		
Other Supplies and Materials		14,883		
Total Preservation of Records				168,890
Risk Management				
County Official/Administrative Officer	$	83,470		
Assistant(s)		69,023		
Longevity Pay		900		

(Continued)

Exhibit K-9

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

General Fund (Cont.)				
General Government (Cont.)				
Risk Management (Cont.)				
Communication	$	2,191		
Dues and Memberships		165		
Postal Charges		950		
Printing, Stationery, and Forms		64		
Travel		313		
Data Processing Supplies		186		
Instructional Supplies and Materials		878		
Office Supplies		1,444		
Total Risk Management			$	159,584
Other Risk Management				
Paraprofessionals	$	72,010		
Clerical Personnel		156,473		
Temporary Personnel		15,000		
Longevity Pay		2,250		
Communication		1,589		
Dues and Memberships		65		
Operating Lease Payments		1,398		
Postal Charges		8,285		
Printing, Stationery, and Forms		4,406		
Travel		60		
Office Supplies		2,203		
In Service/Staff Development		384		
Total Other Risk Management				264,123
Finance				
Accounting and Budgeting				
County Official/Administrative Officer	$	94,836		
Assistant(s)		60,995		
Accountants/Bookkeepers		268,811		
Purchasing Personnel		95,756		
Temporary Personnel		23,980		
Longevity Pay		5,400		
Overtime Pay		1,640		
Communication		3,263		
Operating Lease Payments		1,417		
Maintenance and Repair Services - Office Equipment		10,922		
Postal Charges		5,963		
Printing, Stationery, and Forms		4,890		
Travel		155		
Office Supplies		6,176		
Premiums on Corporate Surety Bonds		150		
In Service/Staff Development		901		
Other Charges		60		
Data Processing Equipment		155,458		
Furniture and Fixtures		9,608		
Total Accounting and Budgeting				750,381
Property Assessor's Office				
County Official/Administrative Officer	$	104,624		

(Continued)

Exhibit K-9

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

General Fund (Cont.)				
Finance (Cont.)				
Property Assessor's Office (Cont.)				
Deputy(ies)	$	1,027,613		
Salary Supplements		8,660		
Part-time Personnel		5,670		
Longevity Pay		12,150		
Overtime Pay		17,382		
Advertising		79		
Communication		3,811		
Consultants		92,368		
Data Processing Services		9,677		
Dues and Memberships		2,825		
Operating Lease Payments		14,582		
Licenses		110		
Maintenance and Repair Services - Office Equipment		11,828		
Maintenance and Repair Services - Vehicles		1,956		
Postal Charges		12,146		
Printing, Stationery, and Forms		2,944		
Travel		1,269		
Gasoline		2,903		
Office Supplies		13,708		
Periodicals		1,480		
Premiums on Corporate Surety Bonds		240		
In Service/Staff Development		1,571		
Other Charges		4,253		
Total Property Assessor's Office			$	1,353,849
County Trustee's Office				
County Official/Administrative Officer	$	104,624		
Assistant(s)		266,344		
Part-time Personnel		26,896		
Longevity Pay		3,550		
Overtime Pay		175		
Advertising		1,009		
Communication		580		
Data Processing Services		54,496		
Dues and Memberships		1,245		
Maintenance and Repair Services - Office Equipment		24,698		
Postal Charges		6,130		
Printing, Stationery, and Forms		5,991		
Travel		1,540		
Premiums on Corporate Surety Bonds		7,439		
In Service/Staff Development		2,324		
Other Charges		400		
Total County Trustee's Office				507,441
County Clerk's Office				
County Official/Administrative Officer	$	104,624		
Assistant(s)		644,847		
Temporary Personnel		6,324		
Part-time Personnel		3,921		
Longevity Pay		6,550		

(Continued)

Exhibit K-9

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

General Fund (Cont.)		
Finance (Cont.)		
County Clerk's Office (Cont.)		
Advertising	$ 1,679	
Communication	325	
Dues and Memberships	845	
Operating Lease Payments	4,221	
Maintenance and Repair Services - Office Equipment	18,065	
Postal Charges	48,324	
Printing, Stationery, and Forms	9,858	
Other Supplies and Materials	14,640	
Premiums on Corporate Surety Bonds	113	
Office Equipment	5,707	
Total County Clerk's Office		$ 870,043
Administration of Justice		
Circuit Court		
County Official/Administrative Officer	$ 104,624	
Deputy(ies)	1,027,494	
Part-time Personnel	89,803	
Longevity Pay	17,100	
Jury and Witness Expense	37,422	
Communication	7,551	
Dues and Memberships	795	
Operating Lease Payments	35,797	
Postal Charges	17,019	
Printing, Stationery, and Forms	11,342	
Travel	205	
Food Supplies	1,801	
Office Supplies	13,760	
Premiums on Corporate Surety Bonds	163	
Office Equipment	16,840	
Total Circuit Court		1,381,716
General Sessions Court		
Judge(s)	$ 306,134	
Assistant(s)	352,501	
Probation Officer(s)	118,607	
Secretary(ies)	77,823	
Clerical Personnel	27,872	
Temporary Personnel	9,199	
Part-time Personnel	19,286	
Longevity Pay	7,100	
Overtime Pay	2,985	
Communication	3,555	
Contracts with Government Agencies	121,723	
Dues and Memberships	885	
Evaluation and Testing	7,128	
Operating Lease Payments	2,382	
Postal Charges	1,889	
Printing, Stationery, and Forms	1,293	
Travel	1,789	
Office Supplies	6,883	

(Continued)

Exhibit K-9

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
General Sessions Court (Cont.)		
Periodicals	$ 2,356	
In Service/Staff Development	880	
Other Charges	215	
Total General Sessions Court		$ 1,072,485
Drug Court		
Drug Treatment	$ 86,351	
Total Drug Court		86,351
Chancery Court		
County Official/Administrative Officer	$ 104,624	
Assistant(s)	261,248	
Part-time Personnel	3,499	
Longevity Pay	4,600	
Communication	2,688	
Dues and Memberships	795	
Maintenance and Repair Services - Office Equipment	18,221	
Postal Charges	14,175	
Printing, Stationery, and Forms	3,907	
Office Supplies	2,984	
Periodicals	571	
Premiums on Corporate Surety Bonds	235	
In Service/Staff Development	400	
Office Equipment	1,420	
Total Chancery Court		419,367
Juvenile Court		
County Official/Administrative Officer	$ 104,624	
Assistant(s)	238,024	
Part-time Personnel	17,341	
Longevity Pay	4,550	
Communication	3,878	
Dues and Memberships	890	
Operating Lease Payments	6,602	
Maintenance and Repair Services - Office Equipment	2,871	
Postal Charges	6,000	
Printing, Stationery, and Forms	4,262	
Travel	442	
Other Contracted Services	10,343	
Office Supplies	1,372	
Premiums on Corporate Surety Bonds	113	
Other Charges	117	
Total Juvenile Court		401,429
Other Administration of Justice		
County Official/Administrative Officer	$ 61,899	
Assistant(s)	70,568	
Part-time Personnel	18,492	
Total Other Administration of Justice		150,959

(Continued)

Exhibit K-9

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
Victims Assistance Programs		
Contributions	$ 84,369	
Total Victims Assistance Programs		$ 84,369
Public Safety		
Sheriff's Department		
County Official/Administrative Officer	$ 115,086	
Deputy(ies)	4,749,499	
Accountants/Bookkeepers	56,264	
Salary Supplements	61,800	
Clerical Personnel	430,831	
Longevity Pay	61,200	
Overtime Pay	272,246	
Communication	55,528	
Contracts with Private Agencies	82,046	
Evaluation and Testing	11,865	
Operating Lease Payments	7,967	
Maintenance and Repair Services - Vehicles	104,704	
Postal Charges	7,147	
Transportation - Other than Students	22,651	
Travel	15	
Data Processing Supplies	15,119	
Gasoline	449,076	
Law Enforcement Supplies	7,189	
Office Supplies	24,298	
Periodicals	720	
Tires and Tubes	38,626	
Uniforms	134,503	
Other Supplies and Materials	31,375	
Premiums on Corporate Surety Bonds	75	
In Service/Staff Development	134,344	
Other Charges	22,554	
Data Processing Equipment	38,203	
Law Enforcement Equipment	146,161	
Motor Vehicles	435,831	
Other Equipment	6,487	
Other Capital Outlay	984,918	
Total Sheriff's Department		8,508,328
Traffic Control		
Guards	$ 73,071	
Uniforms	992	
Total Traffic Control		74,063
Jail		
Guards	$ 2,871,838	
Longevity Pay	15,100	
Overtime Pay	100,347	
Communication	24,499	
Evaluation and Testing	10,115	
Laundry Service	50,906	

(Continued)

Exhibit K-9

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

General Fund (Cont.)				
Public Safety (Cont.)				
Jail (Cont.)				
Operating Lease Payments	$	4,158		
Maintenance and Repair Services - Buildings		81,519		
Maintenance and Repair Services - Equipment		17,034		
Maintenance and Repair Services - Vehicles		6,123		
Medical and Dental Services		1,108,530		
Postal Charges		1,387		
Drugs and Medical Supplies		7,624		
Electricity		226,058		
Food Supplies		424,294		
Gasoline		13,600		
Natural Gas		43,942		
Office Supplies		21,076		
Periodicals		407		
Prisoners Clothing		14,151		
Uniforms		29,815		
Water and Sewer		141,888		
Other Supplies and Materials		24,887		
In Service/Staff Development		17,427		
Total Jail			$	5,256,725
Workhouse				
Deputy(ies)	$	110,922		
Longevity Pay		1,650		
Maintenance and Repair Services - Vehicles		3,666		
Gasoline		13,944		
Instructional Supplies and Materials		21,665		
Office Supplies		3,474		
Other Road Supplies		1,517		
Small Tools		1,594		
Uniforms		957		
Other Supplies and Materials		3,590		
Total Workhouse				162,979
Juvenile Services				
Judge(s)	$	125,007		
Assistant(s)		918,579		
Teachers		134,451		
Part-time Personnel		69,809		
Longevity Pay		13,600		
Overtime Pay		4,276		
Communication		8,708		
Dues and Memberships		735		
Operating Lease Payments		8,133		
Legal Services		17,043		
Maintenance and Repair Services - Office Equipment		8,066		
Medical and Dental Services		810		
Printing, Stationery, and Forms		2,866		
Transportation - Other than Students		2,698		
Travel		3,015		
Other Contracted Services		1,225		

(Continued)

Exhibit K-9

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

General Fund (Cont.)				
Public Safety (Cont.)				
Juvenile Services (Cont.)				
Food Supplies	$	14,606		
Office Supplies		13,801		
Other Supplies and Materials		30,941		
In Service/Staff Development		2,685		
Other Charges		85		
Total Juvenile Services			$	1,381,139
Fire Prevention and Control				
Contracts with Government Agencies	$	2,000		
Contributions		475,545		
Total Fire Prevention and Control				477,545
Other Emergency Management				
Board and Committee Members Fees	$	5,777		
Printing, Stationery, and Forms		384		
Travel		167		
In Service/Staff Development		26		
Total Other Emergency Management				6,354
County Coroner/Medical Examiner				
Contracts with Private Agencies	$	78,525		
Medical and Dental Services		31,725		
Other Contracted Services		41,600		
Drugs and Medical Supplies		34,750		
Total County Coroner/Medical Examiner				186,600
Other Public Safety				
County Official/Administrative Officer	$	88,982		
Assistant(s)		120,359		
Supervisor/Director		100,922		
Salary Supplements		5,221		
Dispatchers/Radio Operators		625,246		
Secretary(ies)		81,869		
Part-time Personnel		45,365		
Longevity Pay		7,900		
Overtime Pay		53,716		
Advertising		20		
Communication		24,514		
Contracts with Government Agencies		6,975		
Dues and Memberships		1,840		
Evaluation and Testing		1,804		
Operating Lease Payments		37,061		
Maintenance Agreements		25,902		
Maintenance and Repair Services - Equipment		23,862		
Maintenance and Repair Services - Office Equipment		2,988		
Maintenance and Repair Services - Vehicles		9,083		
Postal Charges		279		
Travel		3,343		
Other Contracted Services		8,064		
Electricity		11,154		

(Continued)

Exhibit K-9

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

General Fund (Cont.)		
Public Safety (Cont.)		
Other Public Safety (Cont.)		
Gasoline	$ 7,818	
Office Supplies	5,085	
Uniforms	10,555	
Other Supplies and Materials	3,885	
In Service/Staff Development	132,431	
Other Equipment	39,816	
Total Other Public Safety		$ 1,486,059
Public Health and Welfare		
Local Health Center		
Medical Personnel	$ 128,342	
Secretary(ies)	31,762	
Clerical Personnel	26,749	
Custodial Personnel	24,482	
Part-time Personnel	16,592	
Longevity Pay	4,300	
Board and Committee Members Fees	1,038	
Communication	8,911	
Contracts with Government Agencies	589,035	
Contributions	600	
Dues and Memberships	850	
Laundry Service	245	
Maintenance and Repair Services - Buildings	3,865	
Travel	4,099	
Drugs and Medical Supplies	17,741	
Office Supplies	10,764	
Utilities	29,191	
Liability Insurance	1,075	
Other Charges	415	
Total Local Health Center		900,056
Rabies and Animal Control		
Assistant(s)	$ 51,002	
Supervisor/Director	73,950	
Paraprofessionals	93,284	
Attendants	300,556	
Custodial Personnel	28,789	
Part-time Personnel	68,368	
Longevity Pay	1,450	
Overtime Pay	42,917	
Advertising	1,005	
Communication	6,824	
Contracts with Private Agencies	3,027	
Operating Lease Payments	1,752	
Maintenance and Repair Services - Buildings	6,838	
Maintenance and Repair Services - Office Equipment	807	
Maintenance and Repair Services - Vehicles	6,196	
Postal Charges	469	
Printing, Stationery, and Forms	3,409	
Veterinary Services	27,277	

(Continued)

Exhibit K-9

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

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
Rabies and Animal Control (Cont.)		
Other Contracted Services	$ 5,506	
Animal Food and Supplies	33,171	
Custodial Supplies	5,712	
Drugs and Medical Supplies	93,842	
Electricity	31,630	
Equipment Parts - Light	14,497	
Gasoline	19,204	
Instructional Supplies and Materials	148	
Natural Gas	11,979	
Office Supplies	4,938	
Periodicals	1,050	
Uniforms	1,698	
Water and Sewer	9,366	
Other Supplies and Materials	39,224	
In Service/Staff Development	6,190	
Other Charges	25,047	
Other Capital Outlay	30,428	
Total Rabies and Animal Control		$ 1,051,550
Ambulance/Emergency Medical Services		
Contracts with Government Agencies	$ 1,943,624	
Total Ambulance/Emergency Medical Services		1,943,624
Other Local Health Services		
Contributions	$ 9,576	
Total Other Local Health Services		9,576
Regional Mental Health Center		
Contributions	$ 21,780	
Total Regional Mental Health Center		21,780
Appropriation to State		
Contributions	$ 103,816	
Total Appropriation to State		103,816
General Welfare Assistance		
Contributions	$ 17,617	
Total General Welfare Assistance		17,617
Aid to Dependent Children		
Contributions	$ 10,389	
Total Aid to Dependent Children		10,389
Other Public Health and Welfare		
Communication	$ 5,980	
Dues and Memberships	1,255	
Operating Lease Payments	6,680	
Maintenance and Repair Services - Vehicles	2,592	
Postal Charges	590	
Printing, Stationery, and Forms	2,712	

(Continued)

Exhibit K-9

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

General Fund (Cont.)				
Public Health and Welfare (Cont.)				
Other Public Health and Welfare (Cont.)				
Travel	$	2,087		
Data Processing Supplies		1,590		
Gasoline		10,518		
Office Supplies		9,703		
Periodicals		32		
Uniforms		3,693		
Other Supplies and Materials		2,153		
Premiums on Corporate Surety Bonds		60		
In Service/Staff Development		1,505		
Total Other Public Health and Welfare			$	51,150
Social, Cultural, and Recreational Services				
Adult Activities				
Contributions	$	45,464		
Total Adult Activities				45,464
Senior Citizens Assistance				
Contributions	$	83,527		
Total Senior Citizens Assistance				83,527
Libraries				
County Official/Administrative Officer	$	69,722		
Librarians		1,086,675		
Temporary Personnel		16,572		
Part-time Personnel		198,976		
Longevity Pay		14,300		
Communication		5,966		
Contributions		98,115		
Dues and Memberships		597		
Operating Lease Payments		11,355		
Maintenance and Repair Services - Office Equipment		3,116		
Postal Charges		3,213		
Printing, Stationery, and Forms		295		
Travel		171		
Other Contracted Services		26,282		
Data Processing Supplies		91,531		
Library Books/Media		204,714		
Office Supplies		14,315		
Periodicals		7,500		
Utilities		118,656		
Other Supplies and Materials		35,532		
In Service/Staff Development		2,124		
Other Capital Outlay		9,648		
Total Libraries				2,019,375
Parks and Fair Boards				
County Official/Administrative Officer	$	104,582		
Assistant(s)		1,535,294		
Supervisor/Director		439,277		
Mechanic(s)		35,776		

(Continued)

Exhibit K-9

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

General Fund (Cont.)		
Social, Cultural, and Recreational Services (Cont.)		
Parks and Fair Boards (Cont.)		
Clerical Personnel	$ 247,499	
Custodial Personnel	173,101	
Maintenance Personnel	384,584	
Temporary Personnel	499,403	
Part-time Personnel	2,761,384	
Longevity Pay	28,200	
Overtime Pay	15,191	
Other Per Diem and Fees	5,775	
Advertising	21,882	
Communication	70,904	
Contracts with Private Agencies	104,798	
Dues and Memberships	3,995	
Evaluation and Testing	3,593	
Maintenance and Repair Services - Buildings	186,473	
Maintenance and Repair Services - Equipment	73,735	
Maintenance and Repair Services - Office Equipment	27,569	
Maintenance and Repair Services - Vehicles	34,368	
Pest Control	1,925	
Postal Charges	7,374	
Printing, Stationery, and Forms	64,650	
Rentals	2,951	
Disposal Fees	32,108	
Permits	2,445	
Other Contracted Services	32,116	
Custodial Supplies	97,379	
Drugs and Medical Supplies	5,186	
Electricity	905,512	
Fertilizer, Lime, and Seed	43,932	
Food Supplies	6,119	
Fuel Oil	2,033	
Gasoline	92,774	
Instructional Supplies and Materials	89,063	
Natural Gas	188,151	
Office Supplies	12,370	
Periodicals	1,126	
Uniforms	21,115	
Water and Sewer	179,622	
Clay	3,765	
Chemicals	50,089	
Other Supplies and Materials	153,184	
Refunds	34,073	
Surcharge	15,845	
Other Charges	85,085	
Other Capital Outlay	38,860	
Total Parks and Fair Boards		$ 8,926,235
Other Social, Cultural, and Recreational		
Supervisor/Director	$ 67,954	
Foremen	42,702	
Clerical Personnel	68,930	

(Continued)

Exhibit K-9

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

General Fund (Cont.)		
Social, Cultural, and Recreational Services (Cont.)		
Other Social, Cultural, and Recreational (Cont.)		
Cafeteria Personnel	$ 35,131	
Maintenance Personnel	236,825	
Temporary Personnel	42,543	
Longevity Pay	4,300	
Overtime Pay	5,258	
Communication	11,020	
Dues and Memberships	672	
Operating Lease Payments	1,369	
Maintenance and Repair Services - Buildings	7,893	
Maintenance and Repair Services - Equipment	11,316	
Maintenance and Repair Services - Vehicles	2,485	
Rentals	15,730	
Disposal Fees	110,850	
Other Contracted Services	6,756	
Custodial Supplies	15,000	
Electricity	155,819	
Food Supplies	59,637	
Gasoline	8,813	
Natural Gas	32,349	
Office Supplies	947	
Periodicals	300	
Small Tools	3,675	
Tires and Tubes	1,241	
Uniforms	1,724	
Water and Sewer	19,836	
Other Supplies and Materials	34,763	
Other Charges	281	
Total Other Social, Cultural, and Recreational		$ 1,006,119
Agriculture and Natural Resources		
Agriculture Extension Service		
Assistant(s)	$ 77,335	
Salary Supplements	141,408	
Secretary(ies)	31,037	
Longevity Pay	900	
Board and Committee Members Fees	825	
Social Security	6,554	
Extension Service Medicare	2,481	
State Retirement	20,783	
Medical Insurance	532	
Communication	3,809	
Dues and Memberships	530	
Janitorial Services	4,878	
Operating Lease Payments	2,071	
Maintenance and Repair Services - Equipment	2,488	
Maintenance and Repair Services - Vehicles	433	
Postal Charges	493	
Travel	2,285	
Gasoline	1,821	
Total Agriculture Extension Service		300,663

(Continued)

Exhibit K-9

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

General Fund (Cont.)		
Agriculture and Natural Resources (Cont.)		
Soil Conservation		
Secretary(ies)	$ 40,976	
Longevity Pay	1,400	
Other Charges	5,263	
Total Soil Conservation		$ 47,639
Other Operations		
Other Economic and Community Development		
Assistant(s)	$ 27,932	
Supervisor/Director	54,995	
Secretary(ies)	21,612	
Advertising	7,504	
Communication	3,523	
Dues and Memberships	4,388	
Maintenance and Repair Services - Office Equipment	1,832	
Postal Charges	275	
Travel	14,280	
Other Contracted Services	49,734	
Office Supplies	679	
Periodicals	743	
In Service/Staff Development	4,812	
Total Other Economic and Community Development		192,309
Public Transportation		
Other Contracted Services	$ 501,930	
Total Public Transportation		501,930
Veterans' Services		
Supervisor/Director	$ 13,624	
Dues and Memberships	25	
Travel	148	
Office Supplies	27	
Other Supplies and Materials	1,040	
Total Veterans' Services		14,864
Other Charges		
Dues and Memberships	$ 49,564	
Building and Contents Insurance	196,427	
Excess Risk Insurance	725,059	
Trustee's Commission	931,719	
Vehicle and Equipment Insurance	134,589	
Workers' Compensation Insurance	578,557	
Total Other Charges		2,615,915
Employee Benefits		
Social Security	$ 2,037,362	
State Retirement	2,410,136	
Life Insurance	38,000	
Medical Insurance	7,300,000	
Disability Insurance	13,685	
Unemployment Compensation	28,729	

(Continued)

Exhibit K-9

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

General Fund (Cont.)			
Other Operations (Cont.)			
Employee Benefits (Cont.)			
Local Retirement	$ 150,000		
Employer Medicare	478,224		
Total Employee Benefits		$ 12,456,136	
ARRA Grant # 6			
Contracts with Private Agencies	$ 4,844		
Total ARRA Grant # 6		4,844	
Miscellaneous			
Contracts with Private Agencies	$ 61,318		
Contributions	830,202		
Duplicating Supplies	34,801		
Total Miscellaneous		926,321	
Total General Fund			$ 68,426,602
Solid Waste/Sanitation Fund			
Public Health and Welfare			
Sanitation Management			
Supervisor/Director	$ 73,798		
Deputy(ies)	173,791		
Laborers	538,996		
Guards	457,296		
Clerical Personnel	87,279		
Longevity Pay	12,000		
Overtime Pay	53,753		
Advertising	3,164		
Communication	14,061		
Dues and Memberships	916		
Evaluation and Testing	620		
Maintenance and Repair Services - Buildings	23,652		
Maintenance and Repair Services - Equipment	205,888		
Maintenance and Repair Services - Office Equipment	1,800		
Maintenance and Repair Services - Vehicles	86,911		
Postal Charges	23		
Printing, Stationery, and Forms	1,308		
Rentals	1,215		
Travel	1,115		
Other Contracted Services	1,081,497		
Diesel Fuel	347,815		
Electricity	27,812		
Gasoline	13,918		
Lubricants	4,557		
Natural Gas	2,297		
Office Supplies	2,421		
Periodicals	137		
Tires and Tubes	52,565		
Uniforms	10,128		
Water and Sewer	2,641		
Other Supplies and Materials	28,354		

(Continued)

Exhibit K-9

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

Solid Waste/Sanitation Fund (Cont.)			
Public Health and Welfare (Cont.)			
Sanitation Management (Cont.)			
In Service/Staff Development	$ 2,411		
Other Charges	62,915		
Other Capital Outlay	7,072		
Total Sanitation Management		$ 3,384,126	
Other Operations			
Other Charges			
Building and Contents Insurance	$ 5,789		
Excess Risk Insurance	100,091		
Trustee's Commission	69,913		
Vehicle and Equipment Insurance	1,711		
Workers' Compensation Insurance	62,565		
Total Other Charges		240,069	
Employee Benefits			
Social Security	$ 84,350		
State Retirement	77,528		
Life Insurance	1,350		
Medical Insurance	249,960		
Disability Insurance	1,496		
Employer Medicare	19,728		
Total Employee Benefits		434,412	
Total Solid Waste/Sanitation Fund			$ 4,058,607
Drug Control Fund			
Public Safety			
Drug Enforcement			
Communication	$ 1,877		
Confidential Drug Enforcement Payments	5,000		
Maintenance and Repair Services - Vehicles	2,548		
Towing Services	870		
Other Supplies and Materials	4,197		
Trustee's Commission	333		
In Service/Staff Development	4,933		
Other Capital Outlay	39,963		
Total Drug Enforcement		$ 59,721	
Total Drug Control Fund			59,721
Highway/Public Works Fund			
Highways			
Administration			
County Official/Administrative Officer	$ 115,086		
Accountants/Bookkeepers	59,446		
Dispatchers/Radio Operators	51,917		
Secretary(ies)	42,994		
Longevity Pay	46,200		
Board and Committee Members Fees	6,750		
Advertising	45		

(Continued)

Exhibit K-9

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

Highway/Public Works Fund (Cont.)		
Highways (Cont.)		
Administration (Cont.)		
Communication	$ 9,389	
Engineering Services	324,285	
Evaluation and Testing	2,510	
Operating Lease Payments	1,301	
Legal Services	30,443	
Legal Notices, Recording, and Court Costs	345	
Electricity	41,943	
Natural Gas	17,776	
Office Supplies	2,341	
Water and Sewer	5,967	
Other Charges	2,681	
Total Administration		$ 761,419
Highway and Bridge Maintenance		
Foremen	$ 168,190	
Equipment Operators	2,039,309	
Part-time Personnel	82,532	
Overtime Pay	63,005	
Contracts with Private Agencies	137,660	
Rentals	24,866	
Asphalt - Cold Mix	298	
Asphalt - Hot Mix	2,479,398	
Asphalt - Liquid	93,046	
Other Road Supplies	92,044	
Pipe	46,926	
Road Signs	22,297	
Salt	31,000	
Uniforms	26,987	
Wood Products	2,750	
Other Charges	692	
Total Highway and Bridge Maintenance		5,311,000
Operation and Maintenance of Equipment		
Foremen	$ 56,472	
Mechanic(s)	144,040	
Nightwatchmen	105,442	
Part-time Personnel	5,929	
Diesel Fuel	392,823	
Equipment Parts - Heavy	565,484	
Equipment and Machinery Parts	2,332	
Garage Supplies	44,106	
Gasoline	160,343	
Lubricants	21,858	
Tires and Tubes	82,762	
Total Operation and Maintenance of Equipment		1,581,591
Quarry Operations		
Equipment Operators	$ 310,440	
Overtime Pay	23,037	
Explosive and Drilling Services	34,303	

(Continued)

Exhibit K-9

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

Highway/Public Works Fund (Cont.)			
Highways (Cont.)			
Quarry Operations (Cont.)			
Maintenance and Repair Services - Vehicles	$ 64,209		
Electricity	38,573		
Other Supplies and Materials	1,315		
Total Quarry Operations		$ 471,877	
Other Charges			
Building and Contents Insurance	$ 9,418		
Excess Risk Insurance	216,722		
Trustee's Commission	121,328		
Vehicle and Equipment Insurance	16,351		
Workers' Compensation Insurance	80,198		
Total Other Charges		444,017	
Employee Benefits			
Social Security	$ 197,373		
State Retirement	267,326		
Life Insurance	4,200		
Medical Insurance	780,000		
Disability Insurance	4,360		
Employer Medicare	46,165		
Total Employee Benefits		1,299,424	
Capital Outlay			
Bridge Construction	$ 132,605		
Highway Construction	86,112		
Highway Equipment	534,362		
Site Development	4,109		
Total Capital Outlay		757,188	
Total Highway/Public Works Fund			$ 10,626,516
General Debt Service Fund			
Principal on Debt			
General Government			
Principal on Bonds	$ 9,494,400		
Principal on Other Loans	682,402		
Total General Government		$ 10,176,802	
Highways and Streets			
Principal on Bonds	$ 165,600		
Total Highways and Streets		165,600	
Education			
Principal on Bonds	$ 8,960,000		
Principal on Other Loans	176,598		
Total Education		9,136,598	
Interest on Debt			
General Government			
Interest on Bonds	$ 4,641,381		
Interest on Other Loans	14,879		
Total General Government		4,656,260	

(Continued)

Exhibit K-9

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

General Debt Service Fund (Cont.)			
Interest on Debt (Cont.)			
Highways and Streets			
Interest on Bonds	$ 42,170		
Total Highways and Streets		$ 42,170	
Education			
Interest on Bonds	$ 6,170,612		
Interest on Notes	54,489		
Interest on Other Loans	3,194		
Total Education		6,228,295	
Other Debt Service			
General Government			
Fiscal Agent Charges	$ 5,018		
Trustee's Commission	518,658		
Other Charges	20,454		
Underwriter's Discount	115,485		
Other Debt Issuance Charges	97,000		
Total General Government		756,615	
Total General Debt Service Fund			$ 31,162,340
Rural Debt Service Fund			
Principal on Debt			
Education			
Principal on Bonds	$ 11,535,000		
Total Education		$ 11,535,000	
Interest on Debt			
Education			
Interest on Bonds	$ 9,223,465		
Interest on Notes	11,903		
Total Education		9,235,368	
Other Debt Service			
Education			
Fiscal Agent Charges	$ 3,067		
Trustee's Commission	275,373		
Underwriter's Discount	62,223		
Other Debt Issuance Charges	46,000		
Total Education		386,663	
Total Rural Debt Service Fund			21,157,031
General Capital Projects Fund			
Capital Projects			
General Administration Projects			
Building Improvements	$ 324,771		
Data Processing Equipment	157,145		
Land	655,453		
Motor Vehicles	49,989		
Building Purchases	14,053		

(Continued)

Exhibit K-9

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

General Capital Projects Fund (Cont.)				
Capital Projects (Cont.)				
General Administration Projects (Cont.)				
Other Equipment	$	132,010		
Other Capital Outlay		792,040		
Total General Administration Projects			$	2,125,461
Public Safety Projects				
Trustee's Commission	$	269		
Building Improvements		32,319		
Data Processing Equipment		32,871		
Motor Vehicles		6,738		
Other Equipment		363,362		
Other Capital Outlay		574,234		
Total Public Safety Projects				1,009,793
Public Health and Welfare Projects				
Landfill Closure/Postclosure Care Costs	$	64,828		
Building Improvements		9,002		
Solid Waste Equipment		41,898		
Other Equipment		574,999		
Other Construction		117,349		
Total Public Health and Welfare Projects				808,076
Social, Cultural, and Recreation Projects				
Trustee's Commission	$	4,940		
Building Improvements		5,650		
Land		10,800		
Other Equipment		280,487		
Other Construction		1,117		
Other Capital Outlay		569,106		
Total Social, Cultural, and Recreation Projects				872,100
Agriculture and Natural Resource Projects				
Motor Vehicles	$	21,000		
Total Agriculture and Natural Resource Projects				21,000
Other General Government Projects				
Motor Vehicles	$	29,416		
Other Capital Outlay		113,051		
Total Other General Government Projects				142,467
Highway and Street Capital Projects				
Consultants	$	3,651		
Trustee's Commission		2,734		
Highway Construction		5,032,200		
Highway Equipment		191,878		
Total Highway and Street Capital Projects				5,230,463
Education Capital Projects				
Trustee's Commission	$	115,587		
Other Debt Issuance Charges		20,000		
Total Education Capital Projects				135,587

(Continued)

Exhibit K-9

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

General Capital Projects Fund (Cont.)			
Capital Projects - Donated			
Capital Projects Donated to School Department			
Contributions	$ 8,690,000		
Total Capital Projects Donated to School Department		$ 8,690,000	
Total General Capital Projects Fund			$ 19,034,947
Total Governmental Funds - Primary Government			$ 154,525,764

Exhibit K-10

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

General Purpose School Fund		
Instruction		
Regular Instruction Program		
Teachers	$ 83,532,262	
Career Ladder Program	414,547	
Career Ladder Extended Contracts	134,191	
Homebound Teachers	139,234	
Educational Assistants	1,674,395	
Longevity Pay	34,200	
Other Salaries and Wages	567,956	
Certified Substitute Teachers	740,543	
Non-certified Substitute Teachers	1,382,188	
Social Security	5,296,039	
State Retirement	7,500,812	
Life Insurance	92,870	
Medical Insurance	17,270,040	
Dental Insurance	908,070	
Unemployment Compensation	42,636	
Employer Medicare	1,245,178	
Maintenance and Repair Services - Equipment	43,723	
Other Contracted Services	1,040,627	
Instructional Supplies and Materials	1,106,644	
Textbooks	2,103,465	
Other Charges	39,340	
Regular Instruction Equipment	133,820	
Total Regular Instruction Program		$ 125,442,780
Alternative Instruction Program		
Teachers	$ 268,316	
Career Ladder Program	2,000	
Educational Assistants	50,069	
Longevity Pay	800	
Social Security	19,528	
State Retirement	27,061	
Life Insurance	459	
Medical Insurance	88,350	
Dental Insurance	4,650	
Employer Medicare	4,567	
Other Supplies and Materials	6,095	
Other Equipment	935	
Total Alternative Instruction Program		472,830
Special Education Program		
Teachers	$ 13,049,825	
Career Ladder Program	73,451	
Educational Assistants	4,040,768	
Speech Pathologist	1,773,144	
Longevity Pay	51,900	
Other Salaries and Wages	166,663	
Social Security	1,132,354	
State Retirement	1,664,540	
Life Insurance	29,294	

(Continued)

Exhibit K-10

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

General Purpose School Fund (Cont.)				
Instruction (Cont.)				
Special Education Program (Cont.)				
Medical Insurance	$	5,573,330		
Dental Insurance		292,940		
Employer Medicare		265,706		
Contracts with Other Public Agencies		58,103		
Contracts with Private Agencies		685,136		
Maintenance and Repair Services - Equipment		14,112		
Other Contracted Services		91,867		
Instructional Supplies and Materials		105,349		
Textbooks		7,000		
Special Education Equipment		42,318		
Total Special Education Program			$	29,117,800
Vocational Education Program				
Teachers	$	2,893,045		
Career Ladder Program		16,625		
Educational Assistants		334,130		
Longevity Pay		3,300		
Other Salaries and Wages		96,954		
Social Security		196,790		
State Retirement		276,706		
Life Insurance		3,854		
Medical Insurance		749,075		
Dental Insurance		39,424		
Employer Medicare		46,075		
Maintenance and Repair Services - Equipment		6,267		
Other Contracted Services		270,363		
Instructional Supplies and Materials		135,674		
Other Supplies and Materials		380		
Other Charges		1,801		
Vocational Instruction Equipment		142,421		
Total Vocational Education Program				5,212,884
Student Body Education Program				
Other Salaries and Wages	$	113,912		
Certified Substitute Teachers		56,367		
In-Service Training		3,461		
Other Contracted Services		27,972		
Instructional Supplies and Materials		454,615		
Library Books/Media		153,576		
Other Supplies and Materials		73,022		
In Service/Staff Development		40,417		
Fee Waivers		29,533		
Other Charges		62,323		
Regular Instruction Equipment		442,741		
Total Student Body Education Program				1,457,939
Adult Education Program				
Teachers	$	108,188		
Other Salaries and Wages		12,465		

(Continued)

Exhibit K-10

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

General Purpose School Fund (Cont.)				
Instruction (Cont.)				
Adult Education Program (Cont.)				
Social Security	$	7,090		
State Retirement		2,924		
Life Insurance		51		
Medical Insurance		9,500		
Dental Insurance		500		
Employer Medicare		1,740		
Instructional Supplies and Materials		6,000		
Other Supplies and Materials		2,631		
Other Charges		5,229		
Total Adult Education Program			$	156,318
Support Services				
Attendance				
Other Salaries and Wages	$	96,413		
Social Security		5,846		
State Retirement		7,485		
Life Insurance		128		
Medical Insurance		19,000		
Dental Insurance		1,000		
Employer Medicare		1,367		
Total Attendance				131,239
Health Services				
Medical Personnel	$	2,007,604		
Longevity Pay		9,400		
Social Security		117,805		
State Retirement		137,991		
Life Insurance		3,101		
Medical Insurance		589,950		
Dental Insurance		31,050		
Employer Medicare		27,859		
Travel		5,760		
Other Contracted Services		2,100		
Drugs and Medical Supplies		13,020		
Other Supplies and Materials		3,982		
In Service/Staff Development		300		
Health Equipment		6,868		
Total Health Services				2,956,790
Other Student Support				
Career Ladder Program	$	21,001		
Guidance Personnel		4,263,080		
Social Workers		200,875		
Secretary(ies)		221,585		
Longevity Pay		4,500		
Social Security		280,431		
State Retirement		413,700		
Life Insurance		4,807		
Medical Insurance		920,550		

(Continued)

Exhibit K-10

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

General Purpose School Fund (Cont.)				
Support Services (Cont.)				
Other Student Support (Cont.)				
Dental Insurance	$	48,750		
Employer Medicare		65,690		
Contracts with Government Agencies		385,652		
Travel		138		
Other Contracted Services		399,605		
Other Supplies and Materials		160,154		
Other Charges		306		
Regular Instruction Equipment		2,985		
Total Other Student Support			$	7,393,809
Regular Instruction Program				
Supervisor/Director	$	435,882		
Career Ladder Program		40,831		
Librarians		2,308,255		
Secretary(ies)		270,327		
Clerical Personnel		617,430		
Longevity Pay		16,000		
Other Salaries and Wages		1,580,323		
Certified Substitute Teachers		2,025		
In-Service Training		53,897		
Social Security		319,174		
State Retirement		462,484		
Life Insurance		6,086		
Medical Insurance		1,147,125		
Dental Insurance		60,250		
Employer Medicare		74,805		
Consultants		1,500		
Travel		23,066		
Other Contracted Services		50,912		
Other Supplies and Materials		100,283		
In Service/Staff Development		109,334		
Other Equipment		8,649		
Total Regular Instruction Program				7,688,638
Special Education Program				
Supervisor/Director	$	100,039		
Career Ladder Program		4,542		
Psychological Personnel		1,156,735		
Secretary(ies)		68,705		
Longevity Pay		1,450		
Other Salaries and Wages		385,394		
In-Service Training		35,196		
Social Security		105,804		
State Retirement		154,615		
Life Insurance		1,402		
Medical Insurance		285,795		
Dental Insurance		14,895		
Employer Medicare		24,763		
Travel		57,720		

(Continued)

Exhibit K-10

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

General Purpose School Fund (Cont.)				
Support Services (Cont.)				
Special Education Program (Cont.)				
Other Contracted Services	$	153,390		
Other Supplies and Materials		97,574		
In Service/Staff Development		12,784		
Other Equipment		1,070		
Total Special Education Program			$	2,661,873
Vocational Education Program				
Secretary(ies)	$	20,943		
Longevity Pay		750		
Other Salaries and Wages		139,796		
Social Security		9,718		
State Retirement		14,328		
Life Insurance		153		
Medical Insurance		23,750		
Dental Insurance		1,250		
Employer Medicare		2,273		
Travel		3,701		
Other Contracted Services		5,075		
Other Supplies and Materials		1,576		
In Service/Staff Development		18,730		
Total Vocational Education Program				242,043
Adult Programs				
Career Ladder Program	$	3,000		
Secretary(ies)		25,963		
Longevity Pay		750		
Other Salaries and Wages		54,910		
Social Security		5,029		
State Retirement		7,093		
Life Insurance		102		
Medical Insurance		19,000		
Dental Insurance		1,000		
Employer Medicare		1,176		
Travel		298		
Total Adult Programs				118,321
Other Programs				
On-Behalf Payments to OPEB	$	19,908		
Total Other Programs				19,908
Board of Education				
Other Salaries and Wages	$	82,366		
Board and Committee Members Fees		72,600		
Social Security		8,458		
State Retirement		6,836		
Life Insurance		51		
Medical Insurance		9,500		
Dental Insurance		500		
Employer Medicare		1,978		

(Continued)

Exhibit K-10

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

General Purpose School Fund (Cont.)				
Support Services (Cont.)				
Board of Education (Cont.)				
Audit Services	$	2,784		
Dues and Memberships		33,916		
Travel		514		
Other Contracted Services		41,843		
Other Supplies and Materials		6,285		
Liability Insurance		665,991		
Trustee's Commission		2,462,706		
Workers' Compensation Insurance		859,676		
In Service/Staff Development		5,090		
Criminal Investigation of Applicants - TBI		39,742		
Total Board of Education			$	4,300,836
Director of Schools				
County Official/Administrative Officer	$	186,552		
Assistant(s)		125,071		
Secretary(ies)		169,793		
Longevity Pay		3,100		
Other Salaries and Wages		118,486		
Social Security		30,903		
State Retirement		50,489		
Life Insurance		655		
Medical Insurance		66,500		
Dental Insurance		3,500		
Employer Medicare		8,433		
Communication		364,528		
Other Contracted Services		49,233		
Office Supplies		32,922		
In Service/Staff Development		4,296		
Total Director of Schools				1,214,461
Office of the Principal				
Principals	$	3,990,469		
Career Ladder Program		54,632		
Accountants/Bookkeepers		1,315,695		
Assistant Principals		4,812,621		
Secretary(ies)		1,470,586		
Longevity Pay		40,840		
Social Security		695,138		
State Retirement		1,010,310		
Life Insurance		10,404		
Medical Insurance		1,966,500		
Dental Insurance		103,500		
Employer Medicare		163,071		
Other Contracted Services		436,678		
Total Office of the Principal				16,070,444
Fiscal Services				
Supervisor/Director	$	112,440		
Accountants/Bookkeepers		468,757		

(Continued)

Exhibit K-10

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

General Purpose School Fund (Cont.)				
Support Services (Cont.)				
Fiscal Services (Cont.)				
Purchasing Personnel	$	150,302		
Longevity Pay		9,200		
Overtime Pay		1,832		
Other Salaries and Wages		88,116		
Social Security		48,780		
State Retirement		67,609		
Life Insurance		850		
Medical Insurance		156,750		
Dental Insurance		8,250		
Employer Medicare		11,408		
Travel		568		
Other Contracted Services		166,849		
In Service/Staff Development		10,625		
Administration Equipment		160,335		
Total Fiscal Services			$	1,462,671
Human Services/Personnel				
Supervisor/Director	$	106,407		
Secretary(ies)		262,900		
Longevity Pay		2,750		
Overtime Pay		549		
Other Salaries and Wages		86,617		
Social Security		27,356		
State Retirement		37,344		
Life Insurance		455		
Medical Insurance		90,250		
Dental Insurance		4,750		
Employer Medicare		6,398		
Travel		440		
Other Contracted Services		56,201		
Other Supplies and Materials		19,169		
In Service/Staff Development		3,516		
Administration Equipment		1,199		
Total Human Services/Personnel				706,301
Operation of Plant				
Supervisor/Director	$	101,871		
Secretary(ies)		31,445		
Custodial Personnel		77,188		
Longevity Pay		4,750		
Other Salaries and Wages		73,304		
Social Security		17,319		
State Retirement		23,904		
Life Insurance		212		
Medical Insurance		47,500		
Dental Insurance		2,500		
Employer Medicare		4,050		
Janitorial Services		4,587,728		
Disposal Fees		94,416		

(Continued)

Exhibit K-10

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Operation of Plant (Cont.)		
Other Contracted Services	$ 23,013	
Electricity	6,012,017	
Natural Gas	368,807	
Water and Sewer	992,556	
Other Supplies and Materials	52,721	
Building and Contents Insurance	397,575	
Plant Operation Equipment	270,655	
Total Operation of Plant		$ 13,183,531
Maintenance of Plant		
Supervisor/Director	$ 82,380	
Secretary(ies)	73,184	
Maintenance Personnel	2,123,434	
Longevity Pay	25,200	
Overtime Pay	51,007	
Other Salaries and Wages	117,845	
Social Security	148,186	
State Retirement	205,520	
Life Insurance	3,455	
Medical Insurance	646,000	
Dental Insurance	34,000	
Employer Medicare	34,656	
Maintenance and Repair Services - Buildings	502,203	
Maintenance and Repair Services - Equipment	221,242	
Travel	3,774	
Other Contracted Services	598,963	
General Construction Materials	944,353	
Other Supplies and Materials	11,056	
In Service/Staff Development	12,394	
Other Charges	9,198	
Plant Operation Equipment	49,998	
Total Maintenance of Plant		5,898,048
Transportation		
Supervisor/Director	$ 79,515	
Mechanic(s)	427,809	
Bus Drivers	4,493,103	
Clerical Personnel	30,240	
Longevity Pay	116,650	
Overtime Pay	18,534	
Other Salaries and Wages	789,640	
Social Security	346,948	
State Retirement	484,723	
Life Insurance	14,178	
Medical Insurance	2,816,750	
Dental Insurance	148,250	
Employer Medicare	81,364	
Contracts with Parents	3,601	
Maintenance and Repair Services - Buildings	732	

(Continued)

Exhibit K-10

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

General Purpose School Fund (Cont.)				
Support Services (Cont.)				
Transportation (Cont.)				
Maintenance and Repair Services - Vehicles	$	90,108		
Other Contracted Services		27,360		
Gasoline		1,805,103		
Lubricants		39,469		
Tires and Tubes		229,724		
Vehicle Parts		373,874		
Other Supplies and Materials		17,234		
Vehicle and Equipment Insurance		139,000		
In Service/Staff Development		5,140		
Other Charges		17,132		
Transportation Equipment		2,153,524		
Total Transportation			$	14,749,705
Central and Other				
Supervisor/Director	$	182,753		
Data Processing Personnel		1,551,575		
Longevity Pay		16,150		
Overtime Pay		15,567		
Social Security		104,826		
State Retirement		146,680		
Life Insurance		1,687		
Medical Insurance		313,500		
Dental Insurance		16,500		
Employer Medicare		24,516		
Travel		18,015		
Other Contracted Services		1,141,868		
Other Supplies and Materials		108,985		
In Service/Staff Development		18,034		
Data Processing Equipment		81,022		
Total Central and Other				3,741,678
Operation of Non-Instructional Services				
Community Services				
Supervisor/Director	$	79,670		
Clerical Personnel		41,885		
Longevity Pay		1,950		
Other Salaries and Wages		215,923		
Social Security		20,110		
State Retirement		26,932		
Life Insurance		306		
Medical Insurance		57,000		
Dental Insurance		3,000		
Employer Medicare		4,495		
Travel		3,255		
Other Contracted Services		112,406		
Other Supplies and Materials		7,945		
In Service/Staff Development		6,944		
Other Equipment		6,992		
Total Community Services				588,813

(Continued)

Exhibit K-10

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

General Purpose School Fund (Cont.)			
Operation of Non-Instructional Services (Cont.)			
Early Childhood Education			
Teachers	$ 441,161		
Career Ladder Program	1,000		
Educational Assistants	105,485		
In-Service Training	358		
Social Security	32,910		
State Retirement	39,886		
Life Insurance	416		
Medical Insurance	95,000		
Dental Insurance	5,000		
Employer Medicare	7,697		
Travel	904		
Other Contracted Services	90		
Instructional Supplies and Materials	4,829		
Other Supplies and Materials	15,718		
In Service/Staff Development	4,544		
Regular Instruction Equipment	8,766		
Total Early Childhood Education		$ 763,764	
Total General Purpose School Fund			$ 245,753,424
School Federal Projects Fund			
Instruction			
Regular Instruction Program			
Teachers	$ 592,487		
Educational Assistants	9,674		
Other Salaries and Wages	51,647		
Certified Substitute Teachers	45,155		
Social Security	42,449		
State Retirement	55,331		
Life Insurance	627		
Medical Insurance	112,267		
Dental Insurance	6,063		
Employer Medicare	10,091		
Instructional Supplies and Materials	64,828		
Other Charges	2,708		
Regular Instruction Equipment	25,275		
Total Regular Instruction Program		$ 1,018,602	
Special Education Program			
Teachers	$ 59,005		
Educational Assistants	2,113,347		
Other Salaries and Wages	129,503		
Social Security	131,711		
State Retirement	178,808		
Life Insurance	6,990		
Medical Insurance	1,256,222		
Dental Insurance	66,289		
Employer Medicare	30,821		
Maintenance and Repair Services - Equipment	125		

(Continued)

Exhibit K-10

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

School Federal Projects Fund (Cont.)				
Instruction (Cont.)				
Special Education Program (Cont.)				
Other Contracted Services	$	83,312		
Instructional Supplies and Materials		20,950		
Total Special Education Program			$	4,077,083
Vocational Education Program				
Teachers	$	51,004		
Clerical Personnel		20,943		
Social Security		4,433		
State Retirement		6,267		
Life Insurance		97		
Medical Insurance		18,050		
Dental Insurance		950		
Employer Medicare		1,037		
Instructional Supplies and Materials		24,387		
Vocational Instruction Equipment		94,113		
Total Vocational Education Program				221,281
Support Services				
Health Services				
Medical Personnel	$	474,842		
Social Security		28,086		
State Retirement		34,085		
Life Insurance		408		
Medical Insurance		76,000		
Dental Insurance		4,000		
Employer Medicare		6,569		
Travel		2,823		
Total Health Services				626,813
Other Student Support				
Other Salaries and Wages	$	3,886		
Social Security		235		
State Retirement		338		
Employer Medicare		55		
Travel		52,764		
In Service/Staff Development		8,355		
Other Charges		6,623		
Total Other Student Support				72,256
Regular Instruction Program				
Secretary(ies)	$	15,723		
Other Salaries and Wages		176,349		
In-Service Training		94,076		
Social Security		16,815		
State Retirement		25,300		
Life Insurance		174		
Medical Insurance		27,708		
Dental Insurance		1,458		
Employer Medicare		3,814		

(Continued)

Exhibit K-10

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

School Federal Projects Fund (Cont.)			
Support Services (Cont.)			
Regular Instruction Program (Cont.)			
Travel	$ 2,778		
Other Contracted Services	1,666		
Other Supplies and Materials	8,000		
In Service/Staff Development	246,486		
Other Equipment	10,157		
Total Regular Instruction Program		$ 630,504	
Special Education Program			
Psychological Personnel	$ 131,984		
Secretary(ies)	29,009		
Other Salaries and Wages	97,704		
Social Security	15,315		
State Retirement	22,776		
Life Insurance	217		
Medical Insurance	40,375		
Dental Insurance	2,125		
Employer Medicare	3,582		
Travel	4,722		
Other Contracted Services	9,972		
Total Special Education Program		357,781	
Vocational Education Program			
In Service/Staff Development	$ 100		
Total Vocational Education Program		100	
Transportation			
Gasoline	$ 16,292		
Total Transportation		16,292	
Total School Federal Projects Fund			$ 7,020,712
Central Cafeteria Fund			
Operation of Non-Instructional Services			
Food Service			
Supervisor/Director	$ 79,515		
Clerical Personnel	70,762		
Cafeteria Personnel	2,943,211		
Longevity Pay	53,750		
Overtime Pay	10,890		
Other Salaries and Wages	216,779		
Social Security	200,304		
State Retirement	188,415		
Life Insurance	5,814		
Medical Insurance	1,011,750		
Dental Insurance	52,750		
Unemployment Compensation	1,587		
Employer Medicare	46,845		
Bank Charges	9,145		
Communication	28,739		

(Continued)

Exhibit K-10

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

Central Cafeteria Fund (Cont.)			
Operation of Non-Instructional Services (Cont.)			
Food Service (Cont.)			
Maintenance and Repair Services - Equipment	$ 11,279		
Transportation - Other than Students	41,157		
Travel	8,156		
Other Contracted Services	62,259		
Equipment and Machinery Parts	50,455		
Food Supplies	4,210,408		
Uniforms	13,030		
USDA - Commodities	524,939		
Other Supplies and Materials	474,660		
In Service/Staff Development	18,830		
Food Service Equipment	609,933		
Total Food Service		$ 10,945,362	
Total Central Cafeteria Fund			$ 10,945,362
Extended School Program Fund			
Operation of Non-Instructional Services			
Community Services			
Accountants/Bookkeepers	$ 31,383		
Secretary(ies)	30,527		
Attendants	904,997		
Longevity Pay	1,100		
Other Salaries and Wages	276,222		
Social Security	74,671		
State Retirement	44,747		
Life Insurance	642		
Medical Insurance	117,166		
Dental Insurance	6,167		
Unemployment Compensation	548		
Employer Medicare	17,463		
Bank Charges	2,420		
Communication	5,006		
Travel	4,224		
Other Contracted Services	93,364		
Food Supplies	62,579		
Other Supplies and Materials	49,623		
Refunds	1,862		
In Service/Staff Development	4,367		
Other Equipment	9,880		
Total Community Services		$ 1,738,958	
Total Extended School Program Fund			1,738,958
Education Capital Projects Fund			
Capital Projects			
Education Capital Projects			
Architects	$ 88,728		
Other Contracted Services	4,148		
Building Construction	1,127,318		

(Continued)

Exhibit K-10

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

Education Capital Projects Fund (Cont.)			
Capital Projects (Cont.)			
Education Capital Projects (Cont.)			
Building Improvements	$ 4,181,502		
Data Processing Equipment	2,908,957		
Land	4,012,077		
Site Development	1,000,503		
Other Capital Outlay	11,163		
Total Education Capital Projects		$ 13,334,396	
Total Education Capital Projects Fund			$ 13,334,396
Total Governmental Funds - Williamson County School Department			$ 278,792,852

Exhibit K-11

Williamson County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2013

	Governmental Activities - Internal Service Fund
	Self - Insurance Fund
Revenues	
Charges for Current Services	
General Service Charges	
Self-Insurance Premiums/Contributions	$ 43,172,495
Other Employee Benefits Charges/Contributions	9,214,140
Total Charges for Current Services	$ 52,386,635
Other Local Revenues	
Recurring Items	
Retirees' Insurance Payments	$ 998,649
Cobra Insurance Payments	185,107
Miscellaneous Refunds	3,093,996
Total Other Local Revenues	$ 4,277,752
Federal Government	
Federal through State	
On-Behalf Contributions for OPEB	$ 42,481
Total Federal Government	$ 42,481
Total Revenues	$ 56,706,868
Expenses	
Other Operations	
Employee Benefits	
Handling Charges and Administrative Costs	$ 5,223,831
Life Insurance	152,325
Dental Insurance	3,013,580
Other Fringe Benefits	461,250
Medical Claims	35,355,907
Other Self-Insured Claims	8,921,350
Total Other General Government	$ 53,128,243
Total Expenses	$ 53,128,243

Exhibit K-12

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

	Cities - Sales Tax Fund	Cities - Property Tax Fund	Cities Adequate Facilities Tax Fund	Special School District Fund	Total
Cash Receipts					
County Property Taxes					
Current Property Taxes	$ 0	$ 0	$ 0	$ 10,320,191	$ 10,320,191
Trustee's Collections - Prior Year	0	0	0	109,355	109,355
Circuit/Clerk & Master Collections - Prior Years	0	0	0	81,761	81,761
Interest and Penalty	0	0	0	27,301	27,301
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	276	276
Payments in-Lieu-of Taxes - Other	0	0	0	14,509	14,509
Local Option Sales Tax	41,778,360	0	0	4,181,855	45,960,215
Interstate Telecommunications Tax	0	0	0	1,450	1,450
City/School District Property Taxes					
Current Property Taxes	0	384,816	0	17,543,002	17,927,818
Trustee's Collections - Prior Year	0	4,952	0	96,984	101,936
Interest and Penalty	0	1,185	0	41,921	43,106
Pick-up Taxes	0	0	0	176,389	176,389
Marriage Licenses	0	0	0	951	951
Other Local Revenues	0	0	0	177	177
Mixed Drink Tax	0	0	0	73,437	73,437
Transfers In	0	0	1,831,504	934,200	2,765,704
Total Cash Receipts	$ 41,778,360	$ 390,953	$ 1,831,504	$ 33,603,759	$ 77,604,576
Cash Disbursements					
Remittance of Revenues Collected	$ 41,360,576	$ 338,751	$ 1,831,504	$ 32,995,675	$ 76,526,506
Trustee's Commission	417,784	9,037	0	609,193	1,036,014
Total Cash Disbursements	$ 41,778,360	$ 347,788	$ 1,831,504	$ 33,604,868	$ 77,562,520
Excess of Cash Receipts Over (Under) Cash Disbursements	$ 0	$ 43,165	$ 0	$ (1,109)	$ 42,056
Cash Balance, July 1, 2012	0	2,611	$ 0	$ 542,975	545,586
Cash Balance, June 30, 2013	$ 0	$ 45,776	$ 0	$ 541,866	$ 587,642

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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Williamson County's basic financial statements, and have issued our report thereon dated February 18, 2014. Our report includes a reference to other auditors who audited the financial statements of the Williamson County Emergency Communications District and the Williamson County Hospital District, as described in our report on Williamson County's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting and 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 Williamson 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 Williamson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Williamson County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a

material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies: 2013-002, 2013-003, 2013-004, 2013-006, and 2013-007.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Williamson County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2013-001 and 2013-005.

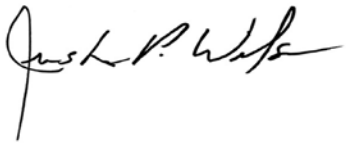
Williamson County's Responses to Findings

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

Purpose of this Report

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

February 18, 2014

JPW/yu

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

Williamson County Mayor
Board of County Commissioners
Williamson County, Tennessee

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

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

Opinion on Each Major Federal Program

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

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

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

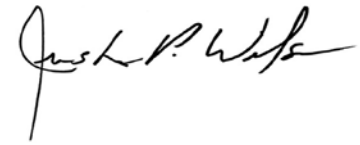
consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Williamson County, Tennessee, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Williamson County's basic financial statements. We issued our report thereon dated February 18, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

February 18, 2014

JPW/yu

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	
U.S. Department of Agriculture:				
Passed-through State Department of Agriculture:				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	$ 524,939	(3)
Passed-through State Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	N/A	272,438	
National School Lunch Program	10.555	N/A	1,922,107	(3)
Total U.S. Department of Agriculture			$ 2,719,484	
U.S. Department of Housing and Urban Development:				
Passed-through Tennessee Housing Development Agency:				
Home Investment Partnerships Program	14.239	(2)	$ 113,728	
Total U.S. Department of Housing and Urban Development			$ 113,728	
U.S. Department of Justice:				
Direct Programs:				
Federal Asset Forfeiture Program	16.XXX	N/A	$ 166,048	
Drug Court Discretionary Grant Program	16.585	N/A	42,495	
State Criminal Alien Assistance Program	16.606	N/A	3,100	
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government	16.804	N/A	3,199	
Passed-through State Administive Office of the Courts:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738		3,000	
Total U.S. Department of Justice			$ 217,842	
U.S. Department of Transportation:				
Passed-through State Department of Transportation:				
Highway Planning and Construction	20.205	(2)	$ 582,802	
Recreational Trails Program	20.219	(2)	24,596	
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	(2)	13,515	
Alcohol Open Container Requirements	20.607	(2)	72,198	
National Highway Traffic Safety Administration Discretionary Safety Grants	20.614	(2)	98,518	
Interagency Hazardous Materials and Public Sector Training and Planning Grants	20.703	(2)	9,600	
Total U.S. Department of Transportation			$ 801,229	
U.S. Department of Education:				
Passed-through State Department of Labor and Workforce Development:				
Adult Education - Basic Grants to States	84.002	(2)	$ 149,236	
Passed-through State Department of Education:				
Title I Grants to Local Educational Agencies	84.010	N/A	991,228	
Special Education Cluster:				
Special Education - Grants to States	84.027	N/A	5,766,978	
Special Education - Preschool Grants	84.173	N/A	99,757	
Career and Technical Education - Basic Grants to States	84.048	N/A	288,969	
English Language Acquisition State Grants	84.365	N/A	86,410	
Improving Teacher Quality State Grants	84.367	N/A	482,510	
State Fiscal Stabilization Fund: Race-to-the-Top Incentive Grants, Recovery Act	84.395	N/A	97,609	
Education Jobs Fund	84.410	N/A	37,219	
Total U.S. Department of Education			$ 7,999,916	

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(2)	$ 48,850
Interoperable Emergency Communications	97.055	(2)	120,059
Homeland Security Grant Program	97.067	(2)	266,235
Total U.S. Department of Homeland Security			$ 435,144
Total Expenditures of Federal Awards			$ 12,287,343

		Contract Number	
State Grants			
Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	$ 211,319
Litter Program - State Department of Transportation	N/A	(2)	62,996
Low Cost Sterilization of Animals - State Department of Health	N/A	(2)	2,775
Recreational Trails Program - State Department of Environment and Conservation	N/A	(2)	41,410
Juvenile Justice State Supplement Funds - State Commission on Children and Youth	N/A	(2)	13,500
High Schools That Work Competitive Grant - State Department of Education	N/A	(2)	10,146
Adult Education - State Department of Education	N/A	(2)	49,745
Early Childhood Education Lottery - State Department of Education	N/A	(2)	482,698
LEAPS Grant - State Department of Education	N/A	(2)	40,572
Safe Schools Act - State Department of Education	N/A	(2)	115,100
Coordinated School Health - State Department of Education	N/A	(2)	85,000
Dental Services Grant - State Department of Health	N/A	(2)	120,132
Development and Coordination of Rural Health Services - State Department of Health	N/A	(2)	844,750
Total State Grants			$ 2,080,143

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

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
(2) Information not available.
(3) Total for CFDA No. 10.555 is $2,447,046.

SUBRECIPIENT

Program Title	Federal CFDA Number	Amount Provided to Subrecipient	Subrecipient
Highway Planning and Construction	20.205	$ 556,265	Transportation Management Association

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

OFFICE OF COUNTY CLERK

Finding Number	Page Number	Subject
12.05	226	Duties were not segregated adequately

OFFICE OF JUVENILE COURT CLERK

Finding Number	Page Number	Subject
12.06	226	The accounting software did not identify the user who processed each transaction
12.07	227	Multiple employees operated from the same cash drawer

WILLIAMSON 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 Williamson County is unmodified.

2. The audit of the financial statements of Williamson County disclosed significant deficiencies in internal control. None of these deficiencies was considered to be a material weakness.

3. The audit disclosed no instances of noncompliance that were material to the financial statements of Williamson 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. Title I Grants to Local Educational Agencies (CFDA No. 84.010), The Special Education Cluster: Special Education – Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173), and Improving Teacher Quality State Grants (CFDA No. 84.367) were determined to be major programs.

8. A $368,620 threshold was used to distinguish between Type A and Type B federal programs.

9. Williamson 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 director of accounts and budgets provided written responses on certain findings, which are paraphrased in this report. Other management officials did not provide responses for inclusion in this report.

OFFICES OF COUNTY MAYOR AND DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2013-001 **BID SPECIFICATIONS APPLIED ONLY TO ONE BRAND**
(Noncompliance Under *Government Auditing Standards*)

As part of our audit procedures for determining whether the purchasing process was operating as designed, we selected a sample of 43 disbursements totaling $513,616 from a population of 12,897 vendor checks totaling $93,607,170. Our sample revealed that in two of six applicable purchases, competitive bids were solicited; however, the bid specifications were brand and/or make/model specific. The county purchased three zero-turn mowers ($27,945) and one hydraulic excavator with a hammer ($255,027). Using bid specifications that apply only to a particular brand violates the intent of the county's purchasing law, Section 5-14-101 *Tennessee Code Annotated*, which requires competitive bidding. Management advised that they were specific in listing the bid specifications because they believe only one brand met their expectations for quality and safety.

RECOMMENDATION

The office should develop bid specifications that are not brand specific. Bids should be evaluated on the basis of several criteria, including price, quality, availability, warranty, maintenance costs, experience, etc. Documentation should be on file to support management's belief that only one brand meets their expectations for quality and safety.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

Williamson County does not intentionally develop bid specifications that are brand specific. The following statement is included in all bid cover letters: "It is not the intent of Williamson County to favor one vendor; however, we do, from time to time, have to rely on vendors' help in writing specifications. We will accept all bids with exceptions noted, and all bids will be given equal consideration." In the future, references to brand will be eliminated whenever possible. If listing a brand is necessary to document the quality and features required to potential bidders, the brand will immediately be followed by "or equal."

FINDING 2013-002 **CASH WITH PAYING AGENT WAS NOT PROPERLY RECONCILED**

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

Williamson County contracted with a third-party administrator for processing medical and pharmacy claims as well as a flexible benefits program. As of June 30, 2013, Williamson County's accounting records reflected $1,438,000 as cash on deposit with the paying agent. County personnel did not properly reconcile general ledger accounts with accounting records provided by the administrator. Therefore, funds advanced to the administrator for program purposes were not adequately monitored. The failure to properly reconcile cash with the paying agent can result in a loss of control over assets. This deficiency resulted from a lack of management oversight.

RECOMMENDATION

General ledger accounts should be properly reconciled with the third-party administrator records on a monthly basis, and any errors discovered should be corrected promptly.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

Management is working with our third-party administrator to develop reports to expand our current process of verifying deposits and disbursements to include reconciling with the cash on deposit with the paying agent.

FINDING 2013-003 **USERNAMES AND PASSWORDS WERE SHARED BY EMPLOYEES**

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

Although each employee had been assigned a unique username and password for accessing the office's accounting software, this information was shared with other employees. Employees also processed transactions using other users' logins. If inappropriate activity were to occur, the employee responsible for this activity would not be easily identified because employees had access to each other's username and password. Sound business practices dictate that each transaction be identified to the individual creating the transaction. This deficiency was the result of a lack of management oversight.

RECOMMENDATION

Each employee should access the application using his or her unique username and password to ensure that transactions are properly identified to that employee. Usernames and passwords should remain confidential and should not be shared by employees.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

The county information technology department is in the process of converting the operating system. This will eliminate the current finding.

OFFICE OF COUNTY CLERK

FINDING 2013-004 **DUTIES WERE NOT SEGREGATED ADEQUATELY**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

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

RECOMMENDATION

The county clerk should segregate duties to the extent possible using available resources.

OFFICE OF JUVENILE COURT CLERK

FINDING 2013-005 **THE OFFICE HAD DEFICIENCIES IN COMPUTER SYSTEM BACKUP PROCEDURES**
(Noncompliance Under *Government Auditing Standards*)

System backups were not regularly stored off-site. Section 10-7-121, *Tennessee Code Annotated*, provides that records required to be retained by any government official may be maintained on a computer or removable storage media as long as certain standards are met. One of these standards requires that all data generated and stored within the computer system be copied to storage media daily, and media more than one week old be stored at an off-site location. This deficiency is the result of management's failure to implement adequate disaster recovery planning procedures. In the event of a disaster, all backup data could be destroyed, resulting in costly delays in generating and recording information accounted for through the automated process. Proper system backup procedures were implemented in June 2013.

RECOMMENDATION

Management should ensure backups are rotated off-site on a weekly basis.

FINDING 2013-006 **THE ACCOUNTING SOFTWARE DID NOT IDENTIFY THE USER WHO PROCESSED EACH TRANSACTION**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Although each employee had been assigned a unique username and password for accessing the office accounting software, the software did not record the user who processed each transaction. Since the vendor did not design the system with these controls, the employee responsible for this activity would not be easily identified if inappropriate activity were to occur. Sound business practices dictate that each transaction be identified with the individual creating the transaction. This deficiency exists because management failed to correct the finding noted in the prior-year audit report.

RECOMMENDATION

Management should contact the software vendor concerning the addition of controls to the software that would identify the user that performed each transaction.

FINDING 2013-007 **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 Office of Juvenile Court Clerk. 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 the 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 official would not be able to determine who was responsible for the shortage because multiple employees were working from one cash drawer. This deficiency is the result of management's failure to correct the finding noted in the prior-year audit report.

RECOMMENDATION

The juvenile court clerk should assign each employee their own cash drawer.

BEST PRACTICE

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

Williamson County does not have a central system of accounting, budgeting, and purchasing for all departments. Williamson County operates under the provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county mayor and highway superintendent, but exclude the School Department. Sound business practices dictate that establishing a central system for all departments would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the County Commission resulting in decentralization and some duplication of effort. We recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs for federal awards.

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

There were no audit findings relative to federal awards presented in the current-year's Schedule of Findings and Questioned Costs. There were audit findings relative to federal awards presented in the prior-year's Schedule of Findings and Questioned Costs.

Director of Schools – Summary Schedule of Prior-Year's Findings

FINDINGS 12.04 and 12.08

Williamson County Schools completed an action plan for the Race-to-the-Top program for 2012-13.