

ANNUAL FINANCIAL REPORT
GREENE COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2015



DIVISION OF LOCAL GOVERNMENT AUDIT



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FOR THE YEAR ENDED JUNE 30, 2015

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

MARK TREECE, CPA, CGFM
Audit Manager

MARIE TIDWELL, CPA
Auditor 4

VERNA DAVIS
BRAD BURKE, CPA, CIA
PHILIP TOBY, CGFM
GREG BRUSH, CISA
State Auditors

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

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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in one finding and recommendation, which we have reviewed with Greene County management. The detailed finding and recommendation is included in the Single Audit section of this report.

Finding

The following is a summary of the audit finding:

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ Actual revenues of the Central Cafeteria Fund were more than \$1,908,142 below budget estimates for a three-year period.

INTRODUCTORY SECTION

Greene County Officials

June 30, 2015

Officials

David Crum, County Mayor
David Weems, Superintendent of Highways
David McLain, Director of Schools
Nathan Holt, Trustee
Charles Jeffers, Assessor of Property
Lori Bryant, County Clerk
Pam Venable, Circuit and General Sessions Courts Clerk
Kay Armstrong, Clerk and Master
Joy Rader, Register of Deeds
Pat Hankins, Sheriff
Mary Shelton, Director of Accounts and Budgets
Diane Swatzell, Purchasing Agent

Board of County Commissioners

David Crum, County Mayor, Chairman	Zak Neas
Pamela Carpenter	Lyle Parton
George Clemmer	Butch Patterson
John Carter	Brad Peters
Jason Cobble	Robin Quillen
Sharron Collins	James Randolph
Ted Hensley	Hilton Seay
Eddie Jennings	Tim Shelton
Josh Kesterson	Frank Waddell
Wade McAmis	John Waddle, Jr.
Gerald Miller	Charles White

Board of Education

Rick Tipton, Chairman	Michelle Holt
Kathy Austin	Clark Justis
Nathan Brown	Brian Wilhoit
Tom Cobble	

Audit Committee

J. Thomas Love, Chairman
Beth Anne Collins
William Moss

FINANCIAL SECTION



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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Greene County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Greeneville-Greene County Emergency Communications District, which represent 2.6 percent, 4.3 percent, and 1.6 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We also did not audit the financial statements of the Greeneville-Greene County Library, which represent 1.5 percent, 2.5 percent, and 0.4 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component

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

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Greene County, Tennessee, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Special Purpose, 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., Greene County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*; GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*; and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

Emphasis of Matter

We draw attention to Note I.D.9 to the financial statements, which describes a restatement decreasing the beginning Governmental Activities net position of the primary government

by \$1,317,988, and decreasing the beginning net position of the discretely presented Greene County School Department by \$9,675,200. We draw attention to Notes VI.G and VII.I to the financial statements, which describe restatements decreasing the beginning net position of the discretely presented Greene County Emergency Communications District by \$86,615 and decreasing the beginning net position of the discretely presented Greenville-Greene County Library by \$24,582. These restatements were necessary because of the transitional requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability and related ratios, schedule of county contributions, schedule of school's proportionate share of the net pension liability, and schedule of funding progress - other postemployment benefits plans on pages 115-121 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 Greene County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Education Debt Service Fund, combining and individual fund financial statements of the Greene 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.

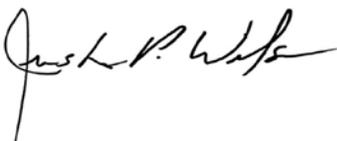
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the Education Debt Service Fund, combining and individual fund financial statements of the Greene County School Department (a discretely presented component unit), and miscellaneous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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2016, on our consideration of Greene 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 Greene County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

February 26, 2016

JPW/yu

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Governmental Activities	Component Units		
		Greene County School Department	Emergency Communications District	Greeneville- Greene County Library
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 244,265	\$ 1,548,783	\$ 937,748	\$ 373,034
Equity in Pooled Cash and Investments	13,254,194	4,942,340	0	0
Accounts Receivable	1,474,816	19,746	13,333	79
Allowance for Uncollectibles	(58,901)	0	0	0
Due from Other Governments	1,434,758	1,869,626	0	0
Due from Component Units	219,853	0	0	0
Property Taxes Receivable	13,931,794	7,365,352	0	0
Allowance for Uncollectible Property Taxes	(379,645)	(201,255)	0	0
Net Pension Asset - Agent Plan	852,555	827,025	0	0
Net Pension Asset - Cost-sharing Plan	0	105,746	0	0
Prepaid Items	13,929	0	45,355	3,084
Unamortized Discount on Debt	37,529	0	0	0
Capital Assets				
Assets Not Depreciated:				
Land	500,320	886,166	0	70,300
Construction in Progress	145,745	598,606	0	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	8,107,146	26,390,579	0	224,726
Other Capital Assets	3,612,735	4,126,757	294,563	58,650
Infrastructure	21,611,223	0	0	0
Total Assets	\$ 65,002,316	\$ 48,479,471	\$ 1,290,999	\$ 729,873
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred Charge on Refunding	\$ 556,581	\$ 0	\$ 0	\$ 0
Pensions Changes in Experience	0	256,729	0	0
Pension Contributions After Measurement Date	1,269,108	2,921,888	38,497	8,523
Pensions Other Deferrals	0	38,121	0	0
Total Deferred Outflows of Resources	\$ 1,825,689	\$ 3,216,738	\$ 38,497	\$ 8,523

(Continued)

Exhibit A

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

	Primary Government Governmental Activities	Component Units		
		Greene County School Department	Emergency Communications District	Greeneville- Greene County Library
<u>LIABILITIES</u>				
Accounts Payable	\$ 201,374	\$ 171,019	\$ 8,169	\$ 2,483
Accrued Payroll	507,404	0	6,168	4,358
Accrued Interest Payable	87,184	0	0	0
Payroll Deductions Payable	230,972	0	0	0
Contracts Payable	0	219,890	0	0
Retainage Payable	0	9,960	0	0
Claims and Judgments Payable	1,147,999	0	0	0
Due to Primary Government	0	219,853	0	0
Due to Cities	54,801	0	0	0
Other Current Liabilities	8,179	1,543,642	22,594	0
Unamortized Premium on Debt	406,601	0	0	0
Noncurrent Liabilities:				
Due Within One Year	3,696,617	232,109	0	0
Due in More Than One Year	29,714,175	5,530,075	20,025	17,170
Total Liabilities	<u>\$ 36,055,306</u>	<u>\$ 7,926,548</u>	<u>\$ 56,956</u>	<u>\$ 24,011</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 13,120,035	\$ 6,934,339	\$ 0	\$ 0
Pensions Changes in Experience	186,328	180,749	10,936	33
Pensions Changes in Investment Earnings	1,959,681	10,613,934	59,996	17,934
Total Deferred Inflows of Resources	<u>\$ 15,266,044</u>	<u>\$ 17,729,022</u>	<u>\$ 70,932</u>	<u>\$ 17,967</u>
<u>NET POSITION</u>				
Net Investment in Capital Assets	\$ 18,780,167	\$ 32,002,108	\$ 294,563	\$ 353,676
Restricted for:				0
Finance	7,529	0	0	0
Administration of Justice	81,596	0	0	0
Public Safety	276,970	0	0	0
Public Health and Welfare	59,169	0	0	0
Highways	2,459,732	0	0	0
Debt Service	215,498	0	0	0
Education	0	1,415,299	0	0
Capital Projects	442,020	19,173	0	0
Other Purposes	852,555	0	0	0
Unrestricted	<u>(7,668,581)</u>	<u>(7,395,941)</u>	<u>907,045</u>	<u>342,742</u>
Total Net Position	<u>\$ 15,506,655</u>	<u>\$ 26,040,639</u>	<u>\$ 1,201,608</u>	<u>\$ 696,418</u>

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

Exhibit B

Greene County, Tennessee
Statement of Activities
For the Year Ended June 30, 2015

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	Greene County School Department	Emergency Communications District	Greeneville-Greene County Library	
Primary Government:									
Governmental Activities:									
General Government	\$ 3,527,062	\$ 610,274	\$ 15,164	\$ 726,264	\$ (2,175,360)	\$ 0	\$ 0	\$ 0	0
Finance	1,587,118	1,567,561	0	0	(19,557)	0	0	0	0
Administration of Justice	1,679,583	1,718,098	60,536	0	99,051	0	0	0	0
Public Safety	10,395,215	2,165,735	208,388	476,527	(7,544,565)	0	0	0	0
Public Health and Welfare	6,122,792	4,078,489	510,762	0	(1,533,541)	0	0	0	0
Social, Cultural, and Recreational Services	165,026	0	0	0	(165,026)	0	0	0	0
Agriculture and Natural Resources	185,459	0	0	0	(185,459)	0	0	0	0
Highways	7,151,818	143,298	2,288,669	453,658	(4,266,193)	0	0	0	0
Education	738,426	0	0	0	(738,426)	0	0	0	0
Interest on Long-term Debt	1,161,715	0	0	0	(1,161,715)	0	0	0	0
Total Primary Government	\$ 32,714,214	\$ 10,283,455	\$ 3,083,519	\$ 1,656,449	\$ (17,690,791)	\$ 0	\$ 0	\$ 0	0
Component Unit:									
Greene County School Department	\$ 55,010,479	\$ 1,165,780	\$ 8,946,145	\$ 0	\$ 0	\$ (44,898,554)	\$ 0	\$ 0	0
Emergency Communications District	849,599	256,136	482,443	0	0	0	(111,020)	0	0
Greeneville-Greene County Library	270,917	54,498	13,020	0	0	0	0	(203,399)	0
Total Component Unit	\$ 56,130,995	\$ 1,476,414	\$ 9,441,608	\$ 0	\$ 0	\$ (44,898,554)	\$ (111,020)	\$ (203,399)	0

(Continued)

Exhibit B

Greene County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Units		
					Total Governmental Activities	Greene County School Department	Emergency Communications District	Greeneville-Greene County Library
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 11,010,626	\$ 7,026,917	\$ 0	\$ 0
Property Taxes Levied for Debt Service					2,534,117	0	0	0
Local Option Sales Taxes					1,756,007	5,566,494	0	0
Franchise Taxes					491,236	0	0	0
Other Local Taxes					23,332	4,785	0	0
Wheel Tax					1,644,467	0	0	0
Litigation Taxes					752,720	0	0	0
Business Tax					563,026	0	0	0
Hotel/Motel Tax					432,793	0	0	0
Mineral Severance Tax					96,075	0	0	0
Wholesale Beer Tax					217,055	0	0	0
Grants and Contributions Not Restricted to Specific Programs					1,592,093	34,553,691	160,000	170,500
Unrestricted Investment Income					36,508	21,778	1,094	760
Miscellaneous					246,977	36,005	10,773	0
Pension Income					24,534	108,138	0	0
Total General Revenues					\$ 21,421,566	\$ 47,317,808	\$ 171,867	\$ 171,260
Change in Net Position								
Net Position, July 1, 2014					\$ 3,730,775	\$ 2,419,254	\$ 60,847	\$ (32,139)
Restatement - Pension Liability (See Notes I.D.9., VI.G., and VII.I.)					13,093,868	33,296,585	1,227,376	753,139
					(1,317,988)	(9,675,200)	(86,615)	(24,582)
Net Position, June 30, 2015					\$ 15,506,655	\$ 26,040,639	\$ 1,201,608	\$ 696,418

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

Exhibit C-1

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Special Purpose	Highway / Public Works	Education Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>						
Cash	\$ 367	\$ 114,808	\$ 0	\$ 0	\$ 2,400	\$ 117,575
Equity in Pooled Cash and Investments	3,838,029	3,006,206	2,570,512	686,531	1,250,853	11,352,131
Accounts Receivable	1,394,460	0	0	320	80,036	1,474,816
Allowance for Uncollectibles	(58,901)	0	0	0	0	(58,901)
Due from Other Governments	757,028	0	445,559	117,667	114,504	1,434,758
Due from Other Funds	36,407	0	8,609	0	0	45,016
Due from Component Units	0	0	0	219,853	0	219,853
Property Taxes Receivable	8,947,033	376,821	2,122,531	1,791,302	694,107	13,931,794
Allowance for Uncollectible Property Taxes	(235,524)	(10,297)	(57,997)	(47,911)	(27,916)	(379,645)
Prepaid Items	1,549	12,380	0	0	0	13,929
Total Assets	<u>\$ 14,680,448</u>	<u>\$ 3,499,918</u>	<u>\$ 5,089,214</u>	<u>\$ 2,767,762</u>	<u>\$ 2,113,984</u>	<u>\$ 28,151,326</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 102,742	\$ 0	\$ 49,330	\$ 0	\$ 1,925	\$ 153,997
Accrued Payroll	427,108	0	60,304	0	19,992	507,404
Payroll Deductions Payable	211,215	0	16,305	0	3,452	230,972
Claims and Judgments Payable	0	752,817	0	0	0	752,817
Due to Other Funds	8,609	3,540	0	0	32,867	45,016
Due to Cities	0	0	0	0	54,801	54,801
Other Current Liabilities	0	0	0	0	8,179	8,179
Total Liabilities	<u>\$ 749,674</u>	<u>\$ 756,357</u>	<u>\$ 125,939</u>	<u>\$ 0</u>	<u>\$ 121,216</u>	<u>\$ 1,753,186</u>

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Special Purpose	Highway / Public Works	Education Debt Service	Other Govern- mental Funds	
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	\$ 8,453,845	\$ 354,770	\$ 1,998,322	\$ 1,689,993	\$ 623,105	\$ 13,120,035
Deferred Delinquent Property Taxes	236,276	10,778	60,716	48,243	39,509	395,522
Other Deferred/Unavailable Revenue	1,104,659	0	214,909	59,295	55,953	1,434,816
Total Deferred Inflows of Resources	\$ 9,794,780	\$ 365,548	\$ 2,273,947	\$ 1,797,531	\$ 718,567	\$ 14,950,373
FUND BALANCES						
Nonspendable:						
Prepaid Items	\$ 1,469	\$ 12,380	\$ 0	\$ 0	\$ 0	\$ 13,849
Restricted:						
Restricted for Finance	7,529	0	0	0	0	7,529
Restricted for Administration of Justice	81,596	0	0	0	0	81,596
Restricted for Public Safety	19,453	0	0	0	257,517	276,970
Restricted for Public Health and Welfare	59,169	0	0	0	0	59,169
Restricted for Highways/Public Works	0	0	2,351,244	0	0	2,351,244
Restricted for Debt Service	0	0	0	0	243,141	243,141
Restricted for Capital Projects	93,916	0	0	0	348,104	442,020
Committed:						
Committed for General Government	35,918	2,365,633	0	0	0	2,401,551
Committed for Finance	20,951	0	0	0	0	20,951
Committed for Administration of Justice	34,186	0	0	0	0	34,186
Committed for Public Safety	397,203	0	0	0	0	397,203
Committed for Public Health and Welfare	108,236	0	0	0	420,840	529,076
Committed for Highways/Public Works	0	0	338,084	0	0	338,084
Committed for Debt Service	0	0	0	970,231	4,599	974,830
Unassigned	3,276,368	0	0	0	0	3,276,368
Total Fund Balances	\$ 4,135,994	\$ 2,378,013	\$ 2,689,328	\$ 970,231	\$ 1,274,201	\$ 11,447,767
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 14,680,448	\$ 3,499,918	\$ 5,089,214	\$ 2,767,762	\$ 2,113,984	\$ 28,151,326

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

Greene County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2015

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 11,447,767
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 500,320	
Add: construction in progress	145,745	
Add: infrastructure net of accumulated depreciation	21,611,223	
Add: buildings and improvements net of accumulated depreciation	8,107,146	
Add: other capital assets net of accumulated depreciation	<u>3,612,735</u>	33,977,169
(2) Internal service funds are used by management to charge the cost of employee health insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		1,586,194
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: notes payable	\$ (44,135)	
Less: bonds payable	(31,660,000)	
Add: deferred amount on refunding	556,581	
Add: unamortized discount on debt	37,529	
Less: compensated absences payable	(934,757)	
Less: other postemployment benefits liability	(771,900)	
Less: accrued interest on bonds and notes	(87,184)	
Less: other deferred revenue - premium on debt	<u>(406,601)</u>	(33,310,467)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years:		
Add: deferred outflows of resources related to pensions	\$ 1,269,108	
Less: deferred inflows of resources related to pensions	<u>(2,146,009)</u>	(876,901)
(5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds		852,555
(6) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2015		<u>1,830,338</u>
Net position of governmental activities (Exhibit A)		<u>\$ 15,506,655</u>

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

Exhibit C-3

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Special Purpose	Highway / Public Works	Education Debt Service	Other Govern- mental Funds	
<u>Revenues</u>						
Local Taxes	\$ 10,219,252	\$ 359,174	\$ 2,780,360	\$ 2,575,550	\$ 3,066,588	\$ 19,000,924
Licenses and Permits	604,433	0	200	0	0	604,633
Fines, Forfeitures, and Penalties	725,780	0	0	0	68,574	794,354
Charges for Current Services	4,076,297	0	0	0	174,476	4,250,773
Other Local Revenues	672,820	7,375	67,413	6,035	194,854	948,497
Fees Received from County Officials	2,882,775	0	0	0	0	2,882,775
State of Tennessee	1,908,212	1,117,355	2,715,380	0	570,139	6,311,086
Federal Government	153,769	0	12,749	0	171,594	338,112
Other Governments and Citizens Groups	286,737	0	81,198	219,853	0	587,788
Total Revenues	\$ 21,530,075	\$ 1,483,904	\$ 5,657,300	\$ 2,801,438	\$ 4,246,225	\$ 35,718,942
<u>Expenditures</u>						
Current:						
General Government	\$ 1,398,604	\$ 1,154,681	\$ 0	\$ 0	\$ 9,976	\$ 2,563,261
Finance	1,721,153	0	0	0	0	1,721,153
Administration of Justice	1,900,349	0	0	0	0	1,900,349
Public Safety	10,389,032	0	0	0	80,385	10,469,417
Public Health and Welfare	4,460,847	0	0	0	1,770,530	6,231,377
Social, Cultural, and Recreational Services	84,500	0	0	0	0	84,500
Agriculture and Natural Resources	205,822	0	0	0	0	205,822
Other Operations	569,533	0	0	0	0	569,533
Highways	0	0	5,907,140	0	0	5,907,140
Debt Service:						
Principal on Debt	0	0	0	2,001,077	1,235,000	3,236,077
Interest on Debt	2,780	0	0	788,983	380,837	1,172,600
Other Debt Service	0	0	0	47,357	22,644	70,001

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Special Purpose	Highway / Public Works	Education Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 0	1,015,402	\$ 1,015,402
Capital Projects - Donated	0	0	0	0	573,093	573,093
Total Expenditures	\$ 20,732,620	\$ 1,154,681	\$ 5,907,140	\$ 2,837,417	\$ 5,087,867	\$ 35,719,725
<u>Excess (Deficiency) of Revenues Over Expenditures</u>						
	\$ 797,455	\$ 329,223	\$ (249,840)	\$ (35,979)	\$ (841,642)	\$ (783)
<u>Other Financing Sources (Uses)</u>						
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	573,093	\$ 573,093
Insurance Recovery	9,395	2,150	82,581	0	0	94,126
Transfers In	34,177	0	0	0	110,500	144,677
Transfers Out	(110,500)	(3,540)	0	0	(30,637)	(144,677)
Total Other Financing Sources (Uses)	\$ (66,928)	\$ (1,390)	\$ 82,581	\$ 0	\$ 652,956	\$ 667,219
Net Change in Fund Balances	\$ 730,527	\$ 327,833	\$ (167,259)	\$ (35,979)	\$ (188,686)	\$ 666,436
Fund Balance, July 1, 2014	3,405,467	2,050,180	2,856,587	1,006,210	1,462,887	10,781,331
Fund Balance, June 30, 2015	\$ 4,135,994	\$ 2,378,013	\$ 2,689,328	\$ 970,231	\$ 1,274,201	\$ 11,447,767

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

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

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$	666,436
(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	\$	579,755	
Less: current-year depreciation expense		<u>(3,139,619)</u>	(2,559,864)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase (decrease) net position.			
Add: assets donated and capitalized			476,527
(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, 2015	\$	1,830,338	
Less: deferred delinquent property taxes and other deferred June 30, 2014		<u>(1,605,364)</u>	224,974
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:			
Less: note proceeds	\$	(573,093)	
Add: change in unamortized premium on debt issuances		90,841	
Less: change in unamortized discount on debt		(5,201)	
Add: principal payments on bonds		2,635,000	
Add: principal payments on notes		601,077	
Less: change in deferred amount on refunding debt		<u>(120,301)</u>	2,628,323
(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	\$	10,884	
Change in compensated absences payable		10,304	
Change in other postemployment benefits liability		(39,300)	
Change in net pension liability/asset		2,170,543	
Change in deferred outflows related to pensions		1,269,108	
Change in deferred inflows related to pensions		<u>(2,146,009)</u>	1,275,530

(Continued)

Greene County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities (Cont.)

(6) Internal service funds are used by management to charge the cost of employee health benefits to individual funds. The net revenue (expense) of certain activities of the internal service fund is reported with governmental activities in the statement of activities.	<u>\$ 1,018,849</u>
Change in net position of governmental activities (Exhibit B)	<u><u>\$ 3,730,775</u></u>

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

Exhibit C-5

Greene County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 10,219,252	\$ 0	\$ 0	\$ 10,219,252	\$ 9,668,810	\$ 9,719,040	\$ 500,212
Licenses and Permits	604,433	0	0	604,433	351,000	351,000	253,433
Fines, Forfeitures, and Penalties	725,780	0	0	725,780	621,500	628,584	97,196
Charges for Current Services	4,076,297	0	0	4,076,297	3,844,200	3,879,000	197,297
Other Local Revenues	672,820	0	0	672,820	554,000	596,510	76,310
Fees Received from County Officials	2,882,775	0	0	2,882,775	2,700,000	2,700,000	182,775
State of Tennessee	1,908,212	0	0	1,908,212	2,386,600	2,508,024	(599,812)
Federal Government	153,769	0	0	153,769	85,000	133,553	20,216
Other Governments and Citizens Groups	286,737	0	0	286,737	102,500	104,059	182,678
Total Revenues	\$ 21,530,075	\$ 0	\$ 0	\$ 21,530,075	\$ 20,313,610	\$ 20,619,770	\$ 910,305
Expenditures							
General Government							
County Commission	\$ 36,172	\$ 0	\$ 0	\$ 36,172	\$ 40,925	\$ 47,502	\$ 11,330
County Mayor/Executive	178,939	0	0	178,939	193,903	193,903	14,964
County Attorney	150,885	0	1,200	152,085	161,148	161,148	9,063
Election Commission	338,978	(32,372)	12,625	319,231	386,821	386,821	67,590
Register of Deeds	338,323	0	1,624	339,947	342,662	342,662	2,715
Planning	76,049	0	17	76,066	77,274	77,274	1,208
Codes Compliance	337	0	10,000	10,337	10,500	10,500	163
Geographical Information Systems	13,315	0	0	13,315	23,654	23,654	10,339
County Buildings	265,606	(15,475)	10,453	260,584	283,638	284,095	23,511
Finance							
Accounting and Budgeting	357,364	(1,376)	0	355,988	367,888	367,888	11,900
Purchasing	119,752	0	0	119,752	120,747	120,747	995
Property Assessor's Office	500,597	(219)	9,229	509,607	537,290	537,290	27,683
Reappraisal Program	1,748	(294)	722	2,176	10,105	10,105	7,929
County Trustee's Office	297,555	0	0	297,555	301,672	301,672	4,117
County Clerk's Office	444,137	(4,375)	11,000	450,762	478,417	489,417	38,655

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Administration of Justice</u>							
Circuit Court	\$ 723,468	\$ (56,259)	\$ 21,519	\$ 688,728	\$ 740,706	\$ 740,706	\$ 51,978
General Sessions Court	337,809	0	0	337,809	325,990	351,290	13,481
Drug Court	62,002	0	0	62,002	59,550	63,263	1,261
Chancery Court	319,307	0	12,667	331,974	341,547	334,482	2,508
Juvenile Court	202,091	0	0	202,091	245,843	245,843	43,752
District Attorney General	4,643	0	0	4,643	5,390	5,390	747
Probate Court	52,959	0	0	52,959	45,232	60,270	7,311
Other Administration of Justice	9,086	0	0	9,086	9,102	9,102	16
Courtroom Security	188,984	(484)	0	188,500	188,746	188,746	246
<u>Public Safety</u>							
Sheriff's Department	4,474,102	(27,998)	74,217	4,520,321	4,589,322	4,630,576	110,255
Special Patrols	99,840	(1,230)	154,138	252,748	221,423	289,159	36,411
Administration of the Sexual Offender Registry	5,803	0	0	5,803	2,638	7,138	1,335
Jail	5,066,347	(71,492)	39,091	5,033,946	5,221,617	5,226,256	192,310
Juvenile Services	147,373	0	0	147,373	130,000	149,500	2,127
Civil Defense	142,137	(2,174)	1,148	141,111	144,958	145,481	4,370
Rescue Squad	4,900	0	0	4,900	4,900	4,900	0
Disaster Relief	120,000	0	0	120,000	120,000	120,000	0
Other Emergency Management	9,927	(500)	0	9,427	13,000	13,000	3,573
Inspection and Regulation	169,568	(307)	2,173	171,434	174,869	174,869	3,435
County Coroner/Medical Examiner	149,035	(2,400)	1,200	147,835	161,575	161,575	13,740
Other Public Safety	0	0	7,999	7,999	8,000	8,000	1
<u>Public Health and Welfare</u>							
Local Health Center	418,524	(31,627)	46,056	432,953	559,212	474,482	41,529
Rabies and Animal Control	129,677	(1,982)	2,295	129,990	153,382	153,382	23,392
Ambulance/Emergency Medical Services	3,303,606	(6,628)	35,827	3,332,805	3,154,105	3,362,158	29,353
Alcohol and Drug Programs	13,658	0	0	13,658	11,989	11,989	(1,669)
Other Local Health Services	399,804	0	0	399,804	551,400	544,700	144,896
Appropriation to State	60,400	0	0	60,400	67,000	60,400	0
Waste Pickup	79,607	0	458	80,065	91,265	91,265	11,200

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare (Cont.)</u>							
Other Public Health and Welfare	\$ 55,571	\$ 0	\$ 19,670	\$ 75,241	\$ 0	\$ 134,000	\$ 58,759
<u>Social, Cultural, and Recreational Services</u>							
Libraries	84,500	0	0	84,500	84,500	84,500	0
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	120,843	0	0	120,843	127,888	127,888	7,045
Soil Conservation	84,979	0	0	84,979	85,805	85,805	826
<u>Other Operations</u>							
Tourism	89,809	0	0	89,809	70,500	94,225	4,416
Industrial Development	89,809	0	0	89,809	70,500	94,225	4,416
Veterans' Services	73,393	0	0	73,393	79,924	79,924	6,531
Other Charges	8,551	0	0	8,551	8,551	8,551	0
Contributions to Other Agencies	111,448	0	0	111,448	111,948	111,948	500
Miscellaneous	196,523	0	0	196,523	215,250	215,250	18,727
<u>Interest on Debt</u>							
General Government	2,780	0	0	2,780	0	2,780	0
Total Expenditures	\$ 20,732,620	\$ (257,192)	\$ 475,328	\$ 20,950,756	\$ 21,534,271	\$ 22,021,696	\$ 1,070,940
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 797,455	\$ 257,192	\$ (475,328)	\$ 579,319	\$ (1,220,661)	\$ (1,401,926)	\$ 1,981,245
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 9,395	\$ 0	\$ 0	\$ 9,395	\$ 0	\$ 7,329	\$ 2,066
Transfers In	34,177	0	0	34,177	34,177	34,177	0
Transfers Out	(110,500)	0	0	(110,500)	0	(204,416)	93,916
Total Other Financing Sources	\$ (66,928)	\$ 0	\$ 0	\$ (66,928)	\$ 34,177	\$ (162,910)	\$ 95,982
Net Change in Fund Balance							
Fund Balance, July 1, 2014	\$ 730,527	\$ 257,192	\$ (475,328)	\$ 512,391	\$ (1,186,484)	\$ (1,564,836)	\$ 2,077,227
	3,405,467	(257,192)	0	3,148,275	3,349,226	3,349,226	(200,951)
Fund Balance, June 30, 2015							
	\$ 4,135,994	\$ 0	\$ (475,328)	\$ 3,660,666	\$ 2,162,742	\$ 1,784,390	\$ 1,876,276

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

Exhibit C-6

Greene County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Special Purpose Fund
For the Year Ended June 30, 2015

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 359,174	\$ 351,286	\$ 351,286	\$ 7,888
Other Local Revenues	7,375	12,500	12,500	(5,125)
State of Tennessee	1,117,355	1,063,900	1,063,900	53,455
Total Revenues	<u>\$ 1,483,904</u>	<u>\$ 1,427,686</u>	<u>\$ 1,427,686</u>	<u>\$ 56,218</u>
<u>Expenditures</u>				
<u>General Government</u>				
Risk Management	\$ 1,154,681	\$ 1,446,990	\$ 1,446,990	\$ 292,309
Total Expenditures	<u>\$ 1,154,681</u>	<u>\$ 1,446,990</u>	<u>\$ 1,446,990</u>	<u>\$ 292,309</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 329,223</u>	<u>\$ (19,304)</u>	<u>\$ (19,304)</u>	<u>\$ 348,527</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 2,150	\$ 0	\$ 0	\$ 2,150
Transfers Out	(3,540)	(3,540)	(3,540)	0
Total Other Financing Sources	<u>\$ (1,390)</u>	<u>\$ (3,540)</u>	<u>\$ (3,540)</u>	<u>\$ 2,150</u>
Net Change in Fund Balance	\$ 327,833	\$ (22,844)	\$ (22,844)	\$ 350,677
Fund Balance, July 1, 2014	<u>2,050,180</u>	<u>2,171,601</u>	<u>2,171,601</u>	<u>(121,421)</u>
Fund Balance, June 30, 2015	<u>\$ 2,378,013</u>	<u>\$ 2,148,757</u>	<u>\$ 2,148,757</u>	<u>\$ 229,256</u>

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

Exhibit C-7

Greene County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 2,780,360	\$ 0	\$ 0	\$ 2,780,360	\$ 2,678,245	\$ 2,678,245	\$ 102,115
Licenses and Permits	200	0	0	200	0	0	200
Other Local Revenues	67,413	0	0	67,413	5,500	36,834	30,579
State of Tennessee	2,715,380	0	0	2,715,380	2,884,800	2,884,800	(169,420)
Federal Government	12,749	0	0	12,749	13,300	13,300	(551)
Other Governments and Citizens Groups	81,198	0	0	81,198	0	24,433	56,765
Total Revenues	\$ 5,657,300	\$ 0	\$ 0	\$ 5,657,300	\$ 5,581,845	\$ 5,637,612	\$ 19,688
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 245,703	\$ 0	\$ 657	\$ 246,360	\$ 244,222	\$ 244,222	\$ (2,138)
Highway and Bridge Maintenance	2,878,650	(9,532)	89,627	2,958,745	3,798,900	3,854,977	896,232
Operation and Maintenance of Equipment	734,133	(16,193)	72,440	790,380	1,169,786	1,170,395	380,015
Asphalt Plant Operations	1,687,652	(3,434)	9,360	1,693,578	1,637,845	1,838,512	144,934
Other Charges	94,943	0	630	95,573	199,795	199,795	104,222
Capital Outlay	266,059	0	165,370	431,429	345,000	439,607	8,178
Total Expenditures	\$ 5,907,140	\$ (29,159)	\$ 338,084	\$ 6,216,065	\$ 7,395,548	\$ 7,747,508	\$ 1,531,443
Excess (Deficiency) of Revenues Over Expenditures	\$ (249,840)	\$ 29,159	\$ (338,084)	\$ (558,765)	\$ (1,813,703)	\$ (2,109,896)	\$ 1,551,131
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 82,581	\$ 0	\$ 0	\$ 82,581	\$ 0	\$ 81,193	\$ 1,388
Total Other Financing Sources	\$ 82,581	\$ 0	\$ 0	\$ 82,581	\$ 0	\$ 81,193	\$ 1,388
Net Change in Fund Balance	\$ (167,259)	\$ 29,159	\$ (338,084)	\$ (476,184)	\$ (1,813,703)	\$ (2,028,703)	\$ 1,552,519
Fund Balance, July 1, 2014	2,856,587	(29,159)	0	2,827,428	2,475,931	2,475,931	351,497
Fund Balance, June 30, 2015	\$ 2,689,328	\$ 0	\$ (338,084)	\$ 2,351,244	\$ 662,228	\$ 447,228	\$ 1,904,016

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

Exhibit D-1

Greene County, Tennessee
Statement of Net Position
Proprietary Fund
June 30, 2015

	Governmental Activities - Internal Service Fund <hr/> Employee Insurance - Health <hr/>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 126,690
Equity in Pooled Cash and Investments	<u>1,902,063</u>
Total Assets	<u>\$ 2,028,753</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts Payable	\$ 47,377
Claims and Judgments Payable	<u>395,182</u>
Total Liabilities	<u>\$ 442,559</u>
<u>NET POSITION</u>	
Unrestricted	<u>\$ 1,586,194</u>
Total Net Position	<u>\$ 1,586,194</u>

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

Exhibit D-2

Greene County, Tennessee
Statement of Revenues, Expenses, and Changes
in Net Position
Proprietary Fund
For the Year Ended June 30, 2015

	Governmental Activities - Internal Service Fund
	Employee Insurance - Health
<u>Operating Revenues</u>	
Charges for Services	\$ 5,112,828
Total Operating Revenue	<u>\$ 5,112,828</u>
<u>Operating Expenses</u>	
Handling Charges and Administrative Costs	\$ 587,906
Communication	2,062
Contracts with Private Agencies	194,865
Drugs and Medical Supplies	68,400
Other Supplies and Materials	4,502
Medical Claims	3,187,629
Other Charges	48,627
Total Operating Expenses	<u>\$ 4,093,991</u>
Operating Income (Loss)	<u>\$ 1,018,837</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 12
Total Nonoperating Revenues (Expenses)	<u>\$ 12</u>
Change in Net Position	\$ 1,018,849
Net Position, July 1, 2014	<u>567,345</u>
Net Position, June 30, 2015	<u><u>\$ 1,586,194</u></u>

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

Greene County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2015

	Governmental Activities - Internal Service Fund Employee Insurance - Health
<u>Cash Flows from Operating Activities</u>	
Receipts for Self-insurance Premiums	\$ 5,112,828
Payments to Vendors	(271,207)
Payments to Fiscal Agents	(587,906)
Payments for Claims	<u>(3,272,470)</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 981,245</u>
<u>Cash Flows from Investing Activities</u>	
Interest on Investments	<u>\$ 12</u>
Net Cash Provided By (Used In) Investing Activities	<u>\$ 12</u>
Increase (Decrease) in Cash	\$ 981,257
Cash, July 1, 2014	<u>1,047,496</u>
Cash, June 30, 2015	<u><u>\$ 2,028,753</u></u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided</u>	
<u>By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ 1,018,837
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Changes in Assets and Liabilities:	
Increase (Decrease) in Accounts Payable	47,249
Increase (Decrease) in Claims and Judgments Payable	<u>(84,841)</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ 981,245</u></u>
<u>Reconciliation of Cash With Statement of Net Position</u>	
Cash Per Net Position	\$ 126,690
Equity in Pooled Cash and Investments Per Statement of Net Position	<u>1,902,063</u>
Cash, June 30, 2015	<u><u>\$ 2,028,753</u></u>

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 2,200,509
Equity in Pooled Cash and Investments	239,077
Due from Other Governments	1,825,987
Property Taxes Receivable	3,258,262
Allowance for Uncollectible Property Taxes	<u>(89,030)</u>
Total Assets	<u>\$ 7,434,805</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 4,992
Due to Other Taxing Units	4,993,497
Due to Litigants, Heirs, and Others	2,431,368
Due to Joint Ventures	<u>4,948</u>
Total Liabilities	<u>\$ 7,434,805</u>

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

GREENE COUNTY, TENNESSEE

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Greene 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 Greene County:

A. Reporting Entity

Greene County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Greene 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 Greene County School Department operates the public school system in the county, and the voters of Greene 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 Greeneville-Greene County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Greene County, and the Greene 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 Greeneville-Greene County Library serves all citizens of Greene County and is governed by a board appointed by the County Commission. The library generates its operating revenue from donations, fines, copy fees, and appropriations from the county and the Town of Greeneville. For the year ended June 30, 2015, the county remitted \$84,500 to the library to subsidize its operations.

The Greene 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 Greeneville-Greene County Emergency Communications District and the Greeneville-Greene County Library can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Greeneville-Greene County Emergency
Communications District
111 Union Street
Greeneville, TN 37843

Greeneville-Greene County Library
210 North Main Street
Greeneville, TN 37843

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 the government-wide financial statements. However, the primary government of Greene County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Greene 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.

Greene County issues all debt for the discretely presented Greene County School Department. Net debt issues of \$573,093 were contributed by the county to the School Department during the year ended June 30, 2015.

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

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

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

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The 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, including grants and similar items, to be available if they are collected within 30 days after year-end, and all eligibility requirements imposed by providers have been met. The discretely presented Greene County

School Department considers revenues other than grants to be available if they are collected within 30 days after year-end and considers grants and similar revenues to be available if they are collected within 60 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. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the debt service funds for payments to be made early in the following year.

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

Proprietary 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 revenues as soon as all eligibility requirements imposed by the provider have been met.

Greene 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.

Special Purpose Fund – This special revenue fund accounts for the financial transactions pertaining to Greene County’s and the Greene County School Department’s workers’ compensation and general liability insurance coverage plans. Local taxes and State Revenue Sharing - TVA funds are the foundational revenues of this fund.

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

Education Debt Service Fund – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt issued for the Greene County School Department.

Additionally, Greene County reports the following fund types:

Capital Projects Funds – These funds are used to account for financial resources to be used in the acquisition or construction of facilities and other capital assets.

Internal Service Fund – The Employee Insurance - Health Fund is used to account for the county's self-insured health program. Premiums charged to the various county funds and employee payroll deductions are placed in this fund to pay the claims of county employees.

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Greene County, the city school system's share of educational revenues, state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force, restricted revenues held for the benefit of the Office of District Attorney General, and tax increment financing revenues collected by the trustee that are to be remitted to the Industrial Development Board. 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 Greene County School Department reports the following major governmental fund:

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.

Additionally, the Greene County School Department reports the following fund types:

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

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

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

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

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

1. Deposits and Investments

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

investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

All ambulance and property taxes receivable are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 1.43 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. Claims and judgments payable totaling \$1,147,999 are discussed in Note V.A., Risk Management. The \$1,543,642 balance in Other Current Liabilities on the Statement of Net Position for the School Department primarily consists of the remaining balances in the teachers' insurance clearing account (\$734,530) and retirement clearing account (\$809,032).

3. Prepaid Items

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

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more (\$7,500 for like items purchased at the same time) and an estimated useful life of more than three 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	30 - 40
Other Capital Assets	3 - 12
Infrastructure	3 - 75

5. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources

(expense/expenditure) until then. The government has items that qualify for reporting in this category. The items are the deferred charge on refunding, pension changes in experience, pension contributions after the measurement date, and pension other deferrals.

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

6. Compensated Absences

It is the county's and the discretely presented School Department's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. There is no liability for unpaid accumulated sick leave since neither Greene County nor the School Department has policies to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county and the School Department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

7. Long-term Obligations

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

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the

current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

8. Net Position and Fund Balance

In the government-wide financial statements 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.

Restricted for Other Purposes on the Statement of Net Position for the primary government includes \$852,555 resulting from the recognition of net pension assets. Restricted for Education on the Statement of Net Position for the discretely presented School Department includes \$932,771 resulting from the recognition of net pension assets.

As of June 30, 2015, Greene County had \$16,449,135 in outstanding debt for capital purposes for the discretely presented Greene County School Department. This debt is a liability of Greene County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Greene 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 makes assignments for the General Government, and the Board of Education makes assignments for the School Department. Assigned fund balance of \$1,048,787 in the discretely presented School Department's General Purpose School Fund consists of \$919,197 assigned for encumbrances, \$16,830 assigned for the Bridges for Success Program, and \$112,760 assigned for retirement bonuses.

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other

funds and that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds.

9. Restatement

In prior years, the government was not required to recognize a liability for its defined benefit pension plans. However, with the implementation of GASB Statement No. 68, government employers are required to recognize a net pension liability in their Statement of Net Position. Therefore, a restatement decreasing Greene County's beginning net position by \$1,317,988 has been recognized on the Statement of Activities. In addition, a restatement decreasing the discretely presented School Department's beginning net position by \$9,675,200 has been recognized in the Statement of Activities for liabilities of the pension agent plan (\$1,278,521) and the pension cost-sharing plan (\$8,396,679).

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Greene County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Greene County's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

Discretely Presented Greene County School Department

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement Plan and the Teacher Legacy Pension Plan in the Tennessee Consolidated Retirement System, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Retirement Plan and the Teacher Legacy Pension Plan. Investments are reported at fair value.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

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

Discretely Presented Greene County School Department

Exhibit J-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of government 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 Greene 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 funds (special revenue funds), which is not budgeted, and the General Capital Projects and Community Development/Industrial Park funds (capital projects fund), which adopt project length budgets. All annual appropriations lapse at fiscal year end.

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be

sufficient to meet current expenditures. Expenditures and encumbrances may not legally exceed appropriations authorized by the County Commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

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

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

At June 30, 2015, the Greene County and the discretely presented Greene County School Department reported the following significant encumbrances:

Fund	Description	Amount
Primary Government:		
Major Fund:		
General	Vehicles	\$ 119,988
Highway/Public Works	Equipment	165,370
School Department:		
Major Fund:		
General Purpose School	Renovations	694,648

B. Expenditures Exceeded Appropriations

Expenditures also exceeded appropriations approved by the County Commission in certain major appropriation categories (the legal level of control) of the following Primary Government funds:

<u>Fund/Major Appropriation Category</u>	<u>Amount Overspent</u>
General:	
Alcohol and Drug Programs	\$ 1,669
Highway:	
Administration	2,138
General Debt Service:	
Other Debt Service - General Government	1,944
Education Debt Service:	
Interest on Debt	36

Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balances.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Greene County and the Greene 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; and the county’s own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer’s Investment Pool and in repurchase agreements. Repurchase agreements must be approved by the state Comptroller’s Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

The county had no pooled and nonpooled investments as of June 30, 2015.

B. Capital Assets

Capital assets activity for the year ended June 30, 2015, was as follows:

Primary Government

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 500,320	\$ 0	\$ 0	\$ 500,320
Construction in Progress	143,232	37,364	(34,851)	145,745
Total Capital Assets				
Not Depreciated	\$ 643,552	\$ 37,364	\$ (34,851)	\$ 646,065

Governmental Activities (Cont.):

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Depreciated:				
Buildings and Improvements	\$ 15,911,665	\$ 46,233	\$ 0	\$ 15,957,898
Infrastructure	60,532,447	0	(74,388)	60,458,059
Other Capital Assets	16,106,032	1,007,536	(308,001)	16,805,567
Total Capital Assets Depreciated	<u>\$ 92,550,144</u>	<u>\$ 1,053,769</u>	<u>\$ (382,389)</u>	<u>\$ 93,221,524</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 7,312,511	\$ 538,241	\$ 0	\$ 7,850,752
Infrastructure	37,600,259	1,320,965	(74,388)	38,846,836
Other Capital Assets	12,220,420	1,280,413	(308,001)	13,192,832
Total Accumulated Depreciation	<u>\$ 57,133,190</u>	<u>\$ 3,139,619</u>	<u>\$ (382,389)</u>	<u>\$ 59,890,420</u>
Total Capital Assets Depreciated, Net	<u>\$ 35,416,954</u>	<u>\$ (2,085,850)</u>	<u>\$ 0</u>	<u>\$ 33,331,104</u>
Governmental Activities Capital Assets, Net	<u>\$ 36,060,506</u>	<u>\$ (2,048,486)</u>	<u>\$ (34,851)</u>	<u>\$ 33,977,169</u>

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

Governmental Activities:

General Government	\$ 187,097
Finance	27,003
Administration of Justice	54,671
Public Safety	603,406
Public Health and Welfare	413,209
Highways/Public Works	<u>1,854,233</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,139,619</u>

Discretely Presented Greene County School Department

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 886,166	\$ 0	\$ 0	\$ 886,166
Construction in Progress	48,190	598,606	(48,190)	598,606
Total Capital Assets Not Depreciated	\$ 934,356	\$ 598,606	\$ (48,190)	\$ 1,484,772
Capital Assets Depreciated:				
Buildings and Improvements	\$ 49,701,024	\$ 389,732	\$ 0	\$ 50,090,756
Other Capital Assets	14,771,548	769,472	(51,248)	15,489,772
Total Capital Assets Depreciated	\$ 64,472,572	\$ 1,159,204	\$ (51,248)	\$ 65,580,528
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 22,670,565	\$ 1,029,612	\$ 0	\$ 23,700,177
Other Capital Assets	10,667,123	747,140	(51,248)	11,363,015
Total Accumulated Depreciation	\$ 33,337,688	\$ 1,776,752	\$ (51,248)	\$ 35,063,192
Total Capital Assets Depreciated, Net	\$ 31,134,884	\$ (617,548)	\$ 0	\$ 30,517,336
Governmental Activities Capital Assets, Net	\$ 32,069,240	\$ (18,942)	\$ (48,190)	\$ 32,002,108

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

Governmental Activities:

Instruction	\$ 1,205,823
Support Services	417,800
Operation of Non-instructional Services	<u>153,129</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,776,752</u>

C. Construction Commitments

At June 30, 2015, the discretely presented School Department had uncompleted construction commitments of \$219,890 in the General Purpose School Fund. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2015, was as follows:

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 32,867
"	Special Purpose	3,540
Highway/ Public Works	General	8,609

Due to/from Primary Government and Component Units:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
	Component Unit:	
Primary Government:	Greene County School Department -	
Education Debt Service	General Purpose School	\$ 219,853

Interfund Transfers:

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

Primary Government

<u>Transfers Out</u>	<u>Transfers In</u>	
	<u>General Fund</u>	<u>Nonmajor Governmental Fund</u>
General Fund	\$ 0	\$ 110,500
Special Purpose Fund	3,540	0
Nonmajor governmental funds	30,637	0
Total	<u>\$ 34,177</u>	<u>\$ 110,500</u>

Discretely Presented Greene County School Department

	<u>Transfer In</u>
	General Purpose School Fund
Transfer Out	
Nonmajor governmental funds	\$ 20,824

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

E. Long-term Obligations

Primary Government

General Obligation Bonds and Notes

Greene County issues general obligation bonds to provide funds for the acquisition, construction, and renovation 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 debt issuances. Capital outlay notes are also 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 21 years for bonds and up to nine years for notes. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds and notes included in long-term debt as of June 30, 2015, will be retired from the General Debt Service and Education Debt Service funds.

General obligation bonds and capital outlay notes outstanding as of June 30, 2015, for governmental activities are as follows:

Type	Interest Rate		Final Maturity	Original Amount of Issue	Balance 6-30-15
General Obligation Bonds	2 to 3	%	6-1-25	\$ 8,170,000	\$ 7,630,000
General Obligation Bonds - Refunding	2 to 2.1		6-1-23	8,970,000	7,625,000
General Obligation Rural School Bonds	2.25 to 2.75		6-1-20	990,000	990,000
General Obligation Rural School Bonds - Refunding	2.5 to 5		6-1-26	22,330,000	15,415,000
Capital Outlay Notes	4.06		8-29-16	229,000	44,135

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 2,760,000	\$ 1,085,517	\$ 3,845,517
2017	2,845,000	1,001,476	3,846,476
2018	2,805,000	912,626	3,717,626
2019	2,910,000	820,564	3,730,564
2020	3,015,000	724,783	3,739,783
2021-2025	15,670,000	2,107,638	17,777,638
2026	1,655,000	72,406	1,727,406
Total	\$ 31,660,000	\$ 6,725,010	\$ 38,385,010

Year Ending June 30	Notes		
	Principal	Interest	Total
2016	\$ 29,131	\$ 1,499	\$ 30,630
2017	15,004	305	15,309
Total	\$ 44,135	\$ 1,804	\$ 45,939

There is \$1,217,971 available in the debt service funds to service long-term debt. This consists of a balance of \$970,231 in the Education Debt Service Fund and \$247,740 in the General Debt Service Fund. Debt per capita, including bonds and notes totaled \$527, based on the 2010 federal census for residents living outside the Greeneville school district and \$222 for residents living inside the Greeneville school district.

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2015, was as follows:

Governmental Activities:

	<u>Bonds</u>	<u>Notes</u>
Balance, July 1, 2014	\$ 34,295,000	\$ 72,119
Additions	0	573,093
Reductions	<u>(2,635,000)</u>	<u>(601,077)</u>
Balance, June 30, 2015	<u>\$ 31,660,000</u>	<u>\$ 44,135</u>
Balance Due Within One Year	<u>\$ 2,760,000</u>	<u>\$ 29,131</u>
	<u>Compensated</u>	<u>Other</u>
	<u>Absences</u>	<u>Postemployment</u>
		<u>Benefits</u>
Balance, July 1, 2014	\$ 945,061	\$ 732,600
Additions	961,640	122,800
Reductions	<u>(971,944)</u>	<u>(83,500)</u>
Balance, June 30, 2015	<u>\$ 934,757</u>	<u>\$ 771,900</u>
Balance Due Within One Year	<u>\$ 907,486</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 33,410,792
Less: Balance Due Within One Year	<u>(3,696,617)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 29,714,175</u>

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

Discretely Presented Greene County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Termination Benefits	Compensated Absences
Balance, July 1, 2014	\$ 219,365	\$ 150,463
Additions	156,088	83,985
Reductions	(219,365)	(82,493)
Balance, June 30, 2015	<u>\$ 156,088</u>	<u>\$ 151,955</u>
Balance Due Within One Year	<u>\$ 156,088</u>	<u>\$ 76,021</u>

	Other Postemployment Benefits
Balance, July 1, 2014	\$ 4,812,248
Additions	1,623,951
Reductions	(982,058)
Balance, June 30, 2015	<u>\$ 5,454,141</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 5,762,184
Less: Balance Due Within One Year	<u>(232,109)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 5,530,075</u>

Termination benefits, compensated absences, and other postemployment benefits will be paid from the employing funds, primarily the General Purpose School and School Federal Projects funds.

F. Pledges of Receivables and Future Revenues

Component Unit Revenues Pledged for Primary Government Debt

In 2000, the citizens of Greene County voted to increase the local option sales tax rate from 2.5 percent to 2.75 percent. The increase in local option sales tax was restricted to education purposes. In 2001, the Greene County School Department pledged, as security for bonds issued by Greene County, an annual amount not to exceed \$250,000 of restricted funds received from the state for capital outlay purchases and the entire amount of the local option sales tax increase. The bonds issued by Greene County in 2001 and refunded

in 2005, totaled \$18 million and are payable through 2026. Total principal and interest remaining on the debt is \$17,132,531 with annual requirements ranging from \$1,114,825 in the next fiscal year to \$1,727,406 in the final year. For the current year, principal and interest paid by the county and local option sales tax allocated to the Education Debt Service Fund totaled \$1,117,769 and \$678,734, respectively. The School Department contributed \$219,853 during the year to the Education Debt Service Fund from restricted state capital outlay funds.

The Greene County School Department pledged, as security for bonds issued by Greene County, the annual savings arising from its energy conservation program. The bonds issued by Greene County in 2001 and refunded in 2005, totaled \$3,925,000 and were used to provide financing for energy conservation improvements. The School Department pledged its total annual savings until the bonds are retired in December 2016. Total principal and interest remaining on the debt is \$961,866 with annual requirements of \$472,266 in the next fiscal year and \$489,600 in the final year. There were no savings from the energy conservation program during the current year. For the current year, principal and interest paid by the county totaled \$457,594.

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Greene County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state’s Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2015, were \$348,586 and \$69,150, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

H. Short-term Debt

Greene County issued a tax anticipation note in advance of property tax collections and deposited the proceeds in the General Fund. This note was necessary to alleviate cash flow issues in the General Fund. Short-term debt activity for the year ended June 30, 2015, was as follows:

Balance 7-1-14	Issued	Paid	Balance 6-30-15
\$ 0	\$ 1,000,000	\$ (1,000,000)	\$ 0

Interest of \$2,780 was paid from the General Fund for the tax anticipation note.

V. OTHER INFORMATION

A. Risk Management

The county has chosen to establish the Employee Insurance – Health Fund for risks associated with the employees’ health insurance plan. The Employee Insurance – Health Fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county is self-insured to a limit of \$125,000 per covered person for a single medical claim and 100 percent of expected claims. The maximum aggregate liability totaled \$5,880,265 or 100 percent of the first monthly aggregate deductible amount times 12, whichever is greater. The county obtained a stop/loss commercial insurance policy to cover claims beyond this liability. All full-time employees of the primary government are eligible to participate. A premium charge is allocated to each fund that accounts for full-time employees.

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

Greene County and the Greene County School Department have established a self-insurance program for risks associated with general liability, property, casualty, and workers’ compensation. The self-insurance program is accounted for as a special revenue fund (Special Purpose Fund) in which assets are set aside for claim settlements. The county and the School Department retain the risk of loss to a limit of \$250,000 per individual claim, or \$2,000,000 in the aggregate for general liability, property, and casualty losses. The county and the School Department are self-insured to a limit of \$650,000 per individual claim, or \$1,000,000 in the aggregate for workers’ compensation. Amounts exceeding these limits are covered by excess loss policies. A fee is paid to a third-party agent who investigates claims and determines action to be taken.

Liabilities of the self-insurance funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These funds establish claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. Claims liabilities include specific, incremental claim adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities

does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

Self-Insurance Program – Special Purpose Fund

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments and Reduction in Estimates	Balance at Fiscal Year-end
2013-14	\$ 828,013	\$ 852,676	\$ (681,106)	\$ 999,583
2014-15	999,583	498,088	(744,854)	752,817

Employee Insurance – Health Fund

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2013-14	\$ 14,303	\$ 4,463,697	\$ (3,997,977)	\$ 480,023
2014-15	480,023	3,187,629	(3,272,470)	395,182

B. Accounting Changes

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No. 27*; Statement No. 69, *Government Combinations and Disposals of Government Operations*; and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment of GASB Statement No. 68* became effective for the year ended June 30, 2015.

GASB Statement No. 68, replaces the requirements of Statements No. 27 and No. 50 as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not covered by the scope of this statement. This statement establishes standards for measuring and recognizing liabilities, deferred outflows/inflows, and expenses/expenditures.

GASB Statement No. 69, establishes accounting and financial reporting standards related to government combinations and disposals of government operations such as mergers, acquisitions, and transfer of operations.

GASB Statement No. 71, addresses issues related to amounts of contributions made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

C. Subsequent Event

On August 3, 2015, Greene County issued capital outlay notes of \$565,396 for school buses.

D. Contingent Liabilities

On August 18, 2003, the Greene County Commission approved the issuance and sale by the Town of Greeneville, Tennessee, of its airport revenue and tax refunding and improvement bonds not to exceed \$1,350,000, which are payable from the revenues of the Greeneville-Greene County Airport Authority. The Airport Authority is a joint venture between the Town of Greeneville and Greene County. The county pledged the full faith and credit of the county for one-half of the costs incurred in relation to the issuance, sale, delivery, and prompt payment of the bonds in the event of a deficiency in airport revenues. As of June 30, 2015, future principal and interest requirements on the debt totaled \$675,000 and \$161,421, respectively. In addition, the Airport Authority secured funding of \$784,224 from Capital Bank to provide the required match for certain state and federal grants. Capital Bank required the Town of Greeneville and Greene County to guarantee payment of the note by the Airport Authority. As of June 30, 2015, future principal and interest requirements on the debt totaled \$784,224 and \$60,145, respectively.

There are several pending lawsuits in which the county is involved. Based on letters from attorneys, management believes that potential claims not already recorded in the self-insurance programs would not materially affect the financial statements of the county.

E. Changes in Administration

On August 31, 2014, Alan Broyles left the Office of County Mayor and was succeeded by David Crum, Dan Walker left the Office of Trustee and was succeeded by Nathan Holt, Janie Fincher left the Office of County Clerk and was succeeded by Lori Bryant, and Steven Burns left the Office of Sherriff and was succeeded by Pat Hankins.

Dr. Vicki Kirk resigned as Director of Schools as of April 5, 2015. Judy Phillips served as interim director, and David McLain was appointed director by the Board of Education effective June 1, 2015.

F. Joint Ventures

Primary Government

The county is a participant with the Town of Greeneville in joint ventures to operate Greeneville-Greene County Airport Authority, Greeneville-Greene County Landfill, Kinser Park Commission, and Greeneville-Greene County Sports Complex Commission.

The Greeneville-Greene County Airport Authority operates the county's only airport facility. The authority is governed by a five-member body comprising two appointees from the county, two from the town, and one member elected by the board. The authority generates operating revenue from leasing buildings and hangars. For the year ended June 30, 2015, the county made no contributions to the authority to subsidize its operations.

The Greeneville-Greene County Landfill is governed by a seven-member Municipal Solid Waste Region Board including three appointees from the county, three from the Town of Greeneville, and one from the City of Tusculum. The landfill currently accepts only demolition waste for disposal on site. The landfill also serves as a transfer station for class 1 and 2 waste, which is hauled out of the county. Greene County shares the costs of this operation with the Town of Greeneville, and the town serves as fiscal agent. On September 17, 2013, Greene County and the Town of Greeneville entered into a contract with Waste Industries of Tennessee, providing for the operating of the landfill and transfer station, postclosure care of the old landfill, and transportation of solid waste from the transfer station to Waste Industries' landfill. For the year ended June 30, 2015, the county paid \$625,519 to the Town of Greeneville for the county's share of operating costs. Greene County, along with the Town of Greeneville, has entered into two contracts in-lieu-of performance bonds with the Tennessee Department of Environment and Conservation to ensure proper operation and closure/postclosure of the landfill facilities. The total of these contracts in-lieu-of performance bonds is approximately \$1,455,808, which the county and town each guarantee 50 percent.

The Kinser Park Commission oversees the operation of Kinser Park, a recreation facility that includes camping, swimming, and golf. The commission is governed by a nine-member body including two appointees from both the county and town and five citizens at large selected by the other park commissioners. In addition, the mayors of the Town of Greeneville and Greene County serve as ex-officio members of the body. The commission generates its operating revenue from concessions, rental fees, and appropriations from the county and town. For the year ended June 30, 2015, the county remitted \$5,000 to the commission to subsidize its operations.

Greene County and the Town of Greeneville entered into an agreement to form the Greeneville-Greene County Sports Complex Commission to oversee the construction, operation, and maintenance of a jointly owned sports complex on Hal Henard Road. The complex is managed by a seven-member commission consisting of: the county mayor, the town mayor, a county commissioner, a town alderman and three members of the town's Parks and Recreation Advisory Board. Day-to-day operations are performed by the town's Parks and Recreation Department. All revenues are applied toward the operating and maintenance costs with any annual surplus reserved for future expenses of the complex. The costs of management, operation, maintenance, and improvements are funded equally (50/50) and the Town of Greeneville serves as the fiscal agent for the complex. For the year ended

June 30, 2015, the county made no contributions to the commission to subsidize its operations.

The Third Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Third Judicial District, Greene, Hamblen, Hancock, and Hawkins counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Greene County remitted \$9,000 to the DTF for the year ended June 30, 2015.

The Upper East Tennessee Juvenile Detention Center was formed through cooperative agreements between Greene County and the counties of Carter, Hawkins, Johnson, Sullivan, Unicoi, and Washington for the operation of a program to divert youth from commitment to the Department of Correction's facilities. This program is governed by a board of directors designated by the counties. The board of directors has contracted with Universal Health Services, Inc., to undertake the management of this program. Operation costs to the counties are allocated according to percentages based on population. Greene County's participation is 13.6 percent. The county also pays a daily fee for each individual from their county using the facility.

Discretely Presented School Department

The Greene Technology Center (GTC) is a joint venture between the discretely presented Greene County School Department and the Town of Greeneville Board of Education. The GTC is governed by a 12-member board, which consists of all six members each from the county's and the town's Boards of Education. The GTC's primary funding source is contributions by the county and the town. These contributions are based on the proportion of students who reside in the town or in the county since all citizens of each are eligible for services provided by the center. The Greene County School Department contributed \$391,215 to the center for the year ended June 30, 2015. The county does not have an equity interest in the joint venture.

The discretely presented School Department participates in the Northeast Tennessee Cooperative (NETCO). The cooperative was established through a contractual agreement between the Boards of Education of Greene County and various other counties and cities in the upper East Tennessee area. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated* and was established to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a

coordinating district (Johnson City School System) and a service provider to provide this service. NETCO is governed by a representative committee, including one representative from each of the member districts and an executive council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the representative committee.

Complete financial statements for the joint ventures of the primary government and discretely presented School Department can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Greeneville-Greene County Airport Authority
c/o Town of Greeneville
200 North College Street
Greeneville, TN 37843

Greeneville-Greene County Landfill
c/o Town of Greeneville
200 North College Street
Greeneville, TN 37843

Kinser Park Commission
650 Kinser Park Lane
Greeneville, TN 37843

Greeneville-Greene County Sports
Complex Commission
c/o Town of Greeneville
200 North College Street
Greeneville, TN 37843

District Attorney General
Third Judicial District
124 Austin Street, Suite 3
Greeneville, TN 37745

Upper East Tennessee Juvenile
Detention Center
307 Wesley Street
Johnson City, TN 37601

Greene Technology Center
c/o Town of Greeneville
200 North College Street
Greeneville, TN 37843

Northeast Tennessee Cooperative
100 East Maple Street
P.O. Box 1517
Johnson City, TN 37605

G. Jointly Governed Organizations

The Industrial Development Board of the Town of Greeneville and Greene County was created and is governed by the county and the town. The board is composed of eight members, including the county and town mayors and seven members approved by both the county and town. The purpose is to promote economic development by inducing manufacturing, industrial, governmental, educational, financial, service, commercial, recreational, and agricultural enterprises to locate in or remain in Greene County and the Town of Greeneville. Greene County remitted \$80,673 to the IDB during the year based on a tax increment financing agreement passed by County Commission in 2011.

The East Tennessee Regional Agribusiness Marketing Authority was established through Title 64 of *Tennessee Code Annotated*, and includes the counties of Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Johnson, Sullivan, Unicoi, and Washington. The purpose of the authority is to establish and operate a market for agricultural products of the region through a food distribution center. The authority is governed by a board of directors consisting of the county mayors of each county or the county mayor's designee and one nonvoting member representing each of the following: the Tennessee Department of Agriculture and the University of Tennessee's Agriculture Extension Service. An executive committee consisting of the chairman, vice chairman, secretary, and treasurer of the board of directors, along with the center's manager as an ex-officio member, is in charge of the daily operations of the center.

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Greene County and non-certified employees of the discretely presented Greene County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 50.76 percent and the non-certified employees of the discretely presented School Department comprise 49.24 percent of the plan based on census data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The

TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Employees Covered by Benefit Terms. At the measurement date of June 30, 2014, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	403
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	521
Active Employees	725
 Total	 <u><u>1,649</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Greene County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2015, employer contributions for Greene County were 1,918,453 based on a rate of 10.43 percent of pensionable payroll. By law, employer contributions are required to be paid. The TCRS may intercept Greene County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Greene County's net pension liability (asset) was measured as of June 30, 2014, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25%
Investment Rate of Return	7.5%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.5%

Mortality rates were based on actual experience from the June 30, 2012, actuarial experience study, adjusted for some of the expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2014, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with

the June 30, 2012, actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of three percent. The target allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	6.46 %	33 %
International Equity Emerging Market	6.26	17
International Equity Private Equity and Strategic Lending	6.40	5
U.S. Fixed Income	4.61	8
Real Estate	0.98	29
Short-term Securities	4.73	7
	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the three factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Greene County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's

fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, July 1, 2013	\$ 57,437,604	\$ 52,951,290	\$ 4,486,314
Changes for the year:			
Service Cost	\$ 1,530,277	\$ 0	\$ 1,530,277
Interest	4,332,043	0	4,332,043
Differences Between Expected and Actual Experience	(440,492)	0	(440,492)
Contributions-Employer	0	1,889,805	(1,889,805)
Contributions-Employees	0	916,083	(916,083)
Net Investment Income	0	8,810,783	(8,810,783)
Benefit Payments, Including Refunds of Employee Contributions	(2,414,624)	(2,414,624)	0
Administrative Expense	0	(28,949)	28,949
Other Changes	0	0	0
Net Changes	<u>\$ 3,007,204</u>	<u>\$ 9,173,098</u>	<u>\$ (6,165,894)</u>
Balance, June 30, 2014	<u>\$ 60,444,808</u>	<u>\$ 62,124,388</u>	<u>\$ (1,679,580)</u>

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	50.76%	\$ 30,681,785	\$ 31,534,339	\$ (852,555)
School Department	49.24%	29,763,023	30,590,049	(827,025)
Total		<u>\$ 60,444,808</u>	<u>\$ 62,124,388</u>	<u>\$ (1,679,580)</u>

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

well as what the net pension liability (asset) would be if it was calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

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

Net Pension Liability \$ 6,300,945 \$ (1,679,580) \$ (8,304,800)

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

Pension Income. For the year ended June 30, 2015, Greene County recognized pension income of \$48,333.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, Greene County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 0	\$ 367,077
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	3,860,679
Contributions Subsequent to the Measurement Date of June 30, 2014 (1)	1,918,453	N/A
Total	<u>\$ 1,918,453</u>	<u>\$ 4,227,756</u>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2014,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Allocation of Agent Plan Deferred Outflows of Resources and
Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 1,269,108	\$ 2,146,009
School Department	649,345	2,081,747
Total	<u>\$ 1,918,453</u>	<u>\$ 4,227,756</u>

Amounts reported as deferred outflows of resources, with the exception of contributions subsequent to the measurement date, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2016	\$ (1,038,585)
2017	(1,038,585)
2018	(1,038,585)
2019	(1,038,585)
2020	(73,415)
Thereafter	0

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

Discretely Presented Greene County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Greene County and non-certified employees of the discretely presented Greene County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 50.76 percent and the non-certified employees of the discretely presented School Department comprise 49.24 percent of the plan based on census data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Greene County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Members of the Teachers Retirement Plan are entitled to receive unreduced service retirement benefits, which are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are

defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute five percent of salary. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2015, to the Teacher Retirement Plan were \$37,077, which is four percent of pensionable payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities. Since the measurement date is June 30, 2014, which is prior to the July 1, 2014, inception of the Teacher Retirement Plan, there is no net pension liability to report at June 30, 2015.

Pension Expense. Since the measurement date is June 30, 2014, the Greene County School Department did not recognize any pension expense at June 30, 2015.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, the Greene County School Department reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	\$ 37,077	N/A

The Greene County School Department’s employer contributions of \$37,077 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a reduction of net pension liability in the year ending June 30, 2016.

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Greene County School Department with membership in the TCRS before July 1, 2014, of the Greene County School Department are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member’s highest five consecutive year average compensation and the member’s years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability

benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute five percent of salary. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Greene County School Department for the year ended June 30, 2015, to the Teacher Legacy Pension Plan were \$2,235,466, which is 9.04 percent of pensionable payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Assets. At June 30, 2015, the Greene County School Department reported an asset of \$105,746 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Greene County School Department's proportion of the net pension liability was based on Greene County School Department's employer contributions to the pension plan during the year ended June 30, 2014, relative to the contribution of all LEAs for the year ended June 30, 2014. At the June 30, 2014, measurement date, the Greene County School Department's proportion was .650774 percent. The proportion measured as of June 30, 2013, was .648071 percent.

Pension Income. For the year ended June 30, 2015, the Greene County School Department recognized a pension income of \$84,339.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, the Greene County School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 256,729	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	8,712,936
Changes in Proportion of Net Pension Liability (Asset)	38,121	0
LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	<u>2,235,466</u>	<u>N/A</u>
Total	<u>\$ 2,530,316</u>	<u>\$ 8,712,936</u>

The Greene County School Department's employer contributions of \$2,235,466 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase in net pension asset in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2016	\$ (2,129,093)
2017	(2,129,093)
2018	(2,129,093)
2019	(2,129,093)
2020	49,142
Thereafter	49,142

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

Actuarial Assumptions. The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25%
Investment Rate of Return	7.5%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.5%

Mortality rates are customized based on the June 30, 2012, actuarial experience study and some included adjustment for expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2014, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2012, actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of three percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	%	Percentage Target Allocations	%
U.S. Equity Developed Market	6.46	%	33	%
International Equity Emerging Market	6.26		17	
International Equity Private Equity and Strategic Lending	6.40		5	
U.S. Fixed Income Real Estate	4.61		8	
	0.98		29	
	4.73		7	
Short-term Securities	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the four factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents Greene County School Department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.5 percent, as well as what Greene County School Department's proportionate share of the net pension liability (asset) would be if it was calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
---	------------------------	-------------------------------------	------------------------

Net Pension Liability \$ 17,835,542 \$ (105,746) \$ (14,959,191)

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

2. Deferred Compensation

Teachers hired after July 1, 2014, by the discretely presented Greene County School Department are required to participate in a hybrid pension plan administered by the Tennessee Consolidated Retirement System. This hybrid pension plan requires that these teachers contribute five percent of their salaries into a deferred compensation plan managed by the hybrid plan pursuant to IRC Section 401(k). As part of their employment package, the Greene County School Department has assumed all costs of funding this program on-behalf of the plan participants. The Section 401(k) plan assets remain the property of the participating teachers and are not presented in the accompanying financial statements. IRC Section 401(k), establishes participation, contribution, and withdrawal provisions for the plans. During the year, the Greene County School Department contributed \$45,715 to the 401(k) portion of the hybrid pension plan on-behalf of the plan participants.

I. Other Postemployment Benefits (OPEB)

Primary Government

Plan Description

Greene County has elected to establish a self-insured postemployment benefits plan administered by United Health Care for medical benefits for its employees. For accounting purposes, the plan is a single-employer defined benefit OPEB plan. Benefits are established and amended by the County Commission.

Funding Policy

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

active employees or retired employees' premiums. Eligible employees must be age 50 and have more than 30 years of service, consisting of 20 years or more with Greene County, with credit for up to ten years of other service under the Tennessee Consolidated Retirement System and up to four years credit for military service. Greene County pays 50 percent of the cost for single coverage. Greene County does not pay any additional amounts towards spouse coverage. During the year ended June 30, 2015, Greene County contributed \$83,500 for postemployment healthcare benefits.

Annual OPEB Cost and Net OPEB Obligation

ARC	\$ 124,000
Interest on the NOPEBO	29,300
Adjustment to the ARC	(30,500)
Annual OPEB cost	<u>\$ 122,800</u>
Amount of contribution	<u>(83,500)</u>
Increase/decrease in NOPEBO	\$ 39,300
Net OPEB obligation, 7-1-14	<u>732,600</u>
Net OPEB obligation, 6-30-15	<u><u>\$ 771,900</u></u>

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-13	Self-insured	\$ 133,000	25 %	\$ 619,900
6-30-14	"	140,300	20	732,600
6-30-15	"	122,800	68	771,900

Funded Status and Funding Progress

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

Actuarial valuation date	7-1-14
Actuarial accrued liability (AAL)	\$ 1,477,200
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 1,447,200
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 12,252,745
UAAL as a % of covered payroll	11.8%

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

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

Actuarial Methods and Assumptions

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

In the July 1, 2014, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a four percent investment rate of return and an annual healthcare cost trend rate of eight percent initially, reduced by .5 percent annually to an ultimate rate of five percent. A 2.5 percent general inflation rate is assumed. The unfunded actuarial accrued liability is being amortized on an open basis over a 30-year period beginning with July 1, 2008.

Discretely Presented Greene County School Department

Plan Description

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

Funding Policy

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

their own contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state does not provide a subsidy for local government participants; however, the state does provide a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The required contribution rate for retired teachers ranges from zero to 60 percent based on the years of service. During the year ended June 30, 2015, the discretely presented School Department contributed \$982,058 for postemployment healthcare benefits.

Annual OPEB Cost and Net OPEB Obligation

	Local Education Group Plan
	<hr/>
ARC	\$ 1,619,000
Interest on the NOPEBO	192,490
Adjustment to the ARC	(187,539)
Annual OPEB cost	<hr/> \$ 1,623,951
Amount of contribution	(982,058)
Increase/decrease in NOPEBO	<hr/> \$ 641,893
Net OPEB obligation, 7-1-14	<hr/> 4,812,248
	<hr/>
Net OPEB obligation, 6-30-15	<hr/> <hr/> \$ 5,454,141

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
<hr/>				
6-30-13	Local Education Group	\$ 1,934,051	47%	\$ 4,251,814
6-30-14	"	1,567,381	64	4,812,248
6-30-15	"	1,623,951	60	5,454,141

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)	\$ 14,083,000
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 14,083,000
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 32,243,482
UAAL as a % of covered payroll	44%

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 Group Plan, the projected unit credit actuarial cost method was used, and the actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual health care cost trend rate of seven percent for fiscal year 2015. The trend rate will decrease to 6.5 percent in 2016, and then be reduced by decrements to an ultimate rate of 4.7 percent by fiscal year 2044. Both rates include a 2.5 percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with July 1, 2007.

J. Termination Benefits

The discretely presented Greene County School Department has entered into a retirement incentive bonus payment plan in accordance with contract provisions. This plan is available to all certified teachers who have (a) at least 20 years of service in Greene County and who have attained age 60 or (b) have a minimum of 30 years of credible service in the Tennessee Consolidated Retirement System. The plan gives teachers who have met the above requirements a bonus of 35 percent of the teacher's salary for the last year employed. The employee can elect to receive the bonus in either one or two installments; however, the total bonus amount must be received in only one fiscal year. Termination benefits are also provided to full time paraprofessionals who retire from the School Department. Full time paraprofessionals who have at least 25 years of service with the Greene County School Department are eligible for a lump sum payment of 20 percent of their previous year's salary at the time of retirement. During the 2014-15 year, 14 employees participated in the program. The estimated cost of the cash payments reported in the government-wide Statement of Net Position is \$156,088, with the entire amount being due within one year. The governmental funds' financial statements reflect retirement incentive expenditures of \$219,365 in the General Purpose School Fund.

K. Office of Central Accounting

Greene County operates under provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county mayor and highway superintendent. These funds are maintained in the Office of Central Accounting under the supervision of the director of accounts and budgets.

L. Purchasing Laws

Offices of County Mayor and Superintendent of Highways

The Office of Purchasing Agent was established under the provisions of the Purchasing Act of 1957. This statute provides for the purchasing agent to make all purchases for the County Mayor's Office and the Highway Department. Purchasing procedures for the Highway Department are also governed by provisions of the Uniform Road Law, Section 54-7-113, *Tennessee Code Annotated (TCA)*. These statutes provide for purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids.

Office of Director of Schools

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

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

VI. OTHER NOTES – DISCRETELY PRESENTED GREENEVILLE-GREENE COUNTY EMERGENCY COMMUNICATIONS DISTRICT

A. Description of Organization

Greeneville-Greene County Emergency Communications District was established on November 8, 1988, pursuant to the provisions of Chapter 867 of the Public Acts of 1984 of the State of Tennessee. The district is responsible for furnishing local emergency telephone service and a primary emergency telephone number for the residents of Greene County, Tennessee. The district is governed by a nine-member board of directors appointed by the County Commissioners of Greene County, Tennessee. The board of directors has the authority to levy an emergency telephone service charge to be used to fund the operations of the district. The district began collecting telephone user fees in May 1989 and began operations during the year ended June 30, 1990.

The district is considered a component unit of Greene County, Tennessee, because the Greene County Mayor appoints and the Greene County commissioners affirm the district's board of directors, and they must approve most debt issued by the district.

B. Summary of Significant Accounting Policies

Basis of Accounting

The district's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included in the statement of net position. The statement of revenue, expenses, and changes in net position presents increases (revenue) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenue is recognized in the period in which it is earned while expenses are recognized in the period in which the liability is incurred.

Operating revenue is revenue that is generated from the primary operations of the district. All other revenue is reported as non-operating revenue. Operating expenses are those expenses that are essential to the primary operations of the district. All other expenses are reported as non-operating expenses.

GASB Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments establishes

standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into the following three net position groups:

Investment in capital assets: This category includes capital assets, net of accumulated depreciation. Investment in capital assets at June 30, 2015, has been calculated as follows:

Capital Assets	\$ 742,534
Accumulated Depreciation	(447,971)
Total	<u>\$ 294,563</u>

Restricted: This category includes net position whose use is subject to externally imposed stipulations that can be fulfilled by actions of the district pursuant to those stipulations or that expire by the passage of time. When both restricted and unrestricted resources are available for use, it is the district’s policy to use restricted resources first, then unrestricted resources as needed. The district had no restricted net position as of June 30, 2015.

Unrestricted: This category includes net position that is not subject to externally imposed stipulations and that does not meet the definition of “restricted” or “invested in capital assets.” Unrestricted net position may be designated for specific purposes by action of management or the board of directors or may otherwise be limited by contractual agreements with outside parties.

Accounts Receivable

Accounts receivable, which are deemed uncollectible based upon a periodic review of the accounts are charged to revenue. At June 30, 2015, no allowance for uncollectible accounts was considered necessary.

Capital Assets

Capital assets, which include property and equipment, are recorded at cost and defined by the district as assets with an initial, individual cost of \$250 or more. Depreciation is computed using the straight-line method over the estimated useful lives, which range from five to 25 years.

Operating Budget

The district is required by state law to adopt an annual operating budget. The board of directors approves the original budget and any amendments, and maintains the legal level of control at the line-item level. The budget is prepared on the accrual basis of accounting. All appropriations lapse at the end of the year.

Compensated Absences

The district employees are granted vacation and sick leave in varying amounts and may accumulate sick leave indefinitely, which may then be used for early retirement. The district's policies do not provide for an employee to be paid for any unused sick leave in the event of termination. Vacation leave may be accumulated up to 160 hours. Any hours over 160 will be transferred to the employee's sick leave account. Employees may receive payment for unused vacation leave, up to the 160-hour maximum, upon termination or resignation. Accumulated vacation leave is recorded as an expense and liability as the benefits accrue to the employees. No liability is recorded for accumulated sick leave.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the district's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from the district's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

C. Cash

Cash represents money on deposit in various banks. The district considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents.

State of Tennessee law authorizes the district to invest in obligations of the United States or its agencies, nonconvertible debt securities of certain federal agencies, other obligations guaranteed as to principal and interest by the United States or any of its agencies, secured certificates of deposit and other evidences of deposit in state and federal banks and savings and loan associations, and the Tennessee Department of Treasury Local Government Investment Pool (the LGIP). The LGIP contains investments in certificates of deposit, U.S. Treasury securities and repurchase agreements, backed by the U.S. Treasury securities. The Treasurer of the State of Tennessee administers the investment pool.

All deposits with financial institutions in excess of Federal Deposit Insurance Corporation (FDIC) limits are required to be secured by one of two methods. Excess funds can be deposited with a financial institution that participates in the State of Tennessee Bank Collateral Pool. For deposits with financial institutions that do not participate in the State of Tennessee 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.

All of the district's cash and cash equivalent balances at June 30, 2015, were either insured through the Federal Deposit Insurance Corporation, through the State of Tennessee Bank Collateral Pool or collateralized with securities held by the district's agent in the district's name.

D. Capital Assets

	Balance 7-1-14	Additions	Retirements	Balance 6-30-15
<u>Capital Assets Depreciated</u>				
Furniture and Fixtures	\$ 11,569	\$ 0	\$ 0	\$ 11,569
Office Equipment	14,812	0	0	14,812
Communications Equipment	590,383	8,096	0	598,479
Vehicles	41,950	0	0	41,950
Mapping	47,377	0	0	47,377
Leasehold Improvements	28,347	0	0	28,347
	<u>\$ 734,438</u>	<u>\$ 8,096</u>	<u>\$ 0</u>	<u>\$ 742,534</u>
<u>Accumulated Depreciation</u>				
Furniture and Fixtures	\$ (9,442)	\$ (987)	\$ 0	\$ (10,429)
Office Equipment	(14,812)	0	0	(14,812)
Communications Equipment	(300,954)	(53,547)	0	(354,501)
Vehicles	(38,950)	0	0	(38,950)
Mapping	(14,733)	(4,738)	0	(19,471)
Leasehold Improvements	(8,549)	(1,259)	0	(9,808)
	<u>\$ (387,440)</u>	<u>\$ (60,531)</u>	<u>\$ 0</u>	<u>\$ (447,971)</u>
Total	<u>\$ 346,998</u>	<u>\$ (52,435)</u>	<u>\$ 0</u>	<u>\$ 294,563</u>

E. Pension Plan

Plan Description

Employees of the district are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided

TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10% and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent and applied to the current benefit. No COLA is granted if the change in the CPI is less than .5 percent. A one percent COLA is granted if the CPI change is between .5 percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2014, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	3
Inactive employees entitled to but not yet receiving benefits	7
Active employees	10
	<u>20</u>

Contributions

Contributions for employees are established in the statues governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. The district makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2015, employer contributions for the district were \$38,497 based on a rate of 8.98 percent. By law, employer contributions are required to be paid. The TCRS may intercept the district's state shared taxes if required contributions are not remitted. The employer's actuarially determined contribution and member contributions are expected to finance the costs of benefits earned by

members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

The district's net pension liability (asset) was measured as of June 30, 2014, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability as of June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	Graded salary ranges from 8.97 to 3.71 percent based on age, including inflation, averaging 4.25 percent
Investment rate of return	7.5 percent, net of pension plan investment expenses, including inflation

Mortality rates were based on actual experience from the June 30, 2012, actuarial experience study adjusted for some of the expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2014, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2012, actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of assets classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of 3%. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
U.S. Equity	6.46	% 33 %
Developed market international equity	6.26	17
Emerging market international equity	6.40	5
Private equity and strategic lending	4.61	8
U.S. fixed income	0.98	29
Real estate	4.73	7
Short-term securities	0.00	1
		<hr style="width: 100%; border: 0.5px solid black;"/> 100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5% based on a blending of the three factors described above.

Discount Rate

The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from the District will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Changes for the year ended June 30, 2014:			
Increase (decrease)			
Service cost	\$ 30,099	\$ 0	\$ 30,099
Interest	71,407	0	71,407
Differences between expected and actual experience	(12,759)	0	(12,759)
Contributions - employer	0	36,910	(36,910)
Contributions - employees	0	18,774	(18,774)
Net investment income	0	136,954	(136,954)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Changes for the year ended June 30, 2014:			
Increase (decrease) (Cont.)			
Benefit payments, including refunds of employee contributions	(32,175)	(32,175)	0
Administrative expense	0	(391)	391
Net changes for the year ended June 30, 2014	\$ 56,572	\$ 160,072	\$ (103,500)
Balance at June 30, 2013	938,089	814,564	123,525
Balance at June 30, 2014	\$ 994,661	\$ 974,636	\$ 20,025

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the District calculated using the discount rate of 7.5 percent as well as what the net pension liability (asset) would be if it was calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net Pension Liability (Asset)	\$ 196,487	\$ 20,025	\$ (122,205)

Pension Income

For the year ended June 30, 2015, the district recognized, in the government-wide statement of activities, pension income of \$4,342.

Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2015, the district reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ 10,936
Net difference between projected and actual earnings on pension plan investments	0	59,996
Contributions subsequent to the measurement date of June 30, 2014	38,497	N/A
Total	\$ 38,497	\$ 70,932

The amount shown above for "Contributions subsequent to the measurement date of June 30, 2014," will be recognized as a reduction (expense) to net pension liability (asset) in the following measurement period.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Total Payments
2016	\$ (16,822)
2017	(16,822)
2018	(16,822)
2019	(16,822)
2020	(1,823)
Thereafter	(1,823)

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

Payable to the Pension Plan

At June 30, 2015, the district reported a payable of \$6,190 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2015.

F. Risk Management

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district carries commercial insurance for all risks of loss, including general liability and workers' compensation

coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

G. Restatement

During the year ended June 30, 2015, the district implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. GASB Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as an asset or liability and to more comprehensively and comparably measure the annual costs of pension benefits. Net position as of June 30, 2014, has been restated for the implementation of GASB Statement No. 68. As a result, the effect on the year ended June 30, 2014 was as follows:

	<u>Deferred Inflows of Resources</u>
Balance at June 30, 2014, as originally reported	\$ 1,227,376
Net pension liability, measurement date as of June 30, 2014	(123,525)
Deferred outflows for contributions made during the year ended June 30, 2014	<u>36,910</u>
Balance at June 30, 2014, restated	<u>\$ 1,140,761</u>

VII. OTHER NOTES – DISCRETELY PRESENTED GREENEVILLE-GREENE COUNTY LIBRARY

A. Summary of Significant Accounting Policies

Financial Reporting Entity

The Greeneville-Greene County Library (the “library”) is a joint venture of Greene County, Tennessee, and the Town of Greeneville, Tennessee. The library is also a discretely presented component unit of Greene County, Tennessee. The library serves all citizens of the Town of Greeneville and Greene County. The library is a separate legal entity and is not fiscally dependent upon Greene County. However, the Library Board of Directors is appointed, in majority, by the County Commission. The library was chartered in 1912 for the purpose of providing educational and literacy benefits to the citizens of Greene County.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred regardless of the timing of related cash flows.

The governmental fund financial statements are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e. both measureable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid sick pay, which is not accrued; and (2) principal and interest on general obligation long-term debt, which is recognized when due.

The financial statements of the library have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Basic Financial Statements – Government-Wide Statements

The library's basic financial statements include both government-wide (reporting the library as a whole) and fund financial statements (reporting the library's major fund). The library has only one fund, the General Fund.

In the government-wide Statement of Net Position, the governmental activities are presented on the full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The library's net position is reported in three parts – net investment in capital assets, restricted net position, and unrestricted net position. When both unrestricted and restricted fund resources are available for use, it is the library's policy to use restricted resources first. The government-wide statement of activities reports both the gross and net costs of the library's function. The function is also supported by the general government revenues (certain intergovernmental revenues, fees and charges, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues. Program revenues must be directly associated with this function. Program revenues include 1) charges to customers who use or directly benefit from goods, services, or privileges provided by a given function or program and 2) grants and contributions for operation or capital requirements of a particular function or program. Taxes and other items not identifiable with a program are reported as general revenues.

The net cost (by function) is normally covered by general revenue (intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the library as an entity and the changes in the library's net position resulting from current year's activities.

Basic Financial Statements – Fund Financial Statements

The financial transactions of the library are reported in the General Fund in the fund financial statements. The focus of the governmental fund measurement in the fund statements is upon determination of financial position and changes in financial position (sources, uses, and balances of the financial resources) rather than upon net income. The fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The fund is reported by generic classification within the financial statements.

Budgets and Budgetary Accounting

The library's charter does not require it to operate within an approved budget. However, budgets are used internally for managerial purposes.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The library considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

Capital Assets

Capital assets, which include land, land improvements, buildings, and other capital assets, are reported in the governmental column of the government-wide financial statements. Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation.

All purchases and construction costs in excess of \$5,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year. Capital assets (excluding land and construction in progress) are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

Land improvements	30-40 years
Buildings	40 years
Other capital assets	5-25 years

Deferred Outflows and Deferred Inflows

In addition to assets, a governmental fund's balance sheet and the government-wide statement of net position will sometimes report a separate section for deferred outflows or resources. These separate financial statement elements represent a consumption of fund balance or net position that applies to a future period and so will not be recognized as an outflow of resources (expenditure/expense) until that time. The library had certain pension items that qualified for reporting on the government-wide statements in this category at June 30, 2015.

In addition to liabilities, a governmental fund's balance sheet and the government-wide statement of net position will sometimes report a separate section for deferred inflows of resources. These separate financial statement elements represent an acquisition of fund balance or net position that applies to a future period and so will not be recognized as an inflow or resources (revenue) until that time. The library had certain pension items that qualified for reporting on the government-wide statements in this category at June 30, 2015.

Salaries and Fringe Benefits

The personnel assigned to the operations of the Greeneville-Greene County Library are covered by the fringe benefits of the town, including participation in the Tennessee Consolidated Retirement System and the town's other post-employment benefits.

Pension Plan Obligations

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Greeneville-Greene County Library's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from the Greeneville-Greene County Library's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

Other Post-Employment Obligations

For purposes of measuring the other post-employment benefits (OPEB) liability and related OPEB expense, the library recognizes benefits when they are due and payable in accordance with the benefit terms and actuarial valuations.

Accumulated Compensated Absences

It is the library's policy to permit employees to accumulate a limited amount of earned but unused vacation, which will be paid to employees upon separation from service. Sick leave can be accumulated indefinitely, but can only be used as service time for retirement if not used for sickness. In the governmental fund, the cost of accumulated vacation expected to be paid in the next 12 months is recorded as a fund liability. One year's vacation plus 100 hours can be accumulated. The cost of sick leave is recognized when payments are made to employees in the governmental fund.

Fund Equity and Net Position

GASB provides clearly defined fund balance categories in an effort to make the nature and extent of the constraints placed upon a government's fund balances more transparent. The town currently accounts for activities of the library, and, for accounting and reporting purposes, the Town will consider the library to follow the Town's policies on spending order and opening balances until a separate policy is approved and presented by the separate Board of the library. The following classifications describe the relative strength of the Town's spending constraints:

- Nonspendable fund balance includes amounts that cannot be spent due to their form (such as prepaid expenses) or funds that are legally or contractually required to be maintained.
- Restricted fund balances are amounts that are mandated for a specific purpose by external parties, constitutional provisions, or by enabling legislation.
- Committed fund balances are amounts that are set aside for a specific purpose by the library's board, the highest level of decision making authority, which is by resolution. Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.
- Assigned fund balances are amounts of self-imposed constraints that the library intends to use for a specific purpose. Intent can be expressed by the library's board or by an official, management, or body to which the library's board delegates the authority. This includes

remaining funds which are assigned to be spent on collections including books and subscriptions.

- Unassigned fund balances are amounts that are available for any purpose.

Following the Town's policy, when both restricted and unrestricted funds are available for expenditures, the library resolve to expend restricted funds prior to the use of unrestricted funds, unless legal requirements disallow it. When expenditures are incurred for purposes for which committed, assigned, and unassigned funds are available, the library determines to first expend committed amounts, followed by assigned amounts, and then unassigned amounts.

Similarly, the library, following the Town's policy, applies restricted resources first when an expense is incurrent for purposes for which both restricted and unrestricted net position are available. In the government-wide financial statements, equity is classified as net position and displayed in three components:

1. Investment in capital assets – Consists of capital assets net of accumulated depreciation.
2. 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.
3. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Self-insurance Reserve

The library is self-insured through the town for the purpose of paying medical claims of the Town of Greeneville's General Fund employees and their covered dependents as well as post-employment health care benefits and the town's related parties, such as the library, thus minimizing the total cost of annual medical insurance to the town. Medical claims exceeding \$70,000 per incident are covered through a private insurance carrier. The self-insurance transactions are recorded in the town's General Fund and not accounted for in a separate fund, with the Town's fund balance reserved for self-insurance at an amount equal to the cash and receivables in funds previously designated as self-insurance funds.

B. Deposits and Investments

The town is responsible for receiving and disbursing funds of the library. Various restrictions on deposits and investments are imposed by state statutes. These restrictions are summarized as follows:

Deposits

All deposits with financial institutions must be collateralized in an amount equal to 105 percent of the market value of uninsured deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the Town of Greeneville. Deposits with savings and loan associations must be collateralized by one of the following methods: 1) by an amount equal to 110% of the face amount of uninsured deposits if the collateral is of the same character as that required for other financial institutions; 2) by an irrevocable letter of credit issued by the Federal Home Loan Bank; or 3) by providing notes secured by first mortgages or first deeds of trust upon residential real property located in Tennessee. The promissory notes must be in an amount equal to 150 percent of the amount of uninsured deposits.

Investments

State statutes authorize the library to invest in treasury bonds, notes or bills of the United States; nonconvertible debt securities of the General Home Lona Bank, the Federal National Mortgage Association, the Federal Farm Credit Bank and the State Loan Marketing Association; other obligations not listed above, which are guaranteed as to principal and interest by the United States or any of its agencies; other evidence of deposits at State and Federal chartered banks and Savings and Loan Associations, obligations of the portfolios consists of any of the foregoing investments if approved by the State Director of Local Finance and made in accordance with procedures established by the State Funding Board; the State of Tennessee Local Government Investment Pool (LGIP); and obligations of the Public Housing Authority and bonds of the Tennessee Valley Authority. Specifically, the LGIP was established under Tennessee Code Annotated Title 9, Chapter 4, Part 7. This investment pool is established for the use of idle funds of local governments located within the State of Tennessee. These funds are placed by the participating entity into accounts are held by the State Treasurer. The LGIP invests in time deposits, such as repurchase agreements, and United States of America treasuries. By law, the LGIP is required to maintain a 90-day or less weighted-average-maturity. The fair value of shares held in the LGIP is the same as the value of the LGIP shares. The Tennessee LGIP has not been rated by a nationally recognized statistical rating organization.

The library does not have a policy for interest rate risk or other credit risk other than following the State of Tennessee guidelines by pledging securities for amounts in excess of Federal Deposit Insurance Corporation (FDIC) coverage. The library's deposits are held in the town's general operating

bank account. At June 30, 2015, the carrying amount of the library's cash and cash equivalents totaled \$153,034. At June 30, 2015, the library had a certificate of deposit with a financial institution of \$220,000. The library's deposits at June 30, 2015, were fully covered by FDIC insurance and through the bank's participation in the Tennessee Collateral Pool. As of June 30, 2015, the library had no investments.

C. Risk Management

The library is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The library's risks of loss are covered by a commercial package insurance policy carried by the town. The library's other risks of loss, with the exception of risks, which would be covered by bonding employees of the library, are covered by a separate commercial insurance policy carried by the library. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three years.

In addition, the library provides medical insurance to employees as well as post-employment health care benefits through the town's partially self-funded health insurance plan. The town's General Fund maintains a self-insured reserve of fund balance, as described in Note 1. Participants in the plan pay premiums as determined by the town to offset a portion of the cost of the plan. The participants pay 100 percent of claims up to \$500/\$1,000 for individual/family plans, respectively. The town pays 80 percent of claims up to \$1,500/\$3,000 and 100 percent of the amount exceeding \$1,500/\$3,000 for individual/family plans respectively. For further information, refer to the Town of Greeneville, Tennessee's financial statements.

D. Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	Beginning Balance	Additions	Ending Balance
Governmental activities			
Capital assets not being depreciated			
Land	\$ 70,300	\$ 0	\$ 70,300
Total assets not being depreciated	<u>\$ 70,300</u>	<u>\$ 0</u>	<u>\$ 70,300</u>
Other Capital Assets			
Land improvements	\$ 15,008	\$ 0	\$ 15,008
Buildings and improvements	671,988	0	671,988
Other fixed assets	814,473	0	814,473
Total other capital assets	<u>\$ 1,501,469</u>	<u>\$ 0</u>	<u>\$ 1,501,469</u>

	Beginning Balance	Additions	Ending Balance
Less accumulated depreciation for			
Land improvements	\$ (5,917)	\$ (500)	\$ (6,417)
Buildings and improvements	(438,508)	(17,345)	(455,853)
Other fixed assets	(726,943)	(28,880)	(755,823)
Total accumulated depreciation	<u>\$ (1,171,368)</u>	<u>\$ (46,725)</u>	<u>\$ (1,218,093)</u>
Other capital assets, net	<u>\$ 330,101</u>	<u>\$ (46,725)</u>	<u>\$ 283,376</u>
Governmental activities capital assets, net	<u>\$ 400,401</u>	<u>\$ (46,725)</u>	<u>\$ 353,676</u>

Depreciation was charged to functions as follows:

Governmental activities	
General Government	<u>\$ 46,725</u>

E. Changes in Noncurrent Liabilities

Changes in noncurrent liabilities for the fiscal year ended June 30, 2015, were as follows:

	Balance Beginning of Year	Additions	Retirements/ Reductions	Balance End of Year	Due Within One Year
Noncurrent Liabilities					
Compensated Absences	\$ 5,601	\$ 12,343	\$ (12,022)	\$ 5,922	\$ 0
OPEB Liability	1,365	941	0	2,306	0
Net Pension Liability	33,167	25,356	(49,581)	8,942	0
Total Noncurrent Liabilities	<u>\$ 40,133</u>	<u>\$ 38,640</u>	<u>\$ (61,603)</u>	<u>\$ 17,170</u>	<u>\$ 0</u>

For the fiscal year ended June 30, 2014, compensated absences and OPEB liability were not recorded in the government-wide statements, as management considered them to be immaterial to the financial statements. As such, the reconciliation of the statement of revenues, expenditures and changes in fund balance of the governmental fund to the statement of activities shows the entire balances of compensated absences and OPEB liability at June 30, 2015, \$5,922 and \$2,306, respectively, to be differences between the net change in governmental fund balance and the change in net position of governmental activities.

F. Pension Plan

Plan Description

Employees of the Greeneville-Greene County Library are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits Provided

TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3%, and applied to the current benefit. No COLA is granted if the change in the CPI is less than .5%. A 1% COLA is granted if the CPI change is between .5% and 1%. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Employees Covered by Benefit Terms

The plan for the Town of Greeneville consists of Greeneville Water and Light Commission, Greeneville-Greene County Library, Greeneville-Greene County Landfill, the Town of Greeneville, Tennessee Board of Education, and the funds of the Town of Greeneville. At the measurement date of June 30, 2014, the following employees were covered by the benefit terms:

Town of Greeneville

Inactive employees or beneficiaries currently receiving benefits	322
Inactive employees entitled to but not yet receiving benefits	236
Active employees	336
	<u>894</u>

Library

Active employees	2
	<u>2</u>

Contributions

Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees of the plan are non-contributory. The Greeneville-Greene County Library makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2015, employer contributions for the Greeneville-Greene County Library were \$8,523 based on a rate of 15% of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept the Greeneville-Greene County Library's state shared taxes if required contributions are not remitted. The employer's actuarially determined contribution and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

The Greeneville-Greene County Library's net pension liability (asset) was measured as of June 30, 2014, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability as of June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	Graded salary ranges from 8.97 to 3.71 percent based on age, including inflation, averaging 4.25 percent
Investment rate of return	7.5 percent, net of pension plan investment expenses, including inflation
Cost of living adjustment	2.5 percent

Mortality rates were based on actual experience from the June 30, 2012, actuarial experience study adjusted for some of the expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2014, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008, through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2012 actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market returns of assets classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding inflation of 3%. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
U.S. Equity	6.46	% 33 %
Developed market international equity	6.26	17
Emerging market international equity	6.40	5
Private equity and strategic lending	4.61	8
U.S. fixed income	0.98	29
Real estate	4.73	7
Short-term securities	0.00	1
		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the three factors described above.

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from the Greeneville-Greene County Library will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Changes for the year ended June 30, 2014:			
Increase (decrease)			
Service cost	\$ 4,261	\$ 0	\$ 4,261
Interest	21,025	0	21,025
Differences between expected and actual experience	(41)	0	(41)
Contributions - employer	0	8,585	(8,585)
Contributions - employees	0	0	0
Net investment income	0	40,955	(40,955)
Benefit payments, including refunds of employee contributions	(14,885)	(14,885)	0
Administrative expense	0	(70)	70
Net changes for the year ended June 30, 2014	\$ 10,360	\$ 34,585	\$ (24,225)
Balance at June 30, 2013	283,516	250,349	33,167
Balance at June 30, 2014	\$ 293,876	\$ 284,934	\$ 8,942

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the Greeneville-Greene County Library calculated using the discount rate of 7.5 percent, as well as what the net pension liability (asset) would be if it was calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net Pension Liability (Asset)	\$ 45,185	\$ 8,942	\$ (21,455)

Pension Income

For the year ended June 30, 2015, the Greeneville-Greene County Library recognized in the government-wide statement of activities pension income of \$2,327.

Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2015, the Greeneville-Greene County Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ 33
Net difference between projected and actual earnings on pension plan investments	0	17,934
Contributions subsequent to the measurement date of June 30, 2014	8,523	N/A
Total	\$ 8,523	\$ 17,967

The amount shown above for "Contributions subsequent to the measurement date of June 30, 2014," will be recognized as a reduction (expense) to net pension liability (asset) in the following measurement period.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Total Payments
2016	\$ (4,492)
2017	(4,492)
2018	(4,492)
2019	(4,492)
2020	0
Thereafter	0

Payable to Pension Plan

At June 30, 2015, the town's General Fund reported a payable on behalf of the library of \$671 for the outstanding amount of contributions to the pension plan required at the fiscal year ended June 30, 2015.

G. Other Post-employment Benefits

Plan Type

The library has adopted a plan that provides post-employment medical benefits for retirees. Upon retirement, individuals are eligible to continue to receive coverage under the employer provided group medical plan.

The library offers post-employment benefits for full-time regular employees retiring under the Tennessee Consolidated Retirement System (TCRS) guidelines. The benefit applies to those full-time employees retiring under TCRS guidelines and have 30 years continuous service with no minimum age being required or 5 years of service and age 55. Employees pay \$1,200 per year under the plan. Spouses are permitted to remain on the plan until the employee or the spouse becomes eligible for Medicare. Spouses pay \$1,200 annually under the plan. As of the effective date of the actuarial valuation, there was a total of 171 active participants for the Town of Greeneville.

Funding Policy

The contribution requirements of plan members are based on pay-as-you go financing requirements.

Annual OPEB Cost and Net OPEB Obligation

The library's OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (of funding excess) over a period not to exceed 30 years. The following table

shows the components of the library's costs for the year, the amount actually contributed to the plan, and changes in the OPEB obligation.

Annual OPEB Cost and Net OPEB Obligation

	<u>Library</u>
ARC	\$ 6,080
Interest on the NOPEBO	55
Adjustment to the ARC	<u>(70)</u>
Annual OPEB cost	\$ 6,065
Amount of contribution *	<u>(5,124)</u>
Increase/decrease in NOPEBO	\$ 941
Net OPEB obligation, 7-1-14	<u>1,365</u>
Net OPEB obligation, 6-30-15	<u><u>\$ 2,306</u></u>

*Contributions made were assumed to equal expected employee payments.

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for year 2013, 2014, and 2015 are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Fiscal Year-end
6-30-13	\$ 5,413	89.2	% \$ 853
6-30-14	5,565	90.8	1,365
6-30-15	6,065	84.5	2,306

Funded Status and Funding Progress

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

Funded Status and Funding Progress

	<u>Library</u>
Actuarial valuation date	7-1-14
Actuarial accrued liability (AAL)	\$ 69,395
Actuarial value of plan assets	\$ 0
Unfunded actuarial accrued liability (UAAL)	\$ 69,395
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	\$ 102,536
UAAL as a % of covered payroll	67.7%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with 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 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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The 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, consistent with the long-term perspective of the calculations. The following methods and assumptions were used.

The valuation date is July 1, 2014. A discount rate of four percent was used to discount expected liabilities to the valuation dates. Future salaries are expected to increase at an annual rate of 2.5 percent. Average health care trend costs rates are assumed to increase by nine percent for 2014, increase eight percent for 2015, seven percent for 2016, six percent for 2017, and five percent for 2018 and later. The Projected Unit Credit Actuarial cost method was used to allocate the value of benefits to valuation years. The ARC was calculated using the level percent of payroll amortization method, amortizing costs over 30 years on an open basis.

H. Related Party Transactions

The library received appropriations of \$86,000 from the Town of Greeneville and \$84,500 from Greene County for a total of \$170,500 for the fiscal year ended June 30, 2015.

I. Accounting Standards Change

Provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB No. 68* became effective for the fiscal year ended June 30, 2015. Due to the implementation of the new GASB standards, a prior-period restatement of \$24,582 decreased net position in

order to record the net opening balance of the pension liability and other debits/credits required in the government-wide financial statements under the new standards.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

Greene County, Tennessee
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on
Participation in the Public Employee Pension Plan of TCRS
Primary Government
For the Fiscal Year Ended June 30

	<u>2014</u>
Total Pension Liability (Asset)	
Service Cost	\$ 1,530,277
Interest	4,332,043
Changes in Benefit Terms	0
Differences Between Actual and Expected Experience	(440,492)
Changes in Assumptions	
Benefit Payments, Including Refunds of Employee Contributions	<u>(2,414,624)</u>
Net Change in Total Pension Liability (Asset)	\$ 3,007,204
Total Pension Liability (Asset), Beginning	<u>57,437,604</u>
Total Pension Liability (Asset), Ending (a)	<u>\$ 60,444,808</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 1,889,805
Contributions - Employee	916,083
Net Investment Income	8,810,783
Benefit Payments, Including Refunds of Employee Contributions	(2,414,624)
Administrative Expense	<u>(28,949)</u>
Net Change in Plan Fiduciary Net Position	\$ 9,173,098
Plan Fiduciary Net Position, Beginning	<u>52,951,290</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 62,124,388</u>
Net Pension Liability (Asset), Ending (a - b)	<u>\$ (1,679,580)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	102.78%
Covered Employee Payroll	\$ 18,276,660
Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	9.19%

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

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

Exhibit F-2

Greene County, Tennessee
Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS
Primary Government
For the Fiscal Year Ended June 30

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 1,889,805	\$ 1,918,453
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(1,889,805)</u>	<u>(1,918,453)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 18,276,660	\$ 18,456,063
Contributions as a Percentage of Covered Employee Payroll	10.34%	10.39%

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

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

Exhibit F-3

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

	<u>2015</u>
Actuarially Determined Contribution	\$ 23,173
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(37,077)</u>
Contribution Deficiency (Excess)	<u>\$ (13,904)</u>
Covered Employee Payroll	\$ 927,357
Contributions as a Percentage of Covered Employee Payroll	4.00%

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

Exhibit F-4

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

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 2,268,201	\$ 2,235,466
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(2,268,201)</u>	<u>(2,235,466)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
 Covered Employee Payroll	 \$ 25,542,831	 \$ 24,728,599
 Contributions as a Percentage of Covered Employee Payroll	 8.88%	 9.04%

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

Exhibit F-5

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

	<u>2014</u>
School Department's Proportion of the Net Pension Asset	0.650774%
School Department's Proportionate Share of the Net Pension Asset	\$ 105,746
Covered Employee Payroll	\$ 25,542,831
School Department's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Employee Payroll	0.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%

* The amounts presented were determined as of June 30 of the prior fiscal year.

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

Exhibit F-6

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

(Dollar amounts in thousands)

Plans	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<u>PRIMARY GOVERNMENT</u>							
Commercial	7-1-10	\$ 0	\$ 1,516	\$ 1,516	0	% \$ 12,875	12 %
Self-insured	7-1-12	0	1,275	1,275	0	12,147	10
"	7-1-14	0	1,477	1,477	0	12,253	12
<u>DISCRETELY PRESENTED GREENE COUNTY SCHOOL DEPARTMENT</u>							
Local Education Group	7-1-10	0	16,920	16,920	0	30,347	56
"	7-1-11	0	16,556	16,556	0	31,685	52
"	7-1-13	0	14,083	14,083	0	32,243	44

GREENE COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2015

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for 2015 were calculated based on the July 1, 2013, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Frozen Initial Liability
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	1 Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	3%
Salary Increases	Graded Salary Ranges from 8.97% to 3.71% Based on Age, Including Inflation, Averaging 4.25%
Investment Rate of Return	7.5%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.5%

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions relating to garbage pickup and contracted disposal services.

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

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

Debt Service Fund

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

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

Capital Projects Funds

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

General Capital Projects Fund – The General Capital Projects Fund is used to account for general capital expenditures of the county and the issuance of capital outlay notes and bonds contributed to the School Department.

Community Development/Industrial Park Fund – The Community Development/Industrial Park Fund is used to account for transactions related to industrial capital projects.

HUD Grant Projects Fund – The HUD Grant Projects Fund is used to account for the expenditures of the HOME Investment Partnerships Program.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for funds held for recreation and performing arts capital expenditures.

Exhibit G-1

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	General Debt Service	General Capital Projects
<u>ASSETS</u>						
Cash	\$ 100	\$ 0	\$ 2,300	\$ 2,400	\$ 0	\$ 0
Equity in Pooled Cash and Investments	423,533	260,716	0	684,249	231,638	151,423
Accounts Receivable	20,693	0	30,567	51,260	14,388	0
Due from Other Governments	109,514	0	0	109,514	0	4,990
Property Taxes Receivable	32,272	0	0	32,272	661,835	0
Allowance for Uncollectible Property Taxes	(9,831)	0	0	(9,831)	(18,085)	0
Total Assets	<u>\$ 576,281</u>	<u>\$ 260,716</u>	<u>\$ 32,867</u>	<u>\$ 869,864</u>	<u>\$ 889,776</u>	<u>\$ 156,413</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 1,905	\$ 20	\$ 0	\$ 1,925	\$ 0	\$ 0
Accrued Payroll	19,992	0	0	19,992	0	0
Payroll Deductions Payable	3,452	0	0	3,452	0	0
Due to Other Funds	0	0	32,867	32,867	0	0
Due to Cities	54,801	0	0	54,801	0	0
Other Current Liabilities	0	3,179	0	3,179	0	0
Total Liabilities	<u>\$ 80,150</u>	<u>\$ 3,199</u>	<u>\$ 32,867</u>	<u>\$ 116,216</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 623,105	\$ 0
Deferred Delinquent Property Taxes	20,578	0	0	20,578	18,931	0
Other Deferred/Unavailable Revenue	54,713	0	0	54,713	0	1,240
Total Deferred Inflows of Resources	<u>\$ 75,291</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 75,291</u>	<u>\$ 642,036</u>	<u>\$ 1,240</u>

(Continued)

Exhibit G-1

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

	Special Revenue Funds				Debt Service	Capital
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	Fund General Debt Service	Funds General Capital Projects
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 257,517	\$ 0	\$ 257,517	\$ 0	\$ 0
Restricted for Debt Service	0	0	0	0	243,141	0
Restricted for Capital Projects	0	0	0	0	0	155,173
Committed:						
Committed for Public Health and Welfare	420,840	0	0	420,840	0	0
Committed for Debt Service	0	0	0	0	4,599	0
Total Fund Balances	<u>\$ 420,840</u>	<u>\$ 257,517</u>	<u>\$ 0</u>	<u>\$ 678,357</u>	<u>\$ 247,740</u>	<u>\$ 155,173</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 576,281</u>	<u>\$ 260,716</u>	<u>\$ 32,867</u>	<u>\$ 869,864</u>	<u>\$ 889,776</u>	<u>\$ 156,413</u>

(Continued)

Exhibit G-1

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

	Capital Projects Funds (Cont.)				Total Nonmajor Governmental Funds
	Community Development/ Industrial Park	HUD Grant Projects	Other Capital Projects	Total	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	2,400
Equity in Pooled Cash and Investments	127,701	5,005	50,837	334,966	1,250,853
Accounts Receivable	0	0	14,388	14,388	80,036
Due from Other Governments	0	0	0	4,990	114,504
Property Taxes Receivable	0	0	0	0	694,107
Allowance for Uncollectible Property Taxes	0	0	0	0	(27,916)
Total Assets	\$ 127,701	\$ 5,005	\$ 65,225	\$ 354,344	\$ 2,113,984
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	1,925
Accrued Payroll	0	0	0	0	19,992
Payroll Deductions Payable	0	0	0	0	3,452
Due to Other Funds	0	0	0	0	32,867
Due to Cities	0	0	0	0	54,801
Other Current Liabilities	0	5,000	0	5,000	8,179
Total Liabilities	\$ 0	\$ 5,000	\$ 0	\$ 5,000	\$ 121,216
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	623,105
Deferred Delinquent Property Taxes	0	0	0	0	39,509
Other Deferred/Unavailable Revenue	0	0	0	1,240	55,953
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 1,240	\$ 718,567

(Continued)

Exhibit G-1

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

FUND BALANCES

Restricted:

Restricted for Public Safety

Restricted for Debt Service

Restricted for Capital Projects

Committed:

Committed for Public Health and Welfare

Committed for Debt Service

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Capital Projects Funds (Cont.)					Total Nonmajor Governmental Funds
Community Development/ Industrial Park	HUD Grant Projects	Other Capital Projects	Total		
\$ 0	\$ 0	\$ 0	\$ 0	\$ 257,517	
0	0	0	0	243,141	
127,701	5	65,225	348,104	348,104	
0	0	0	0	420,840	
0	0	0	0	4,599	
<u>\$ 127,701</u>	<u>\$ 5</u>	<u>\$ 65,225</u>	<u>\$ 348,104</u>	<u>\$ 1,274,201</u>	
<u>\$ 127,701</u>	<u>\$ 5,005</u>	<u>\$ 65,225</u>	<u>\$ 354,344</u>	<u>\$ 2,113,984</u>	

Exhibit G-2

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

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	General Debt Service	General Capital Projects
<u>Revenues</u>						
Local Taxes	\$ 1,308,037	\$ 0	\$ 0	\$ 1,308,037	\$ 1,616,334	\$ 18,564
Fines, Forfeitures, and Penalties	0	68,574	0	68,574	0	0
Charges for Current Services	164,500	0	9,976	174,476	0	0
Other Local Revenues	148,160	397	0	148,557	1,297	45,000
State of Tennessee	46,545	0	0	46,545	0	0
Federal Government	0	0	0	0	0	17,164
Total Revenues	\$ 1,667,242	\$ 68,971	\$ 9,976	\$ 1,746,189	\$ 1,617,631	\$ 80,728
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 0	\$ 9,976	\$ 9,976	\$ 0	\$ 0
Public Safety	0	80,385	0	80,385	0	0
Public Health and Welfare	1,770,530	0	0	1,770,530	0	0
Debt Service:						
Principal on Debt	0	0	0	0	1,235,000	0
Interest on Debt	0	0	0	0	380,837	0
Other Debt Service	0	0	0	0	22,644	0
Capital Projects	0	0	0	0	0	30,001
Capital Projects - Donated	0	0	0	0	0	573,093
Total Expenditures	\$ 1,770,530	\$ 80,385	\$ 9,976	\$ 1,860,891	\$ 1,638,481	\$ 603,094
Excess (Deficiency) of Revenues Over Expenditures	\$ (103,288)	\$ (11,414)	\$ 0	\$ (114,702)	\$ (20,850)	\$ (522,366)

(Continued)

Exhibit G-2

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

	Special Revenue Funds				Debt Service	Capital
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	Fund General Debt Service	Funds General Capital Projects
<u>Other Financing Sources (Uses)</u>						
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 573,093
Transfers In	0	0	0	0	110,500	0
Transfers Out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 110,500	\$ 573,093
Net Change in Fund Balances	\$ (103,288)	\$ (11,414)	\$ 0	\$ (114,702)	\$ 89,650	\$ 50,727
Fund Balance, July 1, 2014	524,128	268,931	0	793,059	158,090	104,446
Fund Balance, June 30, 2015	\$ 420,840	\$ 257,517	\$ 0	\$ 678,357	\$ 247,740	\$ 155,173

(Continued)

Exhibit G-2

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

	Capital Projects Funds (Cont.)				Total Nonmajor Governmental Funds
	Community Development/ Industrial Park	HUD Grant Projects	Other Capital Projects	Total	
<u>Revenues</u>					
Local Taxes	\$ 0	\$ 0	\$ 123,653	\$ 142,217	\$ 3,066,588
Fines, Forfeitures, and Penalties	0	0	0	0	68,574
Charges for Current Services	0	0	0	0	174,476
Other Local Revenues	0	0	0	45,000	194,854
State of Tennessee	523,594	0	0	523,594	570,139
Federal Government	154,430	0	0	171,594	171,594
Total Revenues	\$ 678,024	\$ 0	\$ 123,653	\$ 882,405	\$ 4,246,225
<u>Expenditures</u>					
Current:					
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,976
Public Safety	0	0	0	0	80,385
Public Health and Welfare	0	0	0	0	1,770,530
Debt Service:					
Principal on Debt	0	0	0	0	1,235,000
Interest on Debt	0	0	0	0	380,837
Other Debt Service	0	0	0	0	22,644
Capital Projects	904,875	0	80,526	1,015,402	1,015,402
Capital Projects - Donated	0	0	0	573,093	573,093
Total Expenditures	\$ 904,875	\$ 0	\$ 80,526	\$ 1,588,495	\$ 5,087,867
Excess (Deficiency) of Revenues Over Expenditures	\$ (226,851)	\$ 0	\$ 43,127	\$ (706,090)	\$ (841,642)

(Continued)

Exhibit G-2

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

	Capital Projects Funds (Cont.)				Total Nonmajor Governmental Funds
	Community Development/ Industrial Park	HUD Grant Projects	Other Capital Projects	Total	
<u>Other Financing Sources (Uses)</u>					
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 573,093	\$ 573,093
Transfers In	0	0	0	0	110,500
Transfers Out	0	0	(30,637)	(30,637)	(30,637)
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ (30,637)	\$ 542,456	\$ 652,956
Net Change in Fund Balances	\$ (226,851)	\$ 0	\$ 12,490	\$ (163,634)	\$ (188,686)
Fund Balance, July 1, 2014	354,552	5	52,735	511,738	1,462,887
Fund Balance, June 30, 2015	\$ 127,701	\$ 5	\$ 65,225	\$ 348,104	\$ 1,274,201

Exhibit G-3

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Solid Waste/Sanitation Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,308,037	\$ 0	\$ 0	\$ 1,308,037	\$ 1,369,333	\$ 1,369,333	\$ (61,296)
Charges for Current Services	164,500	0	0	164,500	154,100	154,100	10,400
Other Local Revenues	148,160	0	0	148,160	172,800	202,178	(54,018)
State of Tennessee	46,545	0	0	46,545	20,000	20,000	26,545
Total Revenues	<u>\$ 1,667,242</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,667,242</u>	<u>\$ 1,716,233</u>	<u>\$ 1,745,611</u>	<u>\$ (78,369)</u>
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 926,686	\$ (1,677)	\$ 40,112	\$ 965,121	\$ 1,089,832	\$ 1,099,210	\$ 134,089
Waste Pickup	455,847	0	0	455,847	528,015	528,015	72,168
Convenience Centers	327,420	0	300	327,720	313,946	345,671	17,951
Transfer Stations	60,577	(7,547)	6,887	59,917	46,535	66,535	6,618
Total Expenditures	<u>\$ 1,770,530</u>	<u>\$ (9,224)</u>	<u>\$ 47,299</u>	<u>\$ 1,808,605</u>	<u>\$ 1,978,328</u>	<u>\$ 2,039,431</u>	<u>\$ 230,826</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (103,288)</u>	<u>\$ 9,224</u>	<u>\$ (47,299)</u>	<u>\$ (141,363)</u>	<u>\$ (262,095)</u>	<u>\$ (293,820)</u>	<u>\$ 152,457</u>
Net Change in Fund Balance	\$ (103,288)	\$ 9,224	\$ (47,299)	\$ (141,363)	\$ (262,095)	\$ (293,820)	\$ 152,457
Fund Balance, July 1, 2014	524,128	(9,224)	0	514,904	592,983	592,983	(78,079)
Fund Balance, June 30, 2015	<u>\$ 420,840</u>	<u>\$ 0</u>	<u>\$ (47,299)</u>	<u>\$ 373,541</u>	<u>\$ 330,888</u>	<u>\$ 299,163</u>	<u>\$ 74,378</u>

Exhibit G-4

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Drug Control Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Fines, Forfeitures, and Penalties	\$ 68,574	\$ 0	\$ 68,574	\$ 29,000	\$ 29,000	\$ 39,574
Other Local Revenues	397	0	397	0	0	397
Total Revenues	<u>\$ 68,971</u>	<u>\$ 0</u>	<u>\$ 68,971</u>	<u>\$ 29,000</u>	<u>\$ 29,000</u>	<u>\$ 39,971</u>
<u>Expenditures</u>						
<u>Public Safety</u>						
Drug Enforcement	\$ 80,385	\$ 2,520	\$ 82,905	\$ 66,000	\$ 103,500	\$ 20,595
Total Expenditures	<u>\$ 80,385</u>	<u>\$ 2,520</u>	<u>\$ 82,905</u>	<u>\$ 66,000</u>	<u>\$ 103,500</u>	<u>\$ 20,595</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (11,414)</u>	<u>\$ (2,520)</u>	<u>\$ (13,934)</u>	<u>\$ (37,000)</u>	<u>\$ (74,500)</u>	<u>\$ 60,566</u>
Net Change in Fund Balance	\$ (11,414)	\$ (2,520)	\$ (13,934)	\$ (37,000)	\$ (74,500)	\$ 60,566
Fund Balance, July 1, 2014	268,931	0	268,931	270,666	270,666	(1,735)
Fund Balance, June 30, 2015	<u>\$ 257,517</u>	<u>\$ (2,520)</u>	<u>\$ 254,997</u>	<u>\$ 233,666</u>	<u>\$ 196,166</u>	<u>\$ 58,831</u>

Exhibit G-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,616,334	\$ 1,472,579	\$ 1,528,943	\$ 87,391
Other Local Revenues	1,297	1,400	1,400	(103)
Total Revenues	<u>\$ 1,617,631</u>	<u>\$ 1,473,979</u>	<u>\$ 1,530,343</u>	<u>\$ 87,288</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 335,000	\$ 985,000	\$ 335,000	\$ 0
Highways and Streets	900,000	250,000	900,000	0
<u>Interest on Debt</u>				
General Government	103,900	85,521	103,908	8
Highways and Streets	276,937	128,462	276,939	2
<u>Other Debt Service</u>				
General Government	22,644	20,700	20,700	(1,944)
Total Expenditures	<u>\$ 1,638,481</u>	<u>\$ 1,469,683</u>	<u>\$ 1,636,547</u>	<u>\$ (1,934)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (20,850)</u>	<u>\$ 4,296</u>	<u>\$ (106,204)</u>	<u>\$ 85,354</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 110,500	\$ 0	\$ 110,500	\$ 0
Total Other Financing Sources	<u>\$ 110,500</u>	<u>\$ 0</u>	<u>\$ 110,500</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 89,650	\$ 4,296	\$ 4,296	\$ 85,354
Fund Balance, July 1, 2014	<u>158,090</u>	<u>153,217</u>	<u>153,217</u>	<u>4,873</u>
Fund Balance, June 30, 2015	<u>\$ 247,740</u>	<u>\$ 157,513</u>	<u>\$ 157,513</u>	<u>\$ 90,227</u>

Exhibit G-6

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Capital Projects Fund
For the Year Ended June 30, 2015

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 123,653	\$ 106,000	\$ 106,000	\$ 17,653
Total Revenues	\$ 123,653	\$ 106,000	\$ 106,000	\$ 17,653
<u>Expenditures</u>				
<u>Capital Projects</u>				
Social, Cultural, and Recreation Projects	\$ 80,526	\$ 81,510	\$ 86,002	\$ 5,476
Total Expenditures	\$ 80,526	\$ 81,510	\$ 86,002	\$ 5,476
Excess (Deficiency) of Revenues Over Expenditures	\$ 43,127	\$ 24,490	\$ 19,998	\$ 23,129
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (30,637)	\$ (30,637)	\$ (30,637)	\$ 0
Total Other Financing Sources	\$ (30,637)	\$ (30,637)	\$ (30,637)	\$ 0
Net Change in Fund Balance	\$ 12,490	\$ (6,147)	\$ (10,639)	\$ 23,129
Fund Balance, July 1, 2014	52,735	50,340	50,340	2,395
Fund Balance, June 30, 2015	\$ 65,225	\$ 44,193	\$ 39,701	\$ 25,524

Major Governmental Fund

Education Debt Service Fund

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

Exhibit H

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,575,550	\$ 2,467,617	\$ 2,467,617	\$ 107,933
Other Local Revenues	6,035	7,500	7,500	(1,465)
Other Governments and Citizens Groups	219,853	250,000	250,000	(30,147)
Total Revenues	<u>\$ 2,801,438</u>	<u>\$ 2,725,117</u>	<u>\$ 2,725,117</u>	<u>\$ 76,321</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 2,001,077	\$ 2,001,077	\$ 2,001,077	\$ 0
<u>Interest on Debt</u>				
Education	788,983	788,947	788,947	(36)
<u>Other Debt Service</u>				
Education	47,357	49,000	49,000	1,643
Total Expenditures	<u>\$ 2,837,417</u>	<u>\$ 2,839,024</u>	<u>\$ 2,839,024</u>	<u>\$ 1,607</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (35,979)</u>	<u>\$ (113,907)</u>	<u>\$ (113,907)</u>	<u>\$ 77,928</u>
Net Change in Fund Balance	\$ (35,979)	\$ (113,907)	\$ (113,907)	\$ 77,928
Fund Balance, July 1, 2014	<u>1,006,210</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>6,210</u>
Fund Balance, June 30, 2015	<u>\$ 970,231</u>	<u>\$ 886,093</u>	<u>\$ 886,093</u>	<u>\$ 84,138</u>

Fiduciary Funds

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

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

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

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

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for grants and other restricted revenues for the benefit of the multi-jurisdictional drug task force, which was created by contract (mutual aid agreement) between the participating city and county governments.

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

Other Agency Fund- The Other Agency Fund is used to remit tax increment financing revenues collected by the trustee that are remitted to the Industrial Development Board.

Exhibit I-1

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

	Agency Funds					Total
	Cities - Sales Tax	City School ADA - Greeneville	Constitu- tional Officers - Agency	Judicial District Drug	District Attorney General	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 2,200,509	\$ 0	\$ 0	\$ 2,200,509
Equity in Pooled Cash and Investments	0	0	0	9,888	229,189	239,077
Due from Other Governments	1,346,265	478,000	0	0	1,722	1,825,987
Property Taxes Receivable	0	3,258,262	0	0	0	3,258,262
Allowance for Uncollectible Property Taxes	0	(89,030)	0	0	0	(89,030)
Total Assets	<u>\$ 1,346,265</u>	<u>\$ 3,647,232</u>	<u>\$ 2,200,509</u>	<u>\$ 9,888</u>	<u>\$ 230,911</u>	<u>\$ 7,434,805</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 4,940	\$ 52	\$ 4,992
Due to Other Taxing Units	1,346,265	3,647,232	0	0	0	4,993,497
Due to Litigants, Heirs, and Others	0	0	2,200,509	0	230,859	2,431,368
Due to Joint Ventures	0	0	0	4,948	0	4,948
Total Liabilities	<u>\$ 1,346,265</u>	<u>\$ 3,647,232</u>	<u>\$ 2,200,509</u>	<u>\$ 9,888</u>	<u>\$ 230,911</u>	<u>\$ 7,434,805</u>

Exhibit I-2

Greene County, Tennessee
Combining Statement of Changes in Assets
and Liabilities - All Agency Funds
For the Year Ended June 30, 2015

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 7,561,135	\$ 7,561,135	\$ 0
Due from Other Governments	1,273,671	1,346,265	1,273,671	1,346,265
Total Assets	\$ 1,273,671	\$ 8,907,400	\$ 8,834,806	\$ 1,346,265
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 1,273,671	\$ 8,907,400	\$ 8,834,806	\$ 1,346,265
Total Liabilities	\$ 1,273,671	\$ 8,907,400	\$ 8,834,806	\$ 1,346,265
<u>City School ADA - Greeneville Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 6,742	\$ 5,954,367	\$ 5,961,109	\$ 0
Due from Other Governments	454,314	478,000	454,314	478,000
Property Taxes Receivable	3,089,174	3,258,262	3,089,174	3,258,262
Allowance for Uncollectible Property Taxes	(102,654)	(89,030)	(102,654)	(89,030)
Total Assets	\$ 3,447,576	\$ 9,601,599	\$ 9,401,943	\$ 3,647,232
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 3,447,576	\$ 3,647,232	\$ 3,447,576	\$ 3,647,232
Total Liabilities	\$ 3,447,576	\$ 3,647,232	\$ 3,447,576	\$ 3,647,232
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 2,032,409	\$ 13,801,747	\$ 13,633,647	\$ 2,200,509
Accounts Receivable	214	0	214	0
Total Assets	\$ 2,032,623	\$ 13,801,747	\$ 13,633,861	\$ 2,200,509
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 2,032,623	\$ 13,801,747	\$ 13,633,861	\$ 2,200,509
Total Liabilities	\$ 2,032,623	\$ 13,801,747	\$ 13,633,861	\$ 2,200,509
<u>Judicial District Drug</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 22,746	\$ 136,886	\$ 149,744	\$ 9,888
Total Assets	\$ 22,746	\$ 136,886	\$ 149,744	\$ 9,888

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Judicial District Drug (Cont.)</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 8,338	\$ 4,940	\$ 8,338	\$ 4,940
Due to Joint Ventures	14,408	4,948	14,408	4,948
Total Liabilities	\$ 22,746	\$ 9,888	\$ 22,746	\$ 9,888
<u>District Attorney General</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 240,750	\$ 36,878	\$ 48,439	\$ 229,189
Due from Other Governments	2,379	1,722	2,379	1,722
Total Assets	\$ 243,129	\$ 38,600	\$ 50,818	\$ 230,911
<u>Liabilities</u>				
Accounts Payable	\$ 0	\$ 52	\$ 0	\$ 52
Due to Litigants, Heirs, and Others	243,129	230,859	243,129	230,859
Total Liabilities	\$ 243,129	\$ 230,911	\$ 243,129	\$ 230,911
<u>Other Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 80,673	\$ 80,673	\$ 0
Total Assets	\$ 0	\$ 80,673	\$ 80,673	\$ 0
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 0	\$ 80,673	\$ 80,673	\$ 0
Total Liabilities	\$ 0	\$ 80,673	\$ 80,673	\$ 0

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 2,032,409	\$ 13,801,747	\$ 13,633,647	\$ 2,200,509
Equity in Pooled Cash and Investments	270,238	13,769,939	13,801,100	239,077
Accounts Receivable	214	0	214	0
Due from Other Governments	1,730,364	1,825,987	1,730,364	1,825,987
Property Taxes Receivable	3,089,174	3,258,262	3,089,174	3,258,262
Allowance for Uncollectible Property Taxes	(102,654)	(89,030)	(102,654)	(89,030)
Total Assets	<u>\$ 7,019,745</u>	<u>\$ 32,566,905</u>	<u>\$ 32,151,845</u>	<u>\$ 7,434,805</u>
<u>Liabilities</u>				
Accounts Payable	\$ 8,338	\$ 4,992	\$ 8,338	\$ 4,992
Due to Other Taxing Units	4,721,247	12,554,632	12,282,382	4,993,497
Due to Litigants, Heirs, and Others	2,275,752	14,113,279	13,957,663	2,431,368
Due to Joint Ventures	14,408	4,948	14,408	4,948
Total Liabilities	<u>\$ 7,019,745</u>	<u>\$ 26,677,851</u>	<u>\$ 26,262,791</u>	<u>\$ 7,434,805</u>

Greene County School Department

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

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

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

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

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

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

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:				
Instruction	\$ 32,781,645	\$ 89,160	\$ 4,843,562	\$ (27,848,923)
Support Services	16,626,171	149,259	1,176,158	(15,300,754)
Operation of Non-instructional Services	5,602,663	927,361	2,926,425	(1,748,877)
Total Governmental Activities	\$ 55,010,479	\$ 1,165,780	\$ 8,946,145	\$ (44,898,554)
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 7,026,917
Local Option Sales Tax				5,566,494
Other Local Taxes				4,785
Grants and Contributions Not Restricted for Specific Programs				34,553,691
Unrestricted Investment Income				21,778
Miscellaneous				36,005
Pension Income				108,138
Total General Revenues				\$ 47,317,808
Change in Net Position				\$ 2,419,254
Net Position, July 1, 2014				33,296,585
Restatement - See Note I.D.9				(9,675,200)
Net Position, June 30, 2015				\$ 26,040,639

Exhibit J-2

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

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash	\$ 1,548,692	\$ 91	\$ 1,548,783
Equity in Pooled Cash and Investments	4,279,892	662,448	4,942,340
Accounts Receivable	19,702	44	19,746
Due from Other Governments	1,830,508	39,118	1,869,626
Property Taxes Receivable	7,365,352	0	7,365,352
Allowance for Uncollectible Property Taxes	(201,255)	0	(201,255)
Total Assets	<u>\$ 14,842,891</u>	<u>\$ 701,701</u>	<u>\$ 15,544,592</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 171,019	\$ 0	\$ 171,019
Contracts Payable	219,890	0	219,890
Retainage Payable	9,960	0	9,960
Due to Primary Government	219,853	0	219,853
Other Current Liabilities	1,543,642	0	1,543,642
Total Liabilities	<u>\$ 2,164,364</u>	<u>\$ 0</u>	<u>\$ 2,164,364</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 6,934,339	\$ 0	\$ 6,934,339
Deferred Delinquent Property Taxes	210,687	0	210,687
Other Deferred/Unavailable Revenue	490,753	0	490,753
Total Deferred Inflows of Resources	<u>\$ 7,635,779</u>	<u>\$ 0</u>	<u>\$ 7,635,779</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 0	\$ 482,528	\$ 482,528
Restricted for Capital Projects	0	19,173	19,173
Committed:			
Committed for Education	84,111	200,000	284,111
Assigned:			
Assigned for Education	280,413	0	280,413
Assigned for Capital Projects	768,374	0	768,374
Unassigned	3,909,850	0	3,909,850
Total Fund Balances	<u>\$ 5,042,748</u>	<u>\$ 701,701</u>	<u>\$ 5,744,449</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 14,842,891</u>	<u>\$ 701,701</u>	<u>\$ 15,544,592</u>

Exhibit J-3

Greene County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented Greene County School Department
June 30, 2015

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$	5,744,449
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	886,166	
Add: construction in progress		598,606	
Add: buildings and improvements net of accumulated depreciation		26,390,579	
Add: other capital assets net of accumulated depreciation		<u>4,126,757</u>	32,002,108
(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	\$	(151,955)	
Less: other postemployment benefits liability		(5,454,141)	
Less: termination benefits		<u>(156,088)</u>	(5,762,184)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years:			
Add: deferred outflows of resources related to pensions	\$	3,216,738	
Less: deferred inflows of resources related to pensions		<u>(10,794,683)</u>	(7,577,945)
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			827,025
(5) Net pension assets of the cost-sharing plan are not current financial resources and therefore are not reported in the governmental funds.			105,746
(6) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>701,440</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>26,040,639</u></u>

Exhibit J-4

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

	<u>Major Fund</u>	<u>Nonmajor</u> <u>Funds</u>	
	General	Other	Total
	Purpose	Govern- mental	Governmental
	School	Funds	Funds
<u>Revenues</u>			
Local Taxes	\$ 12,840,828	\$ 0	\$ 12,840,828
Licenses and Permits	2,669	0	2,669
Charges for Current Services	319,125	756,955	1,076,080
Other Local Revenues	202,258	531	202,789
State of Tennessee	34,793,749	36,502	34,830,251
Federal Government	251,133	7,489,961	7,741,094
Other Governments and Citizens Groups	0	573,093	573,093
Total Revenues	<u>\$ 48,409,762</u>	<u>\$ 8,857,042</u>	<u>\$ 57,266,804</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 28,755,657	\$ 3,524,795	\$ 32,280,452
Support Services	15,958,486	1,048,154	17,006,640
Operation of Non-instructional Services	2,036,070	3,793,860	5,829,930
Capital Outlay	1,375,159	0	1,375,159
Debt Service:			
Other Debt Service	219,853	0	219,853
Capital Projects	0	573,093	573,093
Total Expenditures	<u>\$ 48,345,225</u>	<u>\$ 8,939,902</u>	<u>\$ 57,285,127</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 64,537</u>	<u>\$ (82,860)</u>	<u>\$ (18,323)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 20,824	\$ 0	\$ 20,824
Transfers Out	0	(20,824)	(20,824)
Total Other Financing Sources (Uses)	<u>\$ 20,824</u>	<u>\$ (20,824)</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 85,361	\$ (103,684)	\$ (18,323)
Fund Balance, July 1, 2014	4,957,387	805,385	5,762,772
Fund Balance, June 30, 2015	<u>\$ 5,042,748</u>	<u>\$ 701,701</u>	<u>\$ 5,744,449</u>

Exhibit J-5

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

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$	(18,323)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital assets purchased in the current period	\$	1,709,620	
Less: current-year depreciation expense		<u>(1,776,752)</u>	(67,132)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2015	\$	701,440	
Less: deferred delinquent property taxes and other deferred June 30, 2014		<u>(646,649)</u>	54,791
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in other postemployment benefits liability	\$	(641,893)	
Change in compensated absences payable		(1,492)	
Change in termination benefits		63,277	
Change in net pension liability/asset		10,607,971	
Change in deferred outflows related to pensions		3,216,738	
Change in deferred inflows related to pensions		<u>(10,794,683)</u>	<u>2,449,918</u>
Change in net position of governmental activities (Exhibit B)			<u>\$ 2,419,254</u>

Exhibit J-6

Greene County, Tennessee
Combining Balance Sheet - Nonmajor Governmental Funds
Discretely Presented Greene County School Department
June 30, 2015

	<u>Special Revenue Funds</u>			<u>Capital</u> <u>Projects Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>School</u> <u>Federal</u> <u>Projects</u>	<u>Central</u> <u>Cafeteria</u>	<u>Total</u>	<u>Education</u> <u>Capital</u> <u>Projects</u>	
<u>ASSETS</u>					
Cash	\$ 0	\$ 91	\$ 91	\$ 0	\$ 91
Equity in Pooled Cash and Investments	161,249	482,026	643,275	19,173	662,448
Accounts Receivable	0	44	44	0	44
Due from Other Governments	39,118	0	39,118	0	39,118
Total Assets	\$ 200,367	\$ 482,161	\$ 682,528	\$ 19,173	\$ 701,701
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Education	\$ 367	\$ 482,161	\$ 482,528	\$ 0	\$ 482,528
Restricted for Capital Projects	0	0	0	19,173	19,173
Committed:					
Committed for Education	200,000	0	200,000	0	200,000
Total Fund Balances	\$ 200,367	\$ 482,161	\$ 682,528	\$ 19,173	\$ 701,701

Exhibit J-7

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>School</u>	<u>Central</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Federal</u>	<u>Cafeteria</u>		<u>Education</u>	<u>Nonmajor</u>
	<u>Projects</u>			<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
<u>Revenues</u>					
Charges for Current Services	\$ 0	\$ 756,955	\$ 756,955	\$ 0	\$ 756,955
Other Local Revenues	0	531	531	0	531
State of Tennessee	0	36,502	36,502	0	36,502
Federal Government	4,600,038	2,889,923	7,489,961	0	7,489,961
Other Governments and Citizens Groups	0	0	0	573,093	573,093
Total Revenues	<u>\$ 4,600,038</u>	<u>\$ 3,683,911</u>	<u>\$ 8,283,949</u>	<u>\$ 573,093</u>	<u>\$ 8,857,042</u>
<u>Expenditures</u>					
Current:					
Instruction	\$ 3,524,795	\$ 0	\$ 3,524,795	\$ 0	\$ 3,524,795
Support Services	1,048,154	0	1,048,154	0	1,048,154
Operation of Non-instructional Services	0	3,793,860	3,793,860	0	3,793,860
Capital Projects	0	0	0	573,093	573,093
Total Expenditures	<u>\$ 4,572,949</u>	<u>\$ 3,793,860</u>	<u>\$ 8,366,809</u>	<u>\$ 573,093</u>	<u>\$ 8,939,902</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>\$ 27,089</u>	<u>\$ (109,949)</u>	<u>\$ (82,860)</u>	<u>\$ 0</u>	<u>\$ (82,860)</u>
<u>Other Financing Sources (Uses)</u>					
Transfers Out	<u>\$ (20,824)</u>	<u>\$ 0</u>	<u>\$ (20,824)</u>	<u>\$ 0</u>	<u>\$ (20,824)</u>
Total Other Financing Sources (Uses)	<u>\$ (20,824)</u>	<u>\$ 0</u>	<u>\$ (20,824)</u>	<u>\$ 0</u>	<u>\$ (20,824)</u>
Net Change in Fund Balances	\$ 6,265	\$ (109,949)	\$ (103,684)	\$ 0	\$ (103,684)
Fund Balance, July 1, 2014	194,102	592,110	786,212	19,173	805,385
Fund Balance, June 30, 2015	<u>\$ 200,367</u>	<u>\$ 482,161</u>	<u>\$ 682,528</u>	<u>\$ 19,173</u>	<u>\$ 701,701</u>

Exhibit J-8

Greene County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Greene County School Department
General Purpose School Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 12,840,828	\$ 0	\$ 0	\$ 12,840,828	\$ 12,175,834	\$ 12,415,181	\$ 425,647
Licenses and Permits	2,669	0	0	2,669	2,500	2,500	169
Charges for Current Services	319,125	0	0	319,125	369,494	369,494	(50,369)
Other Local Revenues	202,258	0	0	202,258	175,300	232,018	(29,760)
State of Tennessee	34,793,749	0	0	34,793,749	33,919,561	34,749,059	44,690
Federal Government	251,133	0	0	251,133	95,684	244,120	7,013
Total Revenues	\$ 48,409,762	\$ 0	\$ 0	\$ 48,409,762	\$ 46,738,373	\$ 48,012,372	\$ 397,390
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 24,096,060	\$ (222,842)	\$ 53,390	\$ 23,926,608	\$ 23,769,147	\$ 24,318,198	\$ 391,590
Special Education Program	3,100,935	0	0	3,100,935	3,167,759	3,151,031	50,096
Vocational Education Program	1,558,662	(11,942)	0	1,546,720	1,591,843	1,591,843	45,123
<u>Support Services</u>							
Attendance	120,857	0	0	120,857	122,115	122,115	1,258
Health Services	466,806	(2,999)	0	463,807	445,223	478,780	14,973
Other Student Support	1,149,009	(19,219)	7,141	1,136,931	1,134,134	1,171,441	34,510
Regular Instruction Program	1,975,934	(1,134)	0	1,974,800	1,982,292	2,016,792	41,992
Special Education Program	400,625	0	0	400,625	405,545	405,545	4,920
Vocational Education Program	92,057	0	0	92,057	97,499	97,499	5,442
Other Programs	417,736	0	0	417,736	0	417,736	0
Board of Education	1,015,402	(1,544)	2,100	1,015,958	1,193,897	1,213,897	197,939
Director of Schools	358,498	0	781	359,279	368,344	368,344	9,065
Office of the Principal	3,134,187	(14,697)	147	3,119,637	3,165,748	3,166,748	47,111
Fiscal Services	261,286	(2,370)	1,442	260,358	252,877	265,625	5,267
Operation of Plant	3,261,718	(24,636)	22,150	3,259,232	3,303,166	3,358,696	99,464
Maintenance of Plant	714,198	(18,613)	45,443	741,028	771,135	771,135	30,107
Transportation	2,551,093	(3,908)	8,403	2,555,588	2,717,687	2,724,687	169,099
Central and Other	39,080	0	0	39,080	40,335	40,335	1,255

(Continued)

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 251,293	\$ (250)	\$ 0	\$ 251,043	\$ 292,594	\$ 265,995	\$ 14,952
Early Childhood Education	1,784,777	(180,691)	83,552	1,687,638	1,687,733	1,687,732	94
<u>Capital Outlay</u>							
Regular Capital Outlay	1,375,159	(749,520)	694,648	1,320,287	5,000	1,400,497	80,210
<u>Other Debt Service</u>							
Education	219,853	0	0	219,853	0	250,000	30,147
Total Expenditures	\$ 48,345,225	\$ (1,254,365)	\$ 919,197	\$ 48,010,057	\$ 46,514,073	\$ 49,284,671	\$ 1,274,614
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 64,537	\$ 1,254,365	\$ (919,197)	\$ 399,705	\$ 224,300	\$ (1,272,299)	\$ 1,672,004
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 20,824	\$ 0	\$ 0	\$ 20,824	\$ 26,600	\$ 26,600	\$ (5,776)
Transfers Out	0	0	0	0	(250,900)	0	0
Total Other Financing Sources	\$ 20,824	\$ 0	\$ 0	\$ 20,824	\$ (224,300)	\$ 26,600	\$ (5,776)
Net Change in Fund Balance							
Fund Balance, July 1, 2014	\$ 85,361	\$ 1,254,365	\$ (919,197)	\$ 420,529	\$ 0	\$ (1,245,699)	\$ 1,666,228
	4,957,387	(1,254,365)	0	3,703,022	3,841,845	3,841,845	(138,823)
Fund Balance, June 30, 2015	\$ 5,042,748	\$ 0	\$ (919,197)	\$ 4,123,551	\$ 3,841,845	\$ 2,596,146	\$ 1,527,405

Exhibit J-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Federal Government	\$ 4,600,038	\$ 0	\$ 4,600,038	\$ 4,365,645	\$ 5,012,055	\$ (412,017)
Total Revenues	\$ 4,600,038	\$ 0	\$ 4,600,038	\$ 4,365,645	\$ 5,012,055	\$ (412,017)
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 2,109,531	\$ 0	\$ 2,109,531	\$ 1,876,406	\$ 2,191,635	\$ 82,104
Alternative Instruction Program	32,018	0	32,018	44,179	44,179	12,161
Special Education Program	1,264,148	(1,388)	1,262,760	1,254,155	1,335,484	72,724
Vocational Education Program	119,098	(5,019)	114,079	118,970	114,079	0
<u>Support Services</u>						
Other Student Support	138,263	0	138,263	156,756	150,077	11,814
Regular Instruction Program	553,413	(2,199)	551,214	511,910	770,984	219,770
Special Education Program	354,783	0	354,783	381,944	382,598	27,815
Vocational Education Program	1,695	0	1,695	1	1,695	0
Total Expenditures	\$ 4,572,949	\$ (8,606)	\$ 4,564,343	\$ 4,344,321	\$ 4,990,731	\$ 426,388
Excess (Deficiency) of Revenues Over Expenditures	\$ 27,089	\$ 8,606	\$ 35,695	\$ 21,324	\$ 21,324	\$ 14,371
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (20,824)	\$ 0	\$ (20,824)	\$ (21,324)	\$ (21,324)	\$ 500
Total Other Financing Sources	\$ (20,824)	\$ 0	\$ (20,824)	\$ (21,324)	\$ (21,324)	\$ 500
Net Change in Fund Balance	\$ 6,265	\$ 8,606	\$ 14,871	\$ 0	\$ 0	\$ 14,871
Fund Balance, July 1, 2014	194,102	(8,606)	185,496	0	0	185,496
Fund Balance, June 30, 2015	\$ 200,367	\$ 0	\$ 200,367	\$ 0	\$ 0	\$ 200,367

Exhibit J-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 756,955	\$ 1,234,000	\$ 1,234,000	\$ (477,045)
Other Local Revenues	531	1,000	1,000	(469)
State of Tennessee	36,502	40,000	40,000	(3,498)
Federal Government	2,889,923	2,999,854	3,005,171	(115,248)
Total Revenues	\$ 3,683,911	\$ 4,274,854	\$ 4,280,171	\$ (596,260)
<u>Expenditures</u>				
<u>Operation of Non-instructional Services</u>				
Food Service	\$ 3,793,860	\$ 4,274,854	\$ 4,280,171	\$ 486,311
Total Expenditures	\$ 3,793,860	\$ 4,274,854	\$ 4,280,171	\$ 486,311
Excess (Deficiency) of Revenues Over Expenditures	\$ (109,949)	\$ 0	\$ 0	\$ (109,949)
Net Change in Fund Balance	\$ (109,949)	\$ 0	\$ 0	\$ (109,949)
Fund Balance, July 1, 2014	592,110	1,087,078	1,087,078	(494,968)
Fund Balance, June 30, 2015	\$ 482,161	\$ 1,087,078	\$ 1,087,078	\$ (604,917)

MISCELLANEOUS SCHEDULES

Exhibit K-1

Greene County, Tennessee
Schedule of Changes in Long-term Notes and Bonds
For the Year Ended June 30, 2015

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-14	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-15
NOTES PAYABLE								
<u>Payable through Education Debt Service Fund</u>								
Capital Outlay Note - Band Rooms	\$ 229,000	4.06 %	8-29-07	8-29-16	\$ 72,119	\$ 0	\$ 27,984	\$ 44,135
Capital Outlay Note - Buses	573,093	1.05	7-17-14	1-17-15	0	573,093	573,093	0
Total Payable through Education Debt Service Fund					\$ 72,119	\$ 573,093	\$ 601,077	\$ 44,135
Total Notes Payable					\$ 72,119	\$ 573,093	\$ 601,077	\$ 44,135
BONDS PAYABLE								
<u>Payable through General Debt Service Fund</u>								
General Obligation	8,170,000	2 to 3	9-2-10	6-1-25	\$ 7,815,000	\$ 0	\$ 185,000	\$ 7,630,000
General Obligation - Refunding	6,665,000	2 to 2.1	11-30-11	6-1-21	6,370,000	0	900,000	5,470,000
General Obligation - Refunding	2,305,000	2	5-23-14	6-1-23	2,305,000	0	150,000	2,155,000
Total Payable through General Debt Service Fund					\$ 16,490,000	\$ 0	\$ 1,235,000	\$ 15,255,000
<u>Payable through Education Debt Service Fund</u>								
Rural School Refunding Bonds, Series 2005A	5,200,000	2.5 to 5	6-30-05	6-1-18	\$ 2,100,000	\$ 0	\$ 490,000	\$ 1,610,000
Rural School Refunding Bonds, Series 2005B	14,980,000	2.5 to 5	6-30-05	6-1-26	13,375,000	0	495,000	12,880,000
Rural School Refunding Bonds, Series 2005C	2,150,000	2.5 to 4	6-30-05	12-1-16	1,340,000	0	415,000	925,000
Rural School Bonds - 2010	990,000	2.25 to 2.75	9-2-10	6-1-20	990,000	0	0	990,000
Total Payable through Education Debt Service Fund					\$ 17,805,000	\$ 0	\$ 1,400,000	\$ 16,405,000
Total Bonds Payable					\$ 34,295,000	\$ 0	\$ 2,635,000	\$ 31,660,000

Exhibit K-2

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

Year Ending June 30	Notes		
	Principal	Interest	Total
2016	\$ 29,131	\$ 1,499	\$ 30,630
2017	15,004	305	15,309
Total	<u>\$ 44,135</u>	<u>\$ 1,804</u>	<u>\$ 45,939</u>

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 2,760,000	\$ 1,085,517	\$ 3,845,517
2017	2,845,000	1,001,476	3,846,476
2018	2,805,000	912,626	3,717,626
2019	2,910,000	820,564	3,730,564
2020	3,015,000	724,783	3,739,783
2021	2,775,000	637,788	3,412,788
2022	3,200,000	541,531	3,741,531
2023	3,310,000	428,856	3,738,856
2024	3,130,000	309,700	3,439,700
2025	3,255,000	189,763	3,444,763
2026	1,655,000	72,406	1,727,406
Total	<u>\$ 31,660,000</u>	<u>\$ 6,725,010</u>	<u>\$ 38,385,010</u>

Exhibit K-3

Greene County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Greene County School Department
For the Year Ended June 30, 2015

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	General Debt Service	Debt payments	\$ 110,500
Special Purpose	General	Reimburse expenses	3,540
Other Capital Projects	General	Hotel/motel tax reallocation	<u>30,637</u>
Total Transfers Primary Government			<u>\$ 144,677</u>
<u>DISCRETELY PRESENTED GREENE</u> <u>COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	<u>\$ 20,824</u>
Total Transfers Discretely Presented Greene County School Department			<u>\$ 20,824</u>

Exhibit K-4

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor:				
Alan Broyles (7-1-14 through 8-31-14)	Section 8-24-102, <i>TCA</i>	\$ 16,800	\$ 50,000	Travelers Casualty and Surety Company of America
David Crum (9-1-14 through 6-30-15)	Section 8-24-102, <i>TCA</i>	83,999	100,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, <i>TCA</i>	87,272	100,000	"
Director of Schools:				
Vicki Kirk (7-1-14 through 4-5-15)	State Board of Education and County Board of Education	89,952 (1)		
Judy Phillips (4-6-15 through 5-31-15)	State Board of Education and County Board of Education	15,710 (2)		
David McLain (6-1-15 through 6-30-15)	State Board of Education and County Board of Education	8,763 (3)		
Trustee:				
Dan Walker (7-1-14 through 8-31-14)	Section 8-24-102, <i>TCA</i>	13,223	2,065,400	Travelers Casualty and Surety Company of America
Nathan Holt (9-1-14 through 6-30-15)	Section 8-24-102, <i>TCA</i>	66,115	2,275,356	Cincinnati Insurance Company
Assessor of Property:	Section 8-24-102, <i>TCA</i>	79,338	50,000	Travelers Casualty and Surety Company of America
Director of Accounts and Budgets	County Commission	62,030	25,000	Travelers Casualty and Surety Company of America
County Clerk:				
Janie Fincher (7-1-14 through 8-31-14)	Section 8-24-102, <i>TCA</i>	13,223	50,000	RLI Insurance Company
Lori Bryant (9-1-14 through 6-30-15)	Section 8-24-102, <i>TCA</i>	66,115	100,000	Cincinnati Insurance Company
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	79,338	100,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	79,338 (4)	50,000	Travelers Casualty and Surety Company of America
Register of Deeds	Section 8-24-102, <i>TCA</i>	79,338	100,000	Cincinnati Insurance Company

(Continued)

Greene County, Tennessee
Schedule of Salaries and Official Bonds of Principal Officials
Primary Government and Discretely Presented Greene County School Department, (Cont.)

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
Sheriff:				
Steven Burns (7-1-14 through 8-31-14)	Section 8-24-102, <i>TCA</i> , and County Commission	\$ 16,000 (5)	\$ 25,000	Travelers Casualty and Surety Company of America
Pat Hankins (9-1-14 through 6-30-15)	Section 8-24-102, <i>TCA</i> , and County Commission	79,999 (6)	100,000	Cincinnati Insurance Company
Purchasing Agent	County Commission	40,002	10,000	Travelers Casualty and Surety Company of America
Employee Blanket Bonds:				
Public Employee Dishonesty - County Departments			150,000	Cincinnati Insurance Company
Director of Schools			100,000	Travelers Casualty and Surety Company of America

(1) Includes a chief executive officer training supplement of \$1,000 and a vehicle allowance of \$3,935.

(2) Includes a vehicle allowance of \$400.

(3) Includes a vehicle allowance of \$431.

(4) Does not include \$9,976 for special commissioner fees.

(5) Includes \$1,454 for serving as a workhouse superintendent. Does not include \$600 for a law enforcement training supplement.

(6) Includes \$7,273 for serving as a workhouse superintendent.

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitutional Officers - Fees	Highway / Public Works
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 7,438,266	\$ 647,834	\$ 339,352	\$ 0	\$ 0	\$ 1,911,393
Trustee's Collections - Prior Year	181,788	19,447	8,343	0	0	46,994
Trustee's Collections - Bankruptcy	4,079	441	189	0	0	1,058
Circuit/Clerk and Master Collections - Prior Years	108,043	11,975	5,023	0	0	29,364
Interest and Penalty	84,658	8,895	3,833	0	0	21,969
Payments in-Lieu-of Taxes - T.V.A.	4,748	437	217	0	0	1,222
Payments in-Lieu-of Taxes - Local Utilities	9,219	723	379	0	0	2,134
Payments in-Lieu-of Taxes - Other	27,878	2,568	1,274	0	0	7,175
<u>County Local Option Taxes</u>						
Local Option Sales Tax	533,733	614,640	0	0	0	0
Hotel/Motel Tax	163,904	0	0	0	0	0
Wheel Tax	259,897	0	0	0	0	659,798
Litigation Tax - General	278,167	0	0	0	0	0
Litigation Tax - Special Purpose	158,467	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	563,026	0	0	0	0	0
Mixed Drink Tax	8,132	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	96,075
Other County Local Option Taxes	160,910	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	12,369	1,077	564	0	0	3,178
Wholesale Beer Tax	217,055	0	0	0	0	0
Interstate Telecommunications Tax	4,789	0	0	0	0	0
Other Statutory Local Taxes	124	0	0	0	0	0
Total Local Taxes	\$ 10,219,252	\$ 1,308,037	\$ 359,174	\$ 0	\$ 0	\$ 2,780,360

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitutional Officers - Fees	Highway / Public Works
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 3,071	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Animal Vaccination	3,931	0	0	0	0	0
Cable TV Franchise	491,236	0	0	0	0	0
<u>Permits</u>						
Beer Permits	2,375	0	0	0	0	0
Building Permits	103,820	0	0	0	0	0
Other Permits	0	0	0	0	0	200
Total Licenses and Permits	\$ 604,433	\$ 0	\$ 0	\$ 0	\$ 0	\$ 200
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 51,190	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	18,446	0	0	0	0	0
Drug Control Fines	0	0	0	15,606	0	0
Jail Fees	12,494	0	0	0	0	0
Data Entry Fee - Circuit Court	2,571	0	0	0	0	0
Courtroom Security Fee	7,738	0	0	0	0	0
<u>Criminal Court</u>						
Drug Court Fees	1,773	0	0	0	0	0
DUI Treatment Fines	3,720	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	109,009	0	0	0	0	0
Officers Costs	119,448	0	0	0	0	0
Game and Fish Fines	207	0	0	0	0	0
Drug Control Fines	0	0	0	24,234	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitutional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Drug Court Fees	\$ 10,572	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Jail Fees	162,404	0	0	0	0	0
DUI Treatment Fines	19,968	0	0	0	0	0
Data Entry Fee - General Sessions Court	39,705	0	0	0	0	0
Courtroom Security Fee	138,386	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	3,520	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	3,882	0	0	0	0	0
Data Entry Fee - Chancery Court	2,496	0	0	0	0	0
Courtroom Security Fee	8,533	0	0	0	0	0
<u>Other Courts - In-county</u>						
Drug Court Fees	315	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	9,403	0	0	28,734	0	0
Total Fines, Forfeitures, and Penalties	\$ 725,780	\$ 0	\$ 0	\$ 68,574	\$ 0	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 139,827	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Disposal Fee	0	24,673	0	0	0	0
Patient Charges	3,735,832	0	0	0	0	0
Loaner Program	14,000	0	0	0	0	0
Work Release Charges for Board	7,330	0	0	0	0	0
Other General Service Charges	129,441	0	0	0	0	0
Service Charges	12,594	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitutional Officers - Fees	Highway / Public Works
<u>Charges for Current Services (Cont.)</u>						
<u>Fees</u>						
Subdivision Lot Fees	\$ 2,790	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Copy Fees	2,262	0	0	0	0	0
Telephone Commissions	126,346	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	9,976	0
Data Processing Fee - Register	20,004	0	0	0	0	0
Data Processing Fee - Sheriff	11,448	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	5,700	0	0	0	0	0
Data Processing Fee - County Clerk	8,550	0	0	0	0	0
Total Charges for Current Services	\$ 4,076,297	\$ 164,500	\$ 0	\$ 0	\$ 9,976	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 15,934	\$ 1,610	\$ 7,375	\$ 0	\$ 0	\$ 4,245
Lease/Rentals	6,750	27,326	0	0	0	0
Sale of Materials and Supplies	0	17,644	0	0	0	55,282
Commissary Sales	442,933	0	0	0	0	0
Sale of Maps	695	0	0	0	0	0
Sale of Recycled Materials	1,052	72,201	0	0	0	1,228
Miscellaneous Refunds	6,127	0	0	397	0	1,068
<u>Nonrecurring Items</u>						
Revenue from Joint Ventures	155,670	0	0	0	0	0
Sale of Equipment	29,482	27,871	0	0	0	5,590
Sale of Property	600	1,508	0	0	0	0
Contributions and Gifts	3,290	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitutional Officers - Fees	Highway / Public Works
<u>Other Local Revenues (Cont.)</u>						
<u>Other Local Revenues</u>						
Other Local Revenues	\$ 10,287	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Local Revenues	\$ 672,820	\$ 148,160	\$ 7,375	\$ 397	\$ 0	\$ 67,413
<u>Fees Received from County Officials</u>						
<u>Fees in-Lieu-of Salary</u>						
County Clerk	\$ 708,727	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	183,313	0	0	0	0	0
General Sessions Court Clerk	678,254	0	0	0	0	0
Clerk and Master	227,099	0	0	0	0	0
Register	238,190	0	0	0	0	0
Sheriff	17,401	0	0	0	0	0
Trustee	829,791	0	0	0	0	0
Total Fees Received from County Officials	\$ 2,882,775	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Grants	0	46,545	0	0	0	0
Other General Government Grants	51,536	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	36,600	0	0	0	0	0
Other Public Safety Grants	33,855	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	448,969	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitutional Officers - Fees	Highway / Public Works
<u>State of Tennessee (Cont.)</u>						
<u>Public Works Grants</u>						
State Aid Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	453,658
Litter Program	57,800	0	0	0	0	0
Tennessee Industrial Infrastructure Program	0	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	137,356	0	0	0	0	0
Beer Tax	18,055	0	0	0	0	0
Vehicle Certificate of Title Fees	13,937	0	0	0	0	0
Alcoholic Beverage Tax	113,877	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	1,117,355	0	0	0
Contracted Prisoner Boarding	970,510	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,210,557
Petroleum Special Tax	0	0	0	0	0	49,665
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Revenues	1,553	0	0	0	0	1,500
Total State of Tennessee	\$ 1,908,212	\$ 46,545	\$ 1,117,355	\$ 0	\$ 0	2,715,380
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Civil Defense Reimbursement	46,756	0	0	0	0	0
Disaster Relief	47,000	0	0	0	0	0
Other Federal through State	0	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Police Service (Lake Area)	26,670	0	0	0	0	0
Forest Service	0	0	0	0	0	12,749

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Special Purpose	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works
<u>Federal Government (Cont.)</u>						
<u>Direct Federal Revenue (Cont.)</u>						
Other Direct Federal Revenue	\$ 33,343	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Federal Government	\$ 153,769	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,749
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 267,134	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Paving and Maintenance	0	0	0	0	0	59,963
Contributions	9,450	0	0	0	0	0
Contracted Services	5,469	0	0	0	0	21,235
<u>Citizens Groups</u>						
Donations	4,684	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 286,737	\$ 0	\$ 0	\$ 0	\$ 0	\$ 81,198
Total	\$ 21,530,075	\$ 1,667,242	\$ 1,483,904	\$ 68,971	\$ 9,976	\$ 5,657,300

(Continued)

Exhibit K-5

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

	Debt Service Funds		Capital Projects Funds			Total
	General Debt Service	Education Debt Service	General Capital Projects	Community Development/Industrial Park	Other Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 597,425	\$ 1,769,372	\$ 0	\$ 0	\$ 0	\$ 12,703,642
Trustee's Collections - Prior Year	13,047	47,360	0	0	0	316,979
Trustee's Collections - Bankruptcy	276	1,439	0	0	0	7,482
Circuit/Clerk and Master Collections - Prior Years	10,660	35,379	0	0	0	200,444
Interest and Penalty	5,723	26,024	0	0	0	151,102
Payments in-Lieu-of Taxes - T.V.A.	365	1,810	0	0	0	8,799
Payments in-Lieu-of Taxes - Local Utilities	666	3,239	0	0	0	16,360
Payments in-Lieu-of Taxes - Other	2,143	7,847	0	0	0	48,885
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	678,734	0	0	0	1,827,107
Hotel/Motel Tax	123,654	0	0	0	123,653	411,211
Wheel Tax	706,208	0	18,564	0	0	1,644,467
Litigation Tax - General	0	0	0	0	0	278,167
Litigation Tax - Special Purpose	0	0	0	0	0	158,467
Litigation Tax - Jail, Workhouse, or Courthouse	155,176	0	0	0	0	155,176
Business Tax	0	0	0	0	0	563,026
Mixed Drink Tax	0	0	0	0	0	8,132
Mineral Severance Tax	0	0	0	0	0	96,075
Other County Local Option Taxes	0	0	0	0	0	160,910
<u>Statutory Local Taxes</u>						
Bank Excise Tax	991	4,346	0	0	0	22,525
Wholesale Beer Tax	0	0	0	0	0	217,055
Interstate Telecommunications Tax	0	0	0	0	0	4,789
Other Statutory Local Taxes	0	0	0	0	0	124
Total Local Taxes	\$ 1,616,334	\$ 2,575,550	\$ 18,564	\$ 0	\$ 123,653	\$ 19,000,924

(Continued)

Exhibit K-5

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

	Debt Service Funds		Capital Projects Funds			Total
	General Debt Service	Education Debt Service	General Capital Projects	Community Development/Industrial Park	Other Capital Projects	
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	3,071
Animal Vaccination	0	0	0	0	0	3,931
Cable TV Franchise	0	0	0	0	0	491,236
<u>Permits</u>						
Beer Permits	0	0	0	0	0	2,375
Building Permits	0	0	0	0	0	103,820
Other Permits	0	0	0	0	0	200
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	604,633
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	51,190
Officers Costs	0	0	0	0	0	18,446
Drug Control Fines	0	0	0	0	0	15,606
Jail Fees	0	0	0	0	0	12,494
Data Entry Fee - Circuit Court	0	0	0	0	0	2,571
Courtroom Security Fee	0	0	0	0	0	7,738
<u>Criminal Court</u>						
Drug Court Fees	0	0	0	0	0	1,773
DUI Treatment Fines	0	0	0	0	0	3,720
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	109,009
Officers Costs	0	0	0	0	0	119,448
Game and Fish Fines	0	0	0	0	0	207
Drug Control Fines	0	0	0	0	0	24,234

(Continued)

Exhibit K-5

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

	Debt Service Funds		Capital Projects Funds			Total
	General Debt Service	Education Debt Service	General Capital Projects	Community Development/Industrial Park	Other Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Drug Court Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	10,572
Jail Fees	0	0	0	0	0	162,404
DUI Treatment Fines	0	0	0	0	0	19,968
Data Entry Fee - General Sessions Court	0	0	0	0	0	39,705
Courtroom Security Fee	0	0	0	0	0	138,386
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	3,520
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	3,882
Data Entry Fee - Chancery Court	0	0	0	0	0	2,496
Courtroom Security Fee	0	0	0	0	0	8,533
<u>Other Courts - In-county</u>						
Drug Court Fees	0	0	0	0	0	315
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	38,137
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	794,354
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	139,827
Solid Waste Disposal Fee	0	0	0	0	0	24,673
Patient Charges	0	0	0	0	0	3,735,832
Loaner Program	0	0	0	0	0	14,000
Work Release Charges for Board	0	0	0	0	0	7,330
Other General Service Charges	0	0	0	0	0	129,441
Service Charges	0	0	0	0	0	12,594

(Continued)

Exhibit K-5

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

	Debt Service Funds		Capital Projects Funds			Total
	General Debt Service	Education Debt Service	General Capital Projects	Community Development/Industrial Park	Other Capital Projects	
<u>Charges for Current Services (Cont.)</u>						
<u>Fees</u>						
Subdivision Lot Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	2,790
Copy Fees	0	0	0	0	0	2,262
Telephone Commissions	0	0	0	0	0	126,346
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	9,976
Data Processing Fee - Register	0	0	0	0	0	20,004
Data Processing Fee - Sheriff	0	0	0	0	0	11,448
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	5,700
Data Processing Fee - County Clerk	0	0	0	0	0	8,550
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	4,250,773
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 1,297	\$ 6,035	\$ 0	\$ 0	\$ 0	36,496
Lease/Rentals	0	0	45,000	0	0	79,076
Sale of Materials and Supplies	0	0	0	0	0	72,926
Commissary Sales	0	0	0	0	0	442,933
Sale of Maps	0	0	0	0	0	695
Sale of Recycled Materials	0	0	0	0	0	74,481
Miscellaneous Refunds	0	0	0	0	0	7,592
<u>Nonrecurring Items</u>						
Revenue from Joint Ventures	0	0	0	0	0	155,670
Sale of Equipment	0	0	0	0	0	62,943
Sale of Property	0	0	0	0	0	2,108
Contributions and Gifts	0	0	0	0	0	3,290

(Continued)

Exhibit K-5

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

	<u>Debt Service Funds</u>		<u>Capital Projects Funds</u>			<u>Total</u>
	<u>General Debt Service</u>	<u>Education Debt Service</u>	<u>General Capital Projects</u>	<u>Community Development/Industrial Park</u>	<u>Other Capital Projects</u>	
<u>Other Local Revenues (Cont.)</u>						
<u>Other Local Revenues</u>						
Other Local Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	10,287
Total Other Local Revenues	\$ 1,297	\$ 6,035	\$ 45,000	\$ 0	\$ 0	948,497
<u>Fees Received from County Officials</u>						
<u>Fees in-Lieu-of Salary</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	708,727
Circuit Court Clerk	0	0	0	0	0	183,313
General Sessions Court Clerk	0	0	0	0	0	678,254
Clerk and Master	0	0	0	0	0	227,099
Register	0	0	0	0	0	238,190
Sheriff	0	0	0	0	0	17,401
Trustee	0	0	0	0	0	829,791
Total Fees Received from County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	2,882,775
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	9,000
Solid Waste Grants	0	0	0	0	0	46,545
Other General Government Grants	0	0	0	0	0	51,536
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	36,600
Other Public Safety Grants	0	0	0	0	0	33,855
<u>Health and Welfare Grants</u>						
Health Department Programs	0	0	0	0	0	448,969

(Continued)

Exhibit K-5

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

	Debt Service Funds		Capital Projects Funds			Total
	General Debt Service	Education Debt Service	General Capital Projects	Community Development/Industrial Park	Other Capital Projects	
<u>State of Tennessee (Cont.)</u>						
<u>Public Works Grants</u>						
State Aid Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	453,658
Litter Program	0	0	0	0	0	57,800
Tennessee Industrial Infrastructure Program	0	0	0	523,594	0	523,594
<u>Other State Revenues</u>						
Income Tax	0	0	0	0	0	137,356
Beer Tax	0	0	0	0	0	18,055
Vehicle Certificate of Title Fees	0	0	0	0	0	13,937
Alcoholic Beverage Tax	0	0	0	0	0	113,877
State Revenue Sharing - T.V.A.	0	0	0	0	0	1,117,355
Contracted Prisoner Boarding	0	0	0	0	0	970,510
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,210,557
Petroleum Special Tax	0	0	0	0	0	49,665
Registrar's Salary Supplement	0	0	0	0	0	15,164
Other State Revenues	0	0	0	0	0	3,053
Total State of Tennessee	\$ 0	\$ 0	\$ 0	523,594	\$ 0	6,311,086
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 0	\$ 0	\$ 0	154,430	\$ 0	154,430
Civil Defense Reimbursement	0	0	0	0	0	46,756
Disaster Relief	0	0	0	0	0	47,000
Other Federal through State	0	0	17,164	0	0	17,164
<u>Direct Federal Revenue</u>						
Police Service (Lake Area)	0	0	0	0	0	26,670
Forest Service	0	0	0	0	0	12,749

(Continued)

Exhibit K-5

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

	<u>Debt Service Funds</u>		<u>Capital Projects Funds</u>			<u>Total</u>
	<u>General Debt Service</u>	<u>Education Debt Service</u>	<u>General Capital Projects</u>	<u>Community Development/Industrial Park</u>	<u>Other Capital Projects</u>	
<u>Federal Government (Cont.)</u>						
<u>Direct Federal Revenue (Cont.)</u>						
Other Direct Federal Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	33,343
Total Federal Government	\$ 0	\$ 0	\$ 17,164	\$ 154,430	\$ 0	338,112
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	267,134
Paving and Maintenance	0	0	0	0	0	59,963
Contributions	0	219,853	0	0	0	229,303
Contracted Services	0	0	0	0	0	26,704
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	4,684
Total Other Governments and Citizens Groups	\$ 0	\$ 219,853	\$ 0	\$ 0	\$ 0	587,788
Total	\$ 1,617,631	\$ 2,801,438	\$ 80,728	\$ 678,024	\$ 123,653	35,718,942

Exhibit K-6

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

	General Purpose School	Special Revenue Funds		Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Education Capital Projects	
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 6,632,361	\$ 0	\$ 0	\$ 0	\$ 6,632,361
Trustee's Collections - Prior Year	161,998	0	0	0	161,998
Trustee's Collections - Bankruptcy	3,631	0	0	0	3,631
Circuit/Clerk and Master Collections - Prior Years	98,004	0	0	0	98,004
Interest and Penalty	72,458	0	0	0	72,458
Payments in-Lieu-of Taxes - T.V.A.	6,116	0	0	0	6,116
Payments in-Lieu-of Taxes - Local Utilities	258,052	0	0	0	258,052
Payments in-Lieu-of Taxes - Other	22,227	0	0	0	22,227
<u>County Local Option Taxes</u>					
Local Option Sales Tax	5,570,168	0	0	0	5,570,168
<u>Statutory Local Taxes</u>					
Bank Excise Tax	11,028	0	0	0	11,028
Interstate Telecommunications Tax	4,568	0	0	0	4,568
Other Statutory Local Taxes	217	0	0	0	217
Total Local Taxes	\$ 12,840,828	\$ 0	\$ 0	\$ 0	\$ 12,840,828
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 2,669	\$ 0	\$ 0	\$ 0	\$ 2,669
Total Licenses and Permits	\$ 2,669	\$ 0	\$ 0	\$ 0	\$ 2,669
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Sale of Electricity	\$ 1,948	\$ 0	\$ 0	\$ 0	\$ 1,948

(Continued)

Exhibit K-6

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

	General Purpose School	Special Revenue Funds School Federal Projects	Central Cafeteria	Capital Projects Fund Education Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>					
<u>Fees</u>					
Vending Machine Collections	\$ 535	\$ 0	\$ 0	\$ 0	\$ 535
<u>Education Charges</u>					
Lunch Payments - Children	0	0	402,503	0	402,503
Lunch Payments - Adults	0	0	63,742	0	63,742
Income from Breakfast	0	0	132,418	0	132,418
A la carte Sales	0	0	158,292	0	158,292
Transportation - Other State Systems	69,366	0	0	0	69,366
Receipts from Individual Schools	76,870	0	0	0	76,870
Community Service Fees - Children	170,290	0	0	0	170,290
TBI Criminal Background Fee	116	0	0	0	116
Total Charges for Current Services	\$ 319,125	\$ 0	\$ 756,955	\$ 0	\$ 1,076,080
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 21,247	\$ 0	\$ 531	\$ 0	\$ 21,778
Lease/Rentals	11,052	0	0	0	11,052
Sale of Recycled Materials	4,646	0	0	0	4,646
Miscellaneous Refunds	89,700	0	0	0	89,700
<u>Nonrecurring Items</u>					
Damages Recovered from Individuals	356	0	0	0	356
Contributions and Gifts	55,306	0	0	0	55,306
<u>Other Local Revenues</u>					
Other Local Revenues	19,951	0	0	0	19,951
Total Other Local Revenues	\$ 202,258	\$ 0	\$ 531	\$ 0	\$ 202,789

(Continued)

Exhibit K-6

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

	General Purpose School	Special Revenue Funds		Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Education Capital Projects	
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 417,736	\$ 0	\$ 0	\$ 0	\$ 417,736
<u>State Education Funds</u>					
Basic Education Program	31,974,001	0	0	0	31,974,001
Early Childhood Education	1,687,637	0	0	0	1,687,637
School Food Service	0	0	36,502	0	36,502
Driver Education	43,992	0	0	0	43,992
Other State Education Funds	284,166	0	0	0	284,166
Coordinated School Health	99,987	0	0	0	99,987
Internet Connectivity	20,289	0	0	0	20,289
Family Resource Centers	29,606	0	0	0	29,606
Career Ladder Program	150,464	0	0	0	150,464
Career Ladder - Extended Contract	45,820	0	0	0	45,820
<u>Other State Revenues</u>					
Other State Grants	2,501	0	0	0	2,501
Safe Schools	37,550	0	0	0	37,550
Total State of Tennessee	\$ 34,793,749	\$ 0	\$ 36,502	\$ 0	\$ 34,830,251
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	1,995,142	\$ 0	1,995,142
USDA - Commodities	0	0	212,325	0	212,325
Breakfast	0	0	677,666	0	677,666
USDA - Other	0	0	4,790	0	4,790
Vocational Education - Basic Grants to States	0	130,826	0	0	130,826

(Continued)

Exhibit K-6

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

	General Purpose School	Special Revenue Funds School Federal Projects	Central Cafeteria	Capital Projects Fund Education Capital Projects	Total
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
Title I Grants to Local Education Agencies	\$ 0	\$ 2,279,598	\$ 0	\$ 0	\$ 2,279,598
Special Education - Grants to States	25,682	1,634,182	0	0	1,659,864
Special Education Preschool Grants	0	37,315	0	0	37,315
English Language Acquisition Grants	0	8,040	0	0	8,040
Rural Education	0	134,525	0	0	134,525
Eisenhower Professional Development State Grants	0	306,672	0	0	306,672
Race to the Top - ARRA	0	68,880	0	0	68,880
Other Federal through State	128,491	0	0	0	128,491
<u>Direct Federal Revenue</u>					
ROTC Reimbursement	58,713	0	0	0	58,713
Forest Service	38,247	0	0	0	38,247
Total Federal Government	\$ 251,133	\$ 4,600,038	\$ 2,889,923	\$ 0	\$ 7,741,094
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 0	\$ 0	\$ 0	\$ 573,093	\$ 573,093
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 573,093	\$ 573,093
Total	\$ 48,409,762	\$ 4,600,038	\$ 3,683,911	\$ 573,093	\$ 57,266,804

Exhibit K-7

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	21,350	
Social Security		1,093	
Pensions		1,054	
Employer Medicare		307	
Dues and Memberships		4,587	
Legal Services		6,762	
Legal Notices, Recording, and Court Costs		137	
Postal Charges		69	
Other Charges		813	
Total County Commission			\$ 36,172

County Mayor/Executive

County Official/Administrative Officer	\$	100,799	
Secretary(ies)		26,426	
Part-time Personnel		171	
Other Salaries and Wages		5,118	
Social Security		8,113	
Pensions		13,803	
Life Insurance		76	
Medical Insurance		11,994	
Unemployment Compensation		64	
Employer Medicare		1,898	
Communication		1,773	
Legal Notices, Recording, and Court Costs		1,092	
Maintenance and Repair Services - Office Equipment		188	
Postal Charges		272	
Rentals		5,033	
Office Supplies		1,197	
Premiums on Corporate Surety Bonds		922	
Total County Mayor/Executive			178,939

County Attorney

County Official/Administrative Officer	\$	59,500	
Assistant(s)		29,232	
Overtime Pay		5,156	
Social Security		5,433	
Pensions		9,793	
Life Insurance		82	
Medical Insurance		32,985	
Unemployment Compensation		108	
Employer Medicare		1,271	
Other Fringe Benefits		120	
Communication		1,490	
Legal Services		682	
Postal Charges		212	
Travel		46	
Tuition		450	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

County Attorney (Cont.)

Other Contracted Services	\$	3,809	
Office Supplies		331	
Periodicals		185	
Total County Attorney			\$ 150,885

Election Commission

County Official/Administrative Officer	\$	71,405	
Clerical Personnel		18,504	
Temporary Personnel		18,903	
Overtime Pay		9,777	
Election Commission		9,980	
Election Workers		34,261	
In-service Training		225	
Social Security		7,708	
Pensions		10,187	
Life Insurance		61	
Medical Insurance		25,576	
Unemployment Compensation		289	
Employer Medicare		1,824	
Communication		3,243	
Contracts with Private Agencies		6,240	
Data Processing Services		23,756	
Dues and Memberships		175	
Legal Notices, Recording, and Court Costs		24,211	
Maintenance and Repair Services - Equipment		30,309	
Maintenance and Repair Services - Office Equipment		3,867	
Postal Charges		7,374	
Printing, Stationery, and Forms		11,556	
Rentals		3,832	
Travel		3,013	
Tuition		1,300	
Equipment and Machinery Parts		3,906	
Gasoline		295	
Office Supplies		3,623	
Periodicals		447	
Other Supplies and Materials		158	
Data Processing Equipment		2,412	
Other Equipment		561	
Total Election Commission			338,978

Register of Deeds

County Official/Administrative Officer	\$	79,338	
Accountants/Bookkeepers		28,306	
Clerical Personnel		106,665	
Social Security		12,842	
Pensions		22,352	
Life Insurance		210	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Medical Insurance	\$	64,152	
Unemployment Compensation		286	
Employer Medicare		3,003	
Communication		1,257	
Postal Charges		327	
Rentals		16,605	
Office Supplies		1,898	
Premiums on Corporate Surety Bonds		1,082	
Total Register of Deeds			\$ 338,323

Planning

Paraprofessionals	\$	39,762	
Board and Committee Members Fees		1,425	
Social Security		2,406	
Pensions		4,152	
Life Insurance		41	
Medical Insurance		14,124	
Unemployment Compensation		54	
Employer Medicare		563	
Other Fringe Benefits		120	
Contracts with Government Agencies		12,250	
Legal Notices, Recording, and Court Costs		75	
Rentals		444	
Office Supplies		524	
Periodicals		109	
Total Planning			76,049

Codes Compliance

Postal Charges	\$	337	
Total Codes Compliance			337

Geographical Information Systems

Salary Supplements	\$	5,336	
Social Security		326	
Pensions		556	
Unemployment Compensation		10	
Employer Medicare		76	
Maintenance and Repair Services - Equipment		6,300	
Travel		250	
Office Supplies		461	
Total Geographical Information Systems			13,315

County Buildings

Maintenance Personnel	\$	64,158	
Part-time Personnel		1,396	
Overtime Pay		4,862	
Social Security		4,195	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Pensions	\$	7,199	
Life Insurance		108	
Medical Insurance		24,336	
Unemployment Compensation		172	
Employer Medicare		981	
Communication		1,585	
Maintenance and Repair Services - Buildings		3,869	
Maintenance and Repair Services - Equipment		15,286	
Maintenance and Repair Services - Vehicles		433	
Pest Control		1,100	
Rentals		716	
Other Contracted Services		2,215	
Custodial Supplies		8,400	
Electricity		67,683	
Equipment and Machinery Parts		1,368	
Garage Supplies		370	
Gasoline		2,219	
General Construction Materials		8,564	
Natural Gas		8,117	
Road Signs		4,935	
Tires and Tubes		276	
Water and Sewer		4,688	
Other Supplies and Materials		1,852	
Building Improvements		17,965	
Other Equipment		6,558	
Total County Buildings			\$ 265,606

Finance

Accounting and Budgeting

Supervisor/Director	\$	62,030
Accountants/Bookkeepers		140,061
Overtime Pay		1,082
Social Security		12,042
Pensions		21,182
Life Insurance		231
Medical Insurance		55,285
Unemployment Compensation		352
Employer Medicare		2,816
Other Fringe Benefits		60
Audit Services		20,649
Communication		3,999
Data Processing Services		13,292
Dues and Memberships		620
Legal Notices, Recording, and Court Costs		1,085
Maintenance and Repair Services - Office Equipment		5,740
Postal Charges		2,824
Printing, Stationery, and Forms		2,568

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Rentals	\$	1,023	
Travel		374	
Tuition		840	
Other Contracted Services		2,500	
Office Supplies		5,599	
Premiums on Corporate Surety Bonds		100	
Other Charges		810	
Furniture and Fixtures		200	
Total Accounting and Budgeting			\$ 357,364

Purchasing

Supervisor/Director	\$	40,002	
Purchasing Personnel		31,445	
Social Security		4,093	
Pensions		7,452	
Life Insurance		82	
Medical Insurance		31,704	
Unemployment Compensation		108	
Employer Medicare		957	
Other Fringe Benefits		120	
Communication		1,514	
Dues and Memberships		265	
Legal Notices, Recording, and Court Costs		201	
Postal Charges		35	
Printing, Stationery, and Forms		386	
Rentals		888	
Office Supplies		500	
Total Purchasing			119,752

Property Assessor's Office

County Official/Administrative Officer	\$	79,338	
Assistant(s)		30,518	
Data Processing Personnel		22,474	
Assessment Personnel		127,902	
Board and Committee Members Fees		4,600	
Social Security		15,590	
Pensions		27,142	
Life Insurance		326	
Medical Insurance		100,740	
Unemployment Compensation		391	
Employer Medicare		3,646	
Other Fringe Benefits		260	
Communication		2,021	
Contracts with Government Agencies		32,883	
Dues and Memberships		2,000	
Legal Notices, Recording, and Court Costs		212	
Maintenance and Repair Services - Office Equipment		1,138	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Maintenance and Repair Services - Vehicles	\$	297	
Postal Charges		1,015	
Printing, Stationery, and Forms		170	
Rentals		1,573	
Travel		627	
Other Contracted Services		39,050	
Equipment and Machinery Parts		123	
Gasoline		2,022	
Office Supplies		3,279	
Periodicals		127	
Tires and Tubes		314	
Premiums on Corporate Surety Bonds		200	
Office Equipment		619	
Total Property Assessor's Office			\$ 500,597

Reappraisal Program

Communication	\$	176	
Gasoline		1,572	
Total Reappraisal Program			1,748

County Trustee's Office

County Official/Administrative Officer	\$	79,338	
Assistant(s)		34,657	
Accountants/Bookkeepers		26,877	
Clerical Personnel		14,090	
Part-time Personnel		14,480	
Overtime Pay		7,643	
Social Security		10,359	
Pensions		16,802	
Life Insurance		113	
Medical Insurance		39,140	
Unemployment Compensation		226	
Employer Medicare		2,444	
Communication		1,535	
Dues and Memberships		10	
Maintenance and Repair Services - Office Equipment		9,342	
Postal Charges		18,165	
Printing, Stationery, and Forms		231	
Rentals		106	
Travel		1,260	
Gasoline		21	
Office Supplies		3,417	
Premiums on Corporate Surety Bonds		12,400	
Office Equipment		4,899	
Total County Trustee's Office			297,555

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office

County Official/Administrative Officer	\$	79,338	
Assistant(s)		37,542	
Clerical Personnel		126,674	
Part-time Personnel		22,082	
Overtime Pay		495	
Social Security		15,294	
Pensions		24,989	
Life Insurance		282	
Medical Insurance		72,264	
Unemployment Compensation		548	
Employer Medicare		3,714	
Communication		2,841	
Dues and Memberships		766	
Legal Notices, Recording, and Court Costs		255	
Maintenance and Repair Services - Office Equipment		18,546	
Postal Charges		14,000	
Printing, Stationery, and Forms		1,170	
Rentals		5,244	
Travel		1,990	
Tuition		300	
Office Supplies		8,053	
Periodicals		362	
Premiums on Corporate Surety Bonds		656	
Other Charges		720	
Data Processing Equipment		5,254	
Office Equipment		758	
Total County Clerk's Office			\$ 444,137

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	79,338
Assistant(s)		32,349
Accountants/Bookkeepers		55,332
Clerical Personnel		193,011
Part-time Personnel		5,945
Overtime Pay		9,885
Other Salaries and Wages		8,475
Jury and Witness Expense		3,303
Social Security		21,967
Pensions		38,409
Life Insurance		479
Medical Insurance		186,890
Unemployment Compensation		710
Employer Medicare		5,138
Other Fringe Benefits		120
Communication		3,404
Data Processing Services		150

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Dues and Memberships	\$	886	
Legal Notices, Recording, and Court Costs		559	
Maintenance and Repair Services - Office Equipment		10,057	
Postal Charges		6,000	
Printing, Stationery, and Forms		7,943	
Rentals		5,305	
Travel		705	
Other Contracted Services		1,989	
Office Supplies		7,442	
Premiums on Corporate Surety Bonds		656	
Data Processing Equipment		35,759	
Office Equipment		1,262	
Total Circuit Court			\$ 723,468

General Sessions Court

Judge(s)	\$	158,790	
Probation Officer(s)		36,791	
Secretary(ies)		32,239	
Overtime Pay		1,135	
Social Security		11,494	
Pensions		23,880	
Life Insurance		122	
Medical Insurance		45,612	
Unemployment Compensation		112	
Employer Medicare		3,230	
Communication		4,229	
Contracts with Government Agencies		15,200	
Dues and Memberships		335	
Maintenance and Repair Services - Office Equipment		746	
Postal Charges		200	
Printing, Stationery, and Forms		295	
Rentals		1,505	
Travel		391	
Office Supplies		1,096	
Periodicals		407	
Total General Sessions Court			337,809

Drug Court

Other Salaries and Wages	\$	30,005	
Social Security		1,826	
Pensions		3,129	
Life Insurance		41	
Medical Insurance		8,112	
Unemployment Compensation		54	
Employer Medicare		427	
Communication		481	
Contributions		13,263	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Drug Court (Cont.)

Travel	\$	2,435	
Drug Treatment		10	
Office Supplies		465	
Periodicals		190	
Other Charges		1,564	
Total Drug Court			\$ 62,002

Chancery Court

County Official/Administrative Officer	\$	79,338	
Assistant(s)		35,137	
Clerical Personnel		76,676	
Social Security		11,265	
Pensions		19,937	
Life Insurance		204	
Medical Insurance		73,644	
Unemployment Compensation		270	
Employer Medicare		2,635	
Bank Charges		59	
Communication		4,722	
Data Processing Services		1,020	
Dues and Memberships		766	
Maintenance and Repair Services - Office Equipment		1,933	
Postal Charges		1,653	
Printing, Stationery, and Forms		1,959	
Rentals		2,258	
Tuition		100	
Other Contracted Services		245	
Office Supplies		2,993	
Periodicals		2,203	
Office Equipment		290	
Total Chancery Court			319,307

Juvenile Court

Youth Service Officer(s)	\$	38,879	
Secretary(ies)		53,662	
Overtime Pay		673	
Social Security		5,435	
Pensions		9,722	
Life Insurance		122	
Medical Insurance		43,884	
Unemployment Compensation		158	
Employer Medicare		1,271	
Communication		1,632	
Data Processing Services		348	
Dues and Memberships		310	
Maintenance and Repair Services - Office Equipment		2,118	
Postal Charges		225	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Printing, Stationery, and Forms	\$	55	
Rentals		1,317	
Travel		546	
Other Contracted Services		37,773	
Office Supplies		1,392	
Data Processing Equipment		2,569	
Total Juvenile Court	\$		202,091

District Attorney General

Communication	\$	4,643	
Total District Attorney General			4,643

Probate Court

Clerical Personnel	\$	27,876	
Part-time Personnel		6,130	
Social Security		2,012	
Pensions		2,875	
Life Insurance		58	
Medical Insurance		9,020	
Unemployment Compensation		110	
Employer Medicare		471	
Communication		341	
Postal Charges		900	
Printing, Stationery, and Forms		877	
Rentals		504	
Travel		38	
Office Supplies		1,299	
Periodicals		448	
Total Probate Court			52,959

Other Administration of Justice

Salary Supplements	\$	5,100	
Social Security		303	
Pensions		532	
Employer Medicare		71	
Data Processing Equipment		3,080	
Total Other Administration of Justice			9,086

Courtroom Security

Guards	\$	77,393	
Part-time Personnel		43,714	
Social Security		6,990	
Pensions		8,072	
Life Insurance		117	
Medical Insurance		29,626	
Unemployment Compensation		365	
Employer Medicare		1,715	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Courtroom Security (Cont.)

Maintenance and Repair Services - Equipment	\$	500	
Other Contracted Services		12,441	
Uniforms		1,360	
Law Enforcement Equipment		6,203	
Other Equipment		488	
Total Courtroom Security			\$ 188,984

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	95,999
Assistant(s)		58,758
Deputy(ies)		1,139,995
Detective(s)		236,382
Captain(s)		94,273
Lieutenant(s)		254,066
Sergeant(s)		226,676
Mechanic(s)		60,176
Dispatchers/Radio Operators		271,273
Part-time Personnel		33,908
Overtime Pay		116,482
Other Salaries and Wages		49,496
In-service Training		35,400
Social Security		159,027
Pensions		269,704
Life Insurance		2,633
Medical Insurance		946,360
Unemployment Compensation		3,764
Employer Medicare		37,205
Other Fringe Benefits		710
Advertising		226
Communication		12,611
Contributions		4,766
Dues and Memberships		2,944
Legal Notices, Recording, and Court Costs		19
Licenses		279
Maintenance and Repair Services - Buildings		1,372
Maintenance and Repair Services - Equipment		1,895
Maintenance and Repair Services - Vehicles		6,033
Postal Charges		820
Printing, Stationery, and Forms		1,250
Rentals		4,487
Travel		12,111
Tuition		13,268
Veterinary Services		260
Other Contracted Services		15,861
Diesel Fuel		1,710
Electricity		5,502

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Equipment and Machinery Parts	\$	22,888	
Food Supplies		667	
Garage Supplies		11,860	
Gasoline		129,288	
Law Enforcement Supplies		2,545	
Office Supplies		5,221	
Periodicals		75	
Tires and Tubes		11,954	
Uniforms		22,447	
Water and Sewer		1,581	
Other Supplies and Materials		2,813	
Premiums on Corporate Surety Bonds		1,857	
In Service/Staff Development		10,152	
Other Charges		33	
Building Improvements		3,979	
Data Processing Equipment		17,023	
Furniture and Fixtures		1,057	
Law Enforcement Equipment		43,831	
Office Equipment		2,702	
Other Equipment		4,428	
Total Sheriff's Department			\$ 4,474,102

Special Patrols

Secretary(ies)	\$	27,854	
Overtime Pay		1,741	
Social Security		1,835	
Pensions		3,087	
Life Insurance		24	
Unemployment Compensation		54	
Employer Medicare		429	
Contributions		8,491	
Law Enforcement Equipment		32,175	
Motor Vehicles		24,150	
Total Special Patrols			99,840

Administration of the Sexual Offender Registry

Travel	\$	537	
Other Contracted Services		1,950	
Office Supplies		632	
Building Improvements		819	
Law Enforcement Equipment		1,865	
Total Administration of the Sexual Offender Registry			5,803

Jail

Supervisor/Director	\$	47,398	
Deputy(ies)		1,284,151	
Captain(s)		42,274	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Lieutenant(s)	\$	149,590
Sergeant(s)		170,013
Medical Personnel		167,758
Paraprofessionals		210,008
Cafeteria Personnel		180,583
Maintenance Personnel		74,847
Part-time Personnel		12,207
Overtime Pay		47,716
Other Salaries and Wages		35,087
In-service Training		600
Social Security		141,292
Pensions		246,198
Life Insurance		3,218
Medical Insurance		950,646
Unemployment Compensation		5,075
Employer Medicare		33,462
Other Fringe Benefits		720
Communication		25,223
Dues and Memberships		173
Evaluation and Testing		572
Maintenance Agreements		7,778
Maintenance and Repair Services - Buildings		5,000
Maintenance and Repair Services - Equipment		36,767
Medical and Dental Services		52,402
Pest Control		620
Postal Charges		276
Printing, Stationery, and Forms		2,055
Rentals		8,861
Travel		5,973
Tuition		1,997
Disposal Fees		5,573
Other Contracted Services		5,740
Custodial Supplies		34,618
Drugs and Medical Supplies		65,094
Electricity		118,087
Equipment and Machinery Parts		26,726
Food Preparation Supplies		10,275
Food Supplies		295,113
Gasoline		24,041
General Construction Materials		15,336
Law Enforcement Supplies		7,753
Natural Gas		68,406
Office Supplies		5,499
Prisoners Clothing		8,901
Uniforms		17,818
Water and Sewer		87,588
Other Supplies and Materials		60,204

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

In Service/Staff Development	\$	1,019	
Other Charges		215,121	
Building Improvements		12,869	
Data Processing Equipment		4,035	
Food Service Equipment		6,001	
Furniture and Fixtures		2,238	
Law Enforcement Equipment		9,342	
Other Equipment		8,410	
Total Jail			\$ 5,066,347

Juvenile Services

Contracts with Private Agencies	\$	147,373	
Total Juvenile Services			147,373

Civil Defense

Supervisor/Director	\$	43,423	
Secretary(ies)		24,637	
Part-time Personnel		8,886	
Other Salaries and Wages		350	
Social Security		4,551	
Pensions		7,099	
Life Insurance		82	
Medical Insurance		34,598	
Unemployment Compensation		161	
Employer Medicare		1,064	
Communication		5,549	
Dues and Memberships		110	
Maintenance and Repair Services - Vehicles		205	
Postal Charges		12	
Rentals		1,016	
Travel		1,215	
Electricity		392	
Equipment and Machinery Parts		158	
Food Preparation Supplies		79	
Garage Supplies		49	
Gasoline		3,851	
Natural Gas		144	
Office Supplies		601	
Uniforms		1,091	
Other Charges		539	
Other Equipment		2,275	
Total Civil Defense			142,137

Rescue Squad

Contributions	\$	4,900	
Total Rescue Squad			4,900

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Disaster Relief

Contributions	\$ 120,000	
Total Disaster Relief		\$ 120,000

Other Emergency Management

Other Equipment	\$ 9,927	
Total Other Emergency Management		9,927

Inspection and Regulation

Assistant(s)	\$ 30,520	
Supervisor/Director	38,216	
Paraprofessionals	23,838	
Board and Committee Members Fees	325	
Social Security	5,360	
Pensions	9,514	
Life Insurance	119	
Medical Insurance	42,995	
Unemployment Compensation	183	
Employer Medicare	1,254	
Communication	4,404	
Dues and Memberships	375	
Legal Notices, Recording, and Court Costs	381	
Licenses	45	
Maintenance and Repair Services - Office Equipment	475	
Maintenance and Repair Services - Vehicles	786	
Postal Charges	170	
Printing, Stationery, and Forms	154	
Rentals	1,209	
Tuition	465	
Equipment and Machinery Parts	840	
Garage Supplies	16	
Gasoline	3,134	
Office Supplies	1,508	
Periodicals	1,731	
Tires and Tubes	437	
Uniforms	442	
Law Enforcement Equipment	672	
Total Inspection and Regulation		169,568

County Coroner/Medical Examiner

Other Salaries and Wages	\$ 6,120	
Social Security	376	
Pensions	670	
Employer Medicare	88	
Communication	1,452	
Contracts with Private Agencies	15,600	
Contributions	104,907	
Pauper Burials	1,699	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

County Coroner/Medical Examiner (Cont.)

Transportation - Other than Students	\$	6,780	
Other Contracted Services		3,369	
Equipment and Machinery Parts		45	
Office Supplies		355	
Tires and Tubes		310	
Other Supplies and Materials		520	
Premiums on Corporate Surety Bonds		230	
Other Equipment		6,514	
Total County Coroner/Medical Examiner			\$ 149,035

Public Health and Welfare

Local Health Center

Medical Personnel	\$	14,648	
Salary Supplements		18,605	
Clerical Personnel		42,225	
Custodial Personnel		34,922	
Part-time Personnel		8,976	
Other Salaries and Wages		33,826	
Social Security		7,348	
Pensions		12,855	
Life Insurance		197	
Medical Insurance		56,957	
Unemployment Compensation		362	
Employer Medicare		1,849	
Other Fringe Benefits		190	
Advertising		388	
Communication		13,098	
Dues and Memberships		567	
Maintenance Agreements		5,512	
Maintenance and Repair Services - Buildings		7,933	
Maintenance and Repair Services - Equipment		2,750	
Medical and Dental Services		603	
Postal Charges		5,499	
Printing, Stationery, and Forms		1,138	
Rentals		12,529	
Travel		315	
Other Contracted Services		3,050	
Custodial Supplies		5,175	
Drugs and Medical Supplies		41,817	
Electricity		30,859	
Food Supplies		1,033	
Office Supplies		5,988	
Periodicals		276	
Water and Sewer		2,855	
Other Supplies and Materials		6,228	
Building Improvements		35,495	
Furniture and Fixtures		370	
Other Equipment		2,086	
Total Local Health Center			418,524

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control

Supervisor/Director	\$	28,580	
Paraprofessionals		40,012	
Social Security		4,165	
Pensions		6,956	
Life Insurance		115	
Medical Insurance		13,440	
Unemployment Compensation		201	
Employer Medicare		974	
Communication		2,340	
Contracts with Private Agencies		467	
Licenses		120	
Maintenance and Repair Services - Equipment		85	
Maintenance and Repair Services - Office Equipment		94	
Maintenance and Repair Services - Vehicles		1,374	
Rentals		444	
Travel		203	
Tuition		190	
Disposal Fees		364	
Custodial Supplies		1,169	
Drugs and Medical Supplies		486	
Electricity		8,532	
Equipment and Machinery Parts		1,391	
Food Supplies		1,303	
Gasoline		7,964	
Office Supplies		314	
Tires and Tubes		947	
Water and Sewer		877	
Other Supplies and Materials		2,970	
Other Equipment		3,600	
Total Rabies and Animal Control			\$ 129,677

Ambulance/Emergency Medical Services

Assistant(s)	\$	36,516
Supervisor/Director		52,333
Mechanic(s)		29,316
Clerical Personnel		101,212
Attendants		918,404
Part-time Personnel		102,542
Overtime Pay		689,454
Social Security		114,496
Pensions		185,847
Life Insurance		1,930
Medical Insurance		613,020
Unemployment Compensation		3,662
Employer Medicare		26,783
Other Fringe Benefits		485
Communication		11,232

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Data Processing Services	\$	5,900	
Dues and Memberships		360	
Licenses		6,462	
Maintenance and Repair Services - Equipment		2,236	
Maintenance and Repair Services - Office Equipment		488	
Maintenance and Repair Services - Vehicles		6,474	
Pest Control		220	
Postal Charges		6,049	
Printing, Stationery, and Forms		3,260	
Rentals		2,035	
Tuition		5,003	
Disposal Fees		7,573	
Other Contracted Services		4,609	
Custodial Supplies		735	
Diesel Fuel		84,247	
Drugs and Medical Supplies		107,757	
Electricity		7,998	
Equipment and Machinery Parts		11,025	
Garage Supplies		5,066	
Gasoline		7,569	
Natural Gas		3,642	
Office Supplies		2,624	
Tires and Tubes		7,337	
Uniforms		2,093	
Water and Sewer		1,046	
Other Supplies and Materials		836	
Refunds		26,526	
Other Charges		374	
Communication Equipment		270	
Data Processing Equipment		14,869	
Furniture and Fixtures		520	
Motor Vehicles		65,000	
Office Equipment		313	
Health Equipment		15,858	
Total Ambulance/Emergency Medical Services			\$ 3,303,606

Alcohol and Drug Programs

Other Charges	\$	13,658	
Total Alcohol and Drug Programs			13,658

Other Local Health Services

Medical Personnel	\$	140,216	
Clerical Personnel		44,005	
Part-time Personnel		15,589	
Other Salaries and Wages		99,135	
Social Security		15,702	
Pensions		20,957	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Local Health Services (Cont.)

Life Insurance	\$	282	
Medical Insurance		50,216	
Unemployment Compensation		670	
Employer Medicare		4,252	
Other Fringe Benefits		170	
Travel		6,650	
Liability Insurance		1,960	
Total Other Local Health Services			\$ 399,804

Appropriation to State

Contributions	\$	60,400	
Total Appropriation to State			60,400

Waste Pickup

Part-time Personnel	\$	9,857	
Other Salaries and Wages		22,362	
Social Security		1,904	
Pensions		2,332	
Life Insurance		39	
Medical Insurance		15,456	
Unemployment Compensation		108	
Employer Medicare		445	
Contributions		14,400	
Gasoline		7,042	
Other Supplies and Materials		5,662	
Total Waste Pickup			79,607

Other Public Health and Welfare

Tuition	\$	9,087	
Instructional Supplies and Materials		35,427	
Other Supplies and Materials		2,448	
Other Construction		8,609	
Total Other Public Health and Welfare			55,571

Social, Cultural, and Recreational Services

Libraries

Contributions	\$	84,500	
Total Libraries			84,500

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	89,589	
Part-time Personnel		5,846	
Social Security		5,426	
Pensions		9,406	
Unemployment Compensation		37	
Employer Medicare		1,331	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Other Fringe Benefits	\$	3,651	
Communication		2,095	
Dues and Memberships		340	
Operating Lease Payments		1,919	
Travel		162	
Data Processing Equipment		1,041	
Total Agricultural Extension Service			\$ 120,843

Soil Conservation

Paraprofessionals	\$	23,505	
Secretary(ies)		26,022	
Social Security		2,918	
Pensions		5,166	
Life Insurance		82	
Medical Insurance		23,964	
Unemployment Compensation		108	
Employer Medicare		682	
Dues and Memberships		1,450	
Postal Charges		100	
Office Supplies		982	
Total Soil Conservation			84,979

Other Operations

Tourism

Contributions	\$	89,809	
Total Tourism			89,809

Industrial Development

Contributions	\$	89,809	
Total Industrial Development			89,809

Veterans' Services

Supervisor/Director	\$	12,418	
Salary Supplements		4,079	
Clerical Personnel		26,607	
Social Security		1,760	
Pensions		3,201	
Life Insurance		41	
Medical Insurance		15,852	
Unemployment Compensation		112	
Employer Medicare		592	
Other Fringe Benefits		40	
Communication		1,145	
Data Processing Services		399	
Postal Charges		700	
Rentals		5,244	
Travel		692	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Office Supplies	\$	268	
Data Processing Equipment		243	
Total Veterans' Services			\$ 73,393

Other Charges

Dues and Memberships	\$	8,551	
Total Other Charges			8,551

Contributions to Other Agencies

Contributions	\$	102,448	
Rentals		9,000	
Total Contributions to Other Agencies			111,448

Miscellaneous

Other Contracted Services	\$	1,000	
Premiums on Corporate Surety Bonds		500	
Trustee's Commission		193,768	
Other Charges		1,255	
Total Miscellaneous			196,523

Interest on Debt

General Government

Interest on Notes	\$	2,780	
Total General Government			2,780

Total General Fund \$ 20,732,620

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Management

Assistant(s)	\$	15,805	
Supervisor/Director		38,231	
Salary Supplements		3,060	
Social Security		3,394	
Pensions		5,738	
Life Insurance		65	
Medical Insurance		20,584	
Unemployment Compensation		128	
Employer Medicare		794	
Communication		2,237	
Contracts with Other Public Agencies		625,519	
Licenses		25	
Maintenance and Repair Services - Equipment		800	
Maintenance and Repair Services - Vehicles		4,712	
Medical and Dental Services		233	
Postal Charges		1,136	
Printing, Stationery, and Forms		95	

(Continued)

Exhibit K-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Rentals	\$	1,050	
Other Contracted Services		2,715	
Custodial Supplies		490	
Diesel Fuel		95,181	
Electricity		5,245	
Equipment and Machinery Parts		20,407	
Garage Supplies		8,767	
Gasoline		6,777	
Lubricants		7,985	
Natural Gas		2,975	
Office Supplies		1,073	
Small Tools		430	
Tires and Tubes		15,449	
Uniforms		3,034	
Water and Sewer		498	
Other Supplies and Materials		633	
Trustee's Commission		20,011	
Building Improvements		10,820	
Data Processing Equipment		41	
Furniture and Fixtures		549	
Total Sanitation Management			\$ 926,686

Waste Pickup

Mechanic(s)	\$	78,771	
Truck Drivers		159,581	
Part-time Personnel		24,261	
Overtime Pay		5,060	
Social Security		15,500	
Pensions		25,388	
Life Insurance		419	
Medical Insurance		142,532	
Unemployment Compensation		710	
Employer Medicare		3,625	
Total Waste Pickup			455,847

Convenience Centers

Attendants	\$	277,887	
Overtime Pay		186	
Social Security		14,865	
Unemployment Compensation		1,654	
Employer Medicare		4,032	
Communication		2,684	
Operating Lease Payments		1,808	
Rentals		54	
Crushed Stone		1,845	
Custodial Supplies		1,750	
Electricity		15,497	

(Continued)

Exhibit K-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

Water and Sewer	\$	4,035	
Other Supplies and Materials		1,123	
Total Convenience Centers			\$ 327,420

Transfer Stations

Part-time Personnel	\$	4,581	
Social Security		284	
Unemployment Compensation		28	
Employer Medicare		66	
Disposal Fees		55,618	
Total Transfer Stations			60,577

Total Solid Waste/Sanitation Fund \$ 1,770,530

Special Purpose Fund

General Government

Risk Management

Consultants	\$	31,200	
Legal Services		61,990	
Building and Contents Insurance		209,304	
Liability Insurance		160,989	
Trustee's Commission		18,419	
Workers' Compensation Insurance		169,691	
Liability Claims		407,706	
Other Self-insured Claims		90,382	
Other Charges		5,000	
Total Risk Management			\$ 1,154,681

Total Special Purpose Fund 1,154,681

Drug Control Fund

Public Safety

Drug Enforcement

Advertising	\$	100	
Communication		1,406	
Contributions		14,000	
Confidential Drug Enforcement Payments		200	
Maintenance and Repair Services - Buildings		1	
Maintenance and Repair Services - Office Equipment		618	
Travel		1,807	
Tuition		1,560	
Other Contracted Services		2,718	
Electricity		5,413	
Law Enforcement Supplies		676	
Water and Sewer		278	
Other Supplies and Materials		218	
Building Improvements		4,755	
Law Enforcement Equipment		46,635	
Total Drug Enforcement			\$ 80,385

Total Drug Control Fund 80,385

(Continued)

Exhibit K-7

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

Constitutional Officers - Fees Fund

General Government

Other General Administration

Special Commissioner Fees/Special Master Fees	\$ 9,976	
Total Other General Administration		\$ 9,976

Total Constitutional Officers - Fees Fund \$ 9,976

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 87,272	
Accountants/Bookkeepers	63,529	
Overtime Pay	1,807	
Social Security	9,017	
Pensions	15,917	
Life Insurance	122	
Medical Insurance	57,422	
Unemployment Compensation	108	
Employer Medicare	2,109	
Dues and Memberships	3,753	
Maintenance and Repair Services - Buildings	175	
Maintenance and Repair Services - Office Equipment	188	
Postal Charges	235	
Travel	509	
Tuition	275	
Other Contracted Services	1,223	
Office Supplies	1,752	
Other Charges	251	
Data Processing Equipment	39	
Total Administration		\$ 245,703

Highway and Bridge Maintenance

Assistant(s)	\$ 39,408
Foremen	130,902
Equipment Operators - Heavy	344,781
Equipment Operators - Light	131,785
Truck Drivers	349,350
Laborers	390,771
Part-time Personnel	24,804
Overtime Pay	30,534
Social Security	85,012
Pensions	147,597
Life Insurance	2,360
Medical Insurance	675,423
Unemployment Compensation	3,874
Employer Medicare	19,998
Other Fringe Benefits	40
Licenses	822
Tuition	945

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Other Contracted Services	\$	38,599	
Asphalt		73,800	
Concrete		19,892	
Crushed Stone		123,563	
Custodial Supplies		295	
General Construction Materials		162,358	
Pipe - Metal		25,080	
Road Signs		12,870	
Salt		43,296	
Other Charges		491	
Total Highway and Bridge Maintenance	\$		2,878,650

Operation and Maintenance of Equipment

Supervisor/Director	\$	32,041	
Mechanic(s)		100,301	
Laborers		26,380	
Overtime Pay		6,209	
Social Security		9,828	
Pensions		17,171	
Life Insurance		211	
Medical Insurance		65,104	
Unemployment Compensation		373	
Employer Medicare		2,298	
Licenses		70	
Maintenance and Repair Services - Equipment		594	
Maintenance and Repair Services - Vehicles		10,670	
Custodial Supplies		2,108	
Diesel Fuel		186,645	
Equipment and Machinery Parts		103,745	
Garage Supplies		42,570	
Gasoline		75,532	
Lubricants		12,801	
Small Tools		1,816	
Tires and Tubes		35,588	
Other Charges		2,078	
Total Operation and Maintenance of Equipment			734,133

Asphalt Plant Operations

Equipment Operators - Heavy	\$	10,421	
Social Security		627	
Pensions		1,087	
Life Insurance		16	
Medical Insurance		2,839	
Unemployment Compensation		32	
Employer Medicare		147	
Evaluation and Testing		334	
Asphalt - Hot Mix		204	

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Asphalt Plant Operations (Cont.)

Asphalt - Liquid	\$ 1,106,550	
Crushed Stone	478,539	
Electricity	28,060	
General Construction Materials	2,467	
Natural Gas	54,762	
Water and Sewer	313	
Other Supplies and Materials	1,254	
Total Asphalt Plant Operations		\$ 1,687,652

Other Charges

Communication	\$ 7,545	
Travel	513	
Other Contracted Services	142	
Electricity	9,718	
Natural Gas	3,112	
Water and Sewer	940	
Premiums on Corporate Surety Bonds	1,100	
Trustee's Commission	70,592	
Other Charges	1,281	
Total Other Charges		94,943

Capital Outlay

Highway Equipment	\$ 228,864	
Motor Vehicles	37,195	
Total Capital Outlay		266,059

Total Highway/Public Works Fund \$ 5,907,140

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 335,000	
Total General Government		\$ 335,000

Highways and Streets

Principal on Bonds	\$ 900,000	
Total Highways and Streets		900,000

Interest on Debt

General Government

Interest on Bonds	\$ 103,900	
Total General Government		103,900

Highways and Streets

Interest on Bonds	\$ 276,937	
Total Highways and Streets		276,937

(Continued)

Exhibit K-7

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

General Debt Service Fund (Cont.)

Other Debt Service

General Government

Trustee's Commission	\$ 20,609	
Other Charges	2,035	
Total General Government		\$ 22,644

Total General Debt Service Fund \$ 1,638,481

Education Debt Service Fund

Principal on Debt

Education

Principal on Bonds	\$ 1,400,000	
Principal on Notes	601,077	
Total Education		\$ 2,001,077

Interest on Debt

Education

Interest on Bonds	\$ 783,288	
Interest on Notes	5,695	
Total Education		788,983

Other Debt Service

Education

Trustee's Commission	\$ 44,687	
Other Charges	2,670	
Total Education		47,357

Total Education Debt Service Fund 2,837,417

General Capital Projects Fund

Capital Projects

General Administration Projects

Other Contracted Services	\$ 7,500	
Total General Administration Projects		\$ 7,500

Other General Government Projects

Architects	\$ 11,064	
Legal Notices, Recording, and Court Costs	525	
Permits	1,000	
Other Contracted Services	6,100	
Trustee's Commission	81	
Building Improvements	3,731	
Total Other General Government Projects		22,501

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	\$ 573,093	
Total Capital Projects Donated to School Department		573,093

Total General Capital Projects Fund 603,094

(Continued)

Exhibit K-7

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

<u>Community Development/Industrial Park Fund</u>			
<u>Capital Projects</u>			
<u>Public Utility Projects</u>			
Consultants	\$	7,500	
Engineering Services		33,135	
Other Contracted Services		11,000	
Other Construction		603,240	
Total Public Utility Projects			\$ 654,875
<u>Other General Government Projects</u>			
Other Charges	\$	250,000	
Total Other General Government Projects			<u>250,000</u>
Total Community Development/Industrial Park Fund			\$ 904,875
<u>Other Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Social, Cultural, and Recreation Projects</u>			
Contributions	\$	79,302	
Trustee's Commission		1,224	
Total Social, Cultural, and Recreation Projects			<u>\$ 80,526</u>
Total Other Capital Projects Fund			<u>80,526</u>
Total Governmental Funds - Primary Government			<u>\$ 35,719,725</u>

Exhibit K-8

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

General Purpose School Fund

Support Services

Regular Instruction Program

In Service/Staff Development	\$ 500	
Total Regular Instruction Program		\$ 500

Instruction

Regular Instruction Program

Teachers	\$ 16,172,262	
Career Ladder Program	84,311	
Career Ladder Extended Contracts	52,600	
Educational Assistants	396,065	
Other Salaries and Wages	15,538	
Certified Substitute Teachers	68,791	
Non-certified Substitute Teachers	88,930	
Social Security	991,769	
Pensions	1,504,682	
Life Insurance	5,663	
Medical Insurance	2,698,617	
Dental Insurance	27,719	
Unemployment Compensation	9,528	
Employer Medicare	233,659	
Maintenance and Repair Services - Equipment	15,812	
Other Contracted Services	10,176	
Instructional Supplies and Materials	175,234	
Textbooks	720,311	
Other Supplies and Materials	37,390	
Other Charges	94,058	
Regular Instruction Equipment	692,945	
Total Regular Instruction Program		24,096,060

Special Education Program

Teachers	\$ 1,796,210	
Career Ladder Program	14,000	
Homebound Teachers	79,183	
Educational Assistants	178,075	
Speech Pathologist	262,449	
Certified Substitute Teachers	1,889	
Non-certified Substitute Teachers	8,170	
Social Security	134,447	
Pensions	198,157	
Life Insurance	782	
Medical Insurance	357,083	
Dental Insurance	4,142	
Unemployment Compensation	2,250	
Employer Medicare	32,366	
Other Contracted Services	13,544	
Instructional Supplies and Materials	6,773	
Other Supplies and Materials	3,949	
Special Education Equipment	7,466	
Total Special Education Program		3,100,935

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Vocational Education Program

Teachers	\$	830,738	
Career Ladder Program		3,000	
Certified Substitute Teachers		2,860	
Non-certified Substitute Teachers		9,460	
Social Security		48,933	
Pensions		73,544	
Life Insurance		256	
Medical Insurance		129,634	
Dental Insurance		970	
Unemployment Compensation		1,197	
Employer Medicare		11,670	
Contracts with Other School Systems		391,215	
Instructional Supplies and Materials		38,788	
Other Supplies and Materials		950	
Other Charges		165	
Vocational Instruction Equipment		15,282	
Total Vocational Education Program			\$ 1,558,662

Support Services

Attendance

Supervisor/Director	\$	37,581	
Clerical Personnel		17,826	
Other Salaries and Wages		21,915	
Social Security		4,794	
Pensions		7,238	
Life Insurance		24	
Medical Insurance		6,500	
Dental Insurance		150	
Unemployment Compensation		137	
Employer Medicare		1,121	
Travel		1,693	
Other Contracted Services		21,738	
Other Charges		140	
Total Attendance			120,857

Health Services

Medical Personnel	\$	255,598	
Other Salaries and Wages		59,946	
Social Security		19,281	
Pensions		20,244	
Life Insurance		107	
Medical Insurance		48,664	
Dental Insurance		1,200	
Unemployment Compensation		450	
Employer Medicare		4,509	
Communication		300	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Postal Charges	\$	700	
Travel		12,284	
Other Contracted Services		5,500	
Drugs and Medical Supplies		7,500	
Other Supplies and Materials		8,946	
In Service/Staff Development		2,703	
Other Charges		14,299	
Health Equipment		4,575	
Total Health Services			\$ 466,806

Other Student Support

Career Ladder Program	\$	2,000	
Guidance Personnel		603,505	
Attendants		52,482	
School Resource Officer		96,806	
Other Salaries and Wages		17,385	
Non-certified Substitute Teachers		170	
Social Security		46,124	
Pensions		70,724	
Life Insurance		317	
Medical Insurance		132,188	
Dental Insurance		2,057	
Unemployment Compensation		1,283	
Employer Medicare		10,787	
Evaluation and Testing		32,865	
Travel		10,110	
Other Contracted Services		12,000	
Other Supplies and Materials		20,258	
In Service/Staff Development		37,948	
Total Other Student Support			1,149,009

Regular Instruction Program

Supervisor/Director	\$	219,128	
Career Ladder Program		9,000	
Librarians		769,531	
Education Media Personnel		345,275	
Clerical Personnel		34,237	
Educational Assistants		34,079	
Other Salaries and Wages		2,571	
Certified Substitute Teachers		494	
Non-certified Substitute Teachers		1,125	
Social Security		82,721	
Pensions		131,320	
Life Insurance		461	
Medical Insurance		212,605	
Dental Insurance		2,100	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Unemployment Compensation	\$	1,689	
Employer Medicare		19,363	
Travel		20,916	
Other Contracted Services		19,832	
Library Books/Media		36,240	
Other Supplies and Materials		4,985	
In Service/Staff Development		27,597	
Other Charges		115	
Other Equipment		50	
Total Regular Instruction Program			\$ 1,975,434

Special Education Program

Supervisor/Director	\$	79,709	
Career Ladder Program		4,000	
Psychological Personnel		115,126	
Secretary(ies)		31,824	
Other Salaries and Wages		62,021	
Social Security		17,453	
Pensions		26,510	
Life Insurance		70	
Medical Insurance		32,265	
Dental Insurance		600	
Unemployment Compensation		300	
Employer Medicare		4,082	
Maintenance and Repair Services - Equipment		520	
Travel		7,436	
Other Contracted Services		4,998	
Other Supplies and Materials		11,439	
In Service/Staff Development		1,400	
Other Charges		872	
Total Special Education Program			400,625

Vocational Education Program

Supervisor/Director	\$	65,110	
Career Ladder Program		1,000	
Social Security		4,075	
Pensions		5,976	
Life Insurance		14	
Medical Insurance		6,489	
Dental Insurance		150	
Unemployment Compensation		55	
Employer Medicare		953	
Travel		5,500	
Other Equipment		2,735	
Total Vocational Education Program			92,057

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Programs

On-behalf Payments to OPEB	\$ 417,736	
Total Other Programs		\$ 417,736

Board of Education

Secretary to Board	\$ 6,000	
Longevity Pay	203,776	
Board and Committee Members Fees	10,800	
In-service Training	264	
Social Security	13,603	
Pensions	626	
Life Insurance	1,615	
Medical Insurance	451,651	
Unemployment Compensation	350	
Employer Medicare	3,196	
Audit Services	19,500	
Dues and Memberships	7,505	
Legal Services	9,831	
Travel	12,552	
Other Contracted Services	3,250	
Trustee's Commission	259,345	
Criminal Investigation of Applicants - TBI	4,500	
Other Charges	7,038	
Total Board of Education		1,015,402

Director of Schools

County Official/Administrative Officer	\$ 114,425	
Assistant(s)	107,315	
Clerical Personnel	27,373	
Social Security	13,379	
Pensions	21,480	
Life Insurance	47	
Medical Insurance	26,241	
Dental Insurance	450	
Unemployment Compensation	140	
Employer Medicare	3,351	
Advertising	7,601	
Communication	4,050	
Dues and Memberships	3,297	
Maintenance and Repair Services - Equipment	71	
Postal Charges	7,762	
Travel	3,190	
Other Contracted Services	5,553	
Office Supplies	5,330	
Other Charges	1,000	
Administration Equipment	6,443	
Total Director of Schools		358,498

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal

Principals	\$	1,087,964	
Career Ladder Program		14,000	
Assistant Principals		462,053	
Secretary(ies)		637,185	
Other Salaries and Wages		58,606	
Social Security		133,631	
Pensions		213,143	
Life Insurance		847	
Medical Insurance		405,495	
Dental Insurance		5,837	
Unemployment Compensation		3,302	
Employer Medicare		31,252	
Communication		13,512	
Travel		1,956	
Other Contracted Services		43,865	
Other Supplies and Materials		5,637	
Other Charges		4,277	
Administration Equipment		11,625	
Total Office of the Principal			\$ 3,134,187

Fiscal Services

Supervisor/Director	\$	56,879	
Clerical Personnel		122,092	
Social Security		10,763	
Pensions		17,968	
Life Insurance		57	
Medical Insurance		20,436	
Dental Insurance		450	
Unemployment Compensation		219	
Employer Medicare		2,517	
Dues and Memberships		175	
Travel		1,036	
Other Contracted Services		21,931	
Data Processing Supplies		4,028	
Office Supplies		785	
Other Supplies and Materials		1,450	
Other Charges		500	
Total Fiscal Services			261,286

Operation of Plant

Custodial Personnel	\$	857,563	
Other Salaries and Wages		123,174	
Social Security		57,961	
Pensions		100,605	
Life Insurance		538	
Medical Insurance		259,424	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Dental Insurance	\$	2,923	
Unemployment Compensation		2,567	
Employer Medicare		13,640	
Maintenance and Repair Services - Equipment		1,984	
Travel		9,165	
Other Contracted Services		233,192	
Custodial Supplies		132,431	
Electricity		1,076,346	
Natural Gas		138,217	
Water and Sewer		176,330	
Other Supplies and Materials		16,982	
Plant Operation Equipment		58,676	
Total Operation of Plant			\$ 3,261,718

Maintenance of Plant

Supervisor/Director	\$	44,831	
Clerical Personnel		27,373	
Maintenance Personnel		229,142	
Social Security		17,846	
Pensions		31,430	
Life Insurance		146	
Medical Insurance		73,300	
Dental Insurance		750	
Unemployment Compensation		645	
Employer Medicare		4,173	
Laundry Service		5,000	
Maintenance and Repair Services - Buildings		145,361	
Maintenance and Repair Services - Equipment		46,393	
Travel		35	
Other Contracted Services		34,579	
Equipment and Machinery Parts		12,102	
Other Supplies and Materials		23,743	
Other Charges		12,499	
Maintenance Equipment		4,850	
Total Maintenance of Plant			714,198

Transportation

Mechanic(s)	\$	156,621
Bus Drivers		899,846
Other Salaries and Wages		173,494
Social Security		74,222
Pensions		126,428
Life Insurance		1,236
Medical Insurance		437,909
Dental Insurance		6,953
Unemployment Compensation		4,897

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Employer Medicare	\$	17,372	
Laundry Service		6,749	
Maintenance and Repair Services - Vehicles		7,500	
Medical and Dental Services		15,502	
Travel		1,605	
Other Contracted Services		321	
Diesel Fuel		339,477	
Garage Supplies		4,960	
Gasoline		42,984	
Lubricants		17,852	
Tires and Tubes		45,000	
Vehicle Parts		130,693	
Other Supplies and Materials		8,366	
Other Charges		19,864	
Transportation Equipment		11,242	
Total Transportation			\$ 2,551,093

Central and Other

Other Salaries and Wages	\$	27,373	
Social Security		1,692	
Pensions		2,855	
Life Insurance		14	
Medical Insurance		6,489	
Dental Insurance		150	
Unemployment Compensation		81	
Employer Medicare		396	
Travel		30	
Total Central and Other			39,080

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	23,229	
Teachers		29,090	
Clerical Personnel		1,225	
Educational Assistants		11,630	
Part-time Personnel		3,050	
Other Salaries and Wages		127,889	
Social Security		9,980	
Pensions		2,629	
Medical Insurance		2,704	
Unemployment Compensation		340	
Employer Medicare		2,800	
Maintenance and Repair Services - Equipment		438	
Travel		1,101	
Food Supplies		10,325	
Instructional Supplies and Materials		14,034	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Other Supplies and Materials	\$	4,596	
In Service/Staff Development		1,455	
Other Charges		4,778	
Total Community Services			\$ 251,293

Early Childhood Education

Supervisor/Director	\$	32,569	
Teachers		608,770	
Educational Assistants		104,779	
Certified Substitute Teachers		2,300	
Non-certified Substitute Teachers		2,417	
Social Security		44,193	
Pensions		68,195	
Life Insurance		320	
Medical Insurance		137,078	
Dental Insurance		1,350	
Unemployment Compensation		1,333	
Employer Medicare		10,450	
Communication		985	
Contracts with Other Public Agencies		367,300	
Maintenance and Repair Services - Equipment		150	
Travel		263	
Instructional Supplies and Materials		118,034	
In Service/Staff Development		9,109	
Other Charges		71,500	
Regular Instruction Equipment		26,710	
Other Construction		176,972	
Total Early Childhood Education			1,784,777

Capital Outlay

Regular Capital Outlay

Architects	\$	8,975	
Building Improvements		1,184,090	
Furniture and Fixtures		51,998	
Motor Vehicles		18,500	
Plant Operation Equipment		10,609	
Regular Instruction Equipment		100,277	
Other Capital Outlay		710	
Total Regular Capital Outlay			1,375,159

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	219,853	
Total Education			219,853

Total General Purpose School Fund \$ 48,345,225

(Continued)

Exhibit K-8

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

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	985,827	
Educational Assistants		161,700	
Certified Substitute Teachers		3,753	
Non-certified Substitute Teachers		20,435	
Social Security		63,136	
Pensions		92,877	
Life Insurance		386	
Medical Insurance		182,999	
Dental Insurance		1,190	
Unemployment Compensation		324	
Employer Medicare		16,281	
Other Contracted Services		3,700	
Instructional Supplies and Materials		433,411	
Regular Instruction Equipment		143,512	
Total Regular Instruction Program	\$		2,109,531

Alternative Instruction Program

Teachers	\$	23,611	
Social Security		1,465	
Pensions		2,136	
Life Insurance		7	
Medical Insurance		4,323	
Dental Insurance		76	
Unemployment Compensation		57	
Employer Medicare		343	
Total Alternative Instruction Program			32,018

Special Education Program

Teachers	\$	233,733	
Educational Assistants		461,434	
Speech Pathologist		107,461	
Certified Substitute Teachers		2,603	
Non-certified Substitute Teachers		1,796	
Social Security		47,610	
Pensions		64,220	
Life Insurance		457	
Medical Insurance		199,247	
Dental Insurance		2,235	
Unemployment Compensation		3,634	
Employer Medicare		11,231	
Maintenance and Repair Services - Equipment		23,000	
Other Contracted Services		30,658	
Instructional Supplies and Materials		16,244	
Other Supplies and Materials		46,939	
Special Education Equipment		11,646	
Total Special Education Program			1,264,148

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Vocational Education Program

Contracts with Other School Systems	\$	98,970	
Instructional Supplies and Materials		7,257	
Vocational Instruction Equipment		12,871	
Total Vocational Education Program			\$ 119,098

Support Services

Other Student Support

Guidance Personnel	\$	9,288	
Other Salaries and Wages		57,075	
Social Security		4,115	
Pensions		5,999	
Life Insurance		24	
Medical Insurance		12,077	
Dental Insurance		38	
Unemployment Compensation		143	
Employer Medicare		963	
Communication		10,908	
Travel		12,152	
Other Supplies and Materials		20,851	
In Service/Staff Development		2,900	
Other Charges		1,730	
Total Other Student Support			138,263

Regular Instruction Program

Supervisor/Director	\$	32,569	
Secretary(ies)		17,826	
Other Salaries and Wages		230,443	
Non-certified Substitute Teachers		95	
Social Security		17,252	
Pensions		25,635	
Life Insurance		44	
Medical Insurance		25,613	
Unemployment Compensation		252	
Employer Medicare		4,035	
Consultants		39,415	
Travel		45,468	
Other Supplies and Materials		11,128	
In Service/Staff Development		101,694	
Other Charges		1,944	
Total Regular Instruction Program			553,413

Special Education Program

Secretary(ies)	\$	22,505	
Other Salaries and Wages		213,430	
Social Security		13,505	
Pensions		20,653	

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Life Insurance	\$	89	
Medical Insurance		43,992	
Dental Insurance		680	
Unemployment Compensation		567	
Employer Medicare		3,158	
Maintenance and Repair Services - Equipment		500	
Travel		14,293	
Other Contracted Services		150	
Other Supplies and Materials		8,854	
In Service/Staff Development		12,407	
Total Special Education Program	\$		354,783

Vocational Education Program

Travel	\$	1,695	
Total Vocational Education Program			1,695

Total School Federal Projects Fund \$ 4,572,949

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	47,035	
Accountants/Bookkeepers		424,618	
Clerical Personnel		33,738	
Cafeteria Personnel		803,804	
Part-time Personnel		24,436	
Other Salaries and Wages		3,833	
Social Security		77,923	
Pensions		135,437	
Life Insurance		1,242	
Medical Insurance		461,665	
Dental Insurance		8,365	
Unemployment Compensation		5,500	
Employer Medicare		18,224	
Communication		2,589	
Maintenance and Repair Services - Equipment		23,823	
Travel		5,990	
Other Contracted Services		89,077	
Food Supplies		1,198,738	
Office Supplies		6,521	
Uniforms		8,900	
USDA - Commodities		212,325	
Other Supplies and Materials		133,135	
Other Charges		27,866	
Food Service Equipment		39,076	
Total Food Service	\$		3,793,860

Total Central Cafeteria Fund 3,793,860

(Continued)

Exhibit K-8

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

<u>Education Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Education Capital Projects</u>			
Transportation Equipment	\$	<u>573,093</u>	
Total Education Capital Projects			<u>\$ 573,093</u>
Total Education Capital Projects Fund			<u>\$ 573,093</u>
Total Governmental Funds - Greene County School Department			<u><u>\$ 57,285,127</u></u>

Exhibit K-9

Greene County, Tennessee
Schedule of Detailed Receipts, Disbursements, and Changes
in Cash Balances - City Agency Funds
For the Year Ended June 30, 2015

	Cities - Sales Tax Fund	City School ADA- Greeneville Fund	Total
<u>Cash Receipts</u>			
Current Property Taxes	\$ 0	\$ 2,926,379	\$ 2,926,379
Trustee's Collections - Prior Years	0	102,432	102,432
Trustee's Collections - Bankruptcy	0	1,608	1,608
Circuit/Clerk and Master Collections - Prior Years	0	42,689	42,689
Interest and Penalty	0	32,564	32,564
Payments in-Lieu-of Taxes - Local Utilities	0	119,421	119,421
Payments in-Lieu-of Taxes - Other	0	11,246	11,246
Local Option Sales Tax	7,561,135	2,709,961	10,271,096
Bank Excise Tax	0	4,880	4,880
Interstate Telecommunications Tax	0	2,021	2,021
Other Statutory Local Taxes	0	155	155
Marriage Licenses	0	1,011	1,011
Total Cash Receipts	\$ 7,561,135	\$ 5,954,367	\$ 13,515,502
<u>Cash Disbursements</u>			
Remittance of Revenues Collected	\$ 7,485,524	\$ 5,870,869	\$ 13,356,393
Trustee's Commission	75,611	90,240	165,851
Total Cash Disbursements	\$ 7,561,135	\$ 5,961,109	\$ 13,522,244
<u>Excess of Cash Receipts Over (Under)</u>			
Cash Disbursements	\$ 0	\$ (6,742)	\$ (6,742)
Cash Balance, July 1, 2014	0	6,742	6,742
Cash Balance, June 30, 2015	\$ 0	\$ 0	\$ 0

SINGLE AUDIT SECTION



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

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Greene County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Greene County's basic financial statements, and have issued our report thereon dated February 26, 2016. Our report includes a reference to other auditors who audited the financial statements of the Greeneville-Greene County Emergency Communications District and the Greeneville-Greene County Library, as described in our report on Greene 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 Greene 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 Greene County's internal control. Accordingly, we do not express an opinion on the effectiveness of Greene County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

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. We consider the deficiency described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness: 2015-001.

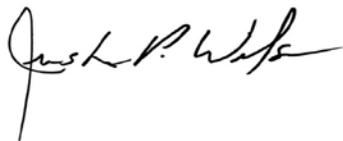
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greene 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*.

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

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

February 26, 2016

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

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Greene County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Greene County's major federal programs for the year ended June 30, 2015. Greene 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 Greene 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 Greene 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 Greene County's compliance.

Opinion on Each Major Federal Program

In our opinion, Greene County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Greene 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 Greene 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 Greene County's internal control over compliance.

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

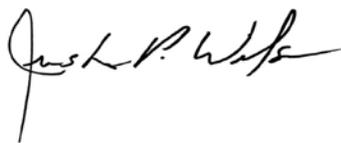
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

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

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Greene County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Greene County's basic financial statements. We issued our report thereon dated February 26, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

February 26, 2016

JPW/yu

Greene County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1)
For the Year Ended June 30, 2015

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Direct Programs:			
Schools and Roads - Grants to States	10.665	N/A	\$ 50,996
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	212,325 (3)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	677,666
National School Lunch Program	10.555	N/A	1,999,932 (3)
Total U.S. Department of Agriculture			\$ 2,940,919
U.S. Department of Defense:			
Passed-through State Department of General Services:			
Section 1033 Excess Property Program	12.UNKNOWN	N/A	\$ 542,872
Total U.S. Department of Defense			\$ 542,872
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Programs	14.228	(2)	\$ 154,430
Total U.S. Department of Housing and Urban Development			\$ 154,430
U.S. Department of the Interior:			
Direct Programs:			
Payments in-Lieu-of Taxes	15.226	N/A	\$ 49,897
Enhanced Hunter Education and Safety Program	15.626	(2)	18,404
Total U.S. Department of the Interior			\$ 68,301
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 2,279,598
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	1,660,319
Special Education - Preschool Grants	84.173	N/A	38,335
Career and Technical Education - Basic Grants to States	84.048	N/A	135,845
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	Z-15-70508	25,053
School Climate Transformation Grant - Local Educational Agency Grants	84.184G	N/A	103,438
Rural Education	84.358	N/A	134,525
English Language Acquisition Grants	84.365	N/A	8,040
Improving Teacher Quality State Grants	84.367	N/A	306,672
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	84.395	N/A	56,120
Total U.S. Department of Education			\$ 4,747,945
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Disaster Grants - Public Assistance	97.036	(2)	\$ 47,000
Emergency Management Performance Grants	97.042	(2)	46,756
Total U.S. Department of Homeland Security			\$ 93,756
Total Expenditures of Federal Awards			\$ 8,548,223

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>State Grants</u>			
Juvenile Services Program - State Commission on Children and Youth	N/A	(2)	\$ 9,000
Health Department Program - State Department of Health	N/A	(2)	448,969
Litter Program - State Department of Transportation	N/A	(2)	57,800
Waste Tire Grant Program - State Department of Environment and Conservation	N/A	(2)	46,545
State Aid Program - State Department of Transportation	N/A	(2)	453,658
Fast Track Industrial Infrastructure Program - State Department of Economic and Community Development	N/A	(2)	523,594
Drug Court Recovery - State Office of Criminal Justice Programs	N/A	(2)	51,536
Art Student Ticket Subsidy - Tennessee Arts Commission through State Department of Education	N/A	(2)	2,501
Family Resource Center - State Department of Education	N/A	(2)	29,606
Safe Schools Act of 1998 - State Department of Education	N/A	(2)	37,550
Connect TN - State Department of Education	N/A	(2)	20,289
Driver's Education - State Department of Education	N/A	(2)	43,992
Lottery for Education Afterschool Program - State Department of Education	N/A	(2)	84,923
Coordinated School Health - State Department of Education	N/A	(2)	99,987
Early Childhood Education Pilot Project - State Department of Education	N/A	(2)	1,687,637
Governor's Highway Safety Training - State Department of Transportation	N/A	(2)	<u>33,855</u>
Total State Grants			<u>\$ 3,631,442</u>

N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Information not available.
- (3) Total for CFDA No. 10.555 is \$2,212,257.

Greene County, Tennessee
Schedule of Audit Finding Not Corrected
June 30, 2015

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. There are no findings from the Annual Financial Report for Greene County, Tennessee, for the year ended June 30, 2014, which have not been corrected.

GREENE COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2015

PART I, SUMMARY OF AUDITOR'S RESULTS

1. Our report on the financial statements of Greene County is unmodified.
2. The audit of the financial statements of Greene County reported no significant deficiencies in internal control. The audit disclosed one material weakness in internal control.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of Greene County.
4. The audit reported no significant deficiencies in internal control over major programs.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit revealed no findings that are required to be reported under Section 510(a) of OMB Circular A-133.
7. The Section 1033 Excess Property Program (CFDA No. 12.UNKNOWN), Title I Grants to Local Education Agencies (CFDA No. 84.010), and the Special Education Cluster: Special Education – Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173) were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. Greene County qualified as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

A finding and recommendation, as a result of our examination, is presented below. We reviewed this finding and recommendation with management to provide an opportunity for their response; however, management did not provide a response for inclusion in this report.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2015-001

ACTUAL REVENUES OF THE CENTRAL CAFETERIA FUND WERE MORE THAN \$1,908,142 BELOW BUDGET ESTIMATES FOR A THREE-YEAR PERIOD

(Internal Control – Material Weakness Under *Government Auditing Standards*)

For the current and two prior-fiscal years, revenues of the Central Cafeteria Fund were materially below budget estimates. During the year ended June 30, 2015, actual revenues were \$596,260 below budget estimates. Revenues were \$650,485 below estimates for the fiscal year ended June 30, 2014, and \$661,397 below estimates for the fiscal year ended June 30, 2013. This has resulted in the fund balance of the Central Cafeteria Fund declining from \$1,193,235 at July 1, 2012, to \$482,161 at June 30, 2015. This is a decrease of \$711,074 in only three years. Although participation in the program and the revenues generated declined during the years, management did not amend the budgets to reflect updated revenue expectations. It is critical that management closely monitor this fund and adjust operations if it becomes apparent that budgeted revenues will not materialize. It should be noted that due to the continued decrease in available fund balance in the Central Cafeteria Fund, the Board of Education transferred \$208,000 from the General Purpose School Fund to the Central Cafeteria Fund on September 23, 2015, to provide needed operating funds.

RECOMMENDATION

Management should closely monitor the operations of the Central Cafeteria Fund and take appropriate steps to amend the budget when actual revenues vary significantly from estimated amounts.

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

There were no findings and questioned costs for federal awards.

BEST PRACTICE

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Greene County.

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

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

**GREENE COUNTY, TENNESSEE
AUDITEE REPORTING RESPONSIBILITIES
For the Year Ended June 30, 2015**

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