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# ANNUAL FINANCIAL REPORT WHITE COUNTY, TENNESSEE



FOR THE YEAR ENDED JUNE 30, 2014



**ANNUAL FINANCIAL REPORT  
WHITE COUNTY, TENNESSEE  
FOR THE YEAR ENDED JUNE 30, 2014**

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

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

***STEVE REEDER, CPA, CGFM, CFE  
Audit Manager***

***MICHAEL FORD, CPA, CGFM  
Auditor 4***

***GARY D. RAMSEY, CPA  
COURTNEY FLATT  
KELLEY J. McNEAL, CPA, CGFM  
State Auditors***

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

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## WHITE COUNTY, TENNESSEE

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# ***Summary of Audit Findings***

Annual Financial Report  
White County, Tennessee  
For the Year Ended June 30, 2014

## ***Scope***

We have audited the basic financial statements of White County as of and for the year ended June 30, 2014.

## ***Results***

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

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

## ***Findings***

The following are summaries of the audit findings:

### **OFFICE OF FINANCE DIRECTOR**

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

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

- ◆ Multiple employees operated from the same cash drawer.

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# INTRODUCTORY SECTION

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# White County Officials

## June 30, 2014

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### **Officials**

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

### **Board of County Commissioners**

Terry Alley, Chairman  
Andy Alley  
Jerry Austin  
Wallace Austin  
Marion Bumbalough  
Hank Clark  
Joe England

Diana Haston  
Al Klee  
B.K. Luna  
Matt McBride  
Bruce Null  
Denny Wayne Robinson  
Becky Simmons

### **Board of Education**

Ed Cantrell, Chairman  
Donna Jones  
Richard McBride  
Kenneth Robinson

Gary Sparkman  
Janet Webb  
Roy Whited

### **Financial Management Committee**

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

### **Audit Committee**

Wallace Austin, Chairman  
Terry Alley  
Hank Clark  
Ben Holland  
Al Klee

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## FINANCIAL SECTION

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

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the White County Emergency Communications District, which represent 3.72 percent, 4.05 percent, and 2.96 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the White County Emergency Communications District, is based solely on the report of the other auditors. We conducted

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

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

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

### ***Opinions***

In our opinion, based on our report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As described in Note V.B., White County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans* and GASB Statement No. 70, *Accounting and Reporting for Nonexchange Financial Guarantees*, which have an effective date of June 30, 2014. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

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

financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedules of funding progress – pension plan and other postemployment benefit plan on pages 80 - 82 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise White County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the White County School Department (a discretely presented component unit), and miscellaneous schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2014, on our consideration of White County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering White County's internal control over financial reporting and compliance.

Very truly yours,

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

Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

September 12, 2014

JPW/yu

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

White County, Tennessee  
Statement of Net Position  
June 30, 2014

	Primary Government		Component Units			
	Governmental Activities	Business-type Activities	Total	White County		White County Emergency Communications District
				School Department		
Cash	\$ 29,266	\$ 0	\$ 29,266	\$ 0	\$ 0	\$ 881,415
Equity in Pooled Cash and Investments	4,564,342	537,120	5,101,462	22,149,885		0
Accounts Receivable	1,707,989	140,295	1,848,284	126		16,653
Allowance for Uncollectibles	(617,212)	(40,181)	(657,393)	0		0
Due from Other Governments	724,217	3,934	728,151	815,630		35,025
Internal Balances	(900)	900	0	0		0
Due from Component Units	9,412	0	9,412	0		0
Property Taxes Receivable	4,633,472	0	4,633,472	3,377,670		0
Allowance for Uncollectible Property Taxes	(150,620)	0	(150,620)	(109,797)		0
Prepaid Items	0	0	0	0		31,062
Notes Receivable - Long-term	247,093	0	247,093	0		0
Customer Deposits	0	0	0	0		350
Capital Assets:						
Assets Not Depreciated:						
Land	1,004,978	596,203	1,601,181	1,191,942		67,261
Construction in Progress	0	0	0	416,889		0
Assets Net of Accumulated Depreciation:						
Buildings and Improvements	7,365,927	812,371	8,178,298	17,821,753		53,956
Infrastructure	6,453,622	0	6,453,622	0		0
Other Capital Assets	939,422	402,513	1,341,935	948,029		715,153
Total Assets	\$ 26,911,008	\$ 2,453,155	\$ 29,364,163	\$ 46,612,127	\$	1,800,875

ASSETS

Exhibit A

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

	Primary Government		Component Units		
	Governmental Activities	Business-type Activities	Total	White County School Department	White County Emergency Communications District
Accounts Payable	\$ 41,431	\$ 1,462	\$ 42,893	\$ 26,244	\$ 2,018
Accrued Payroll	147,752	4,604	152,356	0	14,515
Accrued Interest Payable	27,427	0	27,427	0	0
Payroll Deductions Payable	0	0	0	463,017	0
Contracts Payable	0	0	0	187,236	0
Retainage Payable	0	0	0	9,854	0
Due to Litigants, Heirs, and Others	51,280	0	51,280	0	0
Due to Primary Government	0	0	0	9,412	0
Due to State of Tennessee	4,036	0	4,036	143	0
Noncurrent Liabilities:					
Due Within One Year	1,287,858	210,660	1,498,518	77,167	7,309
Due in More Than One Year	6,795,000	1,256,878	8,051,878	559,362	0
Total Liabilities	\$ 8,354,784	\$ 1,473,604	\$ 9,828,388	\$ 1,332,435	\$ 23,842
Deferred Current Property Taxes	\$ 4,308,318	\$ 0	\$ 0	\$ 3,140,644	\$ 0
Total Deferred Inflow of Resources	\$ 4,308,318	\$ 0	\$ 0	\$ 3,140,644	\$ 0

DEFERRED INFLOWS OF RESOURCES

(Continued)

Exhibit A

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

	Primary Government		Total	Component Units		
	Governmental Activities	Business-type Activities		White County School Department	White County Emergency Communications District	
	\$ 11,808,291	\$ 1,564,957	\$ 13,373,248	\$ 20,378,613	\$	836,370
Net Investment in Capital Assets						
Restricted for:						
General Government	600,206	0	600,206	0	0	0
Finance	14,606	0	14,606	0	0	0
Administration of Justice	115,734	0	115,734	0	0	0
Public Safety	183,344	0	183,344	0	0	0
Public Health and Welfare	21,298	0	21,298	0	0	0
Social, Cultural, and Recreational Services	1,575	0	1,575	0	0	0
Highway/Public Works	589,015	0	589,015	0	0	0
Debt Service	61,924	0	61,924	0	0	0
Capital Projects	0	0	0	4,328,111	0	254,485
Education	0	0	0	873,217	0	0
Unrestricted	851,913	(585,406)	266,507	16,559,107	0	686,178
Total Net Position	\$ 14,247,906	\$ 979,551	\$ 15,227,457	\$ 42,139,048	\$	1,777,033

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

Exhibit B

White County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2014

Functions/Programs	Net (Expense) Revenue and Changes in Net Position									
	Program Revenues					Primary Government			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Business-type Activities	Total	White County School Department	White County Emergency Communications District	
Primary Government:										
Governmental Activities:										
General Government	\$ 2,883,515	\$ 210,905	\$ 87,792	\$ 0	\$ (2,584,818)	\$ 0	\$ (2,584,818)	\$ 0	\$ 0	0
Finance	957,329	556,607	0	0	(400,722)	0	(400,722)	0	0	0
Administration of Justice	818,201	634,126	9,000	0	(175,075)	0	(175,075)	0	0	0
Public Safety	4,114,676	1,423,140	92,974	0	(2,598,562)	0	(2,598,562)	0	0	0
Public Health and Welfare	1,664,833	1,535,040	73,478	0	(56,315)	0	(56,315)	0	0	0
Social, Cultural, and Recreational Services	318,593	2,073	50	0	(316,470)	0	(316,470)	0	0	0
Agriculture and Natural Resources	122,143	0	0	0	(122,143)	0	(122,143)	0	0	0
Highways/Public Works	1,481,273	34,032	1,653,191	168,107	374,057	0	374,057	0	0	0
Interest on Long-term Debt	379,271	0	0	0	(379,271)	0	(379,271)	0	0	0
Total Governmental Activities	\$ 12,739,834	\$ 4,395,923	\$ 1,916,485	\$ 168,107	\$ (6,259,319)	\$ 0	\$ (6,259,319)	\$ 0	\$ 0	0
Business-type Activities:										
Solid Waste Disposal	\$ 1,255,462	\$ 1,098,769	\$ 18,446	\$ 0	\$ (138,247)	\$ (138,247)	\$ (138,247)	\$ 0	\$ 0	0
Total Primary Government	\$ 13,995,296	\$ 5,494,692	\$ 1,934,931	\$ 168,107	\$ (6,259,319)	\$ (138,247)	\$ (6,397,566)	\$ 0	\$ 0	0
Component Units:										
School Department	\$ 31,214,599	\$ 574,625	\$ 4,262,933	\$ 0	\$ 0	\$ 0	\$ 0	\$ (26,377,041)	\$ 0	0
Emergency Communications District	689,297	217,354	209,063	0	0	0	0	0	(262,880)	0
Total Component Units	\$ 31,903,896	\$ 791,979	\$ 4,471,996	\$ 0	\$ 0	\$ 0	\$ 0	\$ (26,377,041)	\$ (262,880)	0

(Continued)

Exhibit B

White County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Net (Expense) Revenue and Changes in Net Position					
	Program Revenues			Primary Government		White County
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Business-type Activities	School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes				\$ 4,136,566	\$ 0	\$ 4,136,566
Property Taxes Levied for Debt Service				334,271	0	334,271
Local Option Sales Taxes				1,271,846	0	1,271,846
Litigation Tax - General				55,459	0	55,459
Litigation Tax - Special Purpose				38,363	0	38,363
Litigation Tax - Jail/Workhouse				17,978	0	17,978
Wholesale Beer Tax				187,245	0	187,245
Mineral Severance Tax				42,987	0	42,987
Business Tax				154,764	0	154,764
Wheel Tax				518,405	0	518,405
Other Local Taxes				9,220	0	9,220
Grants and Contributions Not Restricted to Specific Programs				586,796	0	586,796
Unrestricted Investment Earnings				84,005	0	84,005
Sale of Equipment				59,053	0	59,053
Sale of Gasoline				596,903	0	596,903
Miscellaneous				45,251	27	45,278
Total General Revenues				\$ 8,139,112	\$ 27	\$ 8,139,139
Insurance Recovery				\$ 3,493	\$ 0	\$ 3,493
Change in Net Position				\$ 1,883,286	\$ (138,220)	\$ 1,745,066
Net Position, July 1, 2013				12,364,620	1,117,771	13,482,391
Net Position, June 30, 2014				\$ 14,247,906	\$ 979,551	\$ 15,227,457
				\$ 42,139,048	\$ 1,777,033	\$ 43,916,081

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

White County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2014

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Governmental Funds	Governmental Funds	
<b>ASSETS</b>						
Cash	\$ 3,714	\$ 0	\$ 0	\$ 25,552	\$ 29,266	
Equity in Pooled Cash and Investments	2,906,406	628,521	468,395	561,020	4,564,342	
Accounts Receivable	1,706,866	0	1,003	120	1,707,989	
Allowance for Uncollectibles	(617,212)	0	0	0	(617,212)	
Due from Other Governments	267,054	302,631	154,532	0	724,217	
Due from Other Funds	25,672	0	0	0	25,672	
Due from Component Units	0	0	9,412	0	9,412	
Property Taxes Receivable	4,287,044	0	346,428	0	4,633,472	
Allowance for Uncollectible Property Taxes	(139,359)	0	(11,261)	0	(150,620)	
Notes Receivable - Long-term	0	0	0	247,093	247,093	
<b>Total Assets</b>	<b>\$ 8,440,185</b>	<b>\$ 931,152</b>	<b>\$ 968,509</b>	<b>\$ 833,785</b>	<b>\$ 11,173,631</b>	
<b>LIABILITIES</b>						
Accounts Payable	\$ 41,431	\$ 0	\$ 0	\$ 0	\$ 41,431	
Accrued Payroll	128,962	18,790	0	0	147,752	
Due to Other Funds	900	0	0	25,672	26,572	
Due to State of Tennessee	2,936	1,100	0	0	4,036	
Due to Litigants, Heirs, and Others	0	0	0	51,280	51,280	
<b>Total Liabilities</b>	<b>\$ 174,229</b>	<b>\$ 19,890</b>	<b>\$ 0</b>	<b>\$ 76,952</b>	<b>\$ 271,071</b>	
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Current Property Taxes	\$ 3,986,201	\$ 0	\$ 322,117	\$ 0	\$ 4,308,318	
Deferred Delinquent Property Taxes	155,200	0	12,541	0	167,741	

(Continued)

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Governmental Funds		
\$	976,481 \$	147,151 \$	76,810 \$	0 \$	0 \$	1,200,442
\$	5,117,882 \$	147,151 \$	411,468 \$	0 \$	0 \$	5,676,501

DEFERRED INFLOWS OF RESOURCES (Cont.)

Other Deferred/Unavailable Revenue						
Total Deferred Inflows of Resources						

FUND BALANCES

Restricted:						
Restricted for General Government	23,294 \$	0 \$	0 \$	0 \$	0 \$	23,294
Restricted for Finance	14,606	0	0	0	0	14,606
Restricted for Administration of Justice	115,734	0	0	0	0	115,734
Restricted for Public Safety	3,423	0	0	179,921	0	183,344
Restricted for Public Health and Welfare	21,298	0	0	0	0	21,298
Restricted for Social, Cultural, and Recreational Services	1,575	0	0	0	0	1,575
Restricted for Other Operations	0	0	0	576,912	0	576,912
Restricted for Highways/Public Works	0	441,864	0	0	0	441,864
Committed:						
Committed for Public Safety	210,422	0	0	0	0	210,422
Committed for Highways/Public Works	0	322,247	0	0	0	322,247
Committed for Debt Service	0	0	557,041	0	0	557,041
Assigned:						
Assigned for General Government	500	0	0	0	0	500
Assigned for Finance	2,320	0	0	0	0	2,320
Assigned for Administration of Justice	188	0	0	0	0	188
Assigned for Public Safety	832	0	0	0	0	832
Assigned for Public Health and Welfare	800	0	0	0	0	800
Assigned for Other Operations	302,129	0	0	0	0	302,129
Unassigned	2,450,953	0	0	0	0	2,450,953
Total Fund Balances	3,148,074 \$	764,111 \$	557,041 \$	756,833 \$	0 \$	5,226,059
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	8,440,185 \$	931,152 \$	968,509 \$	833,785 \$	0 \$	11,173,631

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

Exhibit C-2

White County, Tennessee  
Reconciliation of the Balance Sheet of Governmental  
Funds to the Statement of Net Position  
June 30, 2014

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)		\$	5,226,059
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,004,978	
Add: buildings and improvements net of accumulated depreciation		7,365,927	
Add: infrastructure net of accumulated depreciation		6,453,622	
Add: other capital assets net of accumulated depreciation		<u>939,422</u>	15,763,949
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: bonds payable	\$	(7,940,000)	
Less: notes payable		(142,858)	
Less: accrued interest on bonds and notes		<u>(27,427)</u>	(8,110,285)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>1,368,183</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>14,247,906</u></u>

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

White County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2014

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other	Governmental Funds	
<u>Revenues</u>						
Local Taxes	\$ 5,529,620	\$ 82,800	\$ 1,252,911	\$ 0	\$ 0	\$ 6,865,331
Licenses and Permits	99,895	0	0	0	0	99,895
Fines, Forfeitures, and Penalties	172,943	0	0	84,928	0	257,871
Charges for Current Services	1,729,205	0	0	1,284	0	1,730,489
Other Local Revenues	126,912	126,689	80,499	5,765	0	339,865
Fees Received from County Officials	976,011	0	0	0	0	976,011
State of Tennessee	1,847,084	1,778,332	24,257	0	0	3,649,673
Federal Government	46,228	0	0	0	0	46,228
Other Governments and Citizens Groups	72,571	0	59,413	0	0	131,984
Total Revenues	\$ 10,600,469	\$ 1,987,821	\$ 1,417,080	\$ 91,977	\$ 0	\$ 14,097,347
<u>Expenditures</u>						
Current:						
General Government	\$ 1,287,196	\$ 0	\$ 0	\$ 1,284	\$ 0	\$ 1,288,480
Finance	957,329	0	0	0	0	957,329
Administration of Justice	818,201	0	0	0	0	818,201
Public Safety	4,095,723	0	0	11,829	0	4,107,552
Public Health and Welfare	1,726,981	0	0	0	0	1,726,981
Social, Cultural, and Recreational Services	318,593	0	0	0	0	318,593
Agriculture and Natural Resources	122,143	0	0	0	0	122,143
Other Operations	662,919	0	0	722	0	663,641
Highways	0	1,814,705	0	0	0	1,814,705
Debt Service:						
Principal on Debt	0	0	1,237,857	0	0	1,237,857
Interest on Debt	0	0	382,753	0	0	382,753
Other Debt Service	0	0	19,024	0	0	19,024
Total Expenditures	\$ 9,989,085	\$ 1,814,705	\$ 1,639,634	\$ 13,835	\$ 0	\$ 13,457,259

Exhibit C-3

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other	Governmental Funds	
Excess (Deficiency) of Revenues Over Expenditures	\$ 611,384 \$	173,116 \$	(222,554) \$	78,142 \$		640,088
Other Financing Sources (Uses)						
Insurance Recovery	\$ 3,493 \$	0 \$	0 \$	0 \$		3,493
Transfers In	86,000	0	0	0		86,000
Transfers Out	0	(86,000)	0	0		(86,000)
Total Other Financing Sources (Uses)	\$ 89,493 \$	(86,000) \$	0 \$	0 \$		3,493
Net Change in Fund Balances	\$ 700,877 \$	87,116 \$	(222,554) \$	78,142 \$		643,581
Fund Balance, July 1, 2013	2,447,197	676,995	779,595	678,691		4,582,478
Fund Balance, June 30, 2014	\$ 3,148,074 \$	764,111 \$	557,041 \$	756,833 \$		5,226,059

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

Exhibit C-4

White County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2014

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)		\$	643,581
(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	\$	700,825	
Less: current-year depreciation expense		<u>(663,422)</u>	37,403
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			(3,000)
Loss on disposal of capital assets			
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2014	\$	1,368,183	
Less: deferred delinquent property taxes and other deferred June 30, 2013		<u>(1,404,220)</u>	(36,037)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:			
Add: principal payments on notes	\$	142,857	
Add: principal payments on bonds		<u>1,095,000</u>	1,237,857
(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			<u>3,482</u>
Change in net position of governmental activities (Exhibit B)			<u>\$ 1,883,286</u>

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

Exhibit C-5

White County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund  
For the Year Ended June 30, 2014

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 5,529,620	\$ 0	\$ 0	\$ 5,529,620	\$ 5,715,227	\$ 5,715,227	\$ (185,607)
Licenses and Permits	99,895	0	0	99,895	89,000	89,000	10,895
Fines, Forfeitures, and Penalties	172,943	0	0	172,943	108,000	108,000	64,943
Charges for Current Services	1,729,205	0	0	1,729,205	1,404,700	1,404,700	324,505
Other Local Revenues	126,912	0	0	126,912	86,800	89,800	37,112
Fees Received from County Officials	976,011	0	0	976,011	965,000	965,000	11,011
State of Tennessee	1,847,084	0	0	1,847,084	1,550,007	1,568,107	278,977
Federal Government	46,228	0	0	46,228	68,420	68,420	(22,192)
Other Governments and Citizens Groups	72,571	0	0	72,571	107,000	107,000	(34,429)
<b>Total Revenues</b>	<b>\$ 10,600,469</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 10,600,469</b>	<b>\$ 10,094,154</b>	<b>\$ 10,115,254</b>	<b>\$ 485,215</b>
<b>Expenditures</b>							
<b>General Government</b>							
County Commission	\$ 53,518	\$ 0	\$ 0	\$ 53,518	\$ 57,536	\$ 57,536	\$ 4,018
County Mayor/Executive	141,974	0	0	141,974	154,680	154,680	12,861
County Attorney	21,750	0	0	21,750	25,055	25,055	3,305
Election Commission	184,051	(255)	0	183,796	169,998	190,042	6,246
Register of Deeds	174,790	(1,148)	0	173,642	194,891	195,154	21,512
Development	25,000	0	0	25,000	25,000	25,000	0
County Buildings	623,806	(6,493)	500	617,813	652,451	652,772	34,959
Other General Administration	9,750	(9,750)	0	0	5,000	5,000	5,000
Preservation of Records	52,557	(114)	0	52,443	55,337	55,589	3,146
<b>Finance</b>							
Accounting and Budgeting	300,186	(150)	2,320	302,356	345,562	345,845	43,489
Property Assessor's Office	210,506	0	0	210,506	228,003	228,398	17,892
Reappraisal Program	28,615	0	0	28,615	40,155	40,259	11,644
County Trustee's Office	172,804	0	0	172,804	181,350	181,626	8,822
County Clerk's Office	245,218	0	0	245,218	253,356	253,897	8,679
<b>Administration of Justice</b>							
Circuit Court	339,352	(87)	0	339,265	344,543	345,348	6,083
General Sessions Court	211,290	(24)	0	211,266	219,993	220,148	8,882

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less:		Add: 6/30/2014 Encumbrances	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		7/1/2013				Original	Final	
		\$	\$			\$	\$	
<u>Expenditures (Cont.)</u>								
<u>Administration of Justice (Cont.)</u>								
Drug Court		(20)	0	0	52,759	60,524	60,524	7,765
Chancery Court	153,010	(25)	188	0	153,173	169,524	169,662	16,489
Judicial Commissioners	50,431	0	0	0	50,431	52,305	52,518	2,087
Other Administration of Justice	11,339	0	0	0	11,339	19,500	19,500	8,161
<u>Public Safety</u>								
Sheriff's Department	1,594,823	(1,204)	832	0	1,594,451	1,682,860	1,751,737	157,286
Special Patrols	50,877	0	0	0	50,877	51,743	51,921	1,044
Traffic Control	28,927	0	0	0	28,927	40,420	40,420	11,493
Jail	1,948,058	(104)	0	0	1,947,954	1,928,254	2,087,055	139,101
Juvenile Services	52,815	0	0	0	52,815	55,219	55,219	2,404
Fire Prevention and Control	214,881	0	0	0	214,881	218,398	218,398	3,517
Civil Defense	11,491	(675)	0	0	10,816	10,900	13,900	3,084
Rescue Squad	16,273	0	0	0	16,273	16,273	16,273	0
County Coroner/Medical Examiner	47,242	0	0	0	47,242	46,500	56,500	9,258
Other Public Safety	130,336	0	0	0	130,336	215,000	215,000	84,664
<u>Public Health and Welfare</u>								
Local Health Center	153,526	(35)	0	0	153,491	148,015	164,883	11,392
Rabies and Animal Control	67,288	0	0	0	67,288	73,652	73,861	6,573
Ambulance/Emergency Medical Services	1,372,635	(1,573)	800	0	1,371,862	1,366,421	1,449,724	77,862
General Welfare Assistance	11,965	0	0	0	11,965	4,800	14,400	2,435
Sanitation Education/Information	36,312	0	0	0	36,312	36,800	36,905	593
Waste Pickup	69,842	0	0	0	69,842	70,858	79,038	9,196
Landfill Operation and Maintenance	15,413	0	0	0	15,413	0	17,000	1,587
<u>Social, Cultural, and Recreational Services</u>								
Senior Citizens Assistance	39,000	0	0	0	39,000	39,000	39,000	0
Libraries	205,170	0	0	0	205,170	212,944	215,043	9,873
Parks and Fair Boards	72,561	(1,046)	0	0	71,515	72,500	72,500	985
Other Social, Cultural, and Recreational	1,862	0	0	0	1,862	6,000	6,000	4,138

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less:		Add: 6/30/2014 Encumbrances	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		7/1/2013 Encumbrances	6/30/2014 Encumbrances			Original	Final	
<u>Expenditures (Cont.)</u>								
<u>Agriculture and Natural Resources</u>								
Agriculture Extension Service	\$ 95,999	\$ 0	\$ 0	\$ 95,999	\$ 102,100	\$ 102,100	\$ 6,101	
Forest Service	2,000	0	0	2,000	2,000	2,000	0	
Soil Conservation	24,144	0	0	24,144	24,555	24,655	511	
<u>Other Operations</u>								
Tourism	6,000	0	0	6,000	6,000	6,000	0	
Industrial Development	55,408	(11,667)	0	43,741	48,000	48,000	4,259	
Airport	28,000	0	0	28,000	28,000	28,000	0	
Veterans' Services	52,841	0	0	52,841	58,089	58,244	5,403	
Other Charges	343,525	(273)	0	343,252	372,437	373,176	29,924	
Contributions to Other Agencies	37,188	0	0	37,188	144,977	130,977	93,789	
Employee Benefits	19,530	0	0	19,530	30,000	27,000	7,470	
Miscellaneous	120,427	0	0	120,427	115,500	125,500	5,073	
Total Expenditures	\$ 9,989,085	\$ (34,643)	\$ 4,640	\$ 9,959,082	\$ 10,482,783	\$ 10,879,137	\$ 920,055	
Excess (Deficiency) of Revenues Over Expenditures	\$ 611,384	\$ 34,643	\$ (4,640)	\$ 641,387	\$ (388,629)	\$ (763,883)	\$ 1,405,270	
<u>Other Financing Sources (Uses)</u>								
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 109,000	\$ 109,000	\$ (109,000)	
Insurance Recovery	3,493	0	0	3,493	0	0	3,493	
Transfers In	86,000	0	0	86,000	11,000	11,000	75,000	
Total Other Financing Sources	\$ 89,493	\$ 0	\$ 0	\$ 89,493	\$ 120,000	\$ 120,000	\$ (30,507)	
Net Change in Fund Balance Fund Balance, July 1, 2013	\$ 700,877	\$ 34,643	\$ (4,640)	\$ 730,880	\$ (268,629)	\$ (643,883)	\$ 1,374,763	
Fund Balance, June 30, 2014	2,447,197	(34,643)	0	2,412,554	2,590,982	2,590,982	(178,428)	
	\$ 3,148,074	\$ 0	\$ (4,640)	\$ 3,143,434	\$ 2,322,353	\$ 1,947,099	\$ 1,196,335	

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

## Exhibit C-6

White County, Tennessee  
 Statement of Revenues, Expenditures, and Changes  
 in Fund Balance - Actual and Budget  
 Highway/Public Works Fund  
 For the Year Ended June 30, 2014

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 82,800	\$ 111,076	\$ 111,076	\$ (28,276)
Other Local Revenues	126,689	17,500	122,500	4,189
State of Tennessee	1,778,332	1,748,600	1,748,600	29,732
Total Revenues	<u>\$ 1,987,821</u>	<u>\$ 1,877,176</u>	<u>\$ 1,982,176</u>	<u>\$ 5,645</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 159,942	\$ 166,968	\$ 169,699	\$ 9,757
Highway and Bridge Maintenance	1,045,232	1,081,317	1,105,824	60,592
Operation and Maintenance of Equipment	143,220	220,000	173,100	29,880
Other Charges	96,806	103,000	103,000	6,194
Employee Benefits	9,298	3,000	14,000	4,702
Capital Outlay	360,207	290,600	367,500	7,293
Total Expenditures	<u>\$ 1,814,705</u>	<u>\$ 1,864,885</u>	<u>\$ 1,933,123</u>	<u>\$ 118,418</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 173,116</u>	<u>\$ 12,291</u>	<u>\$ 49,053</u>	<u>\$ 124,063</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (86,000)	\$ (11,000)	\$ (86,000)	\$ 0
Total Other Financing Sources	<u>\$ (86,000)</u>	<u>\$ (11,000)</u>	<u>\$ (86,000)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 87,116	\$ 1,291	\$ (36,947)	\$ 124,063
Fund Balance, July 1, 2013	<u>676,995</u>	<u>718,690</u>	<u>718,690</u>	<u>(41,695)</u>
Fund Balance, June 30, 2014	<u>\$ 764,111</u>	<u>\$ 719,981</u>	<u>\$ 681,743</u>	<u>\$ 82,368</u>

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

Exhibit D-1

White County, Tennessee  
Statement of Net Position  
Proprietary Fund  
June 30, 2014

	Business-type Activities - Enterprise Fund
	Solid Waste Disposal Fund
<u>ASSETS</u>	
Current Assets:	
Equity in Pooled Cash and Investments	\$ 537,120
Accounts Receivable	140,295
Allowance for Uncollectibles	(40,181)
Due from Other Governments	3,934
Due from Other Funds	900
Total Current Assets	<u>\$ 642,068</u>
Noncurrent Assets:	
Capital Assets:	
Assets Not Depreciated:	
Land	\$ 596,203
Assets Net of Accumulated Depreciated:	
Buildings and Improvements	812,371
Other Capital Assets	402,513
Total Noncurrent Assets	<u>\$ 1,811,087</u>
Total Assets	<u>\$ 2,453,155</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts Payable	\$ 1,462
Accrued Payroll	4,604
Current Portion of Long-term Liabilities	210,660
Total Current Liabilities	<u>\$ 216,726</u>
Noncurrent Liabilities:	
Due in More Than One Year	\$ 1,256,878
Total Noncurrent Liabilities	<u>\$ 1,256,878</u>
Total Liabilities	<u>\$ 1,473,604</u>

(Continued)

Exhibit D-1

White County, Tennessee  
Statement of Net Position  
Proprietary Fund (Cont.)

	<u>Business-type Activities - Enterprise Fund</u> Solid Waste Disposal Fund
<u>NET POSITION</u>	
Net Investment in Capital Assets	\$ 1,564,957
Net Position - Unrestricted	<u>(585,406)</u>
Total Net Position	<u><u>\$ 979,551</u></u>

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

Exhibit D-2

White County, Tennessee  
Statement of Revenues, Expenses, and Changes  
in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2014

	Business-type Activities - <u>Enterprise Fund</u> Solid Waste Disposal <u>Fund</u>	Governmental Activities - Internal Service <u>Fund</u> Central Service <u>Fund</u>
<u>Operating Revenues</u>		
Charges for Services	\$ 1,048,145	\$ 1,684
Local Revenues	50,651	596,903
Total Operating Revenues	<u>\$ 1,098,796</u>	<u>\$ 598,587</u>
<u>Operating Expenses</u>		
Salaries and Benefits	\$ 473,107	\$ 0
Communications	6,051	790
Engineering Services	36,336	0
Maintenance and Repair Services - Equipment	87,970	0
Travel	1,512	0
Permits	27,332	0
Other Contracted Services	37,888	0
Diesel Fuel	136,395	342,270
Equipment and Machinery Parts	46,070	0
Gasoline	7,253	254,467
Lubricants	18,482	0
Office Supplies	1,047	0
Utilities	19,645	891
Fencing	1,003	0
Supplies and Material	24,448	0
Building and Contents Insurance	17,000	0
Trustee's Commission	10,423	0
Refunds	244	169
Workers' Compensation Insurance	15,000	0
Depreciation	94,990	0
Landfill Closure/Postclosure Care Costs	157,214	0
Data Processing Equipment	248	0
Site Development	567	0
Solid Waste Equipment	20,210	0
Total Operating Expenses	<u>\$ 1,240,435</u>	<u>\$ 598,587</u>
Operating Income (Loss)	<u>\$ (141,639)</u>	<u>\$ 0</u>

(Continued)

Exhibit D-2

White County, Tennessee  
Statement of Revenues, Expenses, and Changes  
in Net Position  
Proprietary Funds (Cont.)

	Business-type Activities - <u>Enterprise Fund</u> Solid Waste Disposal <u>Fund</u>	Governmental Activities - Internal Service <u>Fund</u> Central Service <u>Fund</u>
<u>Nonoperating Revenues (Expenses)</u>		
Grants	\$ 18,446	\$ 0
Interest on Notes	(15,027)	0
Total Nonoperating Revenues (Expenses)	<u>\$ 3,419</u>	<u>\$ 0</u>
Change in Net Position	\$ (138,220)	\$ 0
Net Position, June 30, 2013	<u>1,117,771</u>	<u>0</u>
Net Position, June 30, 2014	<u><u>\$ 979,551</u></u>	<u><u>\$ 0</u></u>

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

## Exhibit D-3

White County, Tennessee  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2014

	Business-type Activities - <u>Enterprise Fund</u> Solid Waste Disposal Fund	Governmental Activities - <u>Internal Service Fund</u> Central Service Fund
<u>Cash Flows from Operating Activities</u>		
Receipts from Customers and Users	\$ 1,091,967	\$ 598,587
Payments to Vendors	(503,246)	(598,418)
Payments to Employees	(470,951)	0
Other Payments	(10,423)	(169)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 107,347</u>	<u>\$ 0</u>
<u>Cash Flows from Noncapital Financing Activities</u>		
Grants Received	\$ 17,336	\$ 0
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 17,336</u>	<u>\$ 0</u>
<u>Cash Flows from Capital and Related Financing Activities</u>		
Acquisition and Construction of Capital Assets	\$ (16,125)	\$ 0
Principal Paid on Capital Outlay Notes	(141,967)	0
Interest Paid on Capital Outlay Notes	(15,027)	0
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (173,119)</u>	<u>\$ 0</u>
Net Increase (Decrease) in Cash	\$ (48,436)	\$ 0
Cash, July 1, 2013	<u>585,556</u>	<u>0</u>
Cash, June 30, 2014	<u>\$ 537,120</u>	<u>\$ 0</u>
<u>Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>		
Operating Income (Loss)	\$ (141,639)	\$ 0
Adjustment to Reconcile Net Operating Income to Net Cash Provided By (Used In) Operating Activities:		
Depreciation	94,990	0
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(6,923)	0
Increase (Decrease) in Accounts Payable	1,455	0
Increase (Decrease) in Accrued Payroll	2,156	0
Increase (Decrease) in Due from Other Funds	94	0
Increase (Decrease) in Landfill Closure/Postclosure Care Costs	157,214	0
Net Cash Provided By (Used In) Operating Activities	<u>\$ 107,347</u>	<u>\$ 0</u>

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

Exhibit E

White County, Tennessee  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2014

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 358,054
Accounts Receivable	6,749
Due from Other Governments	<u>284,874</u>
Total Assets	<u>\$ 649,677</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 284,874
Due to Litigants, Heirs, and Others	<u>364,803</u>
Total Liabilities	<u>\$ 649,677</u>

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

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

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**WHITE COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2014**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**A. Reporting Entity**

White County is a public municipal corporation governed by an elected 14-member board. As required by GAAP, these financial statements present White County (the primary government) and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

The White County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of White County, and the White County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval.

The White County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the School Department are included in this report as listed in the table of contents. Complete financial statements of the White County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

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

**B. Government-wide and Fund Financial Statements**

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

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

White County issues all debt for the discretely presented White County School Department. There were no debt issues contributed by the county to the School Department during the year ended June 30, 2014.

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

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

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

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

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

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

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

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

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

White County reports the following major governmental funds:

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

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

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

White County reports the following major proprietary fund:

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

Additionally, White County reports the following fund types:

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

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

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

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

**Education Capital Projects Fund** – This fund is used to account for funds transferred from the General Purpose School Fund to be used for building construction and renovation.

Additionally, White County reports the following fund type:

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

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

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

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

**1. Deposits and Investments**

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

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented White County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. White County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost. Investments in the State Treasurer's Investment Pool are reported at fair value. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Accordingly, the pool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value.

## **2. Receivables and Payables**

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

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

All ambulance service, solid waste, and property taxes receivables are shown with an allowance for uncollectibles. Ambulance and solid waste receivables allowances for uncollectibles are based on historical collection data. The allowance for uncollectible property taxes is equal to 1.71 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.

Retainage payable in the discretely presented White County 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 in the Education Capital Projects Fund.

### **3. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$20,000 or more and an estimated useful life exceeding five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Property, plant, equipment, and infrastructure of the primary government and the discretely presented School Department are

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

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

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has no items that qualify for reporting in this category.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has 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 county's policy not to allow for the accumulation of unused vacation days beyond year-end.

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

which payment will be required for this leave, the amount would be immaterial to the financial statements of White County.

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

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

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

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

## **6. Long-term Obligations**

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

over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences, 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 Balance**

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

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

As of June 30, 2014, White County had \$4,127,200 in outstanding debt for capital purposes for the discretely presented White County School Department. This debt is a liability of White County; however, the capital assets acquired are reported in the financial statements of the School Department. Therefore, White County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the County Commission, the county's highest level of decision-making authority and the Board of Education, the School Department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

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

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

**8. Minimum Fund Balance Policy**

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

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

**Primary Government**

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

**Discretely Presented White County School Department**

Exhibit J-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

**B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities**

**Primary Government**

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

**Discretely Presented White County School Department**

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

**III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

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 discretely presented White County School Department's Education Capital Projects Fund, which adopts a project length budget. All annual appropriations lapse at fiscal year end.

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

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

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

At June 30, 2014, the White County School Department reported the following significant encumbrances:

Funds	Description	Amount
School Department:		
Major Fund:		
General Purpose School	Classroom Furniture	\$ 47,954
"	Computer Hardware	19,517
"	Replacement Windows - WCHS	55,234
Nonmajor Fund:		
Central Cafeteria	Tilting Skillet - WCHS	14,062

**B. Net Position Deficit**

The Solid Waste Disposal Fund had a deficit of \$585,406 in unrestricted net position at June 30, 2014. This deficit resulted from the recognition of a liability of \$1,221,408 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after closure.

#### IV. DETAILED NOTES ON ALL FUNDS

##### A. Deposits and Investments

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

##### Deposits

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

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

##### Investments

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

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

**Investment Balances.** As of June 30, 2014, White County had the following investment carried at fair value. All investments are in the county trustee’s investment pool. Separate disclosures concerning pooled investments cannot be made for White County and the discretely presented White County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)	Maturity	Fair Value
State Treasurer's Investment Pool	109	N/A	\$ 15,612,635

**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. White 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. White County has no investment policy that would further limit its investment choices. As of June 30, 2014, White County’s investment in the State Treasurer’s Investment Pool was unrated.

**B. Notes Receivable**

Notes receivable of \$247,093 in the Industrial/Economic Development Fund resulted from loans issued by the county to local industries in the current and prior years.

**C. Capital Assets**

Capital assets activity for the year ended June 30, 2014, was as follows:

## Primary Government

### Governmental Activities:

	Balance 7-1-13	Increases	Decreases	Balance 6-30-14
Capital Assets				
Not Depreciated:				
Land	\$ 1,004,978	\$ 0	\$ 0	\$ 1,004,978
Construction in Progress	0	0	0	0
<b>Total Capital Assets</b>				
Not Depreciated	\$ 1,004,978	\$ 0	\$ 0	\$ 1,004,978
Capital Assets				
Depreciated:				
Buildings and				
Improvements	\$ 11,500,126	\$ 0	\$ 0	\$ 11,500,126
Infrastructure	7,018,110	452,225	0	7,470,335
Other Capital Assets	3,312,583	248,600	(188,477)	3,372,706
<b>Total Capital Assets</b>				
Depreciated	\$ 21,830,819	\$ 700,825	\$ (188,477)	\$ 22,343,167
Less Accumulated				
Depreciation For:				
Buildings and				
Improvements	\$ 3,847,157	\$ 287,042	\$ 0	\$ 4,134,199
Infrastructure	831,499	185,214	0	1,016,713
Other Capital Assets	2,427,595	191,166	(185,477)	2,433,284
<b>Total Accumulated</b>				
Depreciation	\$ 7,106,251	\$ 663,422	\$ (185,477)	\$ 7,584,196
Total Capital Assets				
Depreciated, Net	\$ 14,724,568	\$ 37,403	\$ (3,000)	\$ 14,758,971
Governmental Activities				
Capital Assets, Net	\$ 15,729,546	\$ 37,403	\$ (3,000)	\$ 15,763,949

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

**Governmental Activities:**

General Government	\$ 313,783
Public Safety	58,524
Public Health and Welfare	60,822
Highways/Public Works	<u>230,293</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 663,422</u>

## Business-type Activities:

	Balance 7-1-13	Increases	Balance 6-30-14
Capital Assets			
Not Depreciated:			
Land	\$ 580,078	\$ 16,125	\$ 596,203
Total Capital Assets Not Depreciated	<u>\$ 580,078</u>	<u>\$ 16,125</u>	<u>\$ 596,203</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 1,829,735	\$ 0	\$ 1,829,735
Other Capital Assets	1,656,442	0	1,656,442
Total Capital Assets Depreciated	<u>\$ 3,486,177</u>	<u>\$ 0</u>	<u>\$ 3,486,177</u>
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 981,371	\$ 35,993	\$ 1,017,364
Other Capital Assets	1,194,932	58,997	1,253,929
Total Accumulated Depreciation	<u>\$ 2,176,303</u>	<u>\$ 94,990</u>	<u>\$ 2,271,293</u>
Total Capital Assets Depreciated, Net	<u>\$ 1,309,874</u>	<u>\$ (94,990)</u>	<u>\$ 1,214,884</u>
Business-type Activities Capital Assets, Net	<u>\$ 1,889,952</u>	<u>\$ (78,865)</u>	<u>\$ 1,811,087</u>

There were no decreases in capital assets to report during the year ended June 30, 2014.

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

**Business-type Activities:**

Public Health and Welfare	\$ 94,990
Total Depreciation Expense - Business-type Activities	<u>\$ 94,990</u>

**Discretely Presented White County School Department**

Governmental Activities:

	Balance 7-1-13	Increases	Decreases	Balance 6-30-14
Capital Assets Not Depreciated:				
Land	\$ 1,191,942	\$ 0	\$ 0	\$ 1,191,942
Construction in Progress	0	416,889	0	416,889
Total Capital Assets Not Depreciated	<u>\$ 1,191,942</u>	<u>\$ 416,889</u>	<u>\$ 0</u>	<u>\$ 1,608,831</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 29,164,075	\$ 0	\$ 0	\$ 29,164,075
Other Capital Assets	2,365,226	275,130	(305,330)	2,335,026
Total Capital Assets Depreciated	<u>\$ 31,529,301</u>	<u>\$ 275,130</u>	<u>\$ (305,330)</u>	<u>\$ 31,499,101</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 10,634,375	\$ 707,947	\$ 0	\$ 11,342,322
Other Capital Assets	1,547,795	138,532	(299,330)	1,386,997
Total Accumulated Depreciation	<u>\$ 12,182,170</u>	<u>\$ 846,479</u>	<u>\$ (299,330)</u>	<u>\$ 12,729,319</u>
Total Capital Assets Depreciated, Net	<u>\$ 19,347,131</u>	<u>\$ (571,349)</u>	<u>\$ (6,000)</u>	<u>\$ 18,769,782</u>
Governmental Activities Capital Assets, Net	<u>\$ 20,539,073</u>	<u>\$ (154,460)</u>	<u>\$ (6,000)</u>	<u>\$ 20,378,613</u>

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

**Governmental Activities:**

Instruction	\$ 710,397
Support Services	<u>136,082</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 846,479</u>

**D. Construction Commitments**

At June 30, 2014, the School Department had uncompleted construction contracts of approximately \$4,005,910 for the renovation of Cassville Elementary School. Funding has been received for these future expenditures.

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2014, was as follows:

**Due to/from Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 25,672
Solid Waste Disposal	General	900
Discretely Presented School Department:		
Nonmajor governmental	General Purpose School	9,308

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

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General Debt Service	Component Unit: School Department - General Purpose School	\$ 9,412

This balance resulted from a portion of local option sales tax that the School Department agreed to contribute to the General Debt Service Fund for debt retirement.

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2014, consisted of the following amounts:

**Primary Government**

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

**Discretely Presented White County School Department**

Transfers Out	Transfers In	
	General Purpose School Fund	Education Capital Projects Fund
Nonmajor governmental funds	\$ 19,718	\$ 0
General Purpose School Fund	0	4,745,000

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 and Notes**

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

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

General obligation bonds and capital outlay notes outstanding as of June 30, 2014, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-14
General Obligation Bonds	4 to 4.4 %	6-15-25	\$ 1,000,000	\$ 660,000
General Obligation Bond - Refunding	3.85 to 4.24	6-1-20	13,295,000	7,280,000
Capital Outlay Notes	4.15	6-1-15	1,000,000	142,858

The annual requirements to amortize all general obligation bonds and notes outstanding as of June 30, 2014, including interest payments, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2015	\$ 1,145,000	\$ 329,123	\$ 1,474,123
2016	1,190,000	283,322	1,473,322
2017	1,240,000	235,723	1,475,723
2018	1,290,000	185,027	1,475,027
2019	1,340,000	131,390	1,471,390
2020-2024	1,660,000	116,685	1,776,685
2025	75,000	3,300	78,300
Total	<u>\$ 7,940,000</u>	<u>\$ 1,284,570</u>	<u>\$ 9,224,570</u>

Year Ending June 30	Notes		
	Principal	Interest	Total
2015	\$ 142,858	\$ 5,928	\$ 148,786
Total	<u>\$ 142,858</u>	<u>\$ 5,928</u>	<u>\$ 148,786</u>

There is \$557,041 available in the General Debt Service Fund to service long-term debt. Debt per capita, including bonds and notes totaled \$313, based on the 2010 federal census.

#### Changes in Long-term Obligations

Long-term obligation activity for the year ended June 30, 2014, was as follows:

Governmental Activities:

	<u>Bonds</u>	<u>Notes</u>
Balance, July 1, 2013	\$ 9,035,000	\$ 285,715
Reductions	<u>(1,095,000)</u>	<u>(142,857)</u>
Balance, June 30, 2014	<u>\$ 7,940,000</u>	<u>\$ 142,858</u>
Balance Due Within One Year	<u>\$ 1,145,000</u>	<u>\$ 142,858</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2014	\$ 8,082,858
Less: Balance Due Within One Year	<u>(1,287,858)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 6,795,000</u>

**White County Solid Waste Disposal Fund (enterprise fund)**

Capital outlay notes were issued for original terms of up to 12 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All capital outlay notes included in long-term debt as of June 30, 2014, will be retired from the Solid Waste Disposal Fund.

Capital outlay notes outstanding as of June 30, 2014, for business-type activities are as follows:

<u>Type</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount of Issue</u>	<u>Balance 6-30-14</u>
Capital Outlay Notes	4.48 to 4.5 %	12-1-15	\$ 1,628,000	\$ 246,130

The annual requirements to amortize all notes outstanding as of June 30, 2014, including interest payments, are presented in the following table:

Year Ending June 30	Notes		
	Principal	Interest	Total
2015	\$ 141,967	\$ 8,701	\$ 150,668
2016	104,163	2,333	106,496
Total	<u>\$ 246,130</u>	<u>\$ 11,034</u>	<u>\$ 257,164</u>

#### Changes in Long-term Obligations

Long-term obligation activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2014, was as follows:

Business-type Activities:	Notes		Closure/ Postclosure Care Costs
Balance, July 1, 2013	\$ 388,097	\$	1,064,194
Additions		0	157,214
Reductions	(141,967)		0
Balance, June 30, 2014	<u>\$ 246,130</u>	<u>\$</u>	<u>1,221,408</u>
Balance Due Within One Year	<u>\$ 141,967</u>	<u>\$</u>	<u>68,693</u>

#### Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2014	\$ 1,467,538
Less: Balance Due Within One Year	<u>(210,660)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 1,256,878</u>

Debt per capita of the enterprise fund for the notes totaled \$10, based on the 2010 federal census.

#### Discretely Presented White County School Department

##### Changes in Long-term Obligations

Long-term obligations activity for the discretely presented White County School Department for the year ended June 30, 2014, was as follows:

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2013	\$ 220,079	\$ 482,336
Additions	90,661	188,497
Reductions	(69,595)	(275,449)
Balance, June 30, 2014	<u>\$ 241,145</u>	<u>\$ 395,384</u>
Balance Due Within One Year	<u>\$ 77,167</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2014	\$ 636,529
Less: Balance Due Within One Year	<u>(77,167)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 559,362</u>

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

**G. On-Behalf Payments**

**Discretely Presented White County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the White County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2014, were \$124,965 and \$32,570, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**V. OTHER INFORMATION**

**A. Risk Management**

White County and the discretely presented White County School Department participate in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee

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

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

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

**B. Accounting Changes**

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans* and Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees* became effective for the year ended June 30, 2014.

GASB Statement No. 67, replaces the requirements of Statements No. 25 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trusts or equivalent arrangements.

GASB Statement No. 70, relates to accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees.

**C. Subsequent Events**

On August 31, 2014, Herd Sullivan left the Office of County Executive and was succeeded by Denny Wayne Robinson; Brenda Officer left the Office of Trustee and was succeeded by Phyllis Humphrey; and Gary Brogden left the Office of Register of Deeds and was succeeded by Martha Bumbalough.

**D. Contingent Liabilities**

The attorney representing White County stated that the county is currently involved in a lawsuit alleging civil rights violations and wrongful arrest of a

citizen by the Sheriff's Department. The county's insurance company is defending the suit; however, there is a question as to whether the insurance policy covers civil rights violations. The potential liability to the county is estimated to be in excess of \$200,000.

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

**E. Landfill Closure and Postclosure Care Costs**

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

State and federal laws and regulations require White County to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$1,221,408 reported as landfill closure and postclosure care liability at June 30, 2014, represents the cumulative amount reported to date based on the use of 73.5 percent of the estimated capacity of the landfill. The county will recognize the remaining estimated costs of \$440,372 for closure and postclosure care as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2014. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**F. Joint Ventures**

The Upper Cumberland Regional Airport was established as a joint venture between White County, Putnam County, the City of Cookeville, and the City of Sparta. The Upper Cumberland Regional Airport operates the regional airport for the two-county area. The five-member board of the airport is comprised of one member appointed by each of the four participating governments with the fifth member of the board being the chief executive of one of the participating governments. This fifth board position serves a one-year term and rotates among the four participating governments in a prescribed order. Each participant retains a 25 percent ownership in the airport. White County contributed \$28,000 to the Upper Cumberland Regional Airport for the year ended June 30, 2014.

The Thirteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Thirteenth Judicial District and participating municipalities within the district. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. White County did not make appropriations to the DTF for the year ended June 30, 2014.

On June 30, 2011, White County entered into an interlocal agreement with Putnam County and the Cities of Algood, Monterey, and Sparta to provide planning services for the area that were formerly provided by the Regional Planning Offices operated by the State of Tennessee. The Planning Services Executive Committee is comprised of each of the county/city mayors/executives for the participating entities. Each county/city agreed to an annual contribution for planning services to be administered by the Putnam County Executive in accordance with a budget approved by the Executive Committee. White County contributed \$25,000 for Planning Services for the year ended June 30, 2014.

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

Administrative Offices:

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

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

Planning Services  
c/o Putnam County Executive  
300 East Spring Street, Room 8  
Cookeville, TN 38501

**G. Jointly Governed Organization**

The Tri-County Railroad Authority was jointly created by White, Coffee, and Warren counties. The Tri-County Railroad Authority's board comprises the

county executive/mayor of each county and one member selected by the governing body of each county; however, the counties do not have any ongoing financial interest or responsibility for the entity.

## **H. Retirement Commitments**

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

#### **Plan Description**

Information for this footnote for the year ended June 30, 2014, was not available from the state Treasurer's Office in time for inclusion in this report; therefore, the information presented below is for the fiscal year ended June 30, 2013.

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

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

## Funding Policy

White County requires employees to contribute five percent of their earnable compensation to the plan. The county is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2013, was 5.93 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, White County's annual pension cost of \$567,759 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 one year. An actuarial valuation was performed as of July 1, 2011, which established contribution rates effective July 1, 2012.

## Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6-30-13	\$567,759	100%	\$0
6-30-12	551,549	100	0
6-30-11	525,396	100	0

## Funded Status and Funding Progress

As of July 1, 2011, the most recent actuarial valuation date, the plan was 99.18 percent funded. The actuarial accrued liability for benefits was \$15.19 million, and the actuarial value of assets was \$15.07 million, resulting in an unfunded actuarial accrued liability

(UAAL) of \$.12 million. The covered payroll (annual payroll of active employees covered by the plan) was \$8.48 million, and the ratio of the UAAL to the covered payroll was 1.46 percent.

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

## **SCHOOL TEACHERS**

### **Plan Description**

The White County School Department contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost-sharing multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits to plan members and their beneficiaries. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members who are at least 55 years of age or have 25 years of service. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the plan on or after July 1, 1979, are vested after five years of service. Members joining prior to July 1, 1979, are vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of *Tennessee Code Annotated*. State statutes are amended by the Tennessee General Assembly. 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](http://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 \$1,298,960, \$1,309,268, and \$1,299,956, respectively, equal to the required contributions for each year.

## **2. Deferred Compensation**

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

## **I. Other Postemployment Benefits (OPEB)**

### Plan Description

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

### Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employer in the plan develops a contribution policy in terms of subsidizing active employees or

retired employees' premiums since the committee is not prescriptive on that issue. The state provides a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The White County School Department provides postretirement benefits, in accordance with contract provisions, to certified employees who retire from the School Department. The School Department pays each retiree \$1,500 per year until the retiree is eligible for Medicare. This benefit is available to employees who retired after July 1, 1998, with a minimum of 30 years service. During the year examined, approximately 43 retirees met those eligibility requirements, and the School Department contributed \$275,449 for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	Local Education Group Plan
	<hr/>
ARC	\$ 188,000
Interest on the NOPEBO	19,293
Adjustment to the ARC	<u>(18,796)</u>
Annual OPEB cost	\$ 188,497
Amount of contribution	<u>(275,449)</u>
Increase/decrease in NOPEBO	\$ (86,952)
Net OPEB obligation, 7-1-13	<u>482,336</u>
Net OPEB obligation, 6-30-14	<u><u>\$ 395,384</u></u>

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-12	Local Education Group	\$ 318,198	76	% \$ 401,607
6-30-13	"	322,012	75	482,336
6-30-14	"	188,497	146	395,384

### Funded Status and Funding Progress

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

	<u>Local Education Group Plan</u>
Actuarial valuation date	7-1-13
Actuarial accrued liability (AAL)	\$ 1,985,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 1,985,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 16,326,194
UAAL as a % of covered payroll	12%

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

### Actuarial Methods and Assumptions

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

In the July 1, 2013, actuarial valuation for the Local Education Plan, the projected unit credit actuarial cost method was used, and the actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate was 7.5 percent for fiscal year 2014. The trend rate will decrease to seven percent in fiscal year 2015 and then be reduced by decrements to an ultimate rate of 4.7 percent by fiscal year 2044. Rates include a 2.5 percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with July 1, 2007.

**J. Office of Central Accounting and Budgeting**

Office of Director of Finance

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

**K. Purchasing Law**

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

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

**A. Summary of Significant Accounting Policies**

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

**1. Reporting Entity**

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

**2. Basis of Accounting**

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

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

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

**3. Capital Assets**

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

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

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

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

<u>Assets</u>	<u>Years</u>
Equipment	3 - 10
Buildings	10 - 40
Vehicles	5
Furniture and Fixtures	10

**4. Provision for Uncollectible Accounts**

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

**5. Cash Equivalents**

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

**6. Compensated Absences**

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

**7. Restricted Assets**

Restricted assets represent cash and investments maintained in accordance with bond resolutions, loan agreements, grant awards, and other resolutions and formal actions of the district or by agreement for the purpose of funding certain debt service payments, depreciation and contingency activities, and improvements and extensions to the system. Restricted assets are generally not available for current operating expenses. The district had no restricted assets at June 30, 2014.

**8. Receivables and Revenues**

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

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

**9. Expenses**

Operating expenses consist of salaries, wages, and the related employee benefits; the fees charged by the telephone companies;

materials and supplies and other general and administrative expenses.

**10. Contributions**

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

**11. Net Position**

Net position contains the various net earnings from operating and non-operating revenues, expenses, and contributions of capital. Net position is classified as net investment in capital assets and unrestricted net position. Net investment in capital assets is all capital assets, net of accumulated depreciation and outstanding debt attributable to the acquisition, construction, or improvement of the assets. Debt related to unspent proceeds or other restricted cash and investments is not included in this determination. Restricted for capital activity and debt service includes assets, net of the liabilities, restricted by external parties such as lenders, grantors, contributors, laws, regulations, and enabling legislation, including self-imposed legal mandates. Unrestricted net position consists of the assets, net of the liabilities that do not meet the definition of net investment in capital assets.

**12. Net Position Flow Assumption**

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

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

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

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

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.

For the year ended June 30, 2014, the district has neither a deferred inflow nor outflow of resources.

#### **14. Estimates**

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

#### **15. Budgets**

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

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

### **B. Bank Deposits**

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

All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool.

The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this

additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

At June 30, 2014, \$84,746 of the district's bank balance of \$881,415 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized \$84,746

**C. Capital Assets**

Capital assets activity during the year was as follows:

	Balance 7-1-13	Increases	Balance 6-30-14
Capital Assets			
Not Depreciated:			
Land	\$ 67,261	\$ 0	\$ 67,261
Construction in Progress	0	0	0
Total Capital Assets	\$ 67,261	\$ 0	\$ 67,261
Not Depreciated	\$ 67,261	\$ 0	\$ 67,261
Capital Assets			
Depreciated:			
Buildings and			
Improvements	\$ 101,264	\$ 0	\$ 101,264
Other Capital Assets	1,446,173	36,000	1,482,173
Total Capital Assets	\$ 1,547,437	\$ 36,000	\$ 1,583,437
Depreciated	\$ 1,547,437	\$ 36,000	\$ 1,583,437
Less Accumulated			
Depreciation For:			
Buildings and			
Improvements	\$ 44,448	\$ 2,860	\$ 47,308
Other Capital Assets	649,747	117,273	767,020
Total Accumulated	\$ 694,195	\$ 120,133	\$ 814,328
Depreciation	\$ 694,195	\$ 120,133	\$ 814,328

	Balance 7-1-13	Increases	Balance 6-30-14
Total Capital Assets			
Depreciated, Net	\$ 853,242	\$ (84,133)	\$ 769,109
Business-type Activities			
Capital Assets, Net	\$ 920,503	\$ (84,133)	\$ 836,370

Depreciation expense was \$120,133.

**D. Risk Financing Activities**

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

**E. Retirement Plan**

**1. Plan Description**

Employees of the White County 911 Emergency Communications District are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). TCRS provides retirement benefits as well as death and disability benefits. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members at the age of 55. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the system after July 1, 1979, become vested after five years of service and members joining prior to July 1, 1979, were vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapters 34-37 of *Tennessee Code Annotated*. State statutes are amended by the Tennessee General Assembly. Political subdivisions such as the White County 911 Emergency Communications District participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of their plan. Benefit improvements are

not applicable to a political subdivision unless approved by the chief governing body.

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

## **2. Funding Policy**

The White County 911 Emergency Communications District requires employees to contribute five percent of earnable compensation. The district is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2014, was 8.01 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for the district is established and may be amended by the TCRS Board of Trustees.

## **3. Annual Pension Cost**

For the year ended June 30, 2014, the district's annual pension cost of \$8,410 to TCRS was equal to the district'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), and (d) projected 3.5 percent annual increase in the Social Security wage base. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a ten-year period. The district's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2011, was four years.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6-30-14	\$ 8,410	100 %	\$ 0
6-30-13	8,390	100	0
6-30-12	11,422	100	0

Funded Status and Funding Progress

As of July 1, 2011, the most recent actuarial valuation date, the plan was 98.13 percent funded. The actuarial accrued liability for benefits was \$.31 million, and the actuarial value of assets was \$.3 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$.01 million. The covered payroll (annual payroll of active employees covered by the plan) was \$.11 million, and the ratio of the UAAL to the covered payroll was 5.3 percent.

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

**F. Litigation**

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

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit F-1

White County, Tennessee  
Schedule of Funding Progress – Pension Plan  
Primary Government and Discretely Presented White County School Department  
June 30, 2014

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial 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
7-1-11	\$ 15,068	\$ 15,192	\$ 124	99.18 %	\$ 8,477	1.46 %
7-1-09	12,421	12,595	174	98.62	7,654	2.27
7-1-07	11,547	11,763	216	98.16	7,072	3.05

Information for this exhibit for the year ended June 30, 2014, was not available from the state Treasurer's Office in time for inclusion in this report; therefore, the information presented above is for the fiscal year ended June 30, 2013.

Exhibit F-2

White County, Tennessee  
Schedule of Funding Progress – Other Postemployment Benefits Plan  
Discretely Presented White County School Department  
June 30, 2014

(Dollar amounts in thousands)

Plan	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)
Local Education Group	7-1-10	\$ 0	\$ 2,477	\$ 2,477	0 %	\$ 10,364	24 %
"	7-1-11	0	3,237	3,237	0	14,343	23
"	7-1-13	0	1,985	1,985	0	16,326	12

**WHITE COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2014**

**NONE**

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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

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

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

Exhibit G-1

White County, Tennessee  
 Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees		
\$	0 \$	0 \$	25,552 \$		25,552
	329,819	231,201	0		561,020
	0	0	120		120
	247,093	0	0		247,093
\$	576,912 \$	231,201 \$	25,672 \$		833,785

ASSETS

Cash	
Equity in Pooled Cash and Investments	
Accounts Receivable	
Notes Receivable - Long-term	
Total Assets	

LIABILITIES

Due to Other Funds	
Due to Litigants, Heirs, and Others	
Total Liabilities	

FUND BALANCES

Restricted:	
Restricted for Public Safety	
Restricted for Other Operations	
Total Fund Balances	
Total Liabilities and Fund Balances	

Exhibit G-2

White County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2014

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees		
<u>Revenues</u>					
Fines, Forfeitures, and Penalties	\$ 0 \$	84,928 \$	0 \$	0 \$	84,928
Charges for Current Services	0	0	1,284	1,284	1,284
Other Local Revenues	4,006	1,759	0	0	5,765
Total Revenues	\$ 4,006 \$	86,687 \$	1,284 \$	1,284 \$	91,977
<u>Expenditures</u>					
Current:					
General Government	\$ 0 \$	0 \$	1,284 \$	0 \$	1,284
Public Safety	0	11,829	0	0	11,829
Other Operations	0	722	0	0	722
Total Expenditures	\$ 0 \$	12,551 \$	1,284 \$	1,284 \$	13,835
Excess (Deficiency) of Revenues Over Expenditures	\$ 4,006 \$	74,136 \$	0 \$	0 \$	78,142
Net Change in Fund Balances Fund Balance, July 1, 2013	\$ 4,006 \$	74,136 \$	0 \$	0 \$	78,142
Fund Balance, June 30, 2014	572,906	105,785	0	0	678,691
	\$ 576,912 \$	179,921 \$	0 \$	0 \$	756,833

Exhibit G-3

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Industrial/Economic Development Fund  
For the Year Ended June 30, 2014

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 4,006	\$ 3,100	\$ 3,100	\$ 906
Total Revenues	\$ 4,006	\$ 3,100	\$ 3,100	\$ 906
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ 4,006	\$ 3,100	\$ 3,100	\$ 906
Net Change in Fund Balance	\$ 4,006	\$ 3,100	\$ 3,100	\$ 906
Fund Balance, July 1, 2013	572,906	573,660	573,660	(754)
Fund Balance, June 30, 2014	\$ 576,912	\$ 576,760	\$ 576,760	\$ 152

Exhibit G-4

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Drug Control Fund  
For the Year Ended June 30, 2014

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 84,928	\$ 65,000	\$ 65,000	\$ 19,928
Other Local Revenues	1,759	0	0	1,759
Total Revenues	<u>\$ 86,687</u>	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ 21,687</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 11,829	\$ 64,250	\$ 64,250	\$ 52,421
<u>Other Operations</u>				
Miscellaneous	722	750	750	28
Total Expenditures	<u>\$ 12,551</u>	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ 52,449</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 74,136</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 74,136</u>
Net Change in Fund Balance	\$ 74,136	\$ 0	\$ 0	\$ 74,136
Fund Balance, July 1, 2013	<u>105,785</u>	<u>95,735</u>	<u>95,735</u>	<u>10,050</u>
Fund Balance, June 30, 2014	<u>\$ 179,921</u>	<u>\$ 95,735</u>	<u>\$ 95,735</u>	<u>\$ 84,186</u>

# **Major Governmental Fund**

## **General Debt Service Fund**

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

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Exhibit H

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2014

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,252,911	\$ 1,271,468	\$ 1,271,468	\$ (18,557)
Other Local Revenues	80,499	60,000	60,000	20,499
State of Tennessee	24,257	24,000	24,000	257
Other Governments and Citizens Groups	59,413	65,000	65,000	(5,587)
Total Revenues	<u>\$ 1,417,080</u>	<u>\$ 1,420,468</u>	<u>\$ 1,420,468</u>	<u>\$ (3,388)</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 642,057	\$ 642,057	\$ 642,057	\$ 0
Education	595,800	595,800	595,800	0
<u>Interest on Debt</u>				
General Government	191,431	191,500	191,500	69
Education	191,322	191,400	191,400	78
<u>Other Debt Service</u>				
General Government	19,024	28,000	28,000	8,976
Total Expenditures	<u>\$ 1,639,634</u>	<u>\$ 1,648,757</u>	<u>\$ 1,648,757</u>	<u>\$ 9,123</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (222,554)</u>	<u>\$ (228,289)</u>	<u>\$ (228,289)</u>	<u>\$ 5,735</u>
Net Change in Fund Balance	\$ (222,554)	\$ (228,289)	\$ (228,289)	\$ 5,735
Fund Balance, July 1, 2013	<u>779,595</u>	<u>861,904</u>	<u>861,904</u>	<u>(82,309)</u>
Fund Balance, June 30, 2014	<u>\$ 557,041</u>	<u>\$ 633,615</u>	<u>\$ 633,615</u>	<u>\$ (76,574)</u>

# Fiduciary Funds

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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.

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

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

Exhibit I-1

White County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2014

	<u>Agency Funds</u>		
	Cities - Sales Tax	Constitu- tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 358,054	\$ 358,054
Accounts Receivable	0	6,749	6,749
Due from Other Governments	284,874	0	284,874
Total Assets	<u>\$ 284,874</u>	<u>\$ 364,803</u>	<u>\$ 649,677</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 284,874	\$ 0	\$ 284,874
Due to Litigants, Heirs, and Others	0	364,803	364,803
Total Liabilities	<u>\$ 284,874</u>	<u>\$ 364,803</u>	<u>\$ 649,677</u>

Exhibit I-2

White County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2014

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 1,637,660	\$ 1,637,660	\$ 0
Due from Other Governments	264,458	284,874	264,458	284,874
Total Assets	\$ 264,458	\$ 1,922,534	\$ 1,902,118	\$ 284,874
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 264,458	\$ 1,922,534	\$ 1,902,118	\$ 284,874
Total Liabilities	\$ 264,458	\$ 1,922,534	\$ 1,902,118	\$ 284,874
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 433,974	\$ 4,673,579	\$ 4,749,499	\$ 358,054
Accounts Receivable	1,971	6,749	1,971	6,749
Total Assets	\$ 435,945	\$ 4,680,328	\$ 4,751,470	\$ 364,803
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 435,945	\$ 4,680,328	\$ 4,751,470	\$ 364,803
Total Liabilities	\$ 435,945	\$ 4,680,328	\$ 4,751,470	\$ 364,803
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 433,974	\$ 4,673,579	\$ 4,749,499	\$ 358,054
Equity in Pooled Cash and Investments	0	1,637,660	1,637,660	0
Accounts Receivable	1,971	6,749	1,971	6,749
Due from Other Governments	264,458	284,874	264,458	284,874
Total Assets	\$ 700,403	\$ 6,602,862	\$ 6,653,588	\$ 649,677
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 264,458	\$ 1,922,534	\$ 1,902,118	\$ 284,874
Due to Litigants, Heirs, and Others	435,945	4,680,328	4,751,470	364,803
Total Liabilities	\$ 700,403	\$ 6,602,862	\$ 6,653,588	\$ 649,677

# White County School Department

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

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

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

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

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

White County, Tennessee  
Statement of Activities  
Discretely Presented White County School Department  
For the Year Ended June 30, 2014

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Instruction	\$ 20,016,160	\$ 0	\$ 1,850,866	\$ (18,165,294)
Support Services	8,571,066	95,495	678,718	(7,796,853)
Operation of Non-instructional Services	2,627,373	479,130	1,733,349	(414,894)
Other Debt Service	0	0	0	0
<b>Total Governmental Activities</b>	<b>\$ 31,214,599</b>	<b>\$ 574,625</b>	<b>\$ 4,262,933</b>	<b>\$ (26,377,041)</b>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 3,259,121
Local Option Sales Taxes				1,465,408
Wheel Tax				269,567
Other Local Taxes				5,576
Grants and Contributions Not Restricted to Specific Programs				22,260,581
Unrestricted Investment Earnings				1,393
Sale of Equipment				575
Miscellaneous				31,285
<b>Total General Revenues</b>				<b>\$ 27,293,506</b>
Insurance Recovery				\$ 15,232
Change in Net Position				\$ 931,697
Net Position, July 1, 2013				41,207,351
Net Position, June 30, 2014				<u>\$ 42,139,048</u>

White County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented White County School Department  
June 30, 2014

	Major Funds		Nonmajor Funds		Total Governmental Funds
	General Purpose School	Education Capital Projects	Other	Governmental Funds	
\$ 16,532,435 \$	4,551,445 \$	1,066,005 \$			22,149,885
0	0	126			126
502,597	0	313,033			815,630
0	0	9,308			9,308
3,377,670	0	0			3,377,670
(109,797)	0	0			(109,797)
<b>\$ 20,302,905 \$</b>	<b>4,551,445 \$</b>	<b>1,388,472 \$</b>			<b>26,242,822</b>

ASSETS

Equity in Pooled Cash and Investments  
 Accounts Receivable  
 Due from Other Governments  
 Due from Other Funds  
 Property Taxes Receivable  
 Allowance for Uncollectible Property Taxes

Total Assets

LIABILITIES

Accounts Payable  
 Payroll Deductions Payable  
 Contracts Payable  
 Retainage Payable  
 Due to Other Funds  
 Due to Primary Government  
 Due to State of Tennessee  
 Total Liabilities

DEFERRED INFLOWS OF RESOURCES

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

(Continued)

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General Purpose School	Education Capital Projects	Other	Governmental Funds		
\$	29,459 \$	4,328,111 \$	888,472 \$			5,246,042
	7,759,773	0	0			7,759,773
	292,115	0	500,000			792,115
	8,352,320	0	0			8,352,320
\$	16,433,667 \$	4,328,111 \$	1,388,472 \$			22,150,250
\$	20,302,905 \$	4,551,445 \$	1,388,472 \$			26,242,822

FUND BALANCES

Restricted:  
 Restricted for Education  
 Committed:  
 Committed for Education  
 Assigned:  
 Assigned for Education  
 Unassigned  
 Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Exhibit J-3

White County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets  
Discretely Presented White County School Department  
June 30, 2014

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)		\$ 22,150,250
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,191,942	
Add: construction in progress	416,889	
Add: buildings and improvements net of accumulated depreciation	17,821,753	
Add: other capital assets net of accumulated depreciation	<u>948,029</u>	20,378,613
(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	\$ (241,145)	
Less: other postemployment benefits liability	<u>(395,384)</u>	(636,529)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>246,714</u>
Net position of governmental activities (Exhibit A)		<u>\$ 42,139,048</u>

White County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented White County School Department  
For the Year Ended June 30, 2014

	Major Funds		Nonmajor Funds		Total Governmental Funds
	General Purpose School	Education Capital Projects	Other	Governmental Funds	
<u>Revenues</u>					
Local Taxes	\$ 5,068,082	\$ 0	\$ 0	\$ 0	\$ 5,068,082
Licenses and Permits	2,359	0	0	0	2,359
Charges for Current Services	63,536	0	479,130	0	542,666
Other Local Revenues	85,599	0	4,996	0	90,595
State of Tennessee	21,607,876	0	23,226	0	21,631,102
Federal Government	104,860	0	4,697,305	0	4,802,165
Other Governments and Citizens Groups	7,754	0	0	0	7,754
Total Revenues	\$ 26,940,066	\$ 0	\$ 5,204,657	\$ 0	\$ 32,144,723
<u>Expenditures</u>					
Current:					
Instruction	\$ 16,341,584	\$ 0	\$ 2,308,222	\$ 0	\$ 18,649,806
Support Services	7,974,863	0	718,720	0	8,693,583
Operation of Non-instructional Services	507,001	0	2,115,837	0	2,622,838
Capital Outlay	743,347	0	0	0	743,347
Debt Service:					
Principal on Debt	9,412	0	0	0	9,412
Capital Projects	0	416,889	0	0	416,889
Total Expenditures	\$ 25,576,207	\$ 416,889	\$ 5,142,779	\$ 0	\$ 31,135,875
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,363,859	\$ (416,889)	\$ 61,878	\$ 0	\$ 1,008,848

(Continued)

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Governmental Funds			
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 15,232	\$ 0	\$ 0	\$ 0	\$ 0	15,232
Transfers In	19,718	4,745,000	0	0	0	4,764,718
Transfers Out	(4,745,000)	0	(19,718)			(4,764,718)
Total Other Financing Sources (Uses)	\$ (4,710,050)	\$ 4,745,000	\$ (19,718)	\$ (19,718)	\$ (19,718)	15,232
Net Change in Fund Balances	\$ (3,346,191)	\$ 4,328,111	\$ 42,160	\$ 42,160	\$ 42,160	1,024,080
Fund Balance, July 1, 2013	19,779,858	0	1,346,312	1,346,312	1,346,312	21,126,170
Fund Balance, June 30, 2014	\$ 16,433,667	\$ 4,328,111	\$ 1,388,472	\$ 1,388,472	\$ 1,388,472	<u>22,150,250</u>

Exhibit J-5

White County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Discretely Presented White County School Department  
For the Year Ended June 30, 2014

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ 1,024,080
(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	\$ 692,019	
Less: current-year depreciation expense	<u>(846,479)</u>	(154,460)
(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		(6,000)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2014	\$ 246,714	
Less: deferred delinquent property taxes and other deferred June 30, 2013	<u>(244,523)</u>	2,191
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in other postemployment benefits liability	\$ 86,952	
Change in compensated absences payable	<u>(21,066)</u>	<u>65,886</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 931,697</u>

Exhibit J-6

White County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented White County School Department  
June 30, 2014

	<u>Special Revenue Funds</u>		Total
	School	Central	Nonmajor
	Federal	Cafeteria	Governmental
	Projects		Funds
	<hr/>		
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 186,431	\$ 879,574	\$ 1,066,005
Accounts Receivable	0	126	126
Due from Other Governments	313,033	0	313,033
Due from Other Funds	536	8,772	9,308
	<hr/>		
Total Assets	<u>\$ 500,000</u>	<u>\$ 888,472</u>	<u>\$ 1,388,472</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 0	\$ 888,472	\$ 888,472
Assigned:			
Assigned for Education	500,000	0	500,000
	<hr/>		
Total Fund Balances	<u>\$ 500,000</u>	<u>\$ 888,472</u>	<u>\$ 1,388,472</u>

Exhibit J-7

White County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented White County School Department  
For the Year Ended June 30, 2014

	<u>Special Revenue Funds</u>		Total
	School Federal Projects	Central Cafeteria	Nonmajor Governmental Funds
<u>Revenues</u>			
Charges for Current Services	\$ 0	\$ 479,130	\$ 479,130
Other Local Revenues	0	4,996	4,996
State of Tennessee	0	23,226	23,226
Federal Government	2,987,182	1,710,123	4,697,305
Total Revenues	<u>\$ 2,987,182</u>	<u>\$ 2,217,475</u>	<u>\$ 5,204,657</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 2,308,222	\$ 0	\$ 2,308,222
Support Services	718,720	0	718,720
Operation of Non-instructional Services	0	2,115,837	2,115,837
Total Expenditures	<u>\$ 3,026,942</u>	<u>\$ 2,115,837</u>	<u>\$ 5,142,779</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (39,760)</u>	<u>\$ 101,638</u>	<u>\$ 61,878</u>
<u>Other Financing Sources (Uses)</u>			
Transfers Out	\$ (19,718)	\$ 0	\$ (19,718)
Total Other Financing Sources (Uses)	<u>\$ (19,718)</u>	<u>\$ 0</u>	<u>\$ (19,718)</u>
Net Change in Fund Balances	\$ (59,478)	\$ 101,638	\$ 42,160
Fund Balance, July 1, 2013	559,478	786,834	1,346,312
Fund Balance, June 30, 2014	<u><u>\$ 500,000</u></u>	<u><u>\$ 888,472</u></u>	<u><u>\$ 1,388,472</u></u>

Exhibit J-8

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented White County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2014

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<b>Revenues</b>							
Local Taxes	\$ 5,068,082	\$ 0	\$ 0	\$ 5,068,082	\$ 5,094,572	\$ 5,094,572	\$ (26,490)
Licenses and Permits	2,359	0	0	2,359	2,800	2,800	(441)
Charges for Current Services	63,536	0	0	63,536	61,650	61,650	1,886
Other Local Revenues	85,599	0	0	85,599	99,560	99,560	(13,961)
State of Tennessee	21,607,876	0	0	21,607,876	21,627,531	21,642,341	(34,465)
Federal Government	104,860	0	0	104,860	106,000	106,000	(1,140)
Other Governments and Citizens Groups	7,754	0	0	7,754	24,000	24,000	(16,246)
<b>Total Revenues</b>	<b>\$ 26,940,066</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 26,940,066</b>	<b>\$ 27,016,113</b>	<b>\$ 27,030,923</b>	<b>\$ (90,857)</b>
<b>Expenditures</b>							
<u>Instruction</u>							
Regular Instruction Program	\$ 13,840,242	\$ (43,967)	\$ 69,392	\$ 13,865,667	\$ 14,986,770	\$ 14,967,535	\$ 1,101,868
Special Education Program	1,708,911	0	0	1,708,911	1,758,950	1,768,085	59,174
Vocational Education Program	792,431	0	0	792,431	817,755	817,755	25,324
<u>Support Services</u>							
Attendance	79,293	0	0	79,293	79,950	79,950	657
Health Services	183,389	0	0	183,389	183,460	191,460	8,071
Other Student Support	794,638	0	0	794,638	826,425	826,425	31,787
Regular Instruction Program	749,550	0	0	749,550	777,910	777,910	28,360
Special Education Program	109,952	0	0	109,952	145,160	145,160	35,208
Vocational Education Program	63,660	0	0	63,660	65,150	65,150	1,490
Other Programs	157,535	0	0	157,535	0	157,535	0
Board of Education	467,692	(1,380)	1,550	467,862	631,185	506,185	38,323
Director of Schools	126,973	0	75	127,048	130,955	130,955	3,907
Office of the Principal	1,533,808	0	0	1,533,808	1,578,152	1,578,152	44,344
Fiscal Services	140,745	0	787	141,532	145,645	145,645	4,113
Operation of Plant	1,832,933	(22,728)	8,608	1,838,813	2,197,630	2,197,630	358,817
Maintenance of Plant	393,771	(8,872)	20,807	405,706	429,300	429,300	23,594
Transportation	1,320,924	0	0	1,320,924	1,383,835	1,405,935	85,011

(Continued)

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Operation of Non-instructional Services</u>							
Food Service	\$ 48,675	\$ 0	\$ 0	\$ 48,675	\$ 54,400	\$ 56,500	\$ 7,825
Community Services	49,710	0	0	49,710	53,560	53,560	3,850
Early Childhood Education	408,616	0	0	408,616	408,616	408,616	0
<u>Capital Outlay</u>							
Regular Capital Outlay	743,347	(225,152)	56,987	575,182	721,265	579,165	3,983
<u>Principal on Debt</u>							
Education	9,412	0	0	9,412	20,000	20,000	10,588
<b>Total Expenditures</b>	<b>\$ 25,576,207</b>	<b>\$ (302,099)</b>	<b>\$ 158,206</b>	<b>\$ 25,432,314</b>	<b>\$ 27,396,073</b>	<b>\$ 27,308,608</b>	<b>\$ 1,876,294</b>
<b>Excess (Deficiency) of Revenues</b>	<b>\$ 1,363,859</b>	<b>\$ 302,099</b>	<b>\$ (158,206)</b>	<b>\$ 1,507,752</b>	<b>\$ (379,960)</b>	<b>\$ (277,685)</b>	<b>\$ 1,785,437</b>
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 15,232	\$ 0	\$ 0	\$ 15,232	\$ 0	\$ 0	\$ 15,232
Transfers In	19,718	0	0	19,718	20,000	20,000	(282)
Transfers Out	(4,745,000)	0	0	(4,745,000)	0	(4,745,000)	0
<b>Total Other Financing Sources</b>	<b>\$ (4,710,050)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (4,710,050)</b>	<b>\$ 20,000</b>	<b>\$ (4,725,000)</b>	<b>\$ 14,950</b>
<b>Net Change in Fund Balance</b>	<b>\$ (3,346,191)</b>	<b>\$ 302,099</b>	<b>\$ (158,206)</b>	<b>\$ (3,202,298)</b>	<b>\$ (359,960)</b>	<b>\$ (5,002,685)</b>	<b>\$ 1,800,387</b>
<b>Fund Balance, July 1, 2013</b>	<b>19,779,858</b>	<b>(302,099)</b>	<b>0</b>	<b>19,477,759</b>	<b>18,361,438</b>	<b>18,361,438</b>	<b>1,116,321</b>
<b>Fund Balance, June 30, 2014</b>	<b>\$ 16,433,667</b>	<b>\$ 0</b>	<b>\$ (158,206)</b>	<b>\$ 16,275,461</b>	<b>\$ 18,001,478</b>	<b>\$ 13,358,753</b>	<b>\$ 2,916,708</b>

Exhibit J-9

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented White County School Department  
School Federal Projects Fund  
For the Year Ended June 30, 2014

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 2,987,182	\$ 3,355,776	\$ 3,363,514	\$ (376,332)
Total Revenues	<u>\$ 2,987,182</u>	<u>\$ 3,355,776</u>	<u>\$ 3,363,514</u>	<u>\$ (376,332)</u>
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,625,549	\$ 1,805,608	\$ 1,824,225	\$ 198,676
Special Education Program	630,889	694,127	690,349	59,460
Vocational Education Program	51,784	52,206	51,784	0
<u>Support Services</u>				
Other Student Support	51,375	53,246	55,168	3,793
Regular Instruction Program	307,266	337,163	332,189	24,923
Special Education Program	226,201	227,213	239,131	12,930
Vocational Education Program	84,373	102,027	92,544	8,171
Transportation	49,505	61,673	55,656	6,151
Total Expenditures	<u>\$ 3,026,942</u>	<u>\$ 3,333,263</u>	<u>\$ 3,341,046</u>	<u>\$ 314,104</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (39,760)</u>	<u>\$ 22,513</u>	<u>\$ 22,468</u>	<u>\$ (62,228)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (19,718)	\$ (22,513)	\$ (22,468)	\$ 2,750
Total Other Financing Sources	<u>\$ (19,718)</u>	<u>\$ (22,513)</u>	<u>\$ (22,468)</u>	<u>\$ 2,750</u>
Net Change in Fund Balance	\$ (59,478)	\$ 0	\$ 0	\$ (59,478)
Fund Balance, July 1, 2013	<u>559,478</u>	<u>0</u>	<u>0</u>	<u>559,478</u>
Fund Balance, June 30, 2014	<u>\$ 500,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 500,000</u>

Exhibit J-10

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented White County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 2014

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2013	Add: Encumbrances 6/30/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 479,130	\$ 0	\$ 0	479,130	\$ 550,000	\$ 550,000	\$ (70,870)
Other Local Revenues	4,996	0	0	4,996	7,000	7,000	(2,004)
State of Tennessee	23,226	0	0	23,226	23,000	23,000	226
Federal Government	1,710,123	0	0	1,710,123	1,705,000	1,705,000	5,123
Total Revenues	\$ 2,217,475	\$ 0	\$ 0	2,217,475	\$ 2,285,000	\$ 2,285,000	\$ (67,525)
<u>Expenditures</u>							
<u>Operation of Non-instructional Services</u>							
Food Service	\$ 2,115,837	\$ (22,659)	\$ 19,533	2,112,711	\$ 2,284,558	\$ 2,284,558	\$ 171,847
Total Expenditures	\$ 2,115,837	\$ (22,659)	\$ 19,533	2,112,711	\$ 2,284,558	\$ 2,284,558	\$ 171,847
Excess (Deficiency) of Revenues Over Expenditures	\$ 101,638	\$ 22,659	\$ (19,533)	104,764	\$ 442	\$ 442	\$ 104,322
Net Change in Fund Balance Fund Balance, July 1, 2013	\$ 101,638	\$ 22,659	\$ (19,533)	104,764	\$ 442	\$ 442	\$ 104,322
	786,834	(22,659)	0	764,175	755,433	755,433	8,742
Fund Balance, June 30, 2014	\$ 888,472	\$ 0	\$ (19,533)	868,939	\$ 755,875	\$ 755,875	\$ 113,064

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## MISCELLANEOUS SCHEDULES

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Exhibit K-1

White County, Tennessee  
 Schedule of Changes in Long-term Notes and Bonds  
 For the Year Ended June 30, 2014

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-13	Paid and/or Matured During Period	Outstanding 6-30-14
<b>GOVERNMENTAL ACTIVITIES:</b>							
<b>NOTES PAYABLE</b>							
Payable through General Debt Service Fund							
Industrial Development Land	\$ 1,000,000	4.15 %	6-11-08	6-1-15	\$ 285,715	\$ 142,857	\$ 142,858
Total Notes Payable					<u>\$ 285,715</u>	<u>\$ 142,857</u>	<u>\$ 142,858</u>
<b>BONDS PAYABLE</b>							
Payable through General Debt Service Fund							
Library	1,000,000	4 to 4.4	6-15-05	6-15-25	\$ 705,000	\$ 45,000	\$ 660,000
School Refunding, Series 2008	5,120,000	3.85	9-17-08	6-1-20	3,205,000	405,000	2,800,000
School/Judicial Complex Refunding, Series 2008A	8,175,000	4.24	12-2-08	6-1-20	5,125,000	645,000	4,480,000
Total Bonds Payable					<u>\$ 9,035,000</u>	<u>\$ 1,095,000</u>	<u>\$ 7,940,000</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>							
<b>NOTES PAYABLE</b>							
Payable through Solid Waste Disposal Fund							
Landfill Improvements and Vehicles Compactor	1,250,000	4.48	12-1-03	12-1-15	\$ 312,497	\$ 104,167	\$ 208,330
	378,000	4.5	6-21-05	6-21-15	75,600	37,800	37,800
Total Notes Payable					<u>\$ 388,097</u>	<u>\$ 141,967</u>	<u>\$ 246,130</u>

Exhibit K-2

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

GOVERNMENTAL ACTIVITIES:

Year Ending June 30	Notes		
	Principal	Interest	Total
2015	\$ 142,858	\$ 5,928	\$ 148,786
Total	\$ 142,858	\$ 5,928	\$ 148,786

Year Ending June 30	Bonds		
	Principal	Interest	Total
2015	\$ 1,145,000	\$ 329,123	\$ 1,474,123
2016	1,190,000	283,322	1,473,322
2017	1,240,000	235,723	1,475,723
2018	1,290,000	185,027	1,475,027
2019	1,340,000	131,390	1,471,390
2020	1,400,000	74,640	1,474,640
2021	60,000	14,520	74,520
2022	65,000	11,970	76,970
2023	65,000	9,175	74,175
2024	70,000	6,380	76,380
2025	75,000	3,300	78,300
Total	\$ 7,940,000	\$ 1,284,570	\$ 9,224,570

BUSINESS-TYPE ACTIVITIES:

Year Ending June 30	Notes		
	Principal	Interest	Total
2015	\$ 141,967	\$ 8,701	\$ 150,668
2016	104,163	2,333	106,496
Total	\$ 246,130	\$ 11,034	\$ 257,164

Exhibit K-3

White County, Tennessee  
Schedule of Notes Receivable  
For the Year Ended June 30, 2014

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-14
<u>Industrial/Economic Development Fund</u>						
Industrial Development	Jackson Kayak	\$ 250,000	12-08	12-15	2 %	\$ 56,554
"	CLS Molding	40,000	2-11	2-18	2	24,949
"	S&S Screw	90,000	9-10	9-18	2	44,428
"	CLS Molding	51,533	12-13	12-20	2	48,664
"	Jackson Kayak	75,000	3-14	3-21	2	<u>72,498</u>
Total						<u>\$ 247,093</u>

Exhibit K-4

White County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented White County School Department  
For the Year Ended June 30, 2014

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
Highway/Public Works	General	Finance Department services	\$ 11,000
"	"	Maintenance garage operations	75,000
Total Transfers Primary Government			<u>\$ 86,000</u>
<u>DISCRETELY PRESENTED WHITE COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 19,718
General Purpose School	Education Capital Projects	School renovation project	4,745,000
Total Transfers Discretely Presented White County School Department			<u>\$ 4,764,718</u>

White County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented White County School Department  
For the Year Ended June 30, 2014

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, TCA	\$ 75,804	\$ 50,000	Auto Owners Insurance Company
Road Superintendent	Section 8-24-102, TCA	72,195	100,000	"
Director of Schools	State Board of Education and White County Board of Education	98,500 (1)	50,000	"
Trustee	Section 8-24-102, TCA	65,632	972,000	"
Assessor of Property	Section 8-24-102, TCA	65,632	50,000	"
Finance Director	County Commission	65,632	50,000	"
County Clerk	Section 8-24-102, TCA	65,632	50,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, TCA	65,632	50,000	RLI Insurance Company
Clerk and Master	Section 8-24-102, TCA and Chancery Court Judge	65,632 (2)	75,000	Auto Owners Insurance Company
Register of Deeds	Section 8-24-102, TCA	65,632	25,000	"
Sheriff	Section 8-24-102, TCA	72,195 (3)	50,000	"
Employee Dishonesty Bond Coverage:				
General County and Highway Employees			150,000	Tennessee Risk Management Trust
School Department Employees			150,000	"

- (1) Includes a chief executive officer training supplement of \$3,000.
- (2) Does not include special commissioner fees of \$4,074.
- (3) Does not include a law enforcement training supplement of \$600.

White County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types  
 For the Year Ended June 30, 2014

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 3,883,358	\$ 0	\$ 0	\$ 0	\$ 0
Trustee's Collections - Prior Year	171,966	0	0	0	0
Circuit/Clerk & Master Collections - Prior Years	61,075	0	0	0	0
Interest and Penalty	30,035	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	18,456	0	0	0	0
Payments in-Lieu-of Taxes - Other	12,698	0	0	0	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	356,567	0	0	0	0
Hotel/Motel Tax	4,610	0	0	0	0
Wheel Tax	478,592	0	0	0	39,813
Litigation Tax - General	55,459	0	0	0	0
Litigation Tax - Special Purpose	38,363	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	17,978	0	0	0	0
Business Tax	154,764	0	0	0	0
Mineral Severance Tax	0	0	0	0	42,987
<u>Statutory Local Taxes</u>					
Bank Excise Tax	58,454	0	0	0	0
Wholesale Beer Tax	187,245	0	0	0	0
<b>Total Local Taxes</b>	<b>\$ 5,529,620</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 82,800</b>
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 96,295	\$ 0	\$ 0	\$ 0	\$ 0
<u>Permits</u>					
Beer Permits	3,600	0	0	0	0
<b>Total Licenses and Permits</b>	<b>\$ 99,895</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

(Continued)

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	13,873 \$	0 \$	0 \$	0 \$	0
Officers Costs	9,452	0	0	0	0
Drug Control Fines	1,235	0	31,146	0	0
Drug Court Fees	2,493	0	0	0	0
Jail Fees	348	0	0	0	0
DUI Treatment Fines	2,850	0	0	0	0
Data Entry Fee - Circuit Court	1,362	0	0	0	0
Courtroom Security Fee	4,844	0	0	0	0
<u>General Sessions Court</u>					
Fines	23,142	0	0	0	0
Fines for Littering	58	0	0	0	0
Officers Costs	35,644	0	0	0	0
Game and Fish Fines	603	0	0	0	0
Drug Control Fines	3,159	0	3,539	0	0
Drug Court Fees	2,527	0	0	0	0
Jail Fees	5,479	0	0	0	0
DUI Treatment Fines	4,200	0	0	0	0
Data Entry Fee - General Sessions Court	9,458	0	0	0	0
Courtroom Security Fee	27,719	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	2,917	0	0	0	0
Data Entry Fee - Chancery Court	2,594	0	0	0	0
Courtroom Security Fee	3,278	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	13,578	0	50,243	0	0

(Continued)

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>Other Fines, Forfeitures, and Penalties (Cont.)</u>					
Other Fines, Forfeitures, and Penalties	\$ 2,130	\$ 0	\$ 0	\$ 0	\$ 0
Total Fines, Forfeitures, and Penalties	\$ 172,943	\$ 0	\$ 84,928	\$ 0	\$ 0
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Patient Charges	\$ 1,576,440	\$ 0	\$ 0	\$ 0	\$ 0
Other General Service Charges	735	0	0	0	0
Service Charges	81,236	0	0	0	0
<u>Fees</u>					
Library Fees	2,073	0	0	0	0
Telephone Commissions	49,095	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	1,284	0
Data Processing Fee - Register	8,018	0	0	0	0
Probation Fees	2,805	0	0	0	0
Data Processing Fee - Sheriff	2,958	0	0	0	0
Sexual Offender Registration Fees - Sheriff	3,200	0	0	0	0
Data Processing Fee - County Clerk	2,645	0	0	0	0
Total Charges for Current Services	\$ 1,729,205	\$ 0	\$ 0	\$ 1,284	\$ 0
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 3,506	\$ 0	\$ 0	\$ 0
Lease/Rentals	4,800	0	0	0	0
Commissary Sales	61,661	0	0	0	0
Sale of Maps	93	0	0	0	0

(Continued)

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>Other Local Revenues (Cont.)</u>					
<u>Recurring Items (Cont.)</u>					
Sale of Recycled Materials	\$ 634	\$ 0	\$ 0	\$ 0	\$ 34,032
Sale of Animals/Livestock	6,860	0	0	0	0
Miscellaneous Refunds	34,614	0	1,709	0	6,868
<u>Nonrecurring Items</u>					
Sale of Equipment	13,534	0	0	0	85,789
Damages Recovered from Individuals	1,560	0	0	0	0
Contributions and Gifts	3,156	0	50	0	0
<u>Other Local Revenues</u>					
Other Local Revenues	0	500	0	0	0
Total Other Local Revenues	\$ 126,912	\$ 4,006	\$ 1,759	\$ 0	\$ 126,689
<u>Fees Received from County Officials</u>					
<u>Fees in-Lieu-of Salary</u>					
County Clerk	\$ 230,964	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	86,134	0	0	0	0
General Sessions Court Clerk	160,114	0	0	0	0
Clerk and Master	80,623	0	0	0	0
Register	87,657	0	0	0	0
Sheriff	22,529	0	0	0	0
Trustee	307,990	0	0	0	0
Total Fees Received from County Officials	\$ 976,011	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>					
General Government Grants	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0
Juvenile Services Program					

(Continued)

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>State of Tennessee (Cont.)</u>					
<u>Public Safety Grants</u>					
Law Enforcement Training Programs		0 \$	0 \$	0 \$	0
Drug Control Grants	15,600 \$	0	0	0	0
44,361					
<u>Health and Welfare Grants</u>					
Health Department Programs	73,478	0	0	0	0
<u>Public Works Grants</u>					
State Aid Program	0	0	0	0	168,107
Litter Program	36,225	0	0	0	0
<u>Other State Revenues</u>					
Income Tax	52,814	0	0	0	0
Beer Tax	17,806	0	0	0	0
Vehicle Certificate of Title Fees	1,915	0	0	0	0
Alcoholic Beverage Tax	48,686	0	0	0	0
State Revenue Sharing - T.V.A.	300,179	0	0	0	0
Contracted Prisoner Boarding	1,198,244	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	1,591,580
Petroleum Special Tax	0	0	0	0	18,645
Registrar's Salary Supplement	15,164	0	0	0	0
Other State Grants	50	0	0	0	0
Other State Revenues	33,562	0	0	0	0
<u>Total State of Tennessee</u>	<u>1,847,084 \$</u>	<u>0 \$</u>	<u>0 \$</u>	<u>0 \$</u>	<u>1,778,332</u>
<u>Federal Government</u>					
<u>Federal Through State</u>					
Law Enforcement Grants	25,413 \$	0 \$	0 \$	0 \$	0
Other Federal through State	12,415	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>Federal Government (Cont.)</u>					
<u>Direct Federal Revenue</u>					
Other Direct Federal Revenue	\$ 8,400 \$	0 \$	0 \$	0 \$	0
Total Federal Government	\$ 46,228 \$	0 \$	0 \$	0 \$	0
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 16,555 \$	0 \$	0 \$	0 \$	0
Contributions	6,000	0	0	0	0
Contracted Services	46,579	0	0	0	0
<u>Citizens Groups</u>					
Donations	3,437	0	0	0	0
Total Other Governments and Citizens Groups	\$ 72,571 \$	0 \$	0 \$	0 \$	0
Total	\$ 10,600,469 \$	4,006 \$	86,687 \$	1,284 \$	1,987,821

(Continued)

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

	Debt Service Fund	Total
	General	Debt
	Service	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	313,804 \$	4,197,162
Trustee's Collections - Prior Year	13,896	185,862
Circuit/Clerk & Master Collections - Prior Years	4,943	66,018
Interest and Penalty	2,426	32,461
Payments in-Lieu-of Taxes - T.V.A.	1,491	19,947
Payments in-Lieu-of Taxes - Other	1,026	13,724
<u>County Local Option Taxes</u>		
Local Option Sales Tax	905,991	1,262,558
Hotel/Motel Tax	4,610	9,220
Wheel Tax	0	518,405
Litigation Tax - General	0	55,459
Litigation Tax - Special Purpose	0	38,363
Litigation Tax - Jail, Workhouse, or Courthouse	0	17,978
Business Tax	0	154,764
Mineral Severance Tax	0	42,987
<u>Statutory Local Taxes</u>		
Bank Excise Tax	4,724	63,178
Wholesale Beer Tax	0	187,245
<u>Total Local Taxes</u>	1,252,911 \$	6,865,331
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Cable TV Franchise	0 \$	96,295
<u>Permits</u>		
Beer Permits	0	3,600
<u>Total Licenses and Permits</u>	0 \$	99,895

(Continued)

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

	Debt Service Fund	Total
	General Debt Service	
<u>Fines, Forfeitures, and Penalties</u>		
<u>Circuit Court</u>		
Fines	0 \$	13,873
Officers Costs	0	9,452
Drug Control Fines	0	32,381
Drug Court Fees	0	2,493
Jail Fees	0	348
DUI Treatment Fines	0	2,850
Data Entry Fee - Circuit Court	0	1,362
Courtroom Security Fee	0	4,844
<u>General Sessions Court</u>		
Fines	0	23,142
Fines for Littering	0	58
Officers Costs	0	35,644
Game and Fish Fines	0	603
Drug Control Fines	0	6,698
Drug Court Fees	0	2,527
Jail Fees	0	5,479
DUI Treatment Fines	0	4,200
Data Entry Fee - General Sessions Court	0	9,458
Courtroom Security Fee	0	27,719
<u>Chancery Court</u>		
Officers Costs	0	2,917
Data Entry Fee - Chancery Court	0	2,594
Courtroom Security Fee	0	3,278
<u>Other Fines, Forfeitures, and Penalties</u>		
Proceeds from Confiscated Property	0	63,821

(Continued)

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

	Debt Service Fund	Total
	General Debt Service	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>		
<u>Other Fines, Forfeitures, and Penalties (Cont.)</u>		
Other Fines, Forfeitures, and Penalties	0 \$	2,130
Total Fines, Forfeitures, and Penalties	0 \$	257,871
<u>Charges for Current Services</u>		
<u>General Service Charges</u>		
Patient Charges	0 \$	1,576,440
Other General Service Charges	0	735
Service Charges	0	81,236
<u>Fees</u>		
Library Fees	0	2,073
Telephone Commissions	0	49,095
Constitutional Officers' Fees and Commissions	0	1,284
Data Processing Fee - Register	0	8,018
Probation Fees	0	2,805
Data Processing Fee - Sheriff	0	2,958
Sexual Offender Registration Fees - Sheriff	0	3,200
Data Processing Fee - County Clerk	0	2,645
Total Charges for Current Services	0 \$	1,730,489
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	80,499 \$	84,005
Lease/Rentals	0	4,800
Commissary Sales	0	61,661
Sale of Maps	0	93

(Continued)

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

	Debt Service Fund	Total
	General Debt Service	
<u>Other Local Revenues (Cont.)</u>		
<u>Recurring Items (Cont.)</u>		
Sale of Recycled Materials	0 \$	34,666
Sale of Animals/Livestock	0	6,860
Miscellaneous Refunds	0	43,191
<u>Nonrecurring Items</u>		
Sale of Equipment	0	99,323
Damages Recovered from Individuals	0	1,560
Contributions and Gifts	0	3,206
<u>Other Local Revenues</u>		
Other Local Revenues	0	500
<u>Total Other Local Revenues</u>	<u>80,499 \$</u>	<u>339,865</u>
<u>Fees Received from County Officials</u>		
<u>Fees in-Lieu-of Salary</u>		
County Clerk	0 \$	230,964
Circuit Court Clerk	0	86,134
General Sessions Court Clerk	0	160,114
Clerk and Master	0	80,623
Register	0	87,657
Sheriff	0	22,529
Trustee	0	307,990
<u>Total Fees Received from County Officials</u>	<u>0 \$</u>	<u>976,011</u>
<u>State of Tennessee</u>		
<u>General Government Grants</u>		
Juvenile Services Program	0 \$	9,000

(Continued)

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

	Debt Service Fund	General Debt Service	Total
<u>State of Tennessee (Cont.)</u>			
<u>Public Safety Grants</u>			
Law Enforcement Training Programs	0 \$		15,600
Drug Control Grants	0		44,361
<u>Health and Welfare Grants</u>			
Health Department Programs	0		73,478
<u>Public Works Grants</u>			
State Aid Program	0		168,107
Litter Program	0		36,225
<u>Other State Revenues</u>			
Income Tax	0		52,814
Beer Tax	0		17,806
Vehicle Certificate of Title Fees	0		1,915
Alcoholic Beverage Tax	0		48,686
State Revenue Sharing - T.V.A.	24,257		324,436
Contracted Prisoner Boarding	0		1,198,244
Gasoline and Motor Fuel Tax	0		1,591,580
Petroleum Special Tax	0		18,645
Registrar's Salary Supplement	0		15,164
Other State Grants	0		50
Other State Revenues	0		33,562
Total State of Tennessee	<u>24,257 \$</u>		<u>3,649,673</u>
<u>Federal Government</u>			
<u>Federal Through State</u>			
Law Enforcement Grants	0 \$		25,413
Other Federal through State	0		12,415

(Continued)

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

	Debt Service Fund	Total
	General Debt Service	
<u>Federal Government (Cont.)</u>		
Direct Federal Revenue		
Other Direct Federal Revenue	0 \$	8,400
Total Federal Government	0 \$	46,228
<u>Other Governments and Citizens Groups</u>		
Other Governments		
Prisoner Board	0 \$	16,555
Contributions	59,413	65,413
Contracted Services	0	46,579
Citizens Groups		
Donations	0	3,437
Total Other Governments and Citizens Groups	59,413 \$	131,984
Total	1,417,080 \$	14,097,347

Exhibit K-7

White County, Tennessee  
 Schedule of Detailed Revenues -  
 All Governmental Fund Types  
 Discretely Presented White County School Department  
 For the Year Ended June 30, 2014

	General Purpose School	Special Revenue Funds			Total
		School Federal Projects	Central Cafeteria		
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 3,059,616	\$ 0	\$ 0	\$ 0	\$ 3,059,616
Trustee's Collections - Prior Year	135,488	0	0	0	135,488
Circuit/Clerk & Master Collections - Prior Years	48,131	0	0	0	48,131
Interest and Penalty	23,661	0	0	0	23,661
Payments in-Lieu-of Taxes - T.V.A.	14,541	0	0	0	14,541
Payments in-Lieu-of Taxes - Other	10,005	0	0	0	10,005
<u>County Local Option Taxes</u>					
Local Option Sales Tax	1,455,442	0	0	0	1,455,442
Wheel Tax	269,567	0	0	0	269,567
Mixed Drink Tax	881	0	0	0	881
<u>Statutory Local Taxes</u>					
Bank Excise Tax	46,055	0	0	0	46,055
Interstate Telecommunications Tax	4,695	0	0	0	4,695
Total Local Taxes	\$ 5,068,082	\$ 0	\$ 0	\$ 0	\$ 5,068,082
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	2,080	0	0	0	2,080
<u>Permits</u>					
Other Permits	279	0	0	0	279
Total Licenses and Permits	\$ 2,359	\$ 0	\$ 0	\$ 0	\$ 2,359

(Continued)

Exhibit K-7

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

	General Purpose School	Special Revenue Funds			Total
		School Federal Projects	Central Cafeteria		
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Lunch Payments - Children	\$ 0 \$	0 \$	224,242 \$		224,242
Lunch Payments - Adults	0	0	42,744		42,744
Income from Breakfast	0	0	31,009		31,009
A la carte Sales	0	0	181,135		181,135
Receipts from Individual Schools	63,536	0	0		63,536
Total Charges for Current Services	\$ 63,536 \$	0 \$	479,130 \$		542,666
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	0 \$	0 \$	1,393 \$		1,393
Lease/Rentals	31,680	0	0		31,680
Refund of Telecommunication & Internet Fees (E-Rate)	17,530	0	0		17,530
Miscellaneous Refunds	10,025	0	3,603		13,628
<u>Nonrecurring Items</u>					
Sale of Equipment	16,425	0	0		16,425
Damages Recovered from Individuals	127	0	0		127
<u>Other Local Revenues</u>					
Other Local Revenues	9,812	0	0		9,812
Total Other Local Revenues	\$ 85,599 \$	0 \$	4,996 \$		90,595
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 157,535 \$	0 \$	0 \$		157,535

(Continued)

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

	General Purpose School	Special Revenue Funds			Total
		School Federal Projects	Central Cafeteria		
<u>State of Tennessee (Cont.)</u>					
<u>State Education Funds</u>					
Basic Education Program	20,115,000 \$	0 \$	0 \$	0 \$	20,115,000
Early Childhood Education	408,616	0	0	0	408,616
School Food Service	0	0	23,226	0	23,226
Energy Efficient School Initiative	11,990	0	0	0	11,990
Driver Education	675	0	0	0	675
Other State Education Funds	498,200	0	0	0	498,200
Career Ladder Program	126,435	0	0	0	126,435
Career Ladder - Extended Contract	48,670	0	0	0	48,670
<u>Other State Revenues</u>					
State Revenue Sharing - T.V.A.	236,505	0	0	0	236,505
Other State Grants	4,250	0	0	0	4,250
Total State of Tennessee	\$ 21,607,876 \$	0 \$	23,226 \$	0	21,631,102
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	0 \$	0 \$	1,130,132 \$	0	1,130,132
USDA - Commodities	0	0	165,038	0	165,038
Breakfast	0	0	383,067	0	383,067
USDA - Other	0	0	31,886	0	31,886
Adult Education State Grant Program	5,429	0	0	0	5,429
Vocational Education - Basic Grants to States	0	62,243	0	0	62,243
Other Vocational	0	84,074	0	0	84,074
Title I Grants to Local Education Agencies	0	1,252,678	0	0	1,252,678
Special Education - Grants to States	30,262	835,827	0	0	866,089

(Continued)

Exhibit K-7

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

	General Purpose School	Special Revenue Funds			Total
		School Federal Projects	Central Cafeteria		
Federal Government (Cont.)					
<u>Federal Through State (Cont.)</u>					
Special Education Preschool Grants	\$ 0 \$	18,299 \$	0 \$	0 \$	18,299
Rural Education	0	73,648	0	0	73,648
Eisenhower Professional Development State Grants	0	169,385	0	0	169,385
Job Training Partnership Act	11,000	0	0	0	11,000
Race-to-the-Top - ARRA	0	158,303	0	0	158,303
Other Federal through State	0	332,725	0	0	332,725
Direct Federal Revenue	58,169	0	0	0	58,169
ROTC Reimbursement	104,860 \$	2,987,182 \$	1,710,123 \$		4,802,165
Total Federal Government					
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	7,754 \$	0 \$	0 \$	0 \$	7,754
Total Other Governments and Citizens Groups	7,754 \$	0 \$	0 \$	0 \$	7,754
Total	26,940,066 \$	2,987,182 \$	2,217,475 \$		32,144,723

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2014

General FundGeneral GovernmentCounty Commission

Board and Committee Members Fees	\$	33,600	
Other Per Diem and Fees		1,200	
Social Security		2,158	
State Retirement		36	
Employer Medicare		505	
Advertising		975	
Audit Services		7,752	
Dues and Memberships		3,710	
Travel		1,340	
Other Supplies and Materials		1,927	
In Service/Staff Development		315	
Total County Commission			\$ 53,518

County Mayor/Executive

County Official/Administrative Officer	\$	75,804	
Assistant(s)		32,224	
Social Security		6,504	
State Retirement		4,503	
Medical Insurance		1,659	
Employer Medicare		1,521	
Communication		1,971	
Dues and Memberships		1,854	
Maintenance Agreements		4,620	
Postal Charges		1,313	
Travel		6,107	
Office Supplies		2,778	
Office Equipment		1,116	
Total County Mayor/Executive			141,974

County Attorney

Legal Services	\$	21,750	
Total County Attorney			21,750

Election Commission

County Official/Administrative Officer	\$	59,068	
Assistant(s)		31,163	
Election Commission		5,475	
Election Workers		22,540	
Social Security		6,379	
State Retirement		5,351	
Medical Insurance		3,318	
Employer Medicare		1,492	
Communication		1,666	
Dues and Memberships		280	
Legal Notices, Recording, and Court Costs		7,851	
Maintenance and Repair Services - Office Equipment		2,416	
Postal Charges		1,905	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Travel	\$	3,042	
Office Supplies		1,358	
Other Supplies and Materials		1,803	
Data Processing Equipment		28,731	
Furniture and Fixtures		213	
Total Election Commission			\$ 184,051

Register of Deeds

County Official/Administrative Officer	\$	65,632	
Assistant(s)		32,705	
Deputy(ies)		31,163	
Social Security		8,015	
State Retirement		7,372	
Employer Medicare		1,875	
Communication		796	
Dues and Memberships		593	
Maintenance and Repair Services - Office Equipment		18,744	
Postal Charges		100	
Travel		1,583	
Office Supplies		6,212	
Total Register of Deeds			174,790

Development

Contracts with Government Agencies	\$	25,000	
Total Development			25,000

County Buildings

Custodial Personnel	\$	49,691	
Other Salaries and Wages		6,844	
Social Security		3,462	
State Retirement		2,128	
Medical Insurance		32,336	
Employer Medicare		810	
Communication		952	
Maintenance and Repair Services - Buildings		92,207	
Maintenance and Repair Services - Equipment		36,093	
Rentals		7,800	
Custodial Supplies		14,737	
Utilities		83,615	
Other Supplies and Materials		6,677	
Building and Contents Insurance		170,735	
Workers' Compensation Insurance		77,415	
Building Improvements		38,304	
Total County Buildings			623,806

Other General Administration

Building Improvements	\$	9,750	
Total Other General Administration			9,750

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Preservation of Records

Supervisor/Director	\$	30,097	
Other Salaries and Wages		8,570	
Social Security		2,388	
State Retirement		1,129	
Employer Medicare		558	
Communication		2,722	
Other Supplies and Materials		7,093	
Total Preservation of Records			\$ 52,557

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	65,632	
Assistant(s)		62,680	
Social Security		7,839	
State Retirement		7,609	
Medical Insurance		4,978	
Employer Medicare		1,833	
Advertising		2,414	
Communication		3,884	
Data Processing Services		92,129	
Dues and Memberships		755	
Postal Charges		4,569	
Travel		306	
Other Contracted Services		3,316	
Office Supplies		9,909	
In Service/Staff Development		828	
Data Processing Equipment		19,288	
Furniture and Fixtures		10,592	
Office Equipment		1,625	
Total Accounting and Budgeting			300,186

Property Assessor's Office

County Official/Administrative Officer	\$	65,632	
Assistant(s)		56,093	
Deputy(ies)		31,163	
Part-time Personnel		3,357	
Board and Committee Members Fees		2,160	
Social Security		9,430	
State Retirement		9,086	
Medical Insurance		3,318	
Employer Medicare		2,205	
Communication		1,347	
Data Processing Services		9,378	
Dues and Memberships		1,400	
Postal Charges		1,498	
Travel		494	
Other Contracted Services		5,084	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Gasoline	\$	1,484	
Office Supplies		2,223	
In Service/Staff Development		1,330	
Furniture and Fixtures		3,709	
Office Equipment		115	
Total Property Assessor's Office			\$ 210,506

Reappraisal Program

Secretary(ies)	\$	22,849	
Social Security		1,417	
State Retirement		5	
Employer Medicare		331	
Data Processing Services		4,013	
Total Reappraisal Program			28,615

County Trustee's Office

County Official/Administrative Officer	\$	65,632	
Assistant(s)		27,517	
Deputy(ies)		31,163	
Part-time Personnel		3,139	
Social Security		7,827	
State Retirement		7,446	
Medical Insurance		1,659	
Employer Medicare		1,831	
Advertising		76	
Communication		1,106	
Dues and Memberships		613	
Postal Charges		6,999	
Travel		1,430	
Other Contracted Services		4,238	
Office Supplies		1,542	
Data Processing Equipment		9,096	
Furniture and Fixtures		1,490	
Total County Trustee's Office			172,804

County Clerk's Office

County Official/Administrative Officer	\$	65,632	
Assistant(s)		81,248	
Deputy(ies)		31,163	
Part-time Personnel		3,380	
Social Security		11,036	
State Retirement		10,506	
Medical Insurance		5,369	
Employer Medicare		2,581	
Communication		2,179	
Dues and Memberships		478	
Postal Charges		6,349	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Office Supplies	\$	2,851	
Other Supplies and Materials		6,183	
Data Processing Equipment		16,263	
Total County Clerk's Office			\$ 245,218

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	65,632	
Assistant(s)		137,585	
Deputy(ies)		31,163	
Social Security		14,042	
State Retirement		13,899	
Medical Insurance		8,876	
Employer Medicare		3,284	
Communication		4,976	
Dues and Memberships		688	
Maintenance and Repair Services - Office Equipment		5,278	
Postal Charges		2,429	
Travel		455	
Remittance of Revenue Collected		25,054	
Office Supplies		10,916	
Data Processing Equipment		11,550	
Office Equipment		3,525	
Total Circuit Court			339,352

General Sessions Court

Judge(s)	\$	148,601	
Secretary(ies)		33,942	
Social Security		9,251	
State Retirement		10,825	
Employer Medicare		2,645	
Communication		2,794	
Dues and Memberships		470	
Travel		941	
Office Supplies		1,821	
Total General Sessions Court			211,290

Drug Court

Other Salaries and Wages	\$	7,152	
Social Security		443	
State Retirement		424	
Employer Medicare		104	
Contracts with Government Agencies		44,361	
Other Supplies and Materials		295	
Total Drug Court			52,779

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court

County Official/Administrative Officer	\$	65,632	
Deputy(ies)		31,163	
Part-time Personnel		11,437	
Social Security		6,710	
State Retirement		5,745	
Employer Medicare		1,569	
Communication		1,042	
Dues and Memberships		588	
Legal Notices, Recording, and Court Costs		2,007	
Postal Charges		7,495	
Other Contracted Services		120	
Office Supplies		3,798	
Premiums on Corporate Surety Bonds		1,760	
Data Processing Equipment		9,940	
Office Equipment		4,004	
Total Chancery Court			\$ 153,010

Judicial Commissioners

Other Salaries and Wages	\$	44,578	
Social Security		2,720	
State Retirement		10	
Medical Insurance		1,659	
Employer Medicare		636	
Communication		93	
Other Supplies and Materials		735	
Total Judicial Commissioners			50,431

Other Administration of Justice

Jury and Witness Expense	\$	7,551	
Other Contracted Services		3,367	
Other Charges		421	
Total Other Administration of Justice			11,339

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	72,195	
Supervisor/Director		43,138	
Deputy(ies)		410,547	
Detective(s)		204,838	
Captain(s)		76,254	
Lieutenant(s)		35,016	
Sergeant(s)		247,376	
Secretary(ies)		29,650	
Overtime Pay		1,033	
Other Salaries and Wages		23,077	
Social Security		69,564	
State Retirement		63,505	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Medical Insurance	\$	36,981	
Employer Medicare		16,269	
Dues and Memberships		2,230	
Maintenance and Repair Services - Vehicles		10,816	
Towing Services		900	
Travel		1,057	
Other Contracted Services		27,323	
Diesel Fuel		249	
Gasoline		128,973	
Uniforms		9,217	
Other Supplies and Materials		12,257	
In Service/Staff Development		5,971	
Other Charges		1,170	
Law Enforcement Equipment		13,800	
Motor Vehicles		51,417	
Total Sheriff's Department			\$ 1,594,823

Special Patrols

Supervisor/Director	\$	40,154	
Social Security		2,490	
State Retirement		2,381	
Employer Medicare		582	
Communication		1,144	
Other Contracted Services		1,500	
Gasoline		1,534	
Office Supplies		142	
In Service/Staff Development		100	
Data Processing Equipment		850	
Total Special Patrols			50,877

Traffic Control

Overtime Pay	\$	8,495	
Social Security		525	
State Retirement		504	
Employer Medicare		123	
Law Enforcement Equipment		19,280	
Total Traffic Control			28,927

Jail

Supervisor/Director	\$	37,541	
Captain(s)		33,326	
Lieutenant(s)		107,015	
Sergeant(s)		146,740	
Guards		513,872	
Secretary(ies)		29,650	
Clerical Personnel		24,015	
Part-time Personnel		2,733	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Other Salaries and Wages	\$	18,180	
Social Security		55,554	
State Retirement		53,997	
Medical Insurance		28,291	
Employer Medicare		12,992	
Communication		17,926	
Contracts with Other Public Agencies		1,130	
Medical and Dental Services		349,316	
Travel		816	
Other Contracted Services		4,507	
Custodial Supplies		34,831	
Food Preparation Supplies		5,279	
Food Supplies		187,459	
Uniforms		6,151	
Utilities		192,987	
Other Supplies and Materials		30,917	
In Service/Staff Development		1,663	
Data Processing Equipment		20,950	
Law Enforcement Equipment		4,728	
Other Equipment		25,492	
Total Jail			\$ 1,948,058

Juvenile Services

Youth Service Officer(s)	\$	43,476	
Social Security		2,684	
State Retirement		2,578	
Employer Medicare		628	
Communication		564	
Travel		2,600	
Office Supplies		285	
Total Juvenile Services			52,815

Fire Prevention and Control

Contracts with Government Agencies	\$	29,510	
Contributions		133,852	
Liability Insurance		49,849	
Refunds		1,670	
Total Fire Prevention and Control			214,881

Civil Defense

Communication	\$	430	
Diesel Fuel		194	
Gasoline		3,591	
Other Supplies and Materials		7,276	
Total Civil Defense			11,491

(Continued)

Exhibit K-8

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

<u>General Fund (Cont.)</u>		
<u>Public Safety (Cont.)</u>		
<u>Rescue Squad</u>		
Contributions	\$ 16,273	
Total Rescue Squad		\$ 16,273
<u>County Coroner/Medical Examiner</u>		
Other Contracted Services	\$ 45,880	
In Service/Staff Development	1,362	
Total County Coroner/Medical Examiner		47,242
<u>Other Public Safety</u>		
Contracts with Other Public Agencies	\$ 100,000	
Road Signs	3,336	
Other Capital Outlay	27,000	
Total Other Public Safety		130,336
<u>Public Health and Welfare</u>		
<u>Local Health Center</u>		
Other Salaries and Wages	\$ 58,939	
Social Security	3,598	
State Retirement	1,686	
Medical Insurance	1,659	
Employer Medicare	841	
Communication	4,285	
Contracts with Government Agencies	39,080	
Maintenance and Repair Services - Buildings	12,937	
Travel	3,156	
Instructional Supplies and Materials	3,599	
Utilities	12,658	
Other Supplies and Materials	2,456	
Other Charges	8,632	
Total Local Health Center		153,526
<u>Rabies and Animal Control</u>		
Supervisor/Director	\$ 25,096	
Other Salaries and Wages	15,022	
Social Security	2,448	
State Retirement	2,379	
Medical Insurance	1,659	
Employer Medicare	573	
Communication	1,763	
Licenses	110	
Veterinary Services	2,284	
Other Contracted Services	658	
Drugs and Medical Supplies	1,410	
Gasoline	4,535	
Office Supplies	107	
Other Supplies and Materials	4,013	
Motor Vehicles	3,000	
Other Construction	2,231	
Total Rabies and Animal Control		67,288

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services

Supervisor/Director	\$	52,491	
Paraprofessionals		715,657	
Custodial Personnel		13,886	
Part-time Personnel		41,247	
Overtime Pay		29,816	
Other Salaries and Wages		38,872	
Social Security		54,768	
State Retirement		49,690	
Medical Insurance		12,127	
Employer Medicare		12,809	
Communication		4,085	
Dues and Memberships		2,570	
Laundry Service		4,257	
Maintenance and Repair Services - Buildings		4,269	
Maintenance and Repair Services - Office Equipment		3,306	
Maintenance and Repair Services - Vehicles		20,908	
Postal Charges		40	
Tuition		11,825	
Other Contracted Services		5,899	
Diesel Fuel		58,033	
Drugs and Medical Supplies		82,914	
Gasoline		1,492	
Office Supplies		1,254	
Uniforms		8,062	
Utilities		8,516	
In Service/Staff Development		5,122	
Motor Vehicles		74,015	
Other Equipment		54,705	
Total Ambulance/Emergency Medical Services			\$ 1,372,635

General Welfare Assistance

Pauper Burials	\$	11,965	
Total General Welfare Assistance			11,965

Sanitation Education/Information

Other Salaries and Wages	\$	26,324	
Other Per Diem and Fees		1,500	
Rentals		900	
Instructional Supplies and Materials		7,296	
Other Supplies and Materials		292	
Total Sanitation Education/Information			36,312

Waste Pickup

Other Salaries and Wages	\$	37,523	
Social Security		4,001	
State Retirement		1,889	
Medical Insurance		571	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Waste Pickup (Cont.)

Employer Medicare	\$	936	
Communication		278	
Travel		4,061	
Gasoline		19,077	
Other Supplies and Materials		1,506	
Total Waste Pickup			\$ 69,842

Landfill Operation and Maintenance

Life Insurance	\$	235	
Medical Insurance		15,178	
Total Landfill Operation and Maintenance			15,413

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	39,000	
Total Senior Citizens Assistance			39,000

Libraries

Supervisor/Director	\$	42,748	
Librarians		28,108	
Clerical Personnel		30,587	
Part-time Personnel		27,843	
Social Security		7,979	
State Retirement		6,019	
Medical Insurance		1,661	
Employer Medicare		1,866	
Communication		6,410	
Janitorial Services		4,053	
Maintenance Agreements		5,205	
Postal Charges		700	
Other Contracted Services		742	
Library Books/Media		12,737	
Office Supplies		1,606	
Utilities		21,205	
In Service/Staff Development		685	
Building Improvements		995	
Data Processing Equipment		4,021	
Total Libraries			205,170

Parks and Fair Boards

Contributions	\$	5,000	
Other Contracted Services		32,759	
Other Supplies and Materials		6,797	
Other Construction		28,005	
Total Parks and Fair Boards			72,561

(Continued)

Exhibit K-8

White 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

Library Books/Media	\$ 1,862	
Total Other Social, Cultural, and Recreational		\$ 1,862

Agriculture and Natural Resources

Agriculture Extension Service

Salary Supplements	\$ 61,242	
Other Fringe Benefits	14,333	
Communication	2,757	
Contributions	2,500	
Maintenance Agreements	3,500	
Utilities	4,071	
Data Processing Equipment	5,824	
Office Equipment	1,772	
Total Agriculture Extension Service		95,999

Forest Service

Other Contracted Services	\$ 2,000	
Total Forest Service		2,000

Soil Conservation

Secretary(ies)	\$ 19,389	
Social Security	1,172	
State Retirement	1,150	
Medical Insurance	1,659	
Employer Medicare	274	
Contributions	500	
Total Soil Conservation		24,144

Other Operations

Tourism

Other Charges	\$ 6,000	
Total Tourism		6,000

Industrial Development

Contributions	\$ 38,000	
Legal Services	500	
Other Contracted Services	13,078	
Other Supplies and Materials	188	
Other Charges	3,242	
Land	400	
Total Industrial Development		55,408

Airport

Maintenance Agreements	\$ 28,000	
Total Airport		28,000

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services

Supervisor/Director	\$	27,045	
Part-time Personnel		6,800	
Social Security		2,098	
State Retirement		1,604	
Employer Medicare		491	
Advertising		490	
Communication		2,153	
Contributions		8,000	
Postal Charges		296	
Travel		621	
Other Contracted Services		994	
Office Supplies		749	
Data Processing Equipment		1,500	
Total Veterans' Services			\$ 52,841

Other Charges

Supervisor/Director	\$	43,181	
Mechanic(s)		90,953	
Clerical Personnel		23,648	
Social Security		9,599	
State Retirement		9,356	
Medical Insurance		3,827	
Employer Medicare		2,245	
Communication		1,625	
Other Contracted Services		2,100	
Diesel Fuel		1,349	
Equipment Parts - Heavy		89,589	
Garage Supplies		6,687	
Gasoline		5,625	
Lubricants		6,890	
Office Supplies		989	
Small Tools		736	
Tires and Tubes		27,467	
Utilities		11,075	
Motor Vehicles		3,000	
Other Equipment		3,584	
Total Other Charges			343,525

Contributions to Other Agencies

Contributions	\$	37,188	
Total Contributions to Other Agencies			37,188

Employee Benefits

Life Insurance	\$	4,608	
Medical Insurance		11,826	
Unemployment Compensation		3,096	
Total Employee Benefits			19,530

(Continued)

Exhibit K-8

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

<u>General Fund (Cont.)</u>			
<u>Other Operations (Cont.)</u>			
<u>Miscellaneous</u>			
Trustee's Commission	\$	120,427	
Total Miscellaneous			\$ 120,427
Total General Fund			\$ 9,989,085
<u>Drug Control Fund</u>			
<u>Public Safety</u>			
<u>Drug Enforcement</u>			
Confidential Drug Enforcement Payments	\$	5,000	
Other Supplies and Materials		6,779	
Law Enforcement Equipment		50	
Total Drug Enforcement			\$ 11,829
<u>Other Operations</u>			
<u>Miscellaneous</u>			
Trustee's Commission	\$	722	
Total Miscellaneous			722
Total Drug Control Fund			12,551
<u>Constitutional Officers - Fees Fund</u>			
<u>General Government</u>			
<u>Other General Administration</u>			
Constitutional Officers' Operating Expenses	\$	1,284	
Total Other General Administration			\$ 1,284
Total Constitutional Officers - Fees Fund			1,284
<u>Highway/Public Works Fund</u>			
<u>Highways</u>			
<u>Administration</u>			
County Official/Administrative Officer	\$	72,195	
Accountants/Bookkeepers		28,708	
Other Salaries and Wages		26,697	
Social Security		7,868	
State Retirement		7,534	
Medical Insurance		1,596	
Employer Medicare		1,840	
Communication		5,098	
Dues and Memberships		2,595	
Maintenance and Repair Services - Office Equipment		90	
Postal Charges		76	
Office Supplies		664	
Utilities		4,712	
Other Charges		269	
Total Administration			\$ 159,942

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance

Foremen	\$	48,984	
Equipment Operators - Heavy		91,888	
Equipment Operators - Light		421,688	
Part-time Personnel		3,287	
Overtime Pay		17,681	
Social Security		35,306	
State Retirement		34,407	
Medical Insurance		36,394	
Employer Medicare		8,257	
Other Contracted Services		10,305	
Asphalt - Hot Mix		255,781	
Asphalt - Liquid		18,271	
Concrete		860	
General Construction Materials		2,235	
Pipe - Metal		666	
Road Signs		2,362	
Salt		10,902	
Gravel and Chert		41,367	
Other Supplies and Materials		4,591	
Total Highway and Bridge Maintenance			\$ 1,045,232

Operation and Maintenance of Equipment

Maintenance and Repair Services - Equipment	\$	21,450	
Maintenance and Repair Services - Vehicles		4,262	
Diesel Fuel		76,079	
Gasoline		37,672	
Lubricants		3,757	
Total Operation and Maintenance of Equipment			143,220

Other Charges

Building and Contents Insurance	\$	42,000	
Trustee's Commission		16,806	
Workers' Compensation Insurance		38,000	
Total Other Charges			96,806

Employee Benefits

Life Insurance	\$	722	
Medical Insurance		1,976	
Unemployment Compensation		6,600	
Total Employee Benefits			9,298

Capital Outlay

Bridge Construction	\$	27,320	
Highway Equipment		118,704	
State Aid Projects		214,183	
Total Capital Outlay			360,207

Total Highway/Public Works Fund \$ 1,814,705

(Continued)

Exhibit K-8

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

<u>General Debt Service Fund</u>		
<u>Principal on Debt</u>		
<u>General Government</u>		
Principal on Bonds	\$ 499,200	
Principal on Notes	<u>142,857</u>	
Total General Government		\$ 642,057
<u>Education</u>		
Principal on Bonds	\$ <u>595,800</u>	
Total Education		595,800
<u>Interest on Debt</u>		
<u>General Government</u>		
Interest on Bonds	\$ 179,575	
Interest on Notes	<u>11,856</u>	
Total General Government		191,431
<u>Education</u>		
Interest on Bonds	\$ <u>191,322</u>	
Total Education		191,322
<u>Other Debt Service</u>		
<u>General Government</u>		
Trustee's Commission	\$ 16,898	
Other Debt Service	<u>2,126</u>	
Total General Government		<u>19,024</u>
Total General Debt Service Fund		<u>\$ 1,639,634</u>
Total Governmental Funds - Primary Government		<u>\$ 13,457,259</u>

Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department  
For the Year Ended June 30, 2014

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$	9,222,449	
Career Ladder Program		77,000	
Career Ladder Extended Contracts		41,910	
Homebound Teachers		25,000	
Educational Assistants		486,324	
Certified Substitute Teachers		80,782	
Non-certified Substitute Teachers		88,312	
Social Security		582,460	
State Retirement		852,718	
Medical Insurance		1,499,883	
Unemployment Compensation		10,156	
Employer Medicare		137,198	
Maintenance and Repair Services - Equipment		12,541	
Instructional Supplies and Materials		314,046	
Textbooks		197,562	
Fee Waivers		6,150	
Other Charges		45,800	
Regular Instruction Equipment		159,951	
Total Regular Instruction Program			\$ 13,840,242

Special Education Program

Teachers	\$	1,209,126	
Career Ladder Program		11,000	
Homebound Teachers		3,452	
Educational Assistants		69,760	
Other Salaries and Wages		14,858	
Non-certified Substitute Teachers		748	
Social Security		76,728	
State Retirement		113,318	
Medical Insurance		191,975	
Employer Medicare		17,946	
Total Special Education Program			1,708,911

Vocational Education Program

Teachers	\$	574,215	
Career Ladder Program		2,000	
Non-certified Substitute Teachers		1,602	
Social Security		32,133	
State Retirement		49,495	
Medical Insurance		106,116	
Employer Medicare		7,520	
Maintenance and Repair Services - Equipment		2,500	
Travel		850	
Instructional Supplies and Materials		16,000	
Total Vocational Education Program			792,431

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services

Attendance

Supervisor/Director	\$	59,440	
Career Ladder Program		1,000	
Social Security		3,480	
State Retirement		5,367	
Medical Insurance		8,772	
Employer Medicare		814	
Travel		420	
Total Attendance			\$ 79,293

Health Services

Medical Personnel	\$	40,065	
Other Salaries and Wages		83,544	
Social Security		7,447	
State Retirement		8,504	
Medical Insurance		10,561	
Employer Medicare		1,742	
Travel		2,647	
Drugs and Medical Supplies		5,804	
Other Supplies and Materials		18,787	
Other Charges		4,288	
Total Health Services			183,389

Other Student Support

Career Ladder Program	\$	2,000	
Guidance Personnel		482,086	
Clerical Personnel		20,557	
Other Salaries and Wages		3,270	
Social Security		29,670	
State Retirement		44,206	
Medical Insurance		67,771	
Employer Medicare		6,939	
Evaluation and Testing		15,267	
Other Contracted Services		122,872	
Total Other Student Support			794,638

Regular Instruction Program

Supervisor/Director	\$	139,140	
Career Ladder Program		7,000	
Career Ladder Extended Contracts		5,600	
Librarians		282,565	
Instructional Computer Personnel		49,659	
Educational Assistants		25,838	
Other Salaries and Wages		26,418	
Social Security		32,139	
State Retirement		44,605	
Medical Insurance		57,864	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Employer Medicare	\$	7,516	
Travel		5,626	
Other Contracted Services		8,500	
Library Books/Media		51,994	
In Service/Staff Development		5,086	
Total Regular Instruction Program			\$ 749,550

Special Education Program

Supervisor/Director	\$	65,800	
Career Ladder Program		1,000	
Clerical Personnel		12,230	
Social Security		4,549	
State Retirement		6,657	
Medical Insurance		10,747	
Employer Medicare		1,064	
Travel		1,238	
Other Contracted Services		1,763	
Other Supplies and Materials		4,904	
Total Special Education Program			109,952

Vocational Education Program

Supervisor/Director	\$	28,692	
Secretary(ies)		20,557	
Social Security		2,825	
State Retirement		3,767	
Medical Insurance		6,158	
Employer Medicare		661	
Travel		1,000	
Total Vocational Education Program			63,660

Other Programs

On-behalf Payments to OPEB	\$	157,535	
Total Other Programs			157,535

Board of Education

Board and Committee Members Fees	\$	16,980	
In-Service Training		13,021	
Social Security		1,050	
Medical Insurance		1,839	
Employer Medicare		246	
Payments to Retirees		64,188	
Audit Services		6,500	
Dues and Memberships		9,657	
Liability Insurance		40,397	
Premiums on Corporate Surety Bonds		2,296	
Trustee's Commission		126,345	
Workers' Compensation Insurance		185,173	
Total Board of Education			467,692

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools

County Official/Administrative Officer	\$	95,500	
Career Ladder Program		3,000	
Social Security		6,073	
State Retirement		8,747	
Medical Insurance		6,072	
Employer Medicare		1,420	
Communication		3,300	
Dues and Memberships		2,279	
Travel		582	
Total Director of Schools			\$ 126,973

Office of the Principal

Principals	\$	541,834	
Career Ladder Program		7,000	
Accountants/Bookkeepers		53,081	
Assistant Principals		386,307	
Secretary(ies)		163,235	
Other Salaries and Wages		15,047	
Social Security		68,102	
State Retirement		96,284	
Medical Insurance		135,327	
Employer Medicare		16,008	
Communication		45,883	
Dues and Memberships		1,450	
Other Charges		4,250	
Total Office of the Principal			1,533,808

Fiscal Services

Supervisor/Director	\$	46,670	
Secretary(ies)		26,499	
Clerical Personnel		26,499	
Social Security		5,576	
State Retirement		5,911	
Medical Insurance		7,318	
Employer Medicare		1,304	
Contributions		13,000	
Maintenance and Repair Services - Equipment		2,264	
Travel		56	
Office Supplies		2,838	
In Service/Staff Development		577	
Administration Equipment		2,233	
Total Fiscal Services			140,745

Operation of Plant

Custodial Personnel	\$	560,591	
Other Salaries and Wages		1,493	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Social Security	\$	33,939	
State Retirement		30,718	
Medical Insurance		27,603	
Employer Medicare		7,937	
Other Contracted Services		130,916	
Electricity		640,154	
Natural Gas		146,222	
Water and Sewer		47,619	
Other Supplies and Materials		98,333	
Boiler Insurance		6,630	
Building and Contents Insurance		120,778	
Total Operation of Plant			\$ 1,852,933

Maintenance of Plant

Maintenance Personnel	\$	150,799	
Social Security		9,218	
State Retirement		8,971	
Medical Insurance		6,118	
Employer Medicare		2,156	
Pest Control		8,464	
Other Contracted Services		20,600	
Other Supplies and Materials		123,246	
Other Charges		1,172	
Maintenance Equipment		63,027	
Total Maintenance of Plant			393,771

Transportation

Supervisor/Director	\$	53,930	
Mechanic(s)		61,853	
Bus Drivers		455,091	
Other Salaries and Wages		52,300	
Social Security		38,231	
State Retirement		37,010	
Medical Insurance		11,362	
Employer Medicare		8,941	
Communication		2,309	
Medical and Dental Services		3,379	
Towing Services		842	
Other Contracted Services		204	
Diesel Fuel		169,932	
Garage Supplies		5,000	
Gasoline		47,998	
Lubricants		8,084	
Tires and Tubes		11,982	
Vehicle Parts		54,612	
Vehicle and Equipment Insurance		37,290	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

In Service/Staff Development	\$	1,038	
Other Charges		9,489	
Transportation Equipment		250,047	
Total Transportation			\$ 1,320,924

Operation of Non-Instructional Services

Food Service

Medical Insurance	\$	48,675	
Total Food Service			48,675

Community Services

Supervisor/Director	\$	17,430	
Other Salaries and Wages		17,352	
Social Security		2,059	
State Retirement		2,062	
Medical Insurance		1,967	
Employer Medicare		482	
Travel		823	
Other Supplies and Materials		7,535	
Total Community Services			49,710

Early Childhood Education

Teachers	\$	218,690	
Educational Assistants		69,684	
Social Security		17,030	
State Retirement		23,512	
Medical Insurance		45,467	
Employer Medicare		3,983	
Instructional Supplies and Materials		22,672	
Regular Instruction Equipment		7,578	
Total Early Childhood Education			408,616

Capital Outlay

Regular Capital Outlay

Other Contracted Services	\$	15,309	
Administration Equipment		50,000	
Building Improvements		361,473	
Regular Instruction Equipment		316,565	
Total Regular Capital Outlay			743,347

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$	9,412	
Total Education			9,412

Total General Purpose School Fund \$ 25,576,207

(Continued)

Exhibit K-9

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

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	843,622	
Educational Assistants		236,825	
Social Security		64,630	
State Retirement		88,166	
Medical Insurance		85,225	
Unemployment Compensation		3,864	
Employer Medicare		15,142	
Instructional Supplies and Materials		204,098	
Other Charges		17,363	
Regular Instruction Equipment		66,614	
Total Regular Instruction Program			\$ 1,625,549

Special Education Program

Teachers	\$	184,560	
Educational Assistants		316,309	
Social Security		29,525	
State Retirement		34,770	
Medical Insurance		39,405	
Unemployment Compensation		2,803	
Employer Medicare		6,910	
Instructional Supplies and Materials		4,905	
Other Supplies and Materials		3,911	
Special Education Equipment		7,791	
Total Special Education Program			630,889

Vocational Education Program

Other Supplies and Materials	\$	6,252	
Vocational Instruction Equipment		45,532	
Total Vocational Education Program			51,784

Support Services

Other Student Support

Bus Drivers	\$	731	
Other Salaries and Wages		640	
Social Security		86	
State Retirement		98	
Employer Medicare		19	
Travel		9,031	
Other Contracted Services		300	
In Service/Staff Development		21,492	
Other Charges		18,978	
Total Other Student Support			51,375

Regular Instruction Program

Supervisor/Director	\$	90,438	
Clerical Personnel		14,600	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Other Salaries and Wages	\$	116,226	
Social Security		10,820	
State Retirement		14,134	
Medical Insurance		10,807	
Unemployment Compensation		277	
Employer Medicare		3,032	
Travel		10,182	
Other Supplies and Materials		4,923	
In Service/Staff Development		31,827	
Total Regular Instruction Program			\$ 307,266

Special Education Program

Psychological Personnel	\$	149,674	
Other Salaries and Wages		4,676	
Social Security		8,692	
State Retirement		13,568	
Medical Insurance		23,625	
Unemployment Compensation		953	
Employer Medicare		2,033	
Maintenance and Repair Services - Equipment		2,033	
Travel		7,249	
Other Contracted Services		12,698	
In Service/Staff Development		1,000	
Total Special Education Program			226,201

Vocational Education Program

Supervisor/Director	\$	46,080	
Other Salaries and Wages		160	
Social Security		2,857	
State Retirement		4,092	
Employer Medicare		670	
Travel		5,898	
Other Supplies and Materials		2,741	
In Service/Staff Development		6,087	
Other Charges		491	
Regular Instruction Equipment		15,297	
Total Vocational Education Program			84,373

Transportation

Bus Drivers	\$	40,154	
Other Salaries and Wages		1,557	
Social Security		2,521	
State Retirement		2,474	
Medical Insurance		1,944	
Unemployment Compensation		265	
Employer Medicare		590	
Total Transportation			49,505

Total School Federal Projects Fund \$ 3,026,942

(Continued)

Exhibit K-9

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

<u>Central Cafeteria Fund</u>		
<u>Operation of Non-instructional Services</u>		
<u>Food Service</u>		
Supervisor/Director	\$	43,497
Clerical Personnel		23,140
Cafeteria Personnel		668,022
Temporary Personnel		15,531
Other Salaries and Wages		2,524
Social Security		45,099
State Retirement		38,537
Medical Insurance		4,571
Unemployment Compensation		3,093
Employer Medicare		10,547
Communication		4,555
Maintenance and Repair Services - Equipment		22,907
Transportation - Other than Students		113,871
Travel		1,130
Food Preparation Supplies		75,121
Food Supplies		713,920
USDA - Commodities		165,038
Other Supplies and Materials		68,891
Refunds		381
In Service/Staff Development		6,574
Other Charges		16,950
Data Processing Equipment		14,418
Food Service Equipment		57,520
Total Food Service		<u>\$ 2,115,837</u>
Total Central Cafeteria Fund		\$ 2,115,837
<u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Architects	\$	201,744
Other Contracted Services		18,055
Building Construction		197,090
Total Education Capital Projects		<u>\$ 416,889</u>
Total Education Capital Projects Fund		<u>416,889</u>
Total Governmental Funds - White County School Department		<u><u>\$ 31,135,875</u></u>

Exhibit K-10

White County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balance - City Agency Fund  
For the Year Ended June 30, 2014

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 1,637,660
	<hr/>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 1,621,291
Trustee's Commission	16,369
Total Cash Disbursements	<hr/> \$ 1,637,660 <hr/>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0
Cash Balance, July 1, 2013	<hr/> 0 <hr/>
Cash Balance, June 30, 2014	<hr/> \$ 0 <hr/> <hr/>

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## SINGLE AUDIT SECTION

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

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

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise White County's basic financial statements, and have issued our report thereon dated September 12, 2014. Our report includes a reference to other auditors who audited the financial statements of the White County Emergency Communications District as described in our report of White County's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered White County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of White County's internal control. Accordingly, we do not express an opinion on the effectiveness of White County's internal control.

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. 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: 2014-001 and 2014-002.

### **Compliance and Other Matters**

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

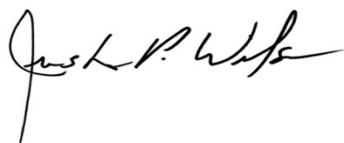
### **White County's Response to Findings**

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

### **Purpose of this Report**

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

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

September 12, 2014

JPW/yu



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

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

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

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

We have audited White County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of White County's major federal programs for the year ended June 30, 2014. White County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of White County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of

the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about White County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, White County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

### **Report on Internal Control Over Compliance**

Management of White County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered White County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of White County's internal control over compliance.

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

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

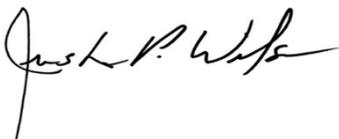
consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise White County's basic financial statements. We issued our report thereon dated September 12, 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 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditure of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

September 12, 2014

JPW/yu

White County, Tennessee  
Schedule of Expenditures of Federal Awards and State Grants (1)  
For the Year Ended June 30, 2014

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	\$ 383,067
National School Lunch Program	10.555	N/A	1,152,285 (3)
Fresh Fruits and Vegetables Program	10.582	N/A	9,733
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	165,038 (3)
Total U.S. Department of Agriculture			<u>\$ 1,710,123</u>
U.S. Department of Interior:			
Direct Program:			
Payments in-Lieu-of Taxes	15.226	N/A	<u>\$ 2,650</u>
U.S. Department of Labor:			
Passed-through Upper Cumberland Human Resource Agency:			
WIA Youth Activities	17.259	(2)	<u>\$ 11,000</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Alcohol Open Container Requirements	20.607	(4)	<u>\$ 25,413</u>
Institute of Museum and Library Services:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	(2)	<u>\$ 1,500</u>
U.S. Department of Education:			
Passed-through State Department of Labor and Workforce Development:			
Adult Education - State Grant Program	84.002	(2)	\$ 5,429
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	1,252,005
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	925,567
Special Education - Preschool Grants	84.173	N/A	18,299
Career and Technical Education - Basic Grants to States	84.048	N/A	146,317
Safe and Drug-free Schools and Communities - National Programs	84.184	(2)	30,475
Twenty-first Century Community Learning Centers	84.287	(2)	302,250
Rural Education	84.358	(2)	73,648
Improving Teacher Quality State Grants	84.367	(2)	169,385
School Improvement Grants	84.377	(2)	673
State Fiscal Stabilization Fund - Race-to-the-Top			
Incentive Grants, Recovery Act	84.395	(2)	158,303
Total U.S. Department of Education			<u>\$ 3,082,351</u>

(Continued)

White County, Tennessee

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Passed-through Entity Identifying Number	Expenditures
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
Help America Vote Act Requirements Payments	90.401	(5)	\$ 10,915
Total Expenditures of Federal Awards			<u>\$ 4,843,952</u>

State Grants

		<u>Contract Number</u>	
Local Park and Recreation Fund (LPRF) - State Department of Environment and Conservation	N/A	(2)	\$ 50
Local Health Services Grant - State Department of Health	N/A	GG-14-37435	73,478
Litter Program - State Department of Transportation	N/A	Z14LIT093	36,225
State Supplement Juvenile Court Improvement Funds - State Department of Children Services	N/A	GG-10-3011-00	9,000
Drug Court - State Department of Mental Health and Substance Abuse Services	N/A	(2)	44,361
Law Enforcement Training - State Department of Safety	N/A	(2)	15,600
Waste Tire Storage and Disposal Grant - State Department of Environment and Conservation	N/A	(2)	18,446
Voluntary Pre-K for Tennessee - State Department of Education	N/A	(2)	408,616
Adult Education - State Department of Labor and Workforce Development	N/A	(2)	1,809
Coordinated School Health - State Department of Education	N/A	(2)	95,000
Family Resource Centers - State Department of Education	N/A	(2)	28,993
ConnectTenn (Internet Connectivity) - State Department of Education	N/A	(2)	11,496
Safe Schools Act - State Department of Education	N/A	(2)	24,500
Statewide Student Management System - State Department of Education	N/A	(2)	10,470
Arts Program Categorical Grants - State Department of Education	N/A	(2)	4,250
Drivers Education - State Department of Education	N/A	(2)	675
Total State Grants			<u>\$ 782,969</u>

CFDA = Catalog of Federal Domestic Assistance

N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Information not available.
- (3) Total for CFDA No. 10.555 is \$1,317,323.
- (4) 154-AL-13-285: \$3,727; 154-AL-14-114: \$21,686.
- (5) 30510-00114-16: \$9,375; 30510-00113-93: \$1,540.

White County, Tennessee  
Schedule of Audit Findings Not Corrected  
June 30, 2014

*Government Auditing Standards* require auditors to report the status of uncorrected findings from prior audits. Presented below are findings from the Annual Financial Report for White County, Tennessee, for the year ended June 30, 2013, which have not been corrected.

**OFFICE OF FINANCE DIRECTOR**

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2013-001	149	The Solid Waste Disposal Fund had a deficit in unrestricted net position

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

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2013-002	149	Multiple employees operated from the same cash drawer

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**WHITE COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2014**

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

1. Our report on the financial statements of White County is unmodified.
2. The audit of the financial statements of White County disclosed significant deficiencies in internal control; however, none of these deficiencies was considered to be a material weakness.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of White County.
4. The audit disclosed no significant deficiencies in internal control over major programs.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: School Breakfast Program and National School Lunch Program (CFDA Nos. 10.553 and 10.555), The Special Education Cluster: Special Education - Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173), and State Fiscal Stabilization Fund - Race-to-the-Top Incentive Grants, Recovery Act (CFDA No. 84.395) were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. White County did not qualify as a low-risk auditee.

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

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

### **OFFICE OF FINANCE DIRECTOR**

#### **FINDING 2014-001**

#### **THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION**

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

The Solid Waste Disposal Fund had a deficit of \$585,406 in unrestricted net position at June 30, 2014. This deficit resulted from the recognition of a liability totaling \$1,221,408 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after its closure. Generally accepted accounting principles and state statutes require that such costs be reflected in the financial statements. This deficiency exists due to the failure of management to correct the finding noted in the prior-year audit report.

#### **RECOMMENDATION**

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

#### **MANAGEMENT'S RESPONSE – FINANCE DIRECTOR**

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

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

#### **FINDING 2014-002**

#### **MULTIPLE EMPLOYEES OPERATED FROM THE SAME CASH DRAWER**

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

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

event of a cash shortage, the officials would not be able to determine who was responsible for the shortage because multiple employees were working from one cash drawer. This deficiency has been a management decision by the officials resulting in a loss of control over assets. Also, this deficiency is the result of management's failure to correct the finding noted in the prior-year audit report.

#### RECOMMENDATION

Management should assign each employee their own cash drawer.

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

There were no findings and questioned costs for federal awards.

**WHITE COUNTY, TENNESSEE  
AUDITEE REPORTING RESPONSIBILITIES  
For the Year Ended June 30, 2014**

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