ANNUAL FINANCIAL REPORT

SUMNER COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2015

TENNESSEE COMPTROLLER OF THE TREASURY

DIVISION OF LOCAL GOVERNMENT AUDIT

ANNUAL FINANCIAL REPORT

SUMNER COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2015

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

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

SUMNER COUNTY, TENNESSEE
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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in one finding and recommendation, which we have reviewed with Sumner County management. The detailed finding, recommendation, and management's response are included in the Single Audit section of this report.

Findings

The following is summary of the audit finding:

OFFICE OF SHERIFF

- The county's budgetary and purchasing processes were circumvented.

INTRODUCTORY SECTION

Sumner County Officials
June 30, 2015

Officials

Anthony Holt, County Executive
Julia Hardin, Superintendent of Roads
Del R. Phillips, III, Director of Schools
Marty Nelson, Trustee
John Isbell, Assessor of Property
Bill Kemp, County Clerk
Kathryn Strong, Circuit, General Sessions, and Juvenile Courts Clerk
Darlene Daughtry, Clerk and Master
Pam Whitaker, Register of Deeds
Sonny Weatherford, Sheriff
David Lawing, Director of Finance
Leah Dennen, Law Director

Board of County Commissioners

Paul Decker, Chairman
Mike Akins
Moe Taylor
Billy Geminden
Alan Driver
Steve Graves
Jerry Foster
Kevin Pomeroy
Joanne Kemp
Ben Harris
Baker Ring
Jerry Becker
Jim Vaughn
Trisha Lemarbre
Scott Langford
Merrol Hyde
Larry Hinton
Leslie Schell
Paul Goode
Chris Taylor
Caroline Krueger
Bill Taylor
Michael Guthrie
Bob Pospisil

Board of Education

Andy Daniels, Chairman
Alice Bachman
Tim Brewer
David Brown
Beth Cox
Tammy Hayes
Jeff Cordell
Nancy Glover
Glen Gregory
Patricia Brown
Ted Wise

(Continued)

Sumner County Officials (Cont.)

Financial Management Committee

Scott Langford, Chairman
Anthony Holt, County Executive
Julia Hardin, Superintendent of Roads
Del R. Phillips, III, Director of Schools
Joanne Kemp
Leslie Schell
Chris Taylor

Audit Committee

Scott Langford, Chairman
Trisha Lemarbre
Paul Decker
Paul Goode
Steve Graves

Highway Commission

Steve Graves, Chairman
Anthony Holt, County Executive
Julia Hardin, Superintendent of Roads
Mike Atkins
Michael Guthrie
Larry Hinton
Joanne Kemp
Kevin Pomeroy
Tom Neal, Citizen

FINANCIAL SECTION

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

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sumner 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 discretely presented Sumner County Emergency Communications District or the discretely presented Resource Authority in Sumner County. Those statements were audited by other auditors whose reports has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Sumner County Emergency Communications District and the Resource Authority in Sumner County is based solely on the report of the other auditors. We were unable to determine Sumner County Emergency Communications District's or the Resource Authority in Sumner County's respective percentage of the assets, net position, and revenues of the aggregate discretely

presented component units because the Sumner County Regional Airport, a component unit requiring discrete presentation, and the Sumner County Convention and Visitors Bureau, a component unit requiring discrete presentation, were not included in the county's financial statements. 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 report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sumner 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 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., Sumner 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 these matters.

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 Sumner County by $534,745 and the discretely presented Sumner County School Department's net position by $35,594,462 on the Government-wide Statement of Activities. 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.

We also draw attention to Note VI.K. to the financial statements, which describes a restatement decreasing the discretely presented Resource Authority in Sumner County's beginning net position by $3,389,462 on the Government-wide Statement of Activities. This restatement was necessary to recognize an additional liability for landfill closure and postclosure care cost. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 through 33 and the schedules 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 126 through 132 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 Sumner County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Sumner 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.

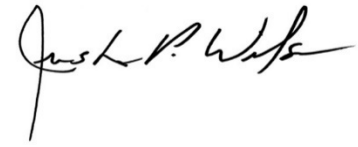
The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Sumner County School Department (a discretely presented component unit), and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Sumner 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 March 2, 2016, on our consideration of Sumner 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 Sumner County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

March 2, 2016

JPW/sb

Management's Discussion and Analysis
For Sumner County, Tennessee

As management for Sumner County, Tennessee, we offer readers, of Sumner County Government's financial statements, this narrative overview and analysis of the financial activities of Sumner County Government for the fiscal year ended June 30, 2015. In addition, this discussion and analysis includes an overall view of the discretely presented component unit (DPCU), the Sumner County School Department. A separate set of financial statements is not issued for the Sumner County School Department. The intent of this discussion and analysis is to look at the county's and the discretely presented Sumner County School Department's financial performance as a whole.

The Sumner County Regional Airport Authority, the Sumner County Emergency Communications District, the Sumner County Convention and Visitors Bureau, and the Resource Authority in Sumner County are also discretely presented component units of the county. The financial statements of the the Sumner County Regional Airport Authority and the Sumner County Convention and Visitors Bureau were not available in time for inclusion. Readers should review the separately issued financial statements and management's discussions and analyses, if any are available, for these discretely presented component units.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Sumner County Government exceeded its liabilities and deferred inflows at the close of the fiscal year by approximately $21 million. However, it should be noted that the financial statements of the Sumner County Government include debt in excess of $167 million attributable to the Sumner County Board of Education. The discretely presented Sumner County School Department's assets exceeded its liabilities and deferred inflows by approximately $195 million at June 30, 2015.

- The primary government's total net position decreased by approximately $3.5 million, which is inclusive of an approximate negative half million dollar restatement. The discretely presented Sumner County School Department's net position decreased by approximately $16.5 million, which is inclusive of an approximate negative $36 million dollar restatement.

- As of the close of the fiscal year, Sumner County's Governmental Funds reported approximately $124 million of total fund balances; this is an

approximate increase of $53 million from the previous fiscal year. This increase is the result of an increase of approximately $49 million in the fund balance of the General Capital Projects Fund from the issuance of bonds and an increase of approximately $3 million in fund balance in the General Debt Service Fund. The discretely presented Sumner County School Department's Governmental Funds reported approximately $30 million of total fund balances; this is an approximate increase of $2.8 million from the previous fiscal year. This increase is in the General Purpose School Fund.

- At the end of the current fiscal year, the unassigned fund balance of the General Fund was approximately $10.9 million, or approximately 21 percent, of the General Fund's annual budgetary expenditures (including other uses). The unassigned fund balance of the discretely presented Sumner County School Department's General Purpose School Fund was approximately $25 million, or approximately 12 percent, of the fund's annual budgetary expenditures (including other uses).

- Sumner County Government's total outstanding long-term debt increased by approximately $58.5 million during the current fiscal year due to the issuance of $69.4 million of long-term bonds less payment of maturing long-term bonds of approximately $10.9 million and payments of $43,211 of matured capital leases.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Sumner County Government's and the discretely presented Sumner County School Department's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This annual financial report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Sumner County Government's and the discretely presented Sumner County School Department's finances, in a manner similar to a private-sector business.

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

The Statement of Activities presents information showing how the Sumner County Government's and the discretely presented Sumner County School Department's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related

cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Sumner County Government and of the discretely presented Sumner County School Department that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (business-type activities). The governmental activities of the Sumner County Government include: general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; other operations; highways/public works; and education. The Sumner County Government and the discretely presented Sumner County School Department have no business-type functions.

The government-wide financial statements include not only the Sumner County Government itself (known as the primary government) but also a legally separate school system for which the Sumner County Government is financially accountable. These statements also include the legally separate Resource Authority in Sumner County and the Sumner County Emergency Communications District. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found in Exhibits A and B.

Fund Financial Statements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Sumner County Government and the discretely presented Sumner County School Department, like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the Sumner County Government and the discretely presented Sumner County School Department can be divided into three broad categories: governmental, proprietary, and fiduciary funds.

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

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

The Sumner County Government maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Highway/Public Works, General Debt Service, and General Capital Projects funds, all of which are considered to be major funds. Data from the other three governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The discretely presented Sumner County School Department maintains two individual governmental funds: the General Purpose School Fund and the School Federal Projects Fund.

The Sumner County Government adopts an annual budget for the General Fund, all special revenue funds (except the Constitutional Officers - Fees Fund), the General Capital Projects Fund, and the General Debt Service Fund. The discretely presented Sumner County School Department, with the approval of the county, adopts an annual budget for the General Purpose School Fund and the School Federal Projects Fund. Budgetary comparisons have been provided for these funds to demonstrate budgetary compliance.

Governmental fund financial statements can be found in the table of contents.

Proprietary Funds. The Sumner County Government maintains one type of proprietary fund, an internal service fund. An internal service fund is an accounting device used to accumulate and allocate costs internally among the Sumner County Government's various functions. The Sumner County Government uses an internal service fund to account for the county's self-insured insurance funds (occupational compensation insurance, employee health insurance, employee dental insurance, and liability insurance). Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The discretely presented Sumner County School Department maintains one type of proprietary fund, an internal service fund. The discretely presented Sumner County School Department uses an internal service fund to account for its self-insured insurance funds (employee health insurance).

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements for the Sumner County Government can be found in Exhibits D-1 through D-3 and for the discretely presented Sumner County School Department in Exhibits J-8 through J-10.

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

The Sumner County Government maintains one type of fiduciary fund, agency funds. Agency funds report resources held by the Sumner County Government in a custodial capacity for individuals, private organizations, and other governments.

The basic fiduciary fund financial statement can be found in Exhibit E.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are located in the table of contents.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Sumner County Government's and the discretely presented Sumner County School Department's progress in funding its obligation to provide pension and other post-employment benefits (OPEB) to its employees. A table of contents has been provided to locate this information.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the Sumner County Government, assets and deferred outflows exceeded liabilities and deferred inflows by $21,194,627 at the close of its most recent fiscal year. The constitution for the State of Tennessee allows only the local legislative body to issue debt. Therefore, whenever the Sumner County Board of Education requires the issuance of debt to fund major capital projects or equipment purchases, the related debt must be issued by the Sumner County Government. At the end of the current fiscal year, the Sumner County Government had outstanding debt related to the Sumner County Board of Education of $167,408,035. The related assets for this debt are reported in the Statement of Net Position under component units in the column "Sumner County School Department." The discretely presented Sumner County School Department's assets exceeded its liabilities and deferred inflows at June 30, 2015, by $194,807,551.

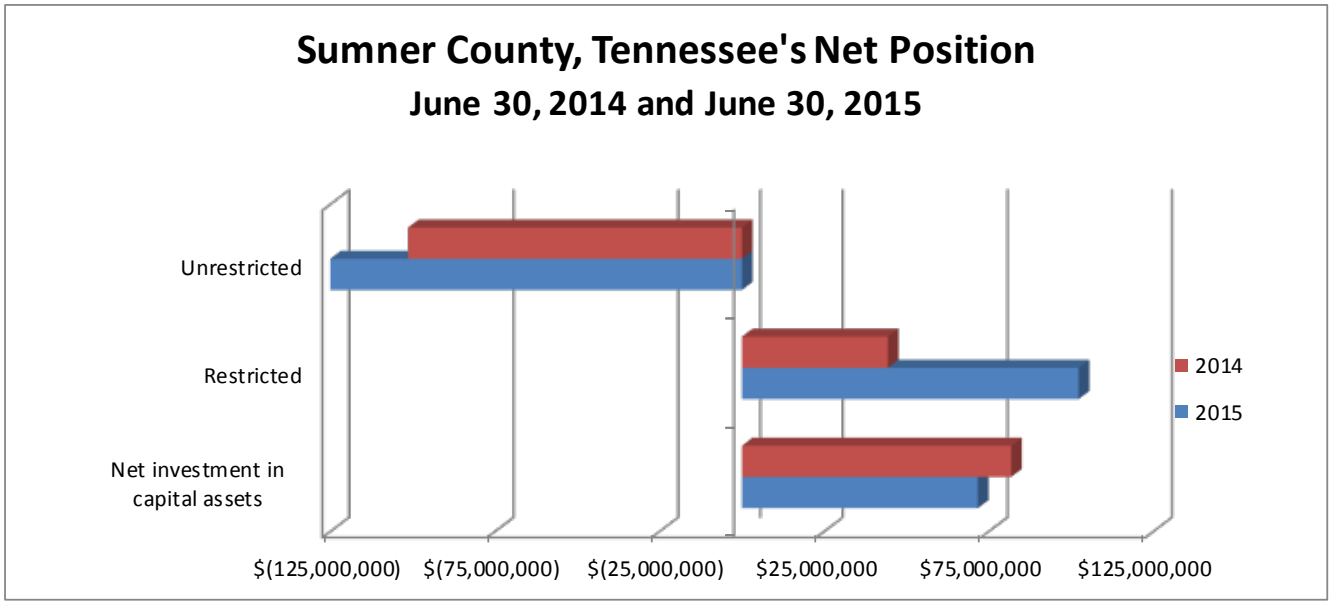
The Sumner County Government's and the Discretely Presented Sumner County School Department's Net Position

	Sumner County Primary Government Governmental Activities	
	June 30, 2015	June 30, 2014
Assets:		
Current and Other Assets	$ 184,936,083	$ 124,322,277
Capital Assets	89,448,524	89,343,480
Total Assets	$ 274,384,607	$ 213,665,757
Deferred Outflow of Resources:		
Deferred Charges on Refunding	$ 4,960,306	$ 6,048,442
Pension Contributions After Measurement Date	3,614,376	-
Total Deferred Outflow of Resources	$ 8,574,682	$ 6,048,442
Liabilities:		
Long-term Liabilities Outstanding	$ 192,215,363	$ 131,068,408
Other Liabilities	22,321,836	20,890,764
Total Liabilities	$ 214,537,199	$ 151,959,172
Deferred Inflow of Resources:		
Deferred Current Property Taxes	$ 44,147,646	$ 43,058,460
Pension Changes	3,079,817	-
Total Deferred Inflow of Resources	$ 47,227,463	$ 43,058,460
Net Position:		
Net Investment in Capital Assets	$ 71,667,291	$ 81,831,094
Restricted	102,279,562	44,334,109
Unrestricted	(152,752,226)	(101,468,636)
Total Net Position	$ 21,194,627	$ 24,696,567

	Sumner County School Department Governmental Activities	
	June 30, 2015	June 30, 2014
Assets:		
Current and Other Assets	$ 107,376,652	$ 94,049,755
Capital Assets	218,197,733	214,589,587
Total Assets	$ 325,574,385	$ 308,639,342
Deferred Outflow of Resources:		
Pension Changes	$ 1,322,375	$ -
Pension Contributions After Measurement Date	13,065,239	-
Total Deferred Outflow of Resources	$ 14,387,614	$ -
Liabilities:		
Long-term Liabilities Outstanding	$ 39,137,879	$ 34,564,789
Other Liabilities	1,783,857	2,883,077
Total Liabilities	$ 40,921,736	$ 37,447,866
Deferred Inflow of Resources:		
Deferred Current Property Taxes	$ 61,357,675	$ 59,845,620
Pension Changes	42,875,037	-
Total Deferred Inflow of Resources	$ 104,232,712	$ 59,845,620
Net Position:		
Net Investment in Capital Assets	$ 218,197,733	$ 214,589,587
Restricted	9,544,302	5,432,996
Unrestricted	(32,934,484)	(8,676,727)
Total Net Position	$ 194,807,551	$ 211,345,856

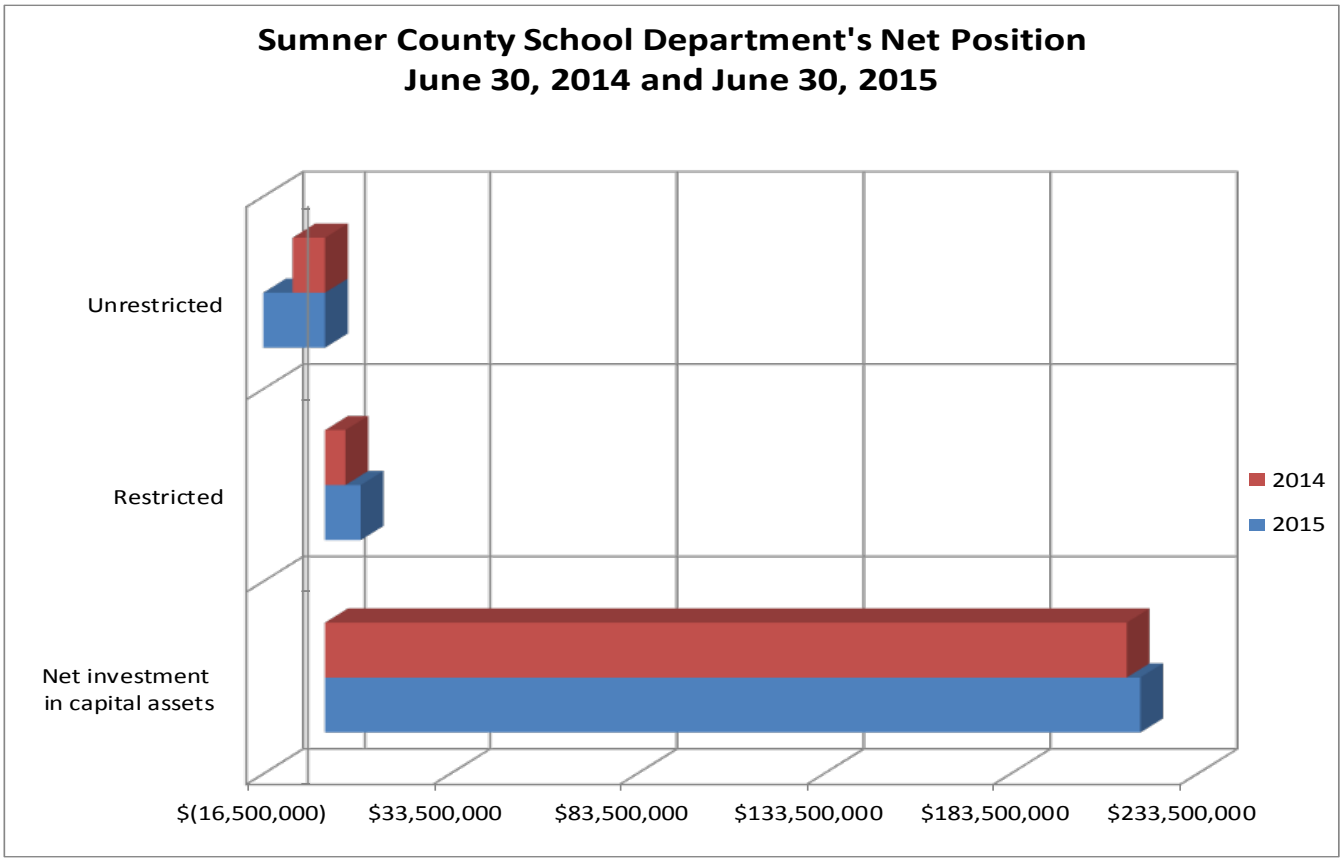
By far, the largest portion of the Sumner County Government's and the discretely presented Sumner County School Department's net position, $71,667,291 and $218,197,733, respectively, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure) less any related outstanding debt that was used to acquire those assets. The Sumner County Government and the discretely presented Sumner County School Department use these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the Sumner County Government's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Sumner County Government's and the discretely presented Sumner County School Department's net position, $102,279,562 and $9,544,302, respectively, represents resources that are subject to external restrictions on how they may be used. The remaining balances of $152,752,226 and $32,934,484, respectively, are unrestricted deficits.



The Sumner County Government's total net position decreased by $3,501,940 from the previous fiscal year. The reasons for this overall decrease are primarily the result of the following.

- Sumner County Primary Government's long-term debt increased by $58,461,789 due to the issuance of $69.4 million of long-term bonds less payment of maturing long-term bonds of $10,895,000 and payments of $43,211 of matured capital leases.
- A decrease due to the amortization of $4,074,952 of bond premiums.
- An increase of $2,443,725 for the recognition of net pension assets, which is net of ($534,745) for a restatement due to the recognition of the beginning net pension liability. This restatement was required for the implementation of GASB Statement No. 68.
- Decrease of deferred amount on refunding of $1,088,136 for the amortization of deferred amounts on refunding bonds.
- Sumner County's Governmental Funds increased by $52,733,819 from the previous fiscal year. This increase is predominately the result of an increase of $49,130,974 in the General Capital Projects Fund for unexpended bond proceeds from a $69.4 million bond issuance and an increase of $2,983,045 in the General Debt Service Fund's balance for the future servicing of debt.
- Sumner County's internal service fund balance increased by $5,801,789 primarily as the result of revenues exceeding expenses in the self-insured health program.

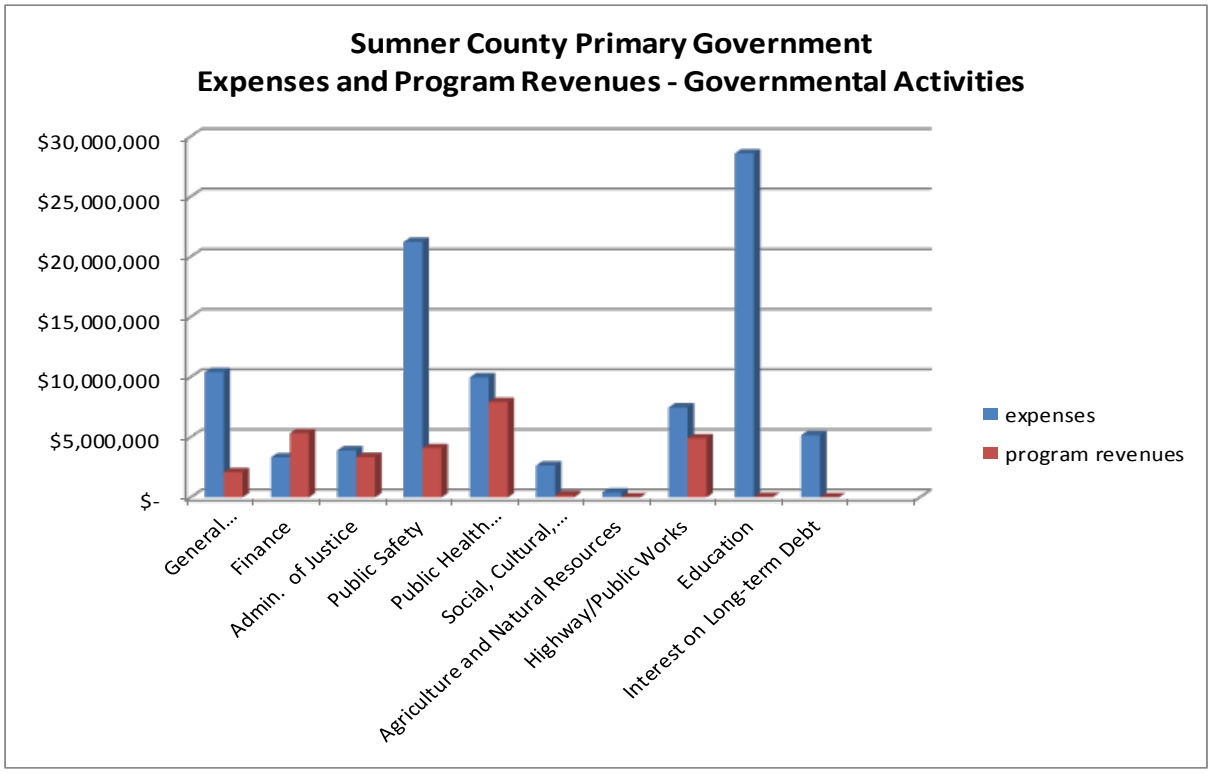


The discretely presented Sumner County School Department's net position decreased by $16,538,305 from the previous year, which is inclusive of a a restatement decreasing the School Department's net position by $35,594,462 due to the recognition of the beginning net pension liability. This restatement was required for the implementation of GASB Statement No. 68. Without this restatement, the Sumner County School Department's net position increased by $19,056,157. This increase was primarily the result of a net increase in capital assets of $3,608,146, an increase in OPEB liability of $1,180,318, a decrease in the net pension liability of $11,930,670, an increase in internal service fund's balance of $2,025,618, and an increase in governmental funds' balances of $2,727,747.

The Sumner County Government's and the Discretely Presented Sumner County School Department's Changes in Net Position

	Sumner County Primary Government Governmental Activities	
	Fiscal Year Ended June 30, 2015	Fiscal Year Ended June 30, 2014
Revenues:		
Program Revenues:		
Charges for Services	$ 21,107,206	$ 33,916,050
Operating Grants and Contributions	5,304,236	4,895,890
Capital Grants and Contributions	1,514,358	2,302,560
General Revenues:		
Property Tax	42,888,585	33,792,510
Local Option Sales Tax	7,589,045	7,105,780
Wheel Tax	1,959,545	1,902,633
Mixed Drink Tax	5,415	7,837
Interstate Telecommunications Tax	7,175	7,192
Business Tax	1,812,908	1,690,331
Adequate Facilities/Development Tax	2,096,919	1,959,752
Hotel/Motel Tax	558,567	496,114
Wholesale Beer Tax	635,265	615,852
Litigation Tax	582,303	578,707
Mineral Severance Tax	169,456	139,630
Beer Privilege Tax	2,312	2,272
Grants and Contributions Not Restricted to Specific Programs	3,424,666	3,048,390
Unrestricted Investment Income	433,696	408,994
Miscellaneous	24,791	373,561
Total Revenues	$ 90,116,448	$ 93,244,055
Expenses:		
General Government	$ 10,402,511	$ 9,981,640
Finance	3,324,449	2,815,368
Administration of Justice	3,900,133	4,071,310
Public Safety	21,229,135	20,995,914
Public Health and Welfare	9,982,154	10,749,307
Social, Cultural, and Recreational Services	2,640,988	3,426,627
Agriculture and Natural Resources	394,193	440,204
Other Operations	-	452,743
Highways	7,467,111	7,537,661
Education	28,585,673	22,876,569
Interest on Long-term Debt	5,157,296	5,554,349
Total Expenses	$ 93,083,643	$ 88,901,692
Increase (Decrease) in Net Position	$ (2,967,195)	$ 4,342,363
Net Position - Beginning	24,696,567	20,354,204
Restatement (See Note I.D.9.)	(534,745)	-
Net Position - Ending	$ 21,194,627	$ 24,696,567

	Sumner County School Department Governmental Activities	
	Fiscal Year Ended June 30, 2015	Fiscal Year Ended June 30, 2014
Revenues:		
Program Revenues:		
Charges for Services	$ 7,303,490	$ 7,817,332
Operating Grants and Contributions	18,352,600	17,599,597
Capital Grants and Contributions	16,905,500	9,345,180
General Revenues:		
Property Tax	59,690,361	50,755,138
Local Option Sales Tax	15,154,909	14,213,692
Wheel Tax	4,571,828	4,439,141
Mixed Drink Tax	223,627	1,804,194
Interstate Telecommunications Tax	14,346	14,387
Grants and Contributions Not Restricted to Specific Programs	128,165,373	127,248,275
Pension Income	327,957	-
Miscellaneous	120,773	345,143
Total Revenues	$ 250,830,764	$ 233,582,079
Expenses:		
Education	$ 231,774,607	$ 230,775,712
Total Expenses	$ 231,774,607	$ 230,775,712
Increase (Decrease) in Net Position	$ 19,056,157	$ 2,806,367
Net Position - Beginning	211,345,856	208,539,489
Restatement (See Note I.D.9.)	(35,594,462)	-
Net Position - Ending	$ 194,807,551	$ 211,345,856

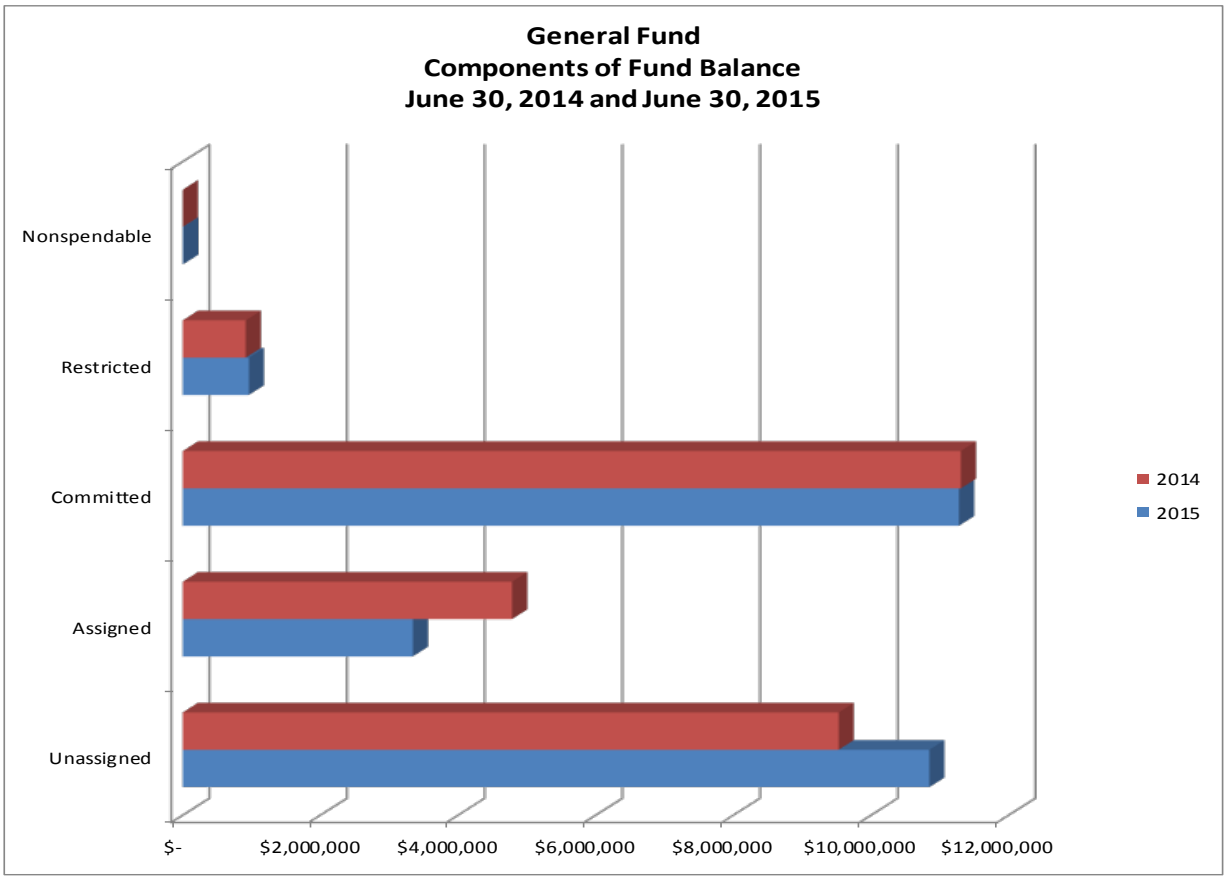


Financial Analysis of the Governmental Funds

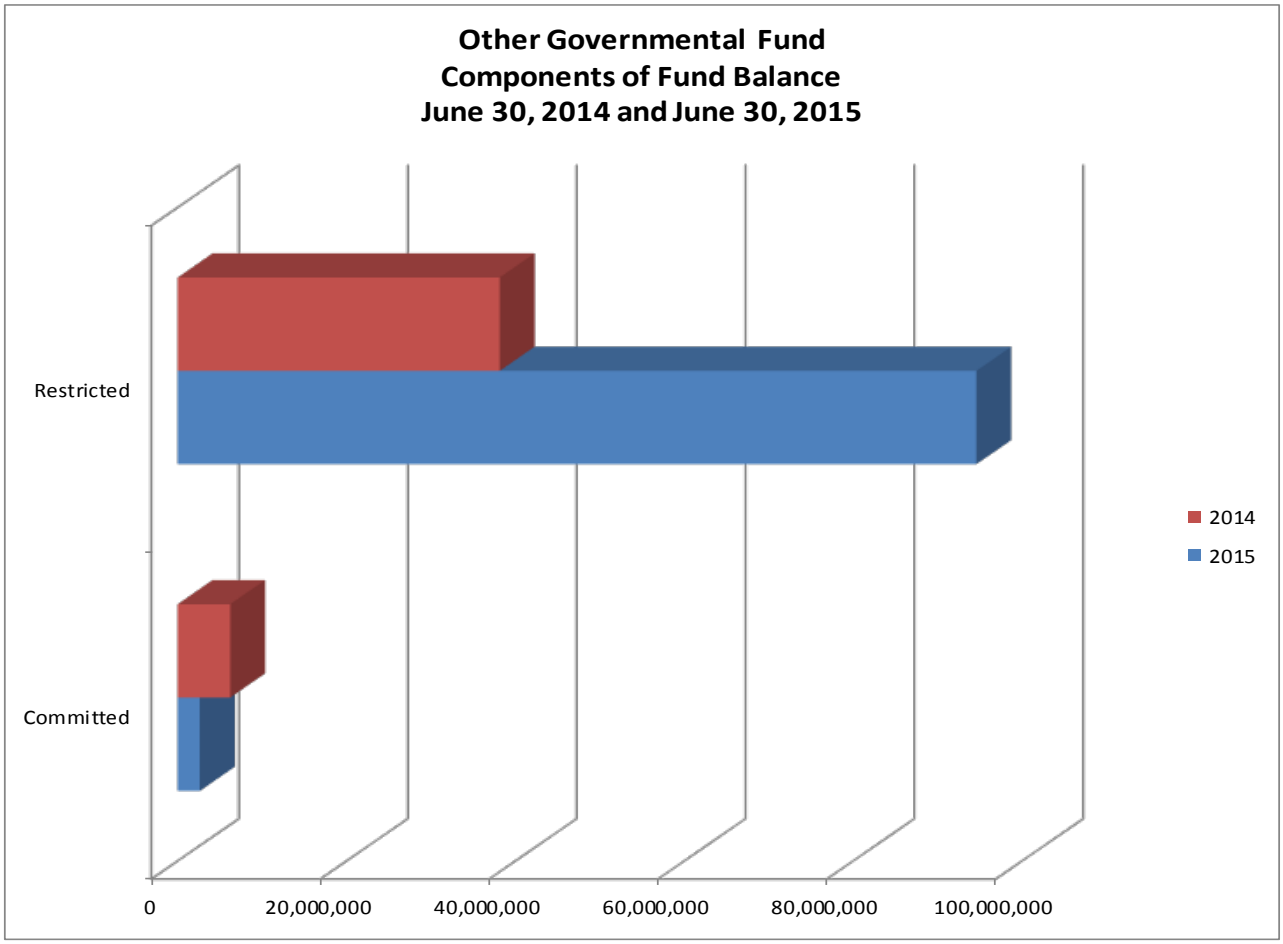
As noted earlier, the Sumner County Government and the discretely presented Sumner County School Department use fund accounting to ensure and demonstrate compliance with finance-related requirements.

Governmental Funds. The focus of the Sumner County Government's and the discretely presented Sumner County School Department's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Sumner County Government's and the discretely presented Sumner County School Department's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance, which has not yet been limited to use for a particular purpose by either an external party, the Sumner County Government, the discretely presented Sumner County School Department, or a group or individuals that has been delegated authority to assign resources for use for particular purposes by the Sumner County Commission.

At June 30, 2015, Sumner County's governmental funds reported combined fund balances of $123,648,760, an increase of $52,733,819, in comparison with the prior year. Approximately nine percent of this amount, $10,847,124, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is: 1) not in spendable form ($12,242); 2) restricted for particular purposes ($95,542,330); 3) committed for particular purposes ($13,902,686); or 4) assigned for particular purposes ($3,344,378).



The General Fund is the chief operating fund of the Sumner County Government. At the end of the current fiscal year, the unassigned fund balance was $10,847,124 while the total fund balance was $26,437,454. However, it should be noted that the unassigned fund balance is net of $3,287,840 assigned (approved) for use in the budget for the fiscal year ending June 30, 2016. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 21 percent of total General Fund budgetary expenditures, while total fund balance represents approximately 51 percent of that same amount.



The fund balances of the Sumner County Government's General Fund decreased by $98,124 during the current fiscal year. This increase was immaterial to the General Fund.

The General Debt Service Fund, a major fund, had a $2,983,045 increase in fund balance during the current fiscal year. This was primarily the result of a budgeted increase in fund balance.

The Highway/Public Works Fund had a $719,382 increase in fund balance, which was primarily the result of unspent appropriations.

The General Capital Projects Fund, the remaining major governmental fund, had an increase in fund balance during the current fiscal year of $49,130,974. This increase is predominately the result of the unspent proceeds from long-term bonds issued during the fiscal year.

General Fund Budgetary Highlights

Original budget compared to final budget. The difference in the original budget's and the final budget's appropriations was an increase of $4,831,864 compared to the original budget of $51,419,942. Of this amount, $1,320,134 was funded from fund balances. Following are the main components of the increase.

- $3,000,000 supplemental appropriation to fund deficit in self-insurance fund. This appropriation was funded from committed fund balance.

- $2,515,289 estimated increase in local taxes due to approval of a tax levy that was higher than the original budget.

- $457,678 supplemental appropriation for additional inmate medical treatment costs funded by an estimated increase in state revenues of $332,678 and unassigned fund balance of $125,000.

- $182,000 supplemental appropriation for a donation to the Sumner County Regional Airport Authority. This appropriation was funded from unassigned fund balance.

- $162,790 supplemental appropriations for the Douglass-Clark House and Station Camp Greenway projects with $102,110 to be funded from the unassigned fund balance and $60,680 to be funded from the committed fund balance.

- $121,485 for a Civil War grant funded by an estimated increase in federal revenues of $97,188, restricted fund balance of $11,200, and unassigned fund balance of $13,097.

- $120,000 supplemental appropriation to the Resource Authority. This appropriation was funded from an estimated increase in state revenues for tire disposal costs.

- $112,446 supplemental appropriation to the Drug Court to be funded by an estimated increase in state grant revenues.

- $68,095 supplemental appropriation for a Tobacco Grant. This appropriation was funded from restricted fund balance.

- $61,356 supplemental appropriation for employee raises in the Administrator of Elections' Office. This appropriation was funded from unassigned fund balance.

- $60,000 supplemental appropriation for housing of incarcerated juveniles. This appropriation was funded from unassigned fund balance.

- $56,636 for a THDA Home Grant funded by an estimated increase in federal revenues.

- $50,000 supplemental appropriation for a donation to the Sumner County Museum for the purchase of a Carriage House. This appropriation was funded from committed fund balance.

- $46,350 of supplemental appropriations to the Emergency Management Agency for an Emergency Management Performance Grant funded by an estimated increase in federal revenues.

- $10,768 supplemental appropriation for the State Criminal Alien Assistance Program funded by an estimated increase in federal revenues of $6,396 and restricted fund balance of $4,732.

- Various other minor supplemental appropriations funded by increases in estimated revenues or use of fund balances.

Final budget compared to actual results. The most significant differences between estimated revenues and actual revenues were as follows.

Revenue Source	Estimated Revenues	Actual Revenues	Difference
Charges for Current Services	$ 6,256,983	$ 6,994,995	$ 738,012
Fees Received From County Officials	7,675,550	8,054,668	379,118
Federal Government	628,320	321,728	(306,592)

The budgetary excess in charges for current services was the result of continued larger than anticipated utilization of the county-owned Emergency Medical Services. The budgetary excess in the State of Tennessee revenues was the result of the Hall's Income Tax (a tax derived from income from stocks and bonds) being higher than anticipated. The shortfall in Federal Government revenues was the result of grants that were budgeted but not reimbursable (i.e. spent) during the current fiscal year and amounts that were not received in time for accrual (i.e. received in excess of 60 days after the end of the fiscal year).

This year's $4,980,483 of unspent appropriations was primarily the result of the following factors.

- Approximately $2,253,436 of unspent appropriations for various unfilled or under-filled positions (including benefits)

- $572,436 of unspent grant appropriations

- $218,343 of unspent appropriations for utilities (not inclusive of telephones)

- $130,333 unspent appropriation for Educate and Grow Program

- $90,989 of unspent appropriations for the Construction and Development Department's TDEC compliance

Discretely Presented Sumner County School Department – General Purpose School Fund Budgetary Highlights

The differences in the original budget's and the final budget's appropriations, including other uses, increased by $2,279,659 compared to the original budget of $228,572,896. Of this increase, $1,833,923 was funded by an estimated increase in revenues and other sources; the remainder was from fund balances.

Capital Assets and Debt Administration

Primary Government

The Sumner County Government's investment in capital assets, net of accumulated depreciation, as of June 30, 2015, was $89,448,524. This investment in net assets includes land, construction in progress, intangibles, buildings, building improvements, machinery and equipment, roads, and bridges. The total increase in the Sumner County Government's investment in capital assets for the fiscal year was $105,044.

Major capital asset events during the fiscal year included the following.

- Land increased by $25,000 for half of the costs of land purchased adjacent to the County Highway Department.

- Work-in-progress increased by $3,514,679. Increases included $517,806 for the Enterprise Resource Planning system, $121,230 for the Emergency Response Complex Hardened Facility, $62,425 for the Station Camp Greenway, $48,831 for courthouse renovations, and $2,764,387 for jail renovations. Decreases included $863,798 for the completion of the Douglass-Clark House project.

- Buildings and building improvements increases totaled $981,063. Increases included $896,795 for the Douglass-Clark House project, $41,557 for phone system replacement, and $42,711 for betterments at the jail. Buildings and building improvement depreciation expenses totaled $2,510,607 for the fiscal year.

- The infrastructure's gross increase consists of $2,527,366 of road and bridge improvements less road surfacing completely depreciated of $1,175,460. Infrastructure's depreciation totaled $3,287,165.

- The amortization for the intangible assets totaled $54,890.

- Depreciable equipment totaling $1,259,520 was purchased during the year. Disposals of depreciable equipment totaled $1,038,931 with associated accumulated depreciation of $968,143. Depreciation for equipment totaled $1,425,738.

Sumner County's Capital Assets

	Historical Value	Accumulated Depreciation	Net Value June 30, 2015
Land	$ 3,944,512	$ 0	$ 3,944,512
Construction in Progress	7,930,670	0	7,930,670
Buildings and Improvements	65,481,090	(25,360,557)	40,120,533
Roads and Bridges	66,508,888	(34,266,463)	32,242,425
Intangibles (depreciated)	641,135	(541,488)	99,647
Other Capital Assets	17,531,173	(12,420,436)	5,110,737
Total Value	$ 162,037,468	$ (72,588,944)	$ 89,448,524

Discretely Presented Sumner County School Department

The discretely presented Sumner County School Department's investment in capital assets, net of accumulated depreciation, as of June 30, 2015, was $218,197,733. This investment in capital assets includes land, buildings, building improvements, machinery, and equipment. The total increase in investment in capital assets for the fiscal year was $3,608,146.

Sumner County School Department's Capital Assets

	Historical Value	Accumulated Depreciation	Net Value June 30, 2015
Land	$ 11,726,831	$ 0	$ 11,726,831
Construction in Progress	17,250,925	0	17,250,925
Buildings and Improvements	377,851,111	(200,110,484)	177,740,627
Other Capital Assets	31,720,876	(20,241,526)	11,479,350
Total Value	$ 438,549,743	$ (220,352,010)	$ 218,197,733

Additional details about the Sumner County Government's and the discretely presented Sumner County School Department's capital assets can be found in the notes to the financial statements. A table of contents has been provided with the specific page numbers.

Long-term Debt

At the end of the current fiscal year, the Sumner County Government had long-term debt totaling $184,942,093, of which $184,915,000 is to be paid by the General Debt Service Fund for bonds. This is an increase in long-term debt of $58,461,789 from the previous fiscal year. All debt is backed by the full faith and credit of the county.

Additional information on the Sumner County Government's long-term debt can be found in the notes to the financial statements. A table of contents has been provided with the specific page number.

Sumner County's Outstanding Long-term Debt

Issued For	Sumner County Board of Education	Sumner County Primary Government	Total Debt
Bond - Refunding	$ 1,651,842	$ 3,978,158	$ 5,630,000
General Obligation Series 2010	83,215,000	0	83,215,000
General Obligation Series 2013	22,136,100	4,533,900	26,670,000
General Obligation Series 2015	60,378,000	9,022,000	69,400,000
Capital Leases - Paid by General Purpose School Fund Contributions	27,093	0	27,093

Economic Factors and Next Year's Budgets and Rates

On June 15, 2015, Sumner County adopted a budget for the fiscal year ending June 30, 2016. Many factors were considered when adopting this budget.

Sumner County's unemployment rate as of June 30, 2015, was 5.1 percent (not seasonally adjusted) compared to the June 30, 2014, rate of 5.7 percent (not seasonally adjusted). Sumner County's unemployment rate for June 2015 was lower than the State of Tennessee's as a whole at 5.7 percent (not seasonally adjusted).

The Sumner County Commission is committed to maintaining a projected unassigned fund balance of at least 15 percent of appropriations (approximately $8.2 million for fiscal year 2016 budget) in the General Fund after subtracting any restricted, committed, or assigned amounts. The projected balance in the General Fund's approved budget for the 2016 fiscal year, after subtracting all projected restricted, committed, or assigned amounts, is $8,225,942.

Requests for information

This financial report is designed to provide only a general overview of the county's finances. For questions concerning any of the information provided in this report, please contact the Sumner County Finance Department at 355 North Belvedere Drive, Room 302, Gallatin, Tennessee 37066.

Basic Financial Statements

Exhibit A

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

	Primary Government	Component Units		
	Governmental Activities	Sumner County School Department	The Resource Authority in Sumner County, Tennessee	Sumner County Emergency Communications District
ASSETS				
Cash	$ 745	$ 63,235	$ 1,135,933	$ 3,394,078
Equity in Pooled Cash and Investments	131,302,983	31,863,458	0	0
Accounts Receivable	2,910,112	191,228	530,322	0
Allowance for Uncollectibles	(1,876,127)	0	0	0
Property Taxes Receivable	45,760,386	63,599,106	0	0
Allowance for Uncollectible Property Taxes	(969,338)	(1,347,211)	0	0
Notes Receivable - Long-term	1,303,299	0	0	0
Accrued Interest Receivable	62,676	0	0	0
Due from Other Governments	4,287,935	8,173,205	0	0
Due from Other Funds	120,119	0	0	0
Due from Component Units	79,193	0	0	0
Prepaid Items	45,120	0	0	0
Cash Shortage	0	10,000	0	0
Net Pension Asset - Agent Plans	1,908,980	4,389,207	0	0
Net Pension Asset - Cost-sharing Plans	0	434,424	0	0
Capital Assets:				
Assets Not Depreciated:				
Land	3,944,512	11,726,831	307,491	0
Construction in Progress	7,930,670	17,250,925	0	65,419
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	40,120,533	177,740,627	1,362,547	0
Other Capital Assets	5,110,737	11,479,350	106,517	2,208,286
Infrastructure	32,242,425	0	0	0
Intangibles	99,647	0	0	0
Total Assets	$ 274,384,607	$ 325,574,385	$ 3,442,810	$ 5,667,783
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amount on Refunding	$ 4,960,306	$ 0	$ 0	$ 0
Pension Changes in Experience	0	1,054,674	0	0
Pension Other Deferrals	0	267,701	0	0
Pension Contributions After Measurement Date	3,614,376	13,065,239	0	0
Total Deferred Outflows of Resources	$ 8,574,682	$ 14,387,614	$ 0	$ 0
LIABILITIES				
Accounts Payable	$ 1,421,035	$ 996,336	$ 288,792	$ 0
Contracts Payable	2,632,202	0	0	0
Retainage Payable	85,103	0	0	0
Accrued Payroll	1,278,463	172,532	0	0
Accrued Interest Payable	643,080	0	0	0
Payroll Deductions Payable	260,864	0	0	0
Due to Primary Government	0	79,193	0	0
Customer Deposits Payable	0	148,558	0	0
Noncurrent Liabilities:				
Due Within One Year	16,001,089	387,238	76,199	399,288
Due in More Than One Year (net of unamortized premium on debt)	192,215,363	39,137,879	4,576,462	136,679
Total Liabilities	$ 214,537,199	$ 40,921,736	$ 4,941,453	$ 535,967

(Continued)

Exhibit A

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

	Primary Government	Component Units		
	Governmental Activities	Sumner County School Department	The Resource Authority in Sumner County, Tennessee	Sumner County Emergency Communications District
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	$ 44,147,646	$ 61,357,675	$ 0	$ 0
Pension Changes in Experience	219,337	504,309	0	0
Pension Changes in Investment Earnings	2,860,480	42,370,728	0	0
Deferred Hangar Rent	0	0	0	0
Total Deferred Inflows of Resources	$ 47,227,463	$ 104,232,712	$ 0	$ 0
NET POSITION				
Net Investment in Capital Assets	$ 71,667,291	$ 218,197,733	$ 1,776,555	$ 1,737,738
Restricted for:				
General Government	224,831	0	0	0
Finance	37,883	0	0	0
Administration of Justice	658,810	0	0	0
Public Safety	162,052	0	0	0
Public Health and Welfare	68,095	0	0	0
Social, Cultural, and Recreational Services	26,464	0	0	0
Highway/Public Works	3,665,627	0	0	0
Capital Projects	76,145,496	0	0	0
Debt Service	19,371,051	0	0	0
School Federal Projects	0	5,424	0	0
Education	0	9,538,878	0	0
Other Purposes	1,919,253	0	0	0
Unrestricted	(152,752,226)	(32,934,484)	(3,275,198)	3,394,078
Total Net Position	$ 21,194,627	$ 194,807,551	$ (1,498,643)	$ 5,131,816

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

Exhibit B

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government	Component Units		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Sumner County School Department	The Resource Authority in Sumner County, Tennessee	Sumner County Emergency Communications District
Primary Government:								
General Government	$ 10,402,511	$ 1,930,903	$ 159,703	$ 0	$ (8,311,905)	$ 0	$ 0	$ 0
Finance	3,324,449	5,239,057	97,156	0	2,011,764	0	0	0
Administration of Justice	3,900,133	3,341,199	13,699	0	(545,235)	0	0	0
Public Safety	21,229,135	3,318,157	707,518	65,450	(17,138,010)	0	0	0
Public Health and Welfare	9,982,154	6,286,011	1,292,388	350,167	(2,053,588)	0	0	0
Social, Cultural, and Recreational Services	2,640,988	66,589	48,568	52,579	(2,473,252)	0	0	0
Agriculture and Natural Resources	394,193	7,000	0	0	(387,193)	0	0	0
Other Operations	0	0	0	0	0	0	0	0
Highway/Public Works	7,467,111	918,290	2,985,204	1,000,537	(2,563,080)	0	0	0
Education	28,585,673	0	0	45,625	(28,540,048)	0	0	0
Interest on Long-term Debt	5,157,296	0	0	0	(5,157,296)	0	0	0
Total Primary Government	$ 93,083,643	$ 21,107,206	$ 5,304,236	$ 1,514,358	$ (65,157,843)	$ 0	$ 0	$ 0
Component Units:								
Sumner County School Department	$ 231,774,607	$ 7,303,490	$ 18,352,600	$ 16,905,500	$ 0	$ (189,213,017)	$ 0	$ 0
The Resource Authority in Sumner County, Tennessee	4,359,630	4,624,674	22,332	0	0	0	287,376	0
Sumner County Emergency Communications District	877,299	1,265,929	0	0	0	0	0	388,630
Total Component Units	$ 237,011,536	$ 13,194,093	$ 18,374,932	$ 16,905,500	$ 0	$ (189,213,017)	$ 287,376	$ 388,630

(Continued)

Exhibit B

Sumner County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total Governmental Activities	Component Units: Sumner County School Department	Component Units: The Resource Authority in Sumner County, Tennessee	Component Units: Sumner County Emergency Communications District
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					$ 28,413,260	$ 59,690,361	$ 0	$ 0
Property Taxes Levied for Debt Service					14,475,325	0	0	0
Local Option Sales Tax					7,589,045	15,154,909	0	0
Wheel Tax					1,959,545	4,571,828	0	0
Mixed Drink Tax					5,415	223,627	0	0
Interstate Telecommunications Tax					7,175	14,346	0	0
Business Tax					1,812,908	0	0	0
Adequate Facilities/Development Tax					2,096,919	0	0	0
Hotel/Motel Tax					558,567	0	0	0
Wholesale Beer Tax					635,265	0	0	0
Litigation Tax					582,303	0	0	0
Mineral Severance Tax					169,456	0	0	0
Beer Privilege Tax					2,312	0	0	0
Grants and Contributions Not Restricted to Specific Programs					3,424,666	128,165,373	0	201,406
Unrestricted Investment Earnings					433,696	0	1,836	17,440
Pension Income					0	327,957	0	0
Miscellaneous					24,791	120,773	3,000	0
Total General Revenues					$ 62,190,648	$ 208,269,174	$ 4,836	$ 218,846
Change in Net Position					$ (2,967,195)	$ 19,056,157	$ 292,212	$ 607,476
Net Position, July 1, 2014					24,696,567	211,345,856	1,598,607	4,524,340
Restatement (See Notes I.D.9. and VI.K.)					(534,745)	(35,594,462)	(3,389,462)	0
Net Position, June 30, 2015					$ 21,194,627	$ 194,807,551	$ (1,498,643)	$ 5,131,816

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

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
ASSETS						
Cash	$ 745	$ 0	$ 0	$ 0	$ 0	$ 745
Equity in Pooled Cash and Investments	24,939,402	2,925,268	15,952,635	79,991,698	249,162	124,058,165
Accounts Receivable	2,874,877	5,525	7,361	0	12,939	2,900,702
Allowance for Uncollectibles	(1,876,127)	0	0	0	0	(1,876,127)
Due from Other Governments	1,848,495	606,968	1,440,558	377,914	14,000	4,287,935
Due from Other Funds	123,207	560,112	0	0	0	683,319
Due from Component Units	52,100	0	0	0	0	52,100
Property Taxes Receivable	24,209,618	654,356	15,494,053	5,402,359	0	45,760,386
Allowance for Uncollectible Property Taxes	(511,786)	(14,905)	(328,209)	(114,438)	0	(969,338)
Prepaid Items	7,258	0	0	0	4,984	12,242
Accrued Interest Receivable	166	0	60,418	0	7	60,591
Notes Receivable - Long-term	1,303,299	0	0	0	0	1,303,299
Total Assets	$ 52,971,254	$ 4,737,324	$ 32,626,816	$ 85,657,533	$ 281,092	$ 176,274,019
LIABILITIES						
Accounts Payable	$ 863,909	$ 267,679	$ 0	$ 184,447	$ 22,029	$ 1,338,064
Accrued Payroll	1,186,868	91,595	0	0	0	1,278,463
Payroll Deductions Payable	260,864	0	0	0	0	260,864
Contracts Payable	0	0	0	2,632,202	0	2,632,202
Retainage Payable	0	0	0	85,103	0	85,103
Due to Other Funds	1,756	560	0	558,356	0	560,672
Total Liabilities	$ 2,313,397	$ 359,834	$ 0	$ 3,460,108	$ 22,029	$ 6,155,368

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
DEFERRED INFLOWS OF RESOURCES						
Deferred Current Property Taxes	$ 23,358,878	$ 628,811	$ 14,947,994	$ 5,211,963	$ 0	$ 44,147,646
Deferred Delinquent Property Taxes	305,567	9,592	196,391	68,476	0	580,026
Other Deferred/Unavailable Revenue	555,958	275,206	682,628	201,751	26,676	1,742,219
Total Deferred Inflows of Resources	$ 24,220,403	$ 913,609	$ 15,827,013	$ 5,482,190	$ 26,676	$ 46,469,891
FUND BALANCES						
Nonspendable:						
Prepaid Items	$ 7,258	$ 0	$ 0	$ 0	$ 4,984	$ 12,242
Restricted:						
Restricted for General Government	141,064	0	0	0	83,767	224,831
Restricted for Finance	37,883	0	0	0	0	37,883
Restricted for Administration of Justice	658,810	0	0	0	0	658,810
Restricted for Public Safety	18,416	0	0	0	143,636	162,052
Restricted for Public Health and Welfare	68,095	0	0	0	0	68,095
Restricted for Social, Cultural, and Recreational Services	26,464	0	0	0	0	26,464
Restricted for Highways/Public Works	0	3,463,881	0	0	0	3,463,881
Restricted for Debt Service	0	0	14,174,806	0	0	14,174,806
Restricted for Capital Projects	0	0	0	76,715,235	0	76,715,235
Restricted for Other Purposes	10,273	0	0	0	0	10,273
Committed:						
Committed for General Government	11,258,335	0	0	0	0	11,258,335
Committed for Debt Service	0	0	2,624,997	0	0	2,624,997
Committed for Capital Projects	19,354	0	0	0	0	19,354
Assigned:						
Assigned for General Government	3,287,840	0	0	0	0	3,287,840

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
FUND BALANCES (CONT.)						
Assigned (Cont.):						
Assigned for Finance	$ 12,107	$ 0	$ 0	$ 0	$ 0	$ 12,107
Assigned for Public Safety	27,484	0	0	0	0	27,484
Assigned for Public Health and Welfare	12,222	0	0	0	0	12,222
Assigned for Social, Cultural, and Recreational Services	4,725	0	0	0	0	4,725
Unassigned	10,847,124	0	0	0	0	10,847,124
Total Fund Balances	$ 26,437,454	$ 3,463,881	$ 16,799,803	$ 76,715,235	$ 232,387	$ 123,648,760
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 52,971,254	$ 4,737,324	$ 32,626,816	$ 85,657,533	$ 281,092	$ 176,274,019

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

Exhibit C-2

Sumner 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)		$ 123,648,760
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	$ 3,944,512	
Add: construction in progress	7,930,670	
Add: buildings and improvements net of accumulated depreciation	40,120,533	
Add: other capital assets net of accumulated depreciation	5,110,737	
Add: infrastructure net of accumulated depreciation	32,242,425	
Add: intangibles net of accumulated depreciation	99,647	
Less: capital assets of the internal service fund that are also included in item (2) below	(15,986)	89,432,538
(2) An internal service fund is used by management to charge the cost of liability and workers' compensation insurance and employee health and dental benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net position.		4,939,875
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: bonds payable	$ (184,915,000)	
Less: capital leases payable	(27,093)	
Add: due from component unit for debt retirement	27,093	
Less: other deferred revenue - premium on debt	(16,918,240)	
Less: accrued interest on bonds	(643,080)	
Less: compensated absences payable	(1,124,128)	
Add: compensated absences payable in the internal service fund	4,507	
Less: other postemployment benefits liability	(2,956,695)	
Add: deferred amount on refunding debt	4,960,306	(201,592,330)
(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	3,614,376	
Less: deferred inflows of resources related to pensions	(3,079,817)	534,559
(5) Net pension assets of the agent plans are not current financial resources and therefore are not reported in the governmental funds.		1,908,980
(6) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		2,322,245
Net position of governmental activities (Exhibit A)		$ 21,194,627

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

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Revenues						
Local Taxes	$ 26,060,900	$ 2,845,772	$ 24,264,933	$ 5,116,293	$ 346,425	$ 58,634,323
Licenses and Permits	669,419	100	0	0	0	669,519
Fines, Forfeitures, and Penalties	778,202	0	0	0	16,632	794,834
Charges for Current Services	6,994,995	0	0	0	226,038	7,221,033
Other Local Revenues	797,221	98,336	285,779	100,000	2,446	1,283,782
Fees Received From County Officials	8,054,668	0	0	0	0	8,054,668
State of Tennessee	7,363,215	3,313,398	8,437	5,506	0	10,690,556
Federal Government	321,728	0	0	731,841	0	1,053,569
Other Governments and Citizens Groups	417,156	832,327	45,625	65,419	0	1,360,527
Total Revenues	$ 51,457,504	$ 7,089,933	$ 24,604,774	$ 6,019,059	$ 591,541	$ 89,762,811
Expenditures						
Current:						
General Government	$ 5,560,801	$ 0	$ 0	$ 0	$ 539,408	$ 6,100,209
Finance	4,338,360	0	0	0	0	4,338,360
Administration of Justice	4,263,147	0	0	0	3,404	4,266,551
Public Safety	19,232,695	0	0	0	48,967	19,281,662
Public Health and Welfare	10,332,132	0	0	0	0	10,332,132
Social, Cultural, and Recreational Services	2,190,898	0	0	0	0	2,190,898
Agriculture and Natural Resources	456,238	0	0	0	0	456,238
Other Operations	1,968,091	0	0	0	0	1,968,091
Highways	900	6,371,780	0	0	0	6,372,680
Debt Service:						
Principal on Debt	0	0	10,938,211	0	0	10,938,211
Interest on Debt	0	0	5,356,077	0	1,220	5,357,297
Other Debt Service	0	0	389,615	0	0	389,615

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern-mental Funds	Total Governmental Funds
Expenditures (Cont.)						
Capital Projects	$ 217,566	$ 0	$ 0	$ 36,785,941	$ 0	$ 37,003,507
Total Expenditures	$ 48,560,828	$ 6,371,780	$ 16,683,903	$ 36,785,941	$ 592,999	$ 108,995,451
Excess (Deficiency) of Revenues Over Expenditures	$ 2,896,676	$ 718,153	$ 7,920,871	$ (30,766,882)	$ (1,458)	$ (19,232,640)
Other Financing Sources (Uses)						
Bonds Issued	$ 0	$ 0	$ 0	$ 69,400,000	$ 0	$ 69,400,000
Premiums on Debt Sold	0	0	0	5,560,030	0	5,560,030
Insurance Recovery	5,200	1,229	0	0	0	6,429
Transfers In	0	0	0	4,937,826	0	4,937,826
Transfers Out	(3,000,000)	0	(4,937,826)	0	0	(7,937,826)
Total Other Financing Sources (Uses)	$ (2,994,800)	$ 1,229	$ (4,937,826)	$ 79,897,856	$ 0	$ 71,966,459
Net Change in Fund Balances	$ (98,124)	$ 719,382	$ 2,983,045	$ 49,130,974	$ (1,458)	$ 52,733,819
Fund Balance, July 1, 2014	26,535,578	2,744,499	13,816,758	27,584,261	233,845	70,914,941
Fund Balance, June 30, 2015	$ 26,437,454	$ 3,463,881	$ 16,799,803	$ 76,715,235	$ 232,387	$ 123,648,760

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

Exhibit C-4

Sumner 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)		$ 52,733,819
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	$ 6,785,534	
Less: current-year depreciation expense	(7,269,400)	
Add: current-year depreciation expense of the internal service fund that is also included in item (6) below	3,365	(480,501)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized	$ 658,306	
Less: book value of capital assets disposed	(69,396)	588,910
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2014	$ (2,512,008)	
Add: deferred delinquent property taxes and other deferred June 30, 2015	2,322,245	(189,763)
(4) The issuance of long-term debt (e.g., bonds, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:		
Less: bond proceeds	$ (69,400,000)	
Less: change in deferred amount on refunding debt	(1,088,136)	
Less: change in premium on debt issuances	(4,074,952)	
Less: contribution from the School Department for capital leases	(43,211)	
Add: principal payments on bonds	10,895,000	
Add: principal payments on capital leases	43,211	(63,668,088)
(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	$ (196,941)	
Change in other postemployment benefits liability	(381,460)	
Change in compensated absences payable	(150,445)	
Change in compensated absences payable in internal service fund	(2,799)	
Change in net pension liability/asset	2,443,725	
Change in deferred outflows of resources related to pensions	3,614,376	
Change in deferred inflows of resources related to pensions	(3,079,817)	2,246,639
(6) An internal service fund is used by management to charge the cost of liability and workers' compensation insurance and employee health and dental benefits to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		5,801,789
Change in net position of governmental activities (Exhibit B)		$ (2,967,195)

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

Exhibit C-5

Sumner 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 26,060,900	$ 0	$ 0	$ 26,060,900	$ 23,094,630	$ 25,609,919	$ 450,981
Licenses and Permits	669,419	0	0	669,419	633,105	633,105	36,314
Fines, Forfeitures, and Penalties	778,202	0	0	778,202	712,864	712,864	65,338
Charges for Current Services	6,994,995	0	0	6,994,995	6,171,433	6,256,983	738,012
Other Local Revenues	797,221	0	0	797,221	800,723	831,689	(34,468)
Fees Received From County Officials	8,054,668	0	0	8,054,668	7,675,550	7,675,550	379,118
State of Tennessee	7,363,215	0	0	7,363,215	6,706,618	7,270,731	92,484
Federal Government	321,728	0	0	321,728	38,214	628,320	(306,592)
Other Governments and Citizens Groups	417,156	0	0	417,156	226,232	346,801	70,355
Total Revenues	$ 51,457,504	$ 0	$ 0	$ 51,457,504	$ 46,059,369	$ 49,965,962	$ 1,491,542
Expenditures							
General Government							
County Commission	$ 278,585	$ 0	$ 0	$ 278,585	$ 297,420	$ 318,156	$ 39,571
Board of Equalization	7,646	0	0	7,646	10,250	56,374	48,728
Other Boards and Committees	8,675	0	0	8,675	18,000	18,000	9,325
County Mayor/Executive	361,097	(1,050)	0	360,047	366,325	366,538	6,491
County Attorney	454,849	0	0	454,849	485,468	485,576	30,727
Election Commission	650,206	0	0	650,206	710,695	772,117	121,911
Register of Deeds	678,885	0	0	678,885	775,284	775,423	96,538
Building	712,400	0	0	712,400	907,264	907,387	194,987
County Buildings	1,482,594	(6,302)	0	1,476,292	1,870,543	1,870,563	394,271
Preservation of Records	81,320	0	0	81,320	82,551	82,574	1,254
Risk Management	844,544	0	0	844,544	823,149	844,544	0
Finance							
Accounting and Budgeting	911,837	(13,760)	4,244	902,321	1,385,435	1,162,110	259,789
Property Assessor's Office	688,531	0	0	688,531	703,081	703,251	14,720
Reappraisal Program	641,904	0	0	641,904	681,101	681,183	39,279
County Trustee's Office	497,010	0	0	497,010	573,532	573,552	76,542
County Clerk's Office	1,472,705	0	0	1,472,705	1,544,212	1,544,538	71,833
Data Processing	126,373	0	7,863	134,236	136,271	157,036	22,800

(Continued)

Exhibit C-5

Sumner 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Administration of Justice							
Circuit Court	$ 1,577,438	$ 0	$ 0	$ 1,577,438	$ 1,698,287	$ 1,724,548	$ 147,110
General Sessions Court	2,500	0	0	2,500	215,000	215,000	212,500
General Sessions Judge	283,347	0	0	283,347	300,278	300,343	16,996
Drug Court	208,800	0	0	208,800	229,496	272,753	63,953
Chancery Court	684,555	0	0	684,555	708,796	720,625	36,070
Juvenile Court	543,924	0	0	543,924	552,208	557,310	13,386
District Attorney General	3,600	0	0	3,600	3,600	3,600	0
Judicial Commissioners	341,372	0	0	341,372	381,504	381,542	40,170
Other Administration of Justice	209,882	0	0	209,882	180,757	240,757	30,875
Probation Services	391,766	0	0	391,766	413,491	413,587	21,821
Courtroom Security	15,963	0	0	15,963	0	20,000	4,037
Public Safety							
Sheriff's Department	9,780,763	(6,172)	0	9,774,591	10,207,145	10,298,454	523,863
Administration of the Sexual Offender Registry	7,205	0	0	7,205	28,000	28,000	20,795
Jail	8,405,069	0	0	8,405,069	8,772,870	9,247,497	842,428
Juvenile Services	537,666	0	0	537,666	607,968	606,536	68,870
Fire Prevention and Control	2,000	0	0	2,000	2,000	2,000	0
Rural Fire Protection	168,000	0	0	168,000	168,000	168,000	0
Other Emergency Management	270,242	0	4,934	275,176	255,952	437,324	162,148
County Coroner/Medical Examiner	61,750	0	0	61,750	58,850	58,850	(2,900)
Other Public Safety	0	0	0	0	104,032	104,032	104,032
Public Health and Welfare							
Local Health Center	1,453,170	(28,592)	0	1,424,578	1,541,556	1,710,590	286,012
Ambulance/Emergency Medical Services	8,684,832	(51,617)	12,222	8,645,437	8,772,292	8,797,709	152,272
Appropriation to State	191,955	0	0	191,955	197,655	191,955	0
General Welfare Assistance	2,175	0	0	2,175	4,000	4,000	1,825
Aid to Dependent Children	0	0	0	0	1,000	1,000	1,000
Social, Cultural, and Recreational Services							
Senior Citizens Assistance	271,507	0	0	271,507	286,500	286,500	14,993
Libraries	1,919,391	0	4,725	1,924,116	2,002,105	2,044,349	120,233
Other Social, Cultural, and Recreational	0	0	0	0	0	121,485	121,485

(Continued)

Exhibit C-5

Sumner 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Agriculture and Natural Resources							
Agricultural Extension Service	$ 401,101	$ 0	$ 0	$ 401,101	$ 444,951	$ 444,964	$ 43,863
Soil Conservation	55,137	0	0	55,137	56,507	56,519	1,382
Other Operations							
Tourism	380,000	0	0	380,000	380,000	380,000	0
Industrial Development	60,000	0	0	60,000	60,000	60,000	0
Veterans' Services	59,471	0	0	59,471	62,508	62,523	3,052
Other Charges	720,804	0	0	720,804	600,000	768,426	47,622
Contributions to Other Agencies	594,699	0	0	594,699	477,171	725,942	131,243
Employee Benefits	32,998	0	0	32,998	123,500	96,459	63,461
Miscellaneous	120,119	0	0	120,119	136,382	145,279	25,160
Highways							
Traffic Control	814	0	0	814	5,000	5,000	4,186
Capital Outlay	86	0	0	86	10,000	10,000	9,914
Capital Projects							
Public Health and Welfare Projects	202,816	(202,750)	0	66	0	56,636	56,570
Social, Cultural, and Recreation Projects	14,750	(13,250)	0	1,500	0	162,790	161,290
Total Expenditures	$ 48,560,828	$ (323,493)	$ 33,988	$ 48,271,323	$ 51,419,942	$ 53,251,806	$ 4,980,483
Excess (Deficiency) of Revenues Over Expenditures	$ 2,896,676	$ 323,493	$ (33,988)	$ 3,186,181	$ (5,360,573)	$ (3,285,844)	$ 6,472,025
Other Financing Sources (Uses)							
Insurance Recovery	$ 5,200	$ 0	$ 0	$ 5,200	$ 0	$ 5,200	$ 0
Transfers In	0	0	0	0	555,711	155,648	(155,648)
Transfers Out	(3,000,000)	0	0	(3,000,000)	0	(3,000,000)	0
Total Other Financing Sources	$ (2,994,800)	$ 0	$ 0	$ (2,994,800)	$ 555,711	$ (2,839,152)	$ (155,648)
Net Change in Fund Balance	$ (98,124)	$ 323,493	$ (33,988)	$ 191,381	$ (4,804,862)	$ (6,124,996)	$ 6,316,377
Fund Balance, July 1, 2014	26,535,578	(323,493)	0	26,212,085	25,252,865	25,252,865	959,220
Fund Balance, June 30, 2015	$ 26,437,454	$ 0	$ (33,988)	$ 26,403,466	$ 20,448,003	$ 19,127,869	$ 7,275,597

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

Exhibit C-6

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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 2,845,772	$ 2,741,257	$ 2,822,118	$ 23,654
Licenses and Permits	100	0	0	100
Other Local Revenues	98,336	147,000	122,811	(24,475)
State of Tennessee	3,313,398	3,261,037	3,228,236	85,162
Other Governments and Citizens Groups	832,327	0	865,204	(32,877)
Total Revenues	$ 7,089,933	$ 6,149,294	$ 7,038,369	$ 51,564
Expenditures				
Highways				
Administration	$ 194,351	$ 192,883	$ 196,419	$ 2,068
Highway and Bridge Maintenance	3,577,479	3,227,021	4,221,001	643,522
Operation and Maintenance of Equipment	904,177	1,205,294	988,589	84,412
Quarry Operations	42,006	28,500	45,235	3,229
Litter and Trash Collection	68,278	70,500	70,300	2,022
Other Charges	326,287	272,921	328,346	2,059
Employee Benefits	905,611	906,755	903,198	(2,413)
Capital Outlay	353,591	317,200	354,200	609
Total Expenditures	$ 6,371,780	$ 6,221,074	$ 7,107,288	$ 735,508
Excess (Deficiency) of Revenues Over Expenditures	$ 718,153	$ (71,780)	$ (68,919)	$ 787,072
Other Financing Sources (Uses)				
Insurance Recovery	$ 1,229	$ 0	$ 0	$ 1,229
Total Other Financing Sources	$ 1,229	$ 0	$ 0	$ 1,229
Net Change in Fund Balance	$ 719,382	$ (71,780)	$ (68,919)	$ 788,301
Fund Balance, July 1, 2014	2,744,499	2,459,012	2,459,012	285,487
Fund Balance, June 30, 2015	$ 3,463,881	$ 2,387,232	$ 2,390,093	$ 1,073,788

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

Exhibit D-1

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

	Governmental Activities - Internal Service Fund Self-Insurance Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Investments	$ 7,244,818
Accounts Receivable	9,410
Prepaid Items	32,878
Accrued Interest Receivable	2,085
Total Current Assets	$ 7,289,191
Noncurrent Assets:	
Capital Assets:	
Buildings and Improvements Net of Accumulated Depreciation	$ 15,986
Total Noncurrent Assets	$ 15,986
Total Assets	$ 7,305,177
LIABILITIES	
Current Liabilities:	
Accounts Payable	$ 82,971
Accrued Leave - Current	4,507
Claims and Judgments Payable	1,929,868
Due to Other Funds	2,528
Total Current Liabilities	$ 2,019,874
Noncurrent Liabilities:	
Claims and Judgments Payable	$ 345,428
Total Noncurrent Liabilities	$ 345,428
Total Liabilities	$ 2,365,302
NET POSITION	
Unrestricted	$ 4,939,875
Total Net Position	$ 4,939,875

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

Exhibit D-2

Sumner 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
	Self-Insurance Fund
Operating Revenues	
Charges for Current Services:	
Self-Insurance Premiums/Contributions	$ 18,007,775
Other Local Revenues	346,051
Total Operating Revenues	$ 18,353,826
Operating Expenses	
Risk Management:	
Assistant(s)	$ 15,271
Supervisor/Director	40,195
Clerical Personnel	27,973
Longevity Pay	3,225
Social Security	5,004
State Retirement	11,938
Life Insurance	182
Medical Insurance	26,115
Dental Insurance	1,051
Employer Medicare	1,170
Advertising	161
Communication	1,397
Consultants	21,371
Data Processing Services	1,396
Dues and Memberships	580
Maintenance Agreements	686
Maintenance and Repair Services - Vehicles	368
Postal Charges	898
Printing, Stationery, and Forms	253
Travel	649
Data Processing Supplies	917
Drugs and Medical Supplies	246
Duplicating Supplies	148
Food Supplies	301
Gasoline	56
Office Supplies	664
Periodicals	86
Liability Claims	1,142,692
Other Self-insured Claims	780,980
In Service/Staff Development	140
Data Processing Equipment	1,298
Office Equipment	250
Handling Charges and Administrative Costs	605,259
Excess Risk Insurance	59,692
Communication	4,565
Consultants	24,870
Depreciation	3,365
Medical Claims	10,758,566
Other Self-insured Claims	540,164
Fines, Assessments, and Penalties	157,621
Specialized Medical Treatment	1,372,794
Total Operating Expenses	$ 15,614,557
Operating Income (Loss)	$ 2,739,269

(Continued)

Exhibit D-2

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

	Governmental Activities - Internal Service Fund
	Self-Insurance Fund
Nonoperating Revenues (Expenses)	
Investment Income	$ 19,952
Insurance Recovery	42,568
Total Nonoperating Revenues (Expenses)	$ 62,520
Income (Loss) Before Transfers	$ 2,801,789
Transfers In	3,000,000
Change in Net Position	$ 5,801,789
Net Position, July 1, 2014	(861,914)
Net Position, June 30, 2015	$ 4,939,875

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

Exhibit D-3

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

	Governmental Activities - Internal Service Fund Self Insurance Fund
Cash Flows from Operating Activities	
Receipts from Customers and Users	$ 18,350,577
Payments to Suppliers	(1,059,821)
Claims Paid	(16,158,627)
Payments of Taxes, Duties, Fines, Fees, and Penalties	(157,621)
Other Receipts (Payments)	9,690
Net Cash Provided By (Used In) Operating Activities	$ 984,198
Cash Flows from Investing Activities	
Investment Income	$ 19,952
Net Cash Provided By (Used In) Investing Activities	$ 19,952
Cash Flows from Noncapital Financing Activities	
Transfers from Other Funds	$ 3,000,000
Net Cash Provided By (Used In) Noncapital Financing Activities	$ 3,000,000
Net Increase (Decrease) In Cash	$ 4,004,150
Cash, July 1, 2014	3,240,668
Cash, June 30, 2015	$ 7,244,818
Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities	
Operating Income (Loss)	$ 2,739,269
Insurance Recovery	42,568
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Change in Assets and Liabilities:	
Depreciation Expense	3,365
(Increase) Decrease in Accounts Receivable	(3,438)
(Increase) Decrease in Prepaid Items	(32,878)
(Increase) Decrease in Due from Component Units	1,342
(Increase) Decrease in Accrued Interest Receivable	(1,153)
Increase (Decrease) in Accounts Payable	(182,471)
Increase (Decrease) in Accrued Leave	(2,799)
Increase (Decrease) in Due to Other Funds	(16,176)
Increase (Decrease) in Claims and Judgments Payable	(1,563,431)
Net Cash Provided By (Used In) Operating Activities	$ 984,198
Reconciliation of Cash With Statement of Net Position	
Equity in Pooled Cash and Investments Per Net Position	$ 7,244,818
Cash, June 30, 2015	$ 7,244,818

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

Exhibit E

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

	Agency Funds
ASSETS	
Cash	$ 7,189,495
Equity in Pooled Cash and Investments	725,543
Accounts Receivable	31,935
Due from Other Governments	3,662,376
Total Assets	$ 11,609,349
LIABILITIES	
Due to Other Funds	$ 120,119
Due to Other Taxing Units	3,662,376
Due to Joint Ventures	524,846
Due to Litigants, Heirs, and Others	7,302,008
Total Liabilities	$ 11,609,349

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Sumner 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 Sumner County:

A. Reporting Entity

Sumner County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Sumner 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 Sumner County School Department operates the public school system in the county, and the voters of Sumner 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 Sumner County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Sumner County, and the Sumner 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 Sumner County Regional Airport Authority operates the county's airport facility. The authority is funded primarily through federal and state grants and leasing fees. Before the issuance of most debt instruments, the authority must obtain the County Commission's approval. The financial statements of the Sumner County Regional Airport Authority were not available from other auditors in time for inclusion in this report.

The Resource Authority in Sumner County, Tennessee, provides a solid waste energy recovery plant on behalf of the residents of the county and the cities of Gallatin and Hendersonville. The authority is funded primarily through tipping fees and contributions from the county. Based on GASB Statement No. 61, the authority does not qualify as a discretely presented component unit of the county. Management has determined it would be misleading to exclude the authority; therefore, it is reported as a discretely presented component unit.

The Sumner County Convention and Visitors Bureau was established to advance economic, civic, and general interests related to tourism in Sumner County. Sumner County has not required the Sumner County Convention and Visitors Bureau to have audited financial statements.

The Sumner County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the School Department are included in this report as listed in the table of contents. Although required by GAAP, the financial statements of the Sumner County Regional Airport Authority and the Sumner County Convention and Visitors Bureau were not available for inclusion, as previously mentioned. Complete financial statements of the Sumner County Emergency Communications District, the Sumner County Regional Airport Authority, The Resource Authority in Sumner County, Tennessee, and the Sumner County Convention and Visitors Bureau can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Sumner County Emergency Communications District
411 South Water Avenue
Gallatin, TN 37066

Sumner County Regional Airport Authority
1475 Airport Boulevard
Gallatin, TN 37066

The Resource Authority in Sumner County, Tennessee
625 Rappahannock Wire Road
Gallatin, TN 37066

Sumner County Convention and Visitors Bureau
2310 Nashville Pike
Gallatin, TN 37066

Related Organizations – The Industrial Development Board of Sumner County, the Health Board of Sumner County, the Health and Educational Facilities Board of Sumner County, and the Health and Safety Standards Board of Sumner County are related organizations of Sumner County. The County Commission's Committee on Committees nominates and the Sumner

County Commission confirms the board members, but the county's accountability for these organizations does not extend beyond making the appointments.

B. Government-wide and Fund Financial Statements

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

Sumner County issues all debt for the discretely presented Sumner County School Department. There were no debt issues contributed by the county to the School Department during the year ended June 30, 2015.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the

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

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

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

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

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

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

Sumner County reports the following major governmental funds:

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

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

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

General Capital Projects Fund – This fund accounts for general capital expenditures of the county and the Sumner County School Department.

Additionally, Sumner County reports the following fund types:

Internal Service Fund – The Self-Insurance Fund is used to account for the county's self-insured liability insurance, health, dental, and workers' compensation programs. Premiums charged to the various county funds and employee payroll deductions are placed in this fund for the payment of claims.

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Sumner County, state grants and other restricted revenues held for the benefit of the judicial district drug task force, and restricted revenues held for the benefit of the Office of District Attorney General. 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 Sumner 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 Sumner County School Department reports the following fund types:

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

Internal Service Fund – The Employee Insurance Fund is used to account for the discretely presented Sumner County School Department's self-insured health and prescription drug plans. Premiums charged to the various school funds and employee payroll deductions are placed in this fund for the payment of claims.

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 government has two proprietary funds, internal service funds, used to account for the county's self-insured liability, health, dental, and workers' compensation programs and the School Department's self-insured health and prescription drug plans. Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the proprietary funds are charges for services. Operating expenses for the internal service funds include administrative expenses and employee benefits.

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

1. Deposits and Investments

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

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

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

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

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

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 receivables 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 one 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 in the primary government's Self-Insurance Fund and the discretely presented School Department's Employee Insurance Fund are discussed in Note V.A. Risk Management.

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 $7,500 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

Assets	Years
Buildings and Improvements	10 - 30
Other Capital Assets	5 - 10
Intangible Assets	5
Infrastructure	10 - 40

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. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are for deferred charge on refunding, pension changes in experience, changes in proportionate share of contributions, and employer contributions made to the pension plan after the measurement date.

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

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 pay benefits. There is no liability for unpaid accumulated sick leave since the county and the School Department do not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county and the 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 and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type Statement of Net Position. Debt premiums and discounts are deferred and amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

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

On the government-wide Statement of Net Position (Exhibit A), the account Restricted for Other Purposes totaling $1,919,253 for the primary government includes an amount restricted to recognize the net pension asset ($1,908,980) of the county's agent pension plan.

On the government-wide Statement of Net Position (Exhibit A), the account Restricted for Education totaling $9,538,878 for the school department includes an amount restricted to recognize the net pension asset ($4,823,631) of the county's agent pension plan.

As of June 30, 2015, Sumner County had $167,408,035 in outstanding debt for capital purposes for the discretely presented Sumner County School Department. This debt is a liability of Sumner County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Sumner County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes, but are neither restricted nor committed (excluding stabilization arrangements). The County Commission has by resolution authorized the county's Budget Committee to make assignments for the general government. The Board of Education makes assignments for the School Department. Assigned fund balance in the General Fund includes fund balance approved for use in the budget for fiscal year ending June 30, 2016, totaling $3,287,840.

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 Sumner County's

and the Sumner County School Department's beginning net position has been recognized on the Statement of Activities by $534,745 and $35,594,462, respectively.

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 Sumner County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Sumner 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 Sumner 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 governmental funds with the government-wide Statement of Net Position.

Discretely Presented Sumner County School Department

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

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

Primary Government

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

Discretely Presented Sumner County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

Fund	Description	Amount
Major Fund:		
General Capital Projects	New Burrus Elementary	$ 3,589,367

B. Cash Shortages – Prior Years

The audit of Sumner County for the 2011-12 year reported a cash shortage of $18,697 in the School Department. An investigation by the School Department's internal auditor and the local police revealed that an employee had purchased personal items with school funds. On February 15, 2013, the former employee pled guilty to one count of theft of property between $10,000 and $60,000. The former employee was sentenced to six years of probation and was ordered to pay restitution of $18,697 to the Sumner County School Department. The School Department's insurance carrier paid the county $13,697 on May 7, 2013, leaving an unpaid shortage of $5,000 at June 30, 2015.

The audit of Sumner County for the 2012-13 year reported a cash shortage of $10,762 in the School Department. An investigation by the School Department's internal auditor and the local police revealed that an employee had taken cash from collections purportedly to reimburse herself for mileage and other expenses she paid from personal funds. On October 10, 2013, the former employee was indicted on one count of theft of property over $1,000. The case is still pending in court as of the date of this report. The School Department's insurance carrier paid the county $5,762 on October 17, 2013, leaving an unpaid shortage of $5,000 at June 30, 2015.

C. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the County Commission in the County Coroner/Medical Examiner major appropriations category (the legal level of control) of the General Fund by $2,900 and the Employee Benefits major appropriations category of the Highway/Public Works Fund by $2,413. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balance in the General and Highway/Public Works funds.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

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

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

Investment Balances. As of June 30, 2015, Sumner County had the following investments carried at fair value. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Sumner County and the discretely presented Sumner County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
State Treasurer's Investment Pool	3-139	N/A	$ 2,636,606

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Sumner County has no investment policy that would further limit its investment choices. As of June 30, 2015, Sumner County's investment in the State Treasurer's Investment Pool was unrated.

B. Notes Receivable

The General Fund had a long-term note receivable of $800,000 on June 30, 2015, from financing airport construction projects for the discretely presented Sumner County Regional Airport Authority, and this note is included in the committed fund balance account.

The General Fund had a long-term note receivable of $503,299 on June 30, 2015, from financing communication equipment purchases for the discretely presented Sumner County Emergency Communications District, and this note is included in the committed fund balance account.

C. Capital Assets

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

Primary Government (includes Internal Service Fund)

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	$ 3,919,502	$ 25,010	$ 0	$ 3,944,512
Construction in Progress	5,279,789	3,514,679	(863,798)	7,930,670
Total Capital Assets Not Depreciated	$ 9,199,291	$ 3,539,689	$ (863,798)	$ 11,875,182
Capital Assets Depreciated:				
Buildings and Improvements	$ 64,500,027	$ 981,063	$ 0	$ 65,481,090
Infrastructure	65,156,982	2,527,366	(1,175,460)	66,508,888
Intangibles	641,135	0	0	641,135
Other Capital Assets	17,310,584	1,259,520	(1,038,931)	17,531,173
Total Capital Assets Depreciated	$ 147,608,728	$ 4,767,949	$ (2,214,391)	$ 150,162,286
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 22,849,950	$ 2,510,607	$ 0	$ 25,360,557
Infrastructure	32,165,150	3,278,165	(1,176,852)	34,266,463
Intangibles	486,598	54,890	0	541,488
Other Capital Assets	11,962,841	1,425,738	(968,143)	12,420,436
Total Accumulated Depreciation	$ 67,464,539	$ 7,269,400	$ (2,144,995)	$ 72,588,944
Total Capital Assets Depreciated, Net	$ 80,144,189	$ (2,501,451)	$ (69,396)	$ 77,573,342
Governmental Activities Capital Assets, Net	$ 89,343,480	$ 1,038,238	$ (933,194)	$ 89,448,524

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

Governmental Activities:

General Government	$ 481,268
Finance	20,250
Administration of Justice	105,041
Public Safety	1,734,914
Public Health and Welfare	739,532
Social, Cultural, and Recreational Services	515,837
Agriculture and Natural Resources	3,614
Highway/Public Works	3,668,944
Total Depreciation Expense - Governmental Activities	$ 7,269,400

Discretely Presented Sumner County School Department

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	$ 8,626,699	$ 3,100,132	$ 0	$ 11,726,831
Construction in Progress	4,812,460	13,168,207	(729,742)	17,250,925
Total Capital Assets Not Depreciated	$ 13,439,159	$ 16,268,339	$ (729,742)	$ 28,977,756
Capital Assets Depreciated:				
Buildings and Improvements	$ 377,997,235	$ 996,463	$ (1,142,587)	$ 377,851,111
Other Capital Assets	30,549,145	1,521,257	(349,526)	31,720,876
Total Capital Assets Depreciated	$ 408,546,380	$ 2,517,720	$ (1,492,113)	$ 409,571,987

Governmental Activities (Cont.):

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Less Accumulated Depreciated For:				
Buildings and Improvements	$ 187,889,310	$ 13,363,761	$ (1,142,587)	$ 200,110,484
Other Capital Assets	19,506,642	1,084,410	(349,526)	20,241,526
Total Accumulated Depreciation	$ 207,395,952	$ 14,448,171	$ (1,492,113)	$ 220,352,010
Total Capital Assets Depreciated, Net	$ 201,150,428	$ (11,930,451)	$ 0	$ 189,219,977
Governmental Activities Capital Assets, Net	$ 214,589,587	$ 4,337,888	$ (729,742)	$ 218,197,733

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

Governmental Activities:

Support Services	$ 14,448,171
Total Depreciation Expense - Governmental Activities	$ 14,448,171

D. Construction Commitments

At June 30, 2015, the General Capital Projects Fund had uncompleted construction contracts of $3,589,367 for the New Burrus Elementary School. Funding has been received for these future expenditures.

E. Interfund Receivables, Payables, and Transfers

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

Primary Government:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Highway/Public Works	$ 560
"	Internal Service	2,528
"	Agency	120,119
Highway/Public Works	General	1,756
"	General Capital Projects	558,356
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	90,048

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

Due to/from Primary Government and Component Units:

Receivable Fund	Payable Fund	Amount
	Component Unit:	
Primary Government:	School Department:	
General	General Purpose School	$ 52,100
Governmental Activities	Governmental Activities	27,093

The amount Due to Primary Government from the discretely presented School Department totaling $27,093 is the balance of the capital leases issued by the county for the School Department. The School Department has agreed to contribute the funds annually to retire these capital leases. These long-term obligations are reflected in governmental activities on the Statement of Net Position.

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In: Internal Service Fund	Transfers In: General Capital Projects Fund
General	$ 3,000,000	$ 0
General Debt Service	0	4,937,826
Total	$ 3,000,000	$ 4,937,826

Discretely Presented Sumner County School Department

Transfers Out	Transfers In: General Purpose School Fund	Transfers In: Internal Service Fund
General Purpose School Fund	$ 0	$ 287,171
Nonmajor governmental fund	91,071	0
Total	$ 91,071	$ 287,171

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.

F. Capital Leases

The School Department is currently servicing some of the debt issued on its behalf by the primary government. This debt is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the School Department and as Due from Component Units in the financial statements of the primary government.

On September 1, 2010, Sumner County entered into a five-year lease-purchase agreement for the School Department for trash compactors. The terms of the agreement require total lease payments of $45,225 plus interest of 6.94 percent. Title to the equipment transfers to the Sumner County School Department at the end of the lease period. The lease payments are made by School Department contributions from the General Purpose School Fund to the General Debt Service Fund.

On April 8, 2011, Sumner County entered into a five-year lease-purchase agreement for the School Department for trash compactors. The terms of the agreement require total lease payments of $155,700 plus interest of 4.81 percent. Title to the equipment transfers to the Sumner County School Department at the end of the lease period. The lease payments are made by School Department contributions from the General Purpose School Fund to the General Debt Service Fund.

The assets acquired through capital leases are as follows:

Asset		Governmental Activities
Other Capital Assets	$	200,925
Less: Accumulated Depreciation		(175,550)
Total Book Value	$	25,375

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2015, were as follows:

Year Ending June 30		Governmental Funds
2016	$	28,002
Total Minimum Lease Payments	$	28,002
Less: Amount Representing Interest		(909)
Present Value of Minimum Lease Payments	$	27,093

G. Long-term Obligations

Primary Government

General Obligation Bonds

The county issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund notes.

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

long-term debt as of June 30, 2015, will be retired from the General Debt Service Fund.

General obligation bonds and capital leases 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	1.5 to 5 %	12-1-35	$ 105,955,000	$ 101,700,000
General Obligation Bonds - School Refunding	2.86	6-1-23	112,210,000	83,215,000
Capital Leases	4.81 to 6.94	3-8-16	200,925	27,093

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	$ 12,920,000	$ 7,716,964	$ 20,636,964
2017	13,985,000	7,002,844	20,987,844
2018	14,550,000	6,485,319	21,035,319
2019	15,225,000	5,879,070	21,104,070
2020	15,905,000	5,204,495	21,109,495
2021-2025	68,215,000	14,254,806	82,469,806
2026-2030	18,075,000	5,528,281	23,603,281
2031-2035	21,340,000	2,400,941	23,740,941
2036	4,700,000	73,438	4,773,438
Total	$ 184,915,000	$ 54,546,158	$ 239,461,158

There is $16,799,803 available in the General Debt Service Fund to service long-term debt. Debt per capita totaled $1,151, based on the 2010 federal census.

The School Department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below. This debt is reflected in the government-wide financial statements as Due to Primary Government in the financial statements of the School Department and as Due from Component Units in the financial statements of the primary government.

Description of Indebtedness	Outstanding 6-30-15
Capital Leases	
Payable by School Department Contributions from the General Purpose School Fund to the General Debt Service Fund	
Trash Compactors	$ 27,093

Changes in Long-term Obligations

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

Governmental Activities:		Internal Service Fund
	Bonds	Claims and Judgments
Balance, July 1, 2014	$ 126,410,000	$ 3,838,727
Additions	69,400,000	14,595,196
Reductions	(10,895,000)	(16,158,627)
Balance, June 30, 2015	$ 184,915,000	$ 2,275,296
Balance Due Within One Year	$ 12,920,000	$ 1,929,868

	Capital Leases
Balance, July 1, 2014	$ 70,304
Reductions	(43,211)
Balance, June 30, 2015	$ 27,093
Balance Due Within One Year	$ 27,093

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2014	$ 973,683	$ 2,575,235
Additions	1,829,737	413,843
Reductions	(1,679,292)	(32,383)
Balance, June 30, 2015	$ 1,124,128	$ 2,956,695
Balance Due Within One Year	$ 1,124,128	$ 0

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	$ 191,298,212
Less: Due Within One Year	(16,001,089)
Add: Unamortized Premium on Debt	16,918,240
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	$ 192,215,363

The internal service fund primarily serves the governmental funds. Accordingly, long-term obligations for the internal service fund are included as part of the above totals for governmental activities. Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds.

Defeasance of Prior Debt

In the prior year, Sumner County defeased certain outstanding general obligation bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. The trustee is empowered and required to pay all principal and interest on the defeased bonds as originally scheduled. Accordingly, the trust accounts and the defeased bonds are not included in the county's financial statements. At June 30, 2015, the following outstanding bonds are considered defeased:

	Amount
2007 School Refunding	$ 29,370,000
2007B General Obligation School	22,315,000

Discretely Presented Sumner County School Department

Changes in Long-term Obligations

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

Governmental Activities:	Compensated Absences	Internal Service Fund Claims and Judgments
Balance, July 1, 2014	$ 2,062,712	$ 1,198,029
Additions	1,544,616	30,158,349
Reductions	(1,470,441)	(28,026,655)
Balance, June 30, 2015	$ 2,136,887	$ 3,329,723
Balance Due Within One Year	$ 320,533	$ 0

	Other Postemployment Benefits	Termination Benefits
Balance, July 1, 2014	$ 32,811,484	$ 74,006
Additions	4,046,077	70,013
Reductions	(2,865,759)	(77,314)
Balance, June 30, 2015	$ 33,991,802	$ 66,705
Balance Due Within One Year	$ 0	$ 66,705

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	$ 39,525,117
Less: Due Within One Year	(387,238)
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	$ 39,137,879

Compensated absences, termination benefits, and other postemployment benefits will be paid from the General Purpose School and School Federal Projects funds.

H. On-Behalf Payments

Discretely Presented Sumner County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Sumner 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 $716,903 and $123,800, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the Employee Insurance Fund.

V. OTHER INFORMATION

A. Risk Management

The county has chosen to establish the Self-Insurance Fund for risks associated with employees' health and dental insurance plans, workers' compensation, and liability claims. The Self-Insurance Fund is accounted for as an Internal Service Fund in which assets are set aside for claim settlements. The county retains the risk of loss for all medical claims. The county retains the risk of loss to a limit of $350,000 maximum tort liability, plus property damage. Claims in excess of this limit are covered by an insurance policy up to a limit of $5,000,000 per specific claim.

All full-time employees of the primary government are eligible to participate in employee health and dental insurance. All employees of the primary government are covered under the workers' compensation and liability coverage. A premium charge is allocated to each fund that accounts for full-time employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The Self-Insurance Fund establishes 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 incremental claim adjustment expenditures/expenses, if any. In addition, estimated revenues, 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 Fund

Fiscal Year	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2013-14	$ 4,036,865	$ 24,306,765	$ (24,504,903)	$ 3,838,727
2014-15	3,838,727	14,595,196	(16,158,627)	2,275,296

The discretely presented Sumner County School Department has chosen to establish the Employee Insurance Fund for risks associated with certified employees' health and prescription drug insurance plans. The Employee Insurance Fund is accounted for as an Internal Service Fund in which assets are set aside for claim settlements. The School Department retains the risk of loss to a limit of $200,000 per specific loss during the coverage period. The county obtained a stop/loss commercial insurance policy to cover claims beyond this liability up to a limit of $1,000,000 per participant during the coverage period.

All full-time certified employees of the discretely presented Sumner County School Department are eligible to participate in employee health and prescription drug plans. A premium charge is allocated to each fund that accounts for full-time certified employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The Employee Insurance Fund establishes 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 incremental claim adjustment expenditures/expenses, if any. In addition, estimated revenues, 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:

Employee Insurance Fund

Fiscal Year	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2013-14	$ 0	$ 10,425,587	$ (9,227,558)	$ 1,198,029
2014-15	1,198,029	30,158,349	(28,026,655)	3,329,723

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 November 16, 2015, Cindy Briley was appointed register of deeds by the County Commission due to the death of Pam Whitaker.

D. Contingent Liabilities

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

The discretely presented School Department is involved in several pending lawsuits. School Department attorneys estimate that the potential claims against the School Department not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

E. Change in Administration

On August 31, 2014, Mahailiah Hughes left the Office of Circuit, General Sessions, and Juvenile Courts Clerk and was succeeded by Kathryn Strong.

F. Joint Venture

The Eighteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Eighteenth Judicial District, Sumner County, and various cities within the county. 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, sheriff, and police chiefs of participating law enforcement agencies within each judicial district.

Sumner County does not have an equity interest in the above-noted joint venture. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

Office of District Attorney General
Eighteenth Judicial District Drug Task Force
Cordell Hull Building – Third Floor
113 West Main Street
Gallatin, Tennessee 37066

G. Jointly Governed Organization

The county and the Cities of Gallatin, Hendersonville, Millersville, Portland, Westmoreland, White House, and Goodlettsville jointly appoint the 20-member board of the Joint Economic Development Board of Sumner County. The board is designed to promote economic and community development in the county and related cities. The county and the cities do not have any ongoing financial interest or responsibility for this entity.

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Sumner County and non-certified employees of the discretely presented Sumner 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 30.31 percent and the non-certified employees of the discretely presented School Department comprise 69.69 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	840
Inactive Employees Entitled to But Not Yet Receiving Benefits	1,199
Active Employees	2,059
Total	4,098

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are non-contributory. Sumner 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, 2014, employer contributions for Sumner County were $7,100,672 based on a rate of 13.9 percent of pensionable payroll. By law, employer contributions are required to be paid. The TCRS may intercept Sumner 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)

Sumner 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	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	
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 Sumner 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	$ 137,826,082	$ 129,246,871	$ 8,579,211
Changes for the Year:			
Service Cost	$ 3,872,058	$ 0	$ 3,872,058
Interest	10,430,756	0	10,430,756
Differences Between Expected and Actual Experience	(868,375)	0	(868,375)
Contributions-Employer	0	6,814,957	(6,814,957)
Contributions-Employees	0	30,200	(30,200)
Net Investment Income	0	21,547,346	(21,547,346)
Benefit Payments, Including Refunds of Employee Contributions	(5,242,772)	(5,242,772)	0
Administrative Expense	0	(80,666)	80,666
Other Changes	0	0	0
Net Changes	$ 8,191,667	$ 23,069,065	$ (14,877,398)
Balance, June 30, 2014	$ 146,017,749	$ 152,315,936	$ (6,298,187)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	30.31%	$ 44,257,980	$ 46,166,960	$ (1,908,980)
School Department	69.69%	101,759,769	106,148,976	(4,389,207)
Total		$ 146,017,749	$ 152,315,936	$ (6,298,187)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Sumner 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:

Sumner County	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
Net Pension Liability	$ 13,343,909	$ (6,298,187)	$ (22,641,725)

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

Pension Expense. For the year ended June 30, 2015, Sumner County recognized pension expense of $2,098,618.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, Sumner 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	$ 723,646
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	9,437,413
Contributions Subsequent to the Measurement Date of June 30, 2014 (1)	7,100,672	N/A
Total	$ 7,100,672	$ 10,161,059

(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	$ 3,614,376	$ 3,079,817
School Department	3,486,296	7,081,242
Total	$ 7,100,672	$ 10,161,059

Amounts reported as deferred outflows of resources, with the exception of contributions after 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	$ (2,504,082)
2017	(2,504,082)
2018	(2,504,082)
2019	(2,504,082)
2020	(144,729)
Thereafter	0

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

Discretely Presented Sumner County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Sumner County and non-certified employees of the discretely presented Sumner 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 30.31 percent and the non-certified employees of the discretely presented School Department comprise 69.69 percent of the plan based on census data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Sumner 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 $233,466, 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 Sumner 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 Sumner 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	$ 233,466	N/A

The Sumner County School Department's employer contributions of $233,466 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 Sumner County School Department with membership in the TCRS before July 1, 2014, of the Sumner 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 Sumner County School Department for the year ended June 30, 2015, to the Teacher Legacy Pension Plan were $9,345,477, 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 Sumner County School Department reported an asset of $434,424 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 Sumner County School Department's proportion of the net pension asset was based on a projection of the Sumner County School Department's contributions to the pension plan during the year ended June 30, 2014, relative to the contributions of all LEAs for the year ended June 30, 2014. At the June 30, 2014, measurement date, the Sumner County School Department's proportion was .2.673456 percent. The proportion measured as of June 30, 2013, was 2.654478 percent.

Pension Income. For the year ended June 30, 2015, the Sumner County School Department recognized a pension income of $327,957.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, the Sumner 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	$ 1,054,674	$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	35,793,795
Changes in Proportion and Differences Between LEAs Contributions and Proportionate Share of Contributions	267,701	0
LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	9,345,477	N/A
Total	$ 10,667,852	$ 35,793,795

The Sumner County School Department's employer contributions of $9,345,477 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	$ (8,728,053)
2017	(8,728,053)
2018	(8,728,053)
2019	(8,728,053)
2020	220,396
Thereafter	220,396

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	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	
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 Sumner 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 Sumner 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	$ 73,270,563	$ (434,424)	$ (61,454,163)

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 – Primary Government

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

3. Deferred Compensation – Discretely Presented Sumner County School Department

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

I. Other Postemployment Benefits (OPEB)

Self-Insurance Plan

Plan Description

All full-time employees and eligible retirees of the primary government are eligible to participate in the health and dental insurance cost-sharing plan accounted for in the Self-Insurance Fund (internal service fund). For accounting purposes, the plan is an agent single-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee established by the County Commission.

Funding Policy

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

Sumner County provides postretirement health care benefits to all employees who retire from the county on or after age 60 with at least 20 years of service or who retire after 30 years of service and have been eligible for coverage under the county group medical plan for a continuous five-year period immediately prior to retirement. The county pays 75 percent of medical premiums for retirees.

During the year ended June 30, 2015, Sumner County made contributions totaling $27,383 for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	Primary Government
ARC	$ 301,626
Interest on the NOPEBO	53,412
Adjustment to the ARC	(62,446)
Annual OPEB cost	$ 292,592
Amount of contribution	(27,383)
Increase/decrease in NOPEBO	$ 265,209
Net OPEB obligation, 7-1-14	1,361,541
Net OPEB obligation, 6-30-15	$ 1,626,750

Fiscal Year Ended	Plans	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-13	Primary Government	$ 240,568	19 %	$ 1,113,556
6-30-14	"	292,592	15	1,361,541
6-30-15	"	292,592	9	1,626,750

Funded Status and Funding Progress

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

	Primary Government
Actuarial valuation date	7-1-13
Actuarial accrued liability (AAL)	$ 2,353,005
Actuarial value of plan assets	$ 0
Unfunded actuarial accrued liability (UAAL)	$ 2,353,005
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	$ 23,813,447
UAAL as a % of covered payroll	10%

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, the projected unit credit actuarial cost method was used. The actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual health care cost trend rate of nine percent for 2015. The trend will decrease to 8.5 percent in fiscal year 2016 and then be reduced by decrements to an ultimate rate of five percent by fiscal year 2023. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis over a 30-year period beginning with June 30, 2010.

Discretely Presented School Department

Effective January 1, 2014, the discretely presented Sumner County School Department changed from the Local Education Group Insurance Plan to a self-insurance plan for certified employees. Effective January 1, 2015, the discretely presented School Department classified employees are part of the self-insurance plan administered through the School Department's Employee Insurance Fund and are no longer a part of primary government's self-insurance plan administered through the Self-Insurance Fund.

Plan Description

All full-time employees and eligible retirees of the discretely presented Sumner County School Department are eligible to participate in the health insurance cost-sharing plan accounted for in the Employee Insurance Fund (internal service fund). Life insurance ranging from $25,000 to $35,000 is also provided to the retirees at the School Department. For accounting purposes, the plan is an agent single-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee established by the Board of Education.

Funding Policy

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

The School Department provides postretirement health care benefits in accordance with contract provisions to all employees who have been employed by the School Department for ten years of verified Tennessee Consolidated Retirement Service (TCRS) or have 30 years (regardless of age) of verified TCRS. The School Department pays 70 percent of medical premiums for retirees who had insurance coverage during the last three years of employment. Retirees receive one year of coverage for every three years at the School Department with a maximum coverage of ten years or until eligible for Medicare, whichever comes first.

Also, the School Department, at the Board of Education's discretion, provides postretirement health care benefits in accordance with contract provisions to all employees who have been employed by the School Department for ten years and who retire from the department on or after age 60 with at least 20 years of verified Tennessee Consolidated Retirement Service (TCRS) or have 30 years (regardless of age) of verified TCRS. The School Department pays 70 to 100 percent (depending on effective contract at date of retirement) of the least costly medical premiums available to retirees who had insurance coverage during the last three years of employment until they are eligible for

Medicare. Thereafter to age 70, retirees that retired prior to 2009 will be reimbursed up to $800 per year for a Medicare supplement policy.

During the year ended June 30, 2015, the Sumner County School Department made contributions totaling $2,306,595 for certified employees and $428,097 for classified employees for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	School Department - Certified	School Department - Classified
ARC	$ 2,483,652	$ 574,973
Interest on the NOPEBO	353,525	61,817
Adjustment to the ARC	(413,314)	(72,272)
Annual OPEB cost	$ 2,423,863	$ 564,518
Amount of contribution	(2,306,595)	(428,097)
Increase/decrease in NOPEBO	$ 117,268	$ 136,421
Net OPEB obligation, 7-1-14	18,641,448	1,848,308
Net OPEB obligation, 6-30-15	$ 18,758,716	$ 1,984,729

Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-14	School Department - Certified	$ 2,423,863	103 %	$ 18,641,448
6-30-15	"	2,423,863	95	18,758,716
6-30-13	School Department - Classified	537,106	76	1,696,409
6-30-14	"	564,518	73	1,848,308
6-30-15	"	564,518	76	1,984,729

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2013, was as follows:	School Department - Certified	School Department - Classified
Actuarial valuation date	7-1-13	7-1-13
Actuarial accrued liability (AAL)	$ 26,453,239	$ 5,579,395
Actuarial value of plan assets	$ 0	$ 0
Unfunded actuarial accrued liability (UAAL)	$ 26,453,239	$ 5,579,395
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	$ 103,502,196	$ 24,853,580
UAAL as a % of covered payroll	26%	22%

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, the projected unit credit actuarial cost method was used. The actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual health care cost trend rate of nine percent for 2015. The trend will decrease to 8.5 percent in fiscal year 2016 and then be reduced by decrements to an ultimate rate of five percent by fiscal year 2023. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis over a 30-year period beginning with June 30, 2010.

State Sponsored Medicare Supplement Plan

Plan Description

Sumner County and the Sumner County School Department participate in the state-administered Medicare Supplement Plan for health care benefits. For accounting purposes, the plan is agent multiple-employer defined benefit OPEB plan. Benefits are established and amended by an insurance committee created by Section 8-27-701, *Tennessee Code Annotated*. Subsequent to age 65, members who are also in the state's retirement system may participate in a state-administered Medicare Supplement Plan that does not include pharmacy. The plan is reported in the State of Tennessee Comprehensive Annual Financial Report (CAFR). The CAFR is available on the state's website at http://www.tn.gov/finance/act/cafr.shtml.

Funding Policy

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

Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in the plan develop a 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 provides a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. During the year ended June 30, 2015, Sumner County and the discretely presented School Department made contributions totaling $5,000 and $131,067, respectively, for other postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	Medicare Supplement Plan - County	Medicare Supplement Plan - Schools
ARC	$ 120,000	$ 1,045,000
Interest on the NOPEBO	48,548	492,869
Adjustment to the ARC	(47,297)	(480,173)
Annual OPEB cost	$ 121,251	$ 1,057,696
Amount of contribution	(5,000)	(131,067)
Increase/decrease in NOPEBO	$ 116,251	$ 926,629
Net OPEB obligation, 7-1-14	1,213,694	12,321,728
Net OPEB obligation, 6-30-15	$ 1,329,945	$ 13,248,357

Fiscal Year Ended	Plans	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-13	Medicare Supplement - County	$ 278,970	2 %	$ 1,100,386
6-30-14	"	117,133	3.27	1,213,694
6-30-15	"	121,251	4.12	1,329,945
6-30-13	Medicare Supplement - Schools	2,827,562	3	11,452,974
6-30-14	"	1,021,801	14.98	12,321,728
6-30-15	"	1,057,696	12.39	13,248,357

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2013, was as follows:	Medicare Supplement Plan - County	Medicare Supplement Plan - Schools
Actuarial valuation date	7-1-13	7-1-13
Actuarial accrued liability (AAL)	$ 1,553,000	$ 14,325,000
Actuarial value of plan assets	$ 0	$ 0
Unfunded actuarial accrued liability (UAAL)	$ 1,553,000	$ 14,325,000
Actuarial value of assets as a % of the AAL	0%	0%
Covered payroll (active plan members)	N/A	N/A
UAAL as a % of covered payroll	N/A	N/A

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

Actuarial Methods and Assumptions

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

In the July 1, 2013, actuarial valuation for the Medicare Supplement Plan, the projected unit credit actuarial cost method was used and the actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual health care cost trend rate was two percent for fiscal year 2014. The trend will increase to six percent in fiscal year 2015 and then will be reduced by decrements to an ultimate rate of 4.2 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

In 2011-12, the discretely presented Sumner County School Department offered a voluntary retirement incentive for employees who will have 30 years of verified Tennessee Consolidated Retirement Service (TCRS), or have reached 60 years of age with a minimum of 20 years of verified teaching credit in TCRS and worked in the Sumner County school system for ten years. This incentive consists of a cash payment of $15 per day for each sick day held by the employee at their retirement date. There is no limit to the number of accumulated days that employees can be paid under the program. During the year, 30 employees accepted the voluntary retirement incentive. Two employees retired during 2014-15 and received sick leave payments totaling $3,307. Subsequent to June 30, 2015, 28 employees retired. Therefore, the School Department had a liability for unpaid termination benefits totaling $66,705 at June 30, 2015.

K. Office of Central Accounting and Budgeting

Sumner County operates under Chapter 113, Private Acts of 2002, as amended, which provides for a central system of accounting, budgeting, and purchasing covering all funds of the county. However, this private act also allows the Highway and School departments to perform any of the functions provided by the act. Effective June 17, 2002, the County Commission authorized the Highway Department to perform purchasing functions as provided by Section 54-7-113, *Tennessee Code Annotated*, and authorized the School Department to perform payroll, accounts payable, purchases, budgets, and ledgers for the School Department.

On June 18, 2012, Sumner County adopted Chapter 70, Private Acts of 2012, which provides for a central system of accounting, budgeting, and purchasing covering all funds of the county. However, as noted in the Best Practice section of this report, the act states in part "…this 2012 Finance Act shall not serve as authorization to remove any purchasing activities or authority from the School System." Sumner County plans to fully implement the private act by June 18, 2016.

L. Purchasing Laws

Office of Finance Director

Chapter 113, Private Acts of 2002, as amended, governs purchasing procedures for the general county government. This act does not provide for a dollar amount requiring advertisement and competitive bidding, and the financial management committee has not formally adopted a dollar amount. Therefore, public advertising provisions for the general government fall under the provisions of the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated* (*TCA*), which provide that general government purchases in excess of $10,000 are to be made after public advertisement and competitive bidding.

Office of Superintendent of Roads

Section 54-7-113, *TCA*, (Uniform Road Law), governs purchasing procedures for the Highway Department. This statute requires all purchases exceeding $10,000 to be made on the basis of publicly advertised competitive bids.

Office of Director of Schools

Purchasing procedures for the discretely presented Sumner 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.

On June 18, 2012, Sumner County adopted Chapter 70, Private Acts of 2012, which provides for a central system of purchasing covering all funds of the county. However, as noted in the Best Practice section of this report, the act states in part "…this 2012 Finance Act shall not serve as authorization to remove any purchasing activities or authority from the School System." Sumner County plans to fully implement the private act by June 18, 2016.

VI. OTHER NOTES – DISCRETELY PRESENTED THE RESOURCE AUTHORITY IN SUMNER COUNTY, TENNESSEE

A. Summary of Significant Accounting Policies

The Resource Authority in Sumner County, Tennessee, is a public and governmental body acting as an instrumentality and an agency of Sumner County and the cities of Gallatin and Hendersonville, organized in 1979 under Chapter No. 157 of the Tennessee Private Acts of 1979, as amended.

Up until May 2005, the authority operated a solid waste disposal and resource recovery facility, which incinerated and disposed of solid waste primarily from the county and the cities, produced steam for distribution to industrial customers, and generated electricity for internal plant consumption. The authority also operated a construction/demolition debris landfill and an ash monofill, both of which ceased operations in fiscal 2011. The authority began operations of a recycling facility during fiscal year 1992. In May 2005, the authority began operating primarily as a transfer station for the solid waste within the county.

The accounting policies of the authority conform to generally accepted accounting principles applicable to governmental units. The authority complies with generally accepted accounting principles and applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Financial Reporting Entity – The authority complies with GASB Statement No. 14. *The Financial Reporting Entity*. This statement establishes standards for defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The authority considered all potential component units in determining what organizations should be included in the financial statements. Based on these criteria, there are no component units to include in the authority's financial statements.

Basis of Presentation – The authority is accounted for as an enterprise fund. Enterprise funds are proprietary funds used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector.

Measurement Focus and Basis of Accounting – Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

The proprietary funds utilize an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the authority's enterprise funds are charged to customers for sales and service. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Cash Equivalents – For purposes of the Statement of Cash Flows, the authority considers all highly liquid investments, including restricted assets, with a maturity of three months or less when purchased to be cash equivalents. At June 30, 2015, all the authority's cash was deposited

in an institution, which is a member of the Local Government Collateral Pool. The Tennessee Bank Collateral Pool is a multiple financial institution collateral pool where member financial institutions holding public funds pledge collateral to a common pool. If any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. The pool also has the ability to make additional assessments on a pro rata basis to members of the pool if the value of the pool's collateral is inadequate to cover a loss. As a result, the pool is similar to depository insurance.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the authority's deposits may not be returned or the authority will not be able to recover collateral securities in the possession of an outside party. The authority's policy requires deposits to be 105 percent secured by collateral, less the amount of Federal Deposit Insurance Corporation insurance or deposited in an institution that participates in the state collateral pool. Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health and service. Collateral agreements must be approved prior to deposit of funds as provided by law. The authority approves and designates a list of authorized depository institutions based on evaluation of solicited responses and certifications provided by financial institutions and recommendations of authority staff.

At June 30, 2015, there were no amounts of deposits exposed to custodial risks.

Property, Plant, and Equipment – Property, plant, and equipment are recorded at cost. The capitalization threshold for equipment is $500. Depreciation is computed by the straight-line method based on the estimated useful lives of related asset classifications. Buildings, structures, and improvements are depreciated over 20 to 30 years, and equipment is depreciated over three to ten years.

Compensated Absences – The authority provides paid vacations and sick leave for its employees. Accrued vacation costs are included in accrued expenses. However, accrued sick leave has not been recognized since the authority does not compensate employees for unused benefits at termination or retirement.

Equity Classification – Equity is classified as net position and displayed, if applicable, in three components:

1. Net investment in capital assets – Consists of capital assets net of accumulated depreciation and related debt.

2. Restricted net position – Consists of net assets with constraints. The authority currently has no restricted net position.

3. Unrestricted net position – All other net assets that do not meet the definition of restricted or net investment in capital assets.

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

B. Capital Assets

The following is a summary of capital assets:

Business-type Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	$ 307,491	$ 0	$ 0	$ 307,491
Total Capital Assets Not Depreciated	$ 307,491	$ 0	$ 0	$ 307,491
Capital Assets Depreciated:				
Buildings and Improvements	$ 5,190,301	$ 6,443	$ 0	$ 5,196,744
Other Capital Assets	929,577	1,512	6,998	924,091
Total Capital Assets Depreciated	$ 6,119,878	$ 7,955	$ 6,998	$ 6,120,835
Less Accumulated Depreciation For:				
Buildings and Improvements	$ 3,649,672	$ 184,525	$ 0	$ 3,834,197
Other Capital Assets	780,370	44,202	6,998	817,574
Total Accumulated Depreciation	$ 4,430,042	$ 228,727	$ 6,998	$ 4,651,771
Total Capital Assets Depreciated, Net	$ 1,689,836	$ (220,772)	$ 0	$ 1,469,064
Business-type Activities Capital Assets, Net	$ 1,997,327	$ (220,772)	$ 0	$ 1,776,555

Depreciation expense for 2015 was $228,727.

C. Capital Lease Obligation

During fiscal year 2014, the authority entered into a lease for the purchase of $185,914 in equipment. The transactions have been accounted for as financing transactions. The authority will have title to the assets by satisfying the minimum lease payments. The assets acquired by the lease

have a net depreciated value of $100,496. Changes in capital lease obligations were as follows:

	Balance 6-30-14	Payments	Balance 6-30-15
Capital lease obligation	$ 19,262	$ (19,262)	$ 0
Total	$ 19,262	$ (19,262)	$ 0

D. Landfill Closure and Postclosure Costs

The authority operates three landfills. Operation, closure, and postclosure care of these landfills are highly regulated (federal regulations 42 USC 6907(a)(3), 6949(c), 1345(d) and (e); and Tennessee Rule 1200-1-76.03(2)).

The authority accounts for the landfills under the provisions of GASB Statement No. 18. This statement requires the current recognition of future closure and postclosure costs based on landfill capacity used to date. These cost estimates require revision for future changes in the closure and postclosure plan or operating conditions (including inflation, changes in technology or applicable laws or regulations); these revisions are recognized currently as such conditions occur. The following estimates were made based on information from the Tennessee Department of Environment and Conservation and the authority's independent professional engineer.

Accrued future closure and postclosure care costs are summarized as follows:

Landfill Closure/Postclosure Care Costs	Balance 6-30-15
Closure	$ 0
Postclosure	4,576,462
Total	$ 4,576,462

The Capps Gap Landfill is not in use and is expected to officially close in fiscal year 2017. The Oak Grove Landfill and Ash Monofill Cells I, II, and III were officially closed in 2006 and are nine years into postclosure monitoring. In 2010, the waste to energy plant was dismantled and closed. Postclosure costs were more than estimates for 2015, which resulted in postclosure expenses of $1,037.

On December 4, 2014, the authority received a notice of violation from the Tennessee Department of Environment and Conservation regarding conditions at the Capp's Gap Landfill. The notice indicated the landfill closure had not been approved. Preliminary assessments indicate the corrective action could cost approximately $2,660,650 and postclosure care costs are estimated at $728,812. The anticipated schedule is for the project to begin during the 2016 fiscal year with the completion in the 2017 fiscal year. The corrective action has not been approved by the state, which could result in a change in estimated costs. Funding is expected to be provided by the participating governments. The landfill has not been in use since the early 1990s and the authority assumed the landfill was closed in 1992 and was well into postclosure. The state has not regularly inspected or required financial assurance for postclosure costs for this landfill. Due to these circumstances, no costs related to this landfill had been included in the accrued closure and postclosure costs in prior year financial statements.

The authority, along with Sumner County and the cities of Gallatin and Hendersonville, has a "Contract in-Lieu-of Performance Bond" with the state for financial assurance of the closure and postclosure costs. The authority is potentially responsible for environmental clean-up costs associated with its landfill operations. However, management anticipates any future clean-up cost would be assessed to, and paid by, the party responsible for generating the hazardous materials. The state calculations for the bond amounts were used as a basis for calculations of postclosure costs except for Capp's Gap landfill, in which the authority's professional engineer's estimates have been used.

E. Municipal and County Agreements

During fiscal year 2014, the authority entered into a Solid Waste Disposal and Recycling Agreement with Sumner County and the cities of Gallatin and Hendersonville as well as a Postclosure Monitoring and Maintenance Agreement with Sumner County and the Cities of Gallatin and Hendersonville. The agreements provide that the three entities will pay for the postclosure costs associated with the landfills incurred by the authority. This cost will be paid 3/7 by the county and 2/7 each by the cities.

The agreements also provide that Sumner County will pay an annual $100,000 fee in-lieu-of tipping fees. The cities of Gallatin and Hendersonville agree to pay tipping fees in such amounts as may be determined by the authority but cannot exceed $45 per ton for solid waste and $3.50 per cubic yard for brush. The fees for 2015 were $44 per ton for solid waste and $3.12 per cubic yard for brush.

Tipping and postclosure fees paid and related receivables paid were as follows:

	Tipping Fees			
	Solid Waste	Brush	Post Closure	Receivable
Sumner County	$ 100,000	$ 13,985	$ 31,485	$ 23,422
City of Gallatin	506,589	40,054	20,990	69,486
City of Hendersonville	0	36,674	20,990	29,954

F. Pension Plan

The authority provides pension benefits for all of its full-time employees through the resource authority in Sumner County, Tennessee, retirement plan, a defined contribution and salary deferral plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earning, and the assets are the property of the employee. Employees are eligible after 90 days. This plan is administered by VOYA Retirement Insurance and Annuity Company. The Board may make changes to the plan. A separate audited financial report is not available. The percentage of contribution is based on the following:

Percent of Salary If Employee Contributes	Percent of Salary The Authority Contributes
0	2
1	3
2	4
3	5

The authority's total payroll was $421,996 for 2015. Employees who are covered and participating under the pension plan were paid $389,596. The resource authority contributed 4.5 percent ($17,218) of covered and participating salaries. Employees contributed $15,800.

G. Tipping Fees and Major Customers

A major portion of the authority's revenue is from tipping fees. A significant portion of tipping fees is from commercial haulers who are required under waste control laws to dump waste collected within Sumner County at the authority. Court decisions have supported the enforcement of this law. One major commercial hauler is delivering most of Sumner County's commercial waste to the resource authority, and one major hauler is not. Enforcement by management has not been aggressively sought. Two major customers accounted for 41 percent of tipping fees for 2015.

H. Risk of Loss

The authority is exposed to the normal business risk and the environmental risk related to the operations of a transfer station and the postclosure costs related to closed landfills. The authority is a member of the Tennessee Municipal Risk Management Self-Insurance Program for workers' compensation and general liability coverage. The authority has obtained coverage from commercial insurance carriers for casualty and property coverage. These insurance coverages minimize the loss from risks to which the authority is exposed. There was no significant reduction in insurance coverage, and settled claims resulting from these risks have not significantly exceeded insurance coverage in any of the past three fiscal years.

I. Contingency

The authority is not involved in any lawsuits at the current time.

J. Contracts and Commitments

The authority has entered into a load, haul, and disposal contract that runs through July 2015 and provides for a rate per ton plus adjustments for CPI and diesel prices. The amount paid related to this contract for 2015 was $3,109,832. The new contract effective July 2015 provides for a continuation of the rate per ton plus adjustments for CPI and gasoline/diesel prices and runs through 2020.

The authority also has a contract with a company to grind brush for $2.97 per cubic yard, which runs through October 2015. The amount paid related to this contract for 2015 was $119,730.

K. Restatement

During the fiscal year, the authority was notified by the Tennessee Department of Environment and Conservation that the Capp's Gap landfill closure had not been approved. The landfill had not been in use since the early 1990s and the authority had assumed the landfill was officially closed in 1992. There had not been any inspections or other correspondence regarding the landfill from the state. Preliminary estimates indicate the postclosure costs to be $2,660,650 and the postclosure care costs to be $728,812. The July 1, 2014, net position has been restated to reflect these estimated liabilities.

Unrestricted net position (deficit) as originally reported 7-1-14	$ 1,598,607
Restatement	(3,389,462)
Unrestricted net position (deficit) as restated 7-1-14	$ (1,790,855)

The restatement affected periods beginning before July 1, 2014, and the postclosure costs related to Capp's Gap for 2015 were $48,728. Effect on the preceding year change in net position is not available.

L. Deficit Net Position

As a result of the restatement, the authority's net position is a deficit. The accrued closure and postclosure costs primarily contribute to the deficit and as explained in Note VII.E., agreements with the participating cities and county provide for funding for the future payment of these costs.

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

A. Summary of Accounting Policies

Nature of Activities – Sumner County Emergency Communications District is a political subdivision created in November 1986. The district was organized to provide emergency communications to all fire and law enforcement departments of the county. Although the district is considered a municipality under its enabling legislation, it cannot levy or collect taxes, and the charges for services shall not be considered or classified as taxes. The district is managed by a nine-member board of directors who are appointed by the Sumner County Board of County Commissioners. Sumner County maintains controlling interest on the district board in that six of the nine board members must consist of the county executive, the county clerk, and four Sumner County commissioners.

The district is a discretely presented component unit of Sumner County, and the financial statements are presented in both the district's financial report and within this report. The district is considered a discretely presented component unit of Sumner County as defined under the criteria set forth in Governmental Accounting Standards Board Statement No. 14, because the district would be unable to issue debt without going through Sumner County. The district is self-supported by a telephone subscriber fee charged to the citizens of Sumner County. The district's financial statements include only the assets and operations of the district, and do not include any other fund, organization, agency, or department of Sumner County.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – The district's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

Under this basis, revenues are recorded when earned, and expenses are recorded when incurred, even though actual payment or receipt may not occur until after the period ends. With this measurement focus, all assets and all liabilities associated with the operations are included in the Statement of Net Position. Net position (i.e., total assets net of total liabilities) is segregated into net investment in capital assets and unrestricted components.

The district has adopted Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements,* required for fiscal periods beginning after December 15, 2011. This statement incorporates into GASB's authoritative literature certain accounting and financial reporting guidance, included in certain FASB and AICPA pronouncements issued prior to November 30, 1989, which does not conflict with or contradict GASB pronouncements.

The district distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a district's principal ongoing operations.

The principal operating revenues of the district are emergency telephone service charges to residents for providing emergency 911 services. Operating expenses include administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Deferred Outflows/Inflows of Resources – The district has adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* The objective of this statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a Statement of Financial Position. The statement resulted in a change in the presentation of the balance sheets to what is now referred to as the Statement of Net Position and the term "net assets" is changed to "net position" throughout the financial statements.

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 and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

For the year ended June 30, 2015, the district had neither a deferred inflow nor outflow of resources.

Net Position Flow Assumption – Sometimes the district will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the district's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

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

Cash and Cash Equivalents – For purposes of the Statement of Net Position and the Statement of Cash Flows, Sumner County Emergency Communications District considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Capital Assets – Capital assets are defined by the district as assets with an initial cost of more than $1,000 and an estimated useful life in excess of one year. Additions to capital assets are recorded at acquisition cost or estimated market value at the date of donation in the case of donated property. Depreciation and amortization are provided for in amounts sufficient to relate the cost of the assets to operations over their estimated service lives using the half-year convention, straight-line method of depreciation.

Estimated useful lives, in years, for depreciable assets are as follows:

Assets	Years
Buildings and Improvements	10 - 40
Furniture and Fixtures	7
Office Equipment	5 - 10
Communications Equipment	5 - 10
Vehicles	5

Income Taxes – Sumner County Emergency Communications District is a tax-exempt organization under Section 115 of the Internal Revenue Code and, accordingly, no provision for federal income taxes has been made.

Budgetary Data – The district is required by state statute to adopt an annual budget. Prior to the beginning of the fiscal year, the board of directors prepares an operating budget and submits it to the Sumner County Commission for approval. The annual budget is prepared on the basis in which current available funds must be sufficient to meet current expenditures. Expenses must be presented at the legal level of control, which is defined to be at the line-item level. The district utilizes cash basis accounting for the budget as depreciation is not budgeted, and outlays for capital items are budgeted as expenses. Therefore, the budget is not intended to be presented in accordance with generally accepted accounting principles. The budget may be amended by the board as conditions warrant throughout the year.

Date of Management's Review – Subsequent events were evaluated through the date the financial statements were available to be issued.

B. Cash and Depository Collateral

The district's current policies limit deposit of funds to accounts with commercial banks, which are required to pledge securities as collateral for the deposits should they be in excess of Federal Deposit Insurance Corporation (FDIC) coverage of $250,000. The financial institutions used by the district have either pledged securities as collateral or the institutions are participants in the Tennessee Collateral Pool, which was established to provide security for public funds deposits in excess of FDIC coverage. At year-end, all of the district's deposits were fully insured by the FDIC and the Tennessee Collateral Pool.

The district's investment policy follows state law, which authorizes investments for emergency communications districts in *Tennessee Code Annotated,* Section 5-8-301. State statutes authorize the district to invest in obligations of the federal government, federal agencies, state government, the state investment pool, certificates of deposit, other time deposits, and repurchase agreements, which require the approval of the state Comptroller's Office.

C. Capital Assets

Capital assets activity for the year ended June 30, 2015, is presented below:

	Balance 7-1-14	Increases	Balance 6-30-15
Capital Assets not Being Depreciated:			
Construction in Progress	$ 0	$ 65,419	$ 65,419
Capital Assets Being Depreciated:			
Furniture and Fixtures	$ 49,025	$ 0	$ 49,025
Office Equipment	51,500	0	51,500
Communications Equipment	2,907,839	118,734	3,026,573
Leasehold Improvements	332097	0	332,097
Total Cost	$ 3,340,461	$ 118,734	$ 3,459,195
Less Accumulated Depreciation For:			
Furniture and Fixtures	$ 8,462	$ 4,774	$ 13,236
Office Equipment	10,681	4,783	15,464
Communications Equipment	922,049	280,050	1,202,099
Leasehold Improvements	11,808	8,302	20,110
Total Accumulated Depreciation	$ 953,000	$ 297,909	$ 1,250,909
Total Capital Assets, Being Depreciated, Net	$ 2,387,461	$ (179,175)	$ 2,208,286
Total Capital Assets, Net	$ 2,387,461	$ (113,756)	$ 2,273,705

Depreciation charged to expense for the current year totaled $297,909.

The district made $118,734 of current-year additions to capital assets. The district also incurred $65,419 in construction costs for its share of the costs associated with the new Sumner County Emergency Response Center.

D. Long-term Debt

Long-term debt consists of the Sumner County Interfund Capital Outlay Note, Series 2011, for $1,870,872, dated October 14, 2011. The interfund capital outlay note bears interest at four percent per annum and is payable by the district to the county in monthly installments of $34,455 over five years. The note is secured by the revenues and reserves of the district.

The purpose of the capital outlay note is to assist with the funding of the hardware, software, setup, and training costs associated with the district's purchase of NG-911 communication equipment and software.

A summary of long-term debt activity for the year ended June 30, 2015, is as follows:

Sumner County Interfund Capital Outlay Note

Dated	Rate	Balance June 30, 2014	Additions	Reductions	Balance June 30, 2015	Amount Due Within One Year
Series 2011	4%	$ 919,624	$ 0	$ 383,657	$ 535,967	$ 399,288
Less Current Maturities					$ (399,288)	
Total Noncurrent Portion					$ 136,679	

The annual requirements to amortize long-term debt outstanding as of June 30, 2015, are as follows:

Year Ending June 30	Principal	Interest	Total
2016	$ 399,288	$ 14,171	$ 413,459
2017	136,679	1,141	137,820
Total	$ 535,967	$ 15,312	$ 551,279

Interest charged to expense totaled $29,802 for the year ended June 30, 2015.

E. Major Revenue Source

Revenue for operation and maintenance of the Sumner County Emergency Communications District is generated by a surcharge placed on residential and business phone lines. Prior to January 1, 2015, the surcharge was collected by AT&T Telephone Company and remitted to the district monthly less a three percent administrative fee. Effective January 1, 2015, all surcharge revenues from telephone companies that have been paid to the districts in the past are now paid directly to the Tennessee Emergency Communications Board (TECB) as stipulated in the new 911 Funding Modernization Act. The TECB has calculated the base funding for each district and will use this calculation to distribute and direct deposit these revenues to the districts. In the current year, operating revenue received from TECB amounted to approximately 85 percent of total operating revenue.

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; and natural disasters. For the year ended June 30, 2015, the district was insured against potential losses associated with these risks through the purchase of commercial insurance policies written for Sumner County or the other governmental departments serviced by the district. There have been no material losses in excess of insurance coverage during the last three years.

G. Service Arrangement Contract

The district has negotiated a service application with AT&T Telecommunications for the installation and service of an Enhanced 911 Emergency Service System. AT&T furnishes equipment and service sufficient to operate the system for an initial installation fee and a monthly fee based upon the number of telephone stations and access lines served by the system. Current-year amounts charged to expense by the district for use of this equipment was $110,634.

H. Operational Contract

The district has contracted with S&S Communications, Inc., for all day-to-day supervision and clerical operations of the district. The contract is negotiated annually on July 1 and is reflected in the financial statements as a director and assistant contract of $101,748. All calls processed by the district communication system are processed by dispatchers located at various police, fire, or medical emergency stations. All dispatchers are employees of the respective emergency departments.

I. Commitment

The district has committed $755,729 to Sumner County towards the construction of a new Sumner County Emergency Response Center to house a consolidated E911 center. As of June 30, 2015, the district had incurred $65,419 in construction costs.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

Sumner 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

	2014
Total Pension Liability (Asset)	
Service Cost	$ 3,872,058
Interest	10,430,756
Changes in Benefit Terms	0
Differences Between Actual and Expected Experience	(868,375)
Changes in Assumptions	0
Benefit Payments, Including Refunds of Employee Contributions	(5,242,772)
Net Change in Total Pension Liability (Asset)	$ 8,191,667
Total Pension Liability (Asset), Beginning	137,826,082
Total Pension Liability (Asset), Ending (a)	$ 146,017,749
Plan Fiduciary Net Position	
Contributions - Employer	$ 6,814,957
Contributions - Employee	30,200
Net Investment Income	21,547,346
Benefit Payments, Including Refunds of Employee Contributions	(5,242,772)
Administrative Expense	(80,666)
Net Change in Plan Fiduciary Net Position	$ 23,069,065
Plan Fiduciary Net Position, Beginning	129,246,871
Plan Fiduciary Net Position, Ending (b)	$ 152,315,936
Net Pension Liability (Asset), Ending (a - b)	$ (6,298,187)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.31%
Covered Employee Payroll	$ 48,333
Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	13.03%

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

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

Exhibit F-2

Sumner 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

	2014	2015
Actuarially Determined Contribution	$ 6,814,957	$ 7,100,672
Less Contributions in Relation to the Actuarially Determined Contribution	(6,814,957)	(7,100,672)
Contribution Deficiency (Excess)	$ 0	$ 0
Covered Employee Payroll	$ 48,332,994	$ 51,593,487
Contributions as a Percentage of Covered Employee Payroll	14.10%	13.76%

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

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

Exhibit F-3

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

		2015
Actuarially Determined Contribution	$	145,916
Less Contributions in Relation to the Actuarially Determined Contribution		(233,466)
Contribution Deficiency (Excess)	$	(87,550)
Covered Employee Payroll	$	5,396,155
Contributions as a Percentage of Covered Employee Payroll		4.33%

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

Exhibit F-4

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

	2014	2015
Actuarially Determined Contribution	$ 9,318,045	$ 9,345,477
Less Contributions in Relation to the Actuarially Determined Contribution	(9,318,045)	(9,345,477)
Contribution Deficiency (Excess)	$ 0	$ 0
Covered Employee Payroll	$ 104,932,950	$ 100,635,534
Contributions as a Percentage of Covered Employee Payroll	8.88%	9.29%

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

Exhibit F-5

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

		2014
School Department's Proportion of the Net Pension Asset		2.673456%
School Department's Proportionate Share of the Net Pension Asset	$	434,424
Covered Employee Payroll	$	104,932,950
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

Sumner County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefits Plans
Primary Government and Discretely Presented Sumner 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)
PRIMARY GOVERNMENT							
Self-Insurance	7-1-10	$ 0	$ 2,178	$ 2,178	0	$ 21,537	10 %
"	7-1-11	0	1,778	1,778	0	21,738	8
"	7-1-13	0	2,353	2,353	0	23,813	10
State Sponsored Medicare Supplement	7-1-10	0	2,346	2,346	0	N/A	N/A
"	7-1-11	0	2,278	2,278	0	N/A	N/A
"	7-1-13	0	1,553	1,553	0	N/A	N/A
DISCRETELY PRESENTED SUMNER COUNTY SCHOOL DEPARTMENT							
Self-Insurance - Classified	7-1-10	0	7,522	7,522	0	25,771	29
"	7-1-11	0	5,283	5,283	0	26,194	20
"	7-1-13	0	5,579	5,579	0	24,854	22
Self-Insurance - Certified	7-1-13	0	26,453	26,453	0	103,502	26
State Sponsored Medicare Supplement	7-1-10	0	26,777	26,777	0	N/A	N/A
"	7-1-11	0	26,777	26,777	0	N/A	N/A
"	7-1-13	0	14,325	14,325	0	N/A	N/A

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	Two Years
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%

OTHER POSTEMPLOYMENT BENEFITS

Effective January 1, 2015, the discretely presented School Department classified employees are part of the self-insurance plan administered through the School Department's Employee Insurance Fund and are no longer a part of the primary government's self-insurance plan administered through the Self-Insurance Fund. Details of the plan are discussed in Note V.I., Other Postemployment Benefits (OPEB).

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

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

Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation and the recording of certain instruments. The proceeds of the tax must be used to pay for improvements or maintenance on the courthouse and jail.

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.

Exhibit G-1

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

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Courthouse and Jail Maintenance	Drug Control	
ASSETS			
Equity in Pooled Cash and Investments	$ 93,467	$ 155,695	$ 249,162
Accounts Receivable	12,299	640	12,939
Due from Other Governments	0	14,000	14,000
Prepaid Items	4,984	0	4,984
Accrued Interest Receivable	0	7	7
Total Assets	$ 110,750	$ 170,342	$ 281,092
LIABILITIES			
Accounts Payable	$ 21,999	$ 30	$ 22,029
Total Liabilities	$ 21,999	$ 30	$ 22,029
DEFERRED INFLOWS OF RESOURCES			
Other Deferred/Unavailable Revenue	$ 0	$ 26,676	$ 26,676
Total Deferred Inflows of Resources	$ 0	$ 26,676	$ 26,676
FUND BALANCES			
Nonspendable:			
Prepaid Items	$ 4,984	$ 0	$ 4,984
Restricted:			
Restricted for General Government	83,767	0	83,767
Restricted for Public Safety	0	143,636	143,636
Total Fund Balances	$ 88,751	$ 143,636	$ 232,387
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 110,750	$ 170,342	$ 281,092

Exhibit G-2

Sumner 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			
	Courthouse and Jail Maintenance	Drug Control	Constitutional Officers - Fees	Total Nonmajor Governmental Funds
Revenues				
Local Taxes	$ 346,425	$ 0	$ 0	$ 346,425
Fines, Forfeitures, and Penalties	0	16,632	0	16,632
Charges for Current Services	210,634	12,000	3,404	226,038
Other Local Revenues	0	2,446	0	2,446
Total Revenues	$ 557,059	$ 31,078	$ 3,404	$ 591,541
Expenditures				
Current:				
General Government	$ 539,408	$ 0	$ 0	$ 539,408
Administration of Justice	0	0	3,404	3,404
Public Safety	0	48,967	0	48,967
Debt Service:				
Interest on Debt	1,220	0	0	1,220
Total Expenditures	$ 540,628	$ 48,967	$ 3,404	$ 592,999
Excess (Deficiency) of Revenues Over Expenditures	$ 16,431	$ (17,889)	$ 0	$ (1,458)
Net Change in Fund Balances	$ 16,431	$ (17,889)	$ 0	$ (1,458)
Fund Balance, July 1, 2014	72,320	161,525	0	233,845
Fund Balance, June 30, 2015	$ 88,751	$ 143,636	$ 0	$ 232,387

Exhibit G-3

Sumner County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Courthouse and Jail Maintenance 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 346,425	$ 0	$ 0	$ 346,425	$ 371,318	$ 371,318	$ (24,893)
Charges for Current Services	210,634	0	0	210,634	250,000	250,000	(39,366)
Total Revenues	$ 557,059	$ 0	$ 0	$ 557,059	$ 621,318	$ 621,318	$ (64,259)
Expenditures							
General Government							
County Buildings	$ 539,408	$ (2,866)	$ 19,253	$ 555,795	$ 639,897	$ 643,157	$ 87,362
Interest on Debt							
General Government	1,220	0	0	1,220	4,481	1,221	1
Total Expenditures	$ 540,628	$ (2,866)	$ 19,253	$ 557,015	$ 644,378	$ 644,378	$ 87,363
Excess (Deficiency) of Revenues Over Expenditures	$ 16,431	$ 2,866	$ (19,253)	$ 44	$ (23,060)	$ (23,060)	$ 23,104
Net Change in Fund Balance	$ 16,431	$ 2,866	$ (19,253)	$ 44	$ (23,060)	$ (23,060)	$ 23,104
Fund Balance, July 1, 2014	72,320	(2,866)	0	69,454	26,798	26,798	42,656
Fund Balance, June 30, 2015	$ 88,751	$ 0	$ (19,253)	$ 69,498	$ 3,738	$ 3,738	$ 65,760

Exhibit G-4

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

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Fines, Forfeitures, and Penalties	$ 16,632	$ 12,800	$ 12,800	$ 3,832
Charges for Current Services	12,000	14,000	26,000	(14,000)
Other Local Revenues	2,446	1,831	1,831	615
Total Revenues	$ 31,078	$ 28,631	$ 40,631	$ (9,553)
Expenditures				
Public Safety				
Drug Enforcement	$ 48,967	$ 100,000	$ 140,635	$ 91,668
Total Expenditures	$ 48,967	$ 100,000	$ 140,635	$ 91,668
Excess (Deficiency) of Revenues Over Expenditures	$ (17,889)	$ (71,369)	$ (100,004)	$ 82,115
Net Change in Fund Balance	$ (17,889)	$ (71,369)	$ (100,004)	$ 82,115
Fund Balance, July 1, 2014	161,525	168,984	168,984	(7,459)
Fund Balance, June 30, 2015	$ 143,636	$ 97,615	$ 68,980	$ 74,656

Major Governmental Funds

General Debt Service Fund

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

General Capital Projects Fund

The General Capital Projects Fund is used to account for general capital expenditures of the county.

Exhibit H-1

Sumner 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues				
Local Taxes	$ 24,264,933	$ 17,482,701	$ 23,574,211	$ 690,722
Other Local Revenues	285,779	150,000	150,000	135,779
State of Tennessee	8,437	0	0	8,437
Other Governments and Citizens Groups	45,625	0	45,625	0
Total Revenues	$ 24,604,774	$ 17,632,701	$ 23,769,836	$ 834,938
Expenditures				
Principal on Debt				
General Government	$ 547,395	$ 547,395	$ 547,395	$ 0
Education	10,390,816	10,347,605	10,390,816	0
Interest on Debt				
General Government	266,517	266,517	266,517	0
Education	5,089,560	5,087,146	5,089,560	0
Other Debt Service				
General Government	387,210	336,500	417,003	29,793
Education	2,405	2,500	2,500	95
Total Expenditures	$ 16,683,903	$ 16,587,663	$ 16,713,791	$ 29,888
Excess (Deficiency) of Revenues Over Expenditures	$ 7,920,871	$ 1,045,038	$ 7,056,045	$ 864,826
Other Financing Sources (Uses)				
Transfers Out	$ (4,937,826)	$ (4,937,826)	$ (4,937,826)	$ 0
Total Other Financing Sources	$ (4,937,826)	$ (4,937,826)	$ (4,937,826)	$ 0
Net Change in Fund Balance	$ 2,983,045	$ (3,892,788)	$ 2,118,219	$ 864,826
Fund Balance, July 1, 2014	13,816,758	13,571,169	13,571,169	245,589
Fund Balance, June 30, 2015	$ 16,799,803	$ 9,678,381	$ 15,689,388	$ 1,110,415

Exhibit H-2

Sumner County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Capital Projects 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 5,116,293	$ 0	$ 0	$ 5,116,293	$ 4,994,753	$ 5,038,710	$ 77,583
Other Local Revenues	100,000	0	0	100,000	0	100,000	0
State of Tennessee	5,506	0	0	5,506	0	79,994	(74,488)
Federal Government	731,841	0	0	731,841	0	3,702,857	(2,971,016)
Other Governments and Citizens Groups	65,419	0	0	65,419	0	900,000	(834,581)
Total Revenues	$ 6,019,059	$ 0	$ 0	$ 6,019,059	$ 4,994,753	$ 9,821,561	$ (3,802,502)
Expenditures							
Capital Projects							
General Administration Projects	$ 247,443	$ 0	$ 0	$ 247,443	$ 127,500	$ 274,185	$ 26,742
Administration of Justice Projects	48,831	0	60,669	109,500	0	136,000	26,500
Public Safety Projects	5,748,851	(5,075,353)	96,625	770,123	497,625	2,960,994	2,190,871
Public Health and Welfare Projects	358,758	0	50,000	408,758	360,000	1,510,000	1,101,242
Social, Cultural, and Recreation Projects	156,291	(72,982)	237,057	320,366	280,000	1,374,054	1,053,688
Other General Government Projects	1,842,166	(1,301,592)	72,357	612,931	1,228,000	2,204,738	1,591,807
Education Capital Projects	28,383,601	(11,879,096)	4,547,427	21,051,932	18,061,172	25,105,835	4,053,903
Total Expenditures	$ 36,785,941	$ (18,329,023)	$ 5,064,135	$ 23,521,053	$ 20,554,297	$ 33,565,806	$ 10,044,753
Excess (Deficiency) of Revenues Over Expenditures	$ (30,766,882)	$ 18,329,023	$ (5,064,135)	$ (17,501,994)	$ (15,559,544)	$ (23,744,245)	$ 6,242,251
Other Financing Sources (Uses)							
Bonds Issued	$ 69,400,000	$ 0	$ 0	$ 69,400,000	$ 0	$ 69,400,000	$ 0
Premiums on Debt Sold	5,560,030	0	0	5,560,030	0	5,560,030	0
Transfers In	4,937,826	0	0	4,937,826	4,937,826	4,937,826	0
Total Other Financing Sources	$ 79,897,856	$ 0	$ 0	$ 79,897,856	$ 4,937,826	$ 79,897,856	$ 0
Net Change in Fund Balance	$ 49,130,974	$ 18,329,023	$ (5,064,135)	$ 62,395,862	$ (10,621,718)	$ 56,153,611	$ 6,242,251
Fund Balance, July 1, 2014	27,584,261	(18,329,023)	0	9,255,238	10,996,719	10,996,719	(1,741,481)
Fund Balance, June 30, 2015	$ 76,715,235	$ 0	$ (5,064,135)	$ 71,651,100	$ 375,001	$ 67,150,330	$ 4,500,770

Fiduciary Funds

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

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

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, general sessions, and juvenile 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 state grants and other restricted revenues held 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.

Exhibit I-1

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

	Agency Funds				
	Cities - Sales Tax	Constitu-tional Officers - Agency	Judicial District Drug	District Attorney General	Total
ASSETS					
Cash	$ 0	$ 6,782,343	$ 407,152	$ 0	$ 7,189,495
Equity in Pooled Cash and Investments	0	0	652,717	72,826	725,543
Accounts Receivable	0	31,935	0	0	31,935
Due from Other Governments	3,662,376	0	0	0	3,662,376
Total Assets	$ 3,662,376	$ 6,814,278	$ 1,059,869	$ 72,826	$ 11,609,349
LIABILITIES					
Due to Other Funds	$ 0	$ 0	$ 115,379	$ 4,740	$ 120,119
Due to Other Taxing Units	3,662,376	0	0	0	3,662,376
Due to Joint Ventures	0	0	524,846	0	524,846
Due to Litigants, Heirs, and Others	0	6,814,278	419,644	68,086	7,302,008
Total Liabilities	$ 3,662,376	$ 6,814,278	$ 1,059,869	$ 72,826	$ 11,609,349

Exhibit I-2

Sumner 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
Cities - Sales Tax Fund				
Assets				
Equity in Pooled Cash and Investments	$ 0	$ 20,342,932	$ 20,342,932	$ 0
Due from Other Governments	3,399,638	3,662,376	3,399,638	3,662,376
Total Assets	$ 3,399,638	$ 24,005,308	$ 23,742,570	$ 3,662,376
Liabilities				
Due to Other Taxing Units	$ 3,399,638	$ 24,005,308	$ 23,742,570	$ 3,662,376
Total Liabilities	$ 3,399,638	$ 24,005,308	$ 23,742,570	$ 3,662,376
Constitutional Officers - Agency Fund				
Assets				
Cash	$ 5,163,646	$ 40,339,876	$ 38,721,179	$ 6,782,343
Accounts Receivable	33,899	31,935	33,899	31,935
Total Assets	$ 5,197,545	$ 40,371,811	$ 38,755,078	$ 6,814,278
Liabilities				
Due to Litigants, Heirs, and Others	$ 5,197,545	$ 40,371,811	$ 38,755,078	$ 6,814,278
Total Liabilities	$ 5,197,545	$ 40,371,811	$ 38,755,078	$ 6,814,278
Judicial District Drug Fund				
Assets				
Cash	$ 364,207	$ 407,152	$ 364,207	$ 407,152
Equity in Pooled Cash and Investments	708,501	137,801	193,585	652,717
Total Assets	$ 1,072,708	$ 544,953	$ 557,792	$ 1,059,869
Liabilities				
Due to Other Funds	$ 111,571	$ 115,379	$ 111,571	$ 115,379
Due to Joint Ventures	586,576	374,491	436,221	524,846
Due to Litigants, Heirs, and Others	374,561	55,083	10,000	419,644
Total Liabilities	$ 1,072,708	$ 544,953	$ 557,792	$ 1,059,869
District Attorney General				
Assets				
Equity in Pooled Cash and Investments	$ 64,197	$ 31,890	$ 23,261	$ 72,826
Total Assets	$ 64,197	$ 31,890	$ 23,261	$ 72,826
Liabilities				
Due to Other Funds	$ 4,682	$ 4,740	$ 4,682	$ 4,740
Due to Litigants, Heirs, and Others	59,515	27,150	18,579	68,086
Total Liabilities	$ 64,197	$ 31,890	$ 23,261	$ 72,826

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
Totals - All Agency Funds				
Assets				
Cash	$ 5,527,853	$ 40,747,028	$ 39,085,386	$ 7,189,495
Equity in Pooled Cash and Investments	772,698	20,512,623	20,559,778	725,543
Accounts Receivable	33,899	31,935	33,899	31,935
Due from Other Governments	3,399,638	3,662,376	3,399,638	3,662,376
Total Assets	$ 9,734,088	$ 64,953,962	$ 63,078,701	$ 11,609,349
Liabilities				
Due to Other Funds	$ 116,253	$ 120,119	$ 116,253	$ 120,119
Due to Other Taxing Units	3,399,638	24,005,308	23,742,570	3,662,376
Due to Joint Ventures	586,576	374,491	436,221	524,846
Due to Litigants, Heirs, and Others	5,631,621	40,454,044	38,783,657	7,302,008
Total Liabilities	$ 9,734,088	$ 64,953,962	$ 63,078,701	$ 11,609,349

Sumner County School Department

This section presents fund financial statements for the Sumner County School Department, a discretely presented component unit. The School Department uses a General Fund, one Special Revenue Fund, and one Internal Service 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.

Employee Insurance Fund – The Employee Insurance Fund is used to account for transactions pertaining to the School Department's self-insurance group medical and prescription drug plans.

Exhibit J-1

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

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental Activities:					
Instruction	$ 135,857,698	$ 749,123	$ 8,808,291	$ 0	$ (126,300,284)
Support Services	81,814,025	242,771	2,211,434	16,905,500	(62,454,320)
Operation of Non-instructional Services	14,102,884	6,311,596	7,332,875	0	(458,413)
Total Governmental Activities	$ 231,774,607	$ 7,303,490	$ 18,352,600	$ 16,905,500	$ (189,213,017)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					$ 59,690,361
Local Option Sales Taxes					15,154,909
Wheel Tax					4,571,828
Mixed Drink Tax					223,627
Interstate Telecommunications Tax					14,346
Grants and Contributions Not Restricted to Specific Programs					128,165,373
Pension Income					327,957
Miscellaneous					120,773
Total General Revenues					$ 208,269,174
Change in Net Position					$ 19,056,157
Net Position, July 1, 2014					211,345,856
Restatement (See Note I.D.9.)					(35,594,462)
Net Position, June 30, 2015					$ 194,807,551

Exhibit J-2

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

	Major Fund	Nonmajor Fund	
	General Purpose School	School Federal Projects	Total Governmental Funds
ASSETS			
Cash	$ 7,660	$ 0	$ 7,660
Equity in Pooled Cash and Investments	25,377,106	17,072	25,394,178
Accounts Receivable	132,182	0	132,182
Due from Other Governments	7,876,345	296,860	8,173,205
Due from Other Funds	90,048	0	90,048
Property Taxes Receivable	63,599,106	0	63,599,106
Allowance for Uncollectible Property Taxes	(1,347,211)	0	(1,347,211)
Cash Shortage	10,000	0	10,000
Total Assets	$ 95,745,236	$ 313,932	$ 96,059,168
LIABILITIES			
Accounts Payable	$ 804,983	$ 18,460	$ 823,443
Payroll Deductions Payable	172,532	0	172,532
Due to Other Funds	0	90,048	90,048
Due to Primary Government	52,100	0	52,100
Current Liabilities Payable From Restricted Assets	148,558	0	148,558
Total Liabilities	$ 1,178,173	$ 108,508	$ 1,286,681
DEFERRED INFLOWS OF RESOURCES			
Deferred Current Property Taxes	$ 61,357,675	$ 0	$ 61,357,675
Deferred Delinquent Property Taxes	806,138	0	806,138
Other Deferred/Unavailable Revenue	2,219,111	0	2,219,111
Total Deferred Inflows of Resources	$ 64,382,924	$ 0	$ 64,382,924
FUND BALANCES			
Restricted:			
Restricted for Education	$ 1,448,225	$ 5,424	$ 1,453,649
Restricted for Instruction	8,631	0	8,631
Restricted for Operation of Non-instructional Services	3,258,391	0	3,258,391
Committed:			
Committed for Education	0	200,000	200,000
Assigned:			
Assigned for Education	118,607	0	118,607
Unassigned	25,350,285	0	25,350,285
Total Fund Balances	$ 30,184,139	$ 205,424	$ 30,389,563
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 95,745,236	$ 313,932	$ 96,059,168

Exhibit J-3

Sumner County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
Discretely Presented Sumner 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)			$ 30,389,563
(1)	Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
	Add: land	$ 11,726,831	
	Add: construction in progress	17,250,925	
	Add: buildings and improvements net of accumulated depreciation	177,740,627	
	Add: other capital assets net of accumulated depreciation	11,479,350	218,197,733
(2)	Internal service funds are used by management to charge the cost of liability, workers' compensation, and employee dental benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net position.		3,081,285
(3)	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	$ (2,136,887)	
	Less: other postemployment benefits liability	(33,991,802)	
	Less: contributions due on capital leases payable on primary government debt	(27,093)	
	Less: termination benefits liability	(66,705)	(36,222,487)
(4)	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		3,025,249
(5)	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	14,387,614	
	Less: deferred inflows of resources related to pensions	(42,875,037)	(28,487,423)
(6)	Net pension assets of the agent and cost-sharing plans are not current financial resources and therefore are not reported in the governmental funds.		4,823,631
Net position of governmental activities (Exhibit A)			$ 194,807,551

Exhibit J-4

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

	Major Fund	Nonmajor Fund	
	General Purpose School	School Federal Projects	Total Governmental Funds
Revenues			
Local Taxes	$ 80,118,039	$ 0	$ 80,118,039
Licenses and Permits	7,652	0	7,652
Charges for Current Services	7,101,758	0	7,101,758
Other Local Revenues	779,565	0	779,565
State of Tennessee	124,533,779	0	124,533,779
Federal Government	7,682,142	13,447,782	21,129,924
Total Revenues	$ 220,222,935	$ 13,447,782	$ 233,670,717
Expenditures			
Current:			
Instruction	$ 134,940,770	$ 8,871,795	$ 143,812,565
Support Services	67,454,937	4,517,995	71,972,932
Operation of Non-instructional Services	14,675,591	0	14,675,591
Capital Outlay	262,564	0	262,564
Debt Service:			
Other Debt Service	45,625	0	45,625
Total Expenditures	$ 217,379,487	$ 13,389,790	$ 230,769,277
Excess (Deficiency) of Revenues Over Expenditures	$ 2,843,448	$ 57,992	$ 2,901,440
Other Financing Sources (Uses)			
Insurance Recovery	$ 113,478	$ 0	$ 113,478
Transfers In	91,071	0	91,071
Transfers Out	(287,171)	(91,071)	(378,242)
Total Other Financing Sources (Uses)	$ (82,622)	$ (91,071)	$ (173,693)
Net Change in Fund Balances	$ 2,760,826	$ (33,079)	$ 2,727,747
Fund Balance, July 1, 2014	27,423,313	238,503	27,661,816
Fund Balance, June 30, 2015	$ 30,184,139	$ 205,424	$ 30,389,563

Exhibit J-5

Sumner County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Discretely Presented Sumner 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)		$ 2,727,747
(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	$ 1,150,817	
Less: current-year depreciation expense	(14,448,171)	(13,297,354)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized		16,905,500
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2014	$ (3,057,292)	
Add: deferred delinquent property taxes and other deferred June 30, 2015	3,025,249	(32,043)
(4) The contributions of long-term debt (e.g., notes, bonds, leases) by the primary government provides current financial resources to governmental funds, while the contributions by the School Department of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: contribution payments on debt for primary government		43,211
(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 compensated absences payable	$ (74,175)	
Change in other postemployment benefits liability	(1,180,318)	
Change in termination benefits liability	7,301	
Change in deferred outflows of resources related to pensions	14,387,614	
Change in deferred inflows of resources related to pensions	(42,875,037)	
Change in pension liability/asset	40,418,093	10,683,478
(6) Internal service funds are used by management to charge the cost of liability, workers' compensation, and employee dental benefits to individual funds. The net revenue (expense) of certain activities of the internal service funds is reported with governmental activities in the statement of activities.		2,025,618
Change in net position of governmental activities (Exhibit B)		$ 19,056,157

Exhibit J-6

Sumner County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Sumner 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues							
Local Taxes	$ 80,118,039	$ 0	$ 0	$ 80,118,039	$ 71,913,775	$ 71,921,775	$ 8,196,264
Licenses and Permits	7,652	0	0	7,652	8,331	8,331	(679)
Charges for Current Services	7,101,758	0	0	7,101,758	8,745,144	8,786,460	(1,684,702)
Other Local Revenues	779,565	0	0	779,565	881,250	971,666	(192,101)
State of Tennessee	124,533,779	0	0	124,533,779	123,839,365	124,704,773	(170,994)
Federal Government	7,682,142	0	0	7,682,142	6,968,202	7,717,053	(34,911)
Total Revenues	$ 220,222,935	$ 0	$ 0	$ 220,222,935	$ 212,356,067	$ 214,110,058	$ 6,112,877
Expenditures							
Instruction							
Regular Instruction Program	$ 102,386,684	$ (2,840)	$ 2,874	$ 102,386,718	$ 104,263,283	$ 104,603,844	$ 2,217,126
Alternative Instruction Program	2,185,638	0	0	2,185,638	2,339,922	2,339,922	154,284
Special Education Program	20,948,267	0	0	20,948,267	21,017,435	21,312,281	364,014
Vocational Education Program	9,420,181	(54,625)	0	9,365,556	9,909,809	9,949,809	584,253
Support Services							
Attendance	394,257	0	0	394,257	416,045	416,045	21,788
Health Services	1,330,034	(5,974)	0	1,324,060	1,460,473	1,458,661	134,601
Other Student Support	4,987,877	0	0	4,987,877	5,664,358	5,650,622	662,745
Regular Instruction Program	6,515,903	(14,231)	0	6,501,672	7,060,264	7,433,155	931,483
Alternative Instruction Program	380,757	0	0	380,757	653,586	638,586	257,829
Special Education Program	2,303,886	0	0	2,303,886	2,219,600	2,381,630	77,744
Vocational Education Program	136,278	0	0	136,278	188,518	188,518	52,240
Board of Education	5,474,104	0	0	5,474,104	6,140,392	6,142,892	668,788
Director of Schools	573,124	0	0	573,124	746,855	746,855	173,731
Office of the Principal	13,878,176	0	0	13,878,176	14,481,656	14,495,156	616,980
Fiscal Services	1,198,951	0	0	1,198,951	1,425,399	1,403,399	204,448
Human Services/Personnel	740,797	0	0	740,797	791,667	779,667	38,870
Operation of Plant	12,929,735	(3,260)	31,400	12,957,875	13,912,985	13,827,985	870,110
Maintenance of Plant	5,869,956	(133,449)	59,864	5,796,371	6,126,148	6,182,698	386,327

(Continued)

Exhibit J-6

Sumner County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Sumner 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Expenditures (Cont.)							
Support Services (Cont.)							
Transportation	$ 7,712,226	$ 0	$ 6,217	$ 7,718,443	$ 9,277,647	$ 9,167,647	$ 1,449,204
Central and Other	3,028,876	(112,869)	0	2,916,007	3,081,428	3,101,428	185,421
Operation of Non-instructional Services							
Food Service	11,646,181	(18,770)	0	11,627,411	14,664,126	14,668,297	3,040,886
Community Services	2,940,340	(39,680)	5,952	2,906,612	2,109,018	3,289,082	382,470
Early Childhood Education	89,070	0	300	89,370	89,479	89,532	162
Capital Outlay							
Regular Capital Outlay	262,564	(53,145)	12,000	221,419	200,000	235,382	13,963
Principal on Debt							
Education	0	0	0	0	43,021	0	0
Interest on Debt							
Education	0	0	0	0	2,607	0	0
Other Debt Service							
Education	45,625	0	0	45,625	0	45,625	0
Total Expenditures	$ 217,379,487	$ (438,843)	$ 118,607	$ 217,059,251	$ 228,285,721	$ 230,548,718	$ 13,489,467
Excess (Deficiency) of Revenues Over Expenditures	$ 2,843,448	$ 438,843	$ (118,607)	$ 3,163,684	$ (15,929,654)	$ (16,438,660)	$ 19,602,344
Other Financing Sources (Uses)							
Insurance Recovery	$ 113,478	$ 0	$ 0	$ 113,478	$ 25,000	$ 104,932	$ 8,546
Transfers In	91,071	0	0	91,071	160,000	160,000	(68,929)
Transfers Out	(287,171)	0	0	(287,171)	(287,175)	(303,837)	16,666
Total Other Financing Sources	$ (82,622)	$ 0	$ 0	$ (82,622)	$ (102,175)	$ (38,905)	$ (43,717)
Net Change in Fund Balance	$ 2,760,826	$ 438,843	$ (118,607)	$ 3,081,062	$ (16,031,829)	$ (16,477,565)	$ 19,558,627
Fund Balance, July 1, 2014	27,423,313	(438,843)	0	26,984,470	23,113,563	23,113,563	3,870,907
Fund Balance, June 30, 2015	$ 30,184,139	$ 0	$ (118,607)	$ 30,065,532	$ 7,081,734	$ 6,635,998	$ 23,429,534

Exhibit J-7

Sumner County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Sumner 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 Original	Budgeted Amounts Final	Variance with Final Budget - Positive (Negative)
Revenues						
Federal Government	$ 13,447,782	$ 0	$ 13,447,782	$ 10,492,701	$ 15,211,185	$ (1,763,403)
Total Revenues	$ 13,447,782	$ 0	$ 13,447,782	$ 10,492,701	$ 15,211,185	$ (1,763,403)
Expenditures						
Instruction						
Regular Instruction Program	$ 4,836,857	$ 0	$ 4,836,857	$ 3,839,242	$ 5,469,019	$ 632,162
Alternative Instruction Program	37,237	0	37,237	31,077	124,835	87,598
Special Education Program	3,779,517	0	3,779,517	3,028,201	4,074,951	295,434
Vocational Education Program	218,184	(489)	217,695	201,695	217,695	0
Support Services						
Health Services	168,088	0	168,088	182,199	189,473	21,385
Other Student Support	171,935	0	171,935	222,153	206,134	34,199
Regular Instruction Program	1,690,642	0	1,690,642	567,972	2,128,874	438,232
Special Education Program	2,465,105	0	2,465,105	2,271,175	2,611,780	146,675
Vocational Education Program	13,292	(6,470)	6,822	6,000	6,826	4
Transportation	8,933	0	8,933	61,870	81,870	72,937
Total Expenditures	$ 13,389,790	$ (6,959)	$ 13,382,831	$ 10,411,584	$ 15,111,457	$ 1,728,626
Excess (Deficiency) of Revenues Over Expenditures	$ 57,992	$ 6,959	$ 64,951	$ 81,117	$ 99,728	$ (34,777)
Other Financing Sources (Uses)						
Transfers Out	$ (91,071)	$ 0	$ (91,071)	$ (81,117)	$ (105,567)	$ 14,496
Total Other Financing Sources	$ (91,071)	$ 0	$ (91,071)	$ (81,117)	$ (105,567)	$ 14,496
Net Change in Fund Balance	$ (33,079)	$ 6,959	$ (26,120)	$ 0	$ (5,839)	$ (20,281)
Fund Balance, July 1, 2014	238,503	(6,959)	231,544	0	5,839	225,705
Fund Balance, June 30, 2015	$ 205,424	$ 0	$ 205,424	$ 0	$ 0	$ 205,424

Exhibit J-8

Sumner County, Tennessee
Statement of Net Position
Discretely Presented Sumner County School Department
Proprietary Fund
June 30, 2015

	Governmental Activities - Internal Service Fund
	Employee Insurance Fund
ASSETS	
Current Assets:	
Cash with Paying Agent	$ 55,575
Equity in Pooled Cash and Investments	6,469,280
Accounts Receivable	59,046
Total Assets	$ 6,583,901
LIABILITIES	
Current Liabilities:	
Accounts Payable	$ 172,893
Claims and Judgments Payable	3,329,723
Total Liabilities	$ 3,502,616
NET POSITION	
Unrestricted	$ 3,081,285
Total Net Position	$ 3,081,285

Exhibit J-9

Sumner County, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Discretely Presented Sumner County School Department
Proprietary Fund
For the Year Ended June 30, 2015

	Governmental Activities - Internal Service Fund
	Employee Insurance Fund
Operating Revenues	
Charges for Current Services:	
Self-Insurance Premiums/Contributions	$ 34,816,010
Other Local Revenues:	
Retirees' Insurance Payments	2,331,621
State of Tennessee:	
On-Behalf Contributions for OPEB	840,703
Total Operating Revenues	$ 37,988,334
Operating Expenses	
Other Programs:	
On-behalf Payments to OPEB	$ 840,703
Central and Other:	
Handling Charges and Administrative Costs	2,553,056
Legal Services	42,049
Medical and Dental Services	1,295,879
Drugs and Medical Supplies	47,827
Excess Risk Insurance	1,312,024
Medical Claims	30,158,349
Total Operating Expenses	$ 36,249,887
Operating Income (Loss)	$ 1,738,447
Income(Loss) Before Transfers	$ 1,738,447
Transfers In (Out)	287,171
Change in Net Position	$ 2,025,618
Net Position, July 1, 2014	1,055,667
Net Position, June 30, 2015	$ 3,081,285

Exhibit J-10

Sumner County, Tennessee
Statement of Cash Flows
Discretely Presented Sumner County School Department
Proprietary Fund
For the Year Ended June 30, 2015

	Governmental Activities - Internal Service Fund Employee Insurance Fund
Cash Flows from Operating Activities	
Receipts from Customers and Users	$ 37,947,928
Payments to Suppliers	(6,026,218)
Claims Paid	(28,026,655)
Net Cash Provided By (Used In) Operating Activities	$ 3,895,055
Cash Flows from Noncapital Financing Activities	
Transfers from Other Funds	$ 287,171
Net Cash Provided By (Used In) Noncapital Financing Activities	$ 287,171
Net Increase (Decrease) In Cash	$ 4,182,226
Cash, July 1, 2014	2,342,629
Cash, June 30, 2015	$ 6,524,855
Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities	
Operating Income (Loss)	$ 1,738,447
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Change in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(40,406)
Increase (Decrease) in Accounts Payable	66,662
Increase (Decrease) in Due to Primary Government	(1,342)
Increase (Decrease) in Claims and Judgments Payable	2,131,694
Net Cash Provided By (Used In) Operating Activities	$ 3,895,055
Reconciliation of Cash With Statement of Net Position	
Cash With Paying Agent	$ 55,575
Equity in Pooled Cash and Investments Per Net Position	6,469,280
Cash, June 30, 2015	$ 6,524,855

MISCELLANEOUS SCHEDULES

Exhibit K-1

Sumner County, Tennessee
Schedule of Changes in Long-term Bonds and Capital Leases
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
BONDS PAYABLE								
Payable through General Debt Service Fund								
General Obligation	$ 6,555,000	2.83 %	1-29-10	6-1-20	$ 6,030,000	$ 0	$ 400,000	$ 5,630,000
School Refunding	112,210,000	2.86	5-17-11	6-1-23	91,995,000	0	8,780,000	83,215,000
General Obligation	30,000,000	1.5 to 5	6-7-13	12-1-23	28,385,000	0	1,715,000	26,670,000
General Obligation	69,400,000	2 to 5	4-29-15	12-1-35	0	69,400,000	0	69,400,000
Total Bonds Payable					$ 126,410,000	$ 69,400,000	$ 10,895,000	$ 184,915,000
CAPITAL LEASES PAYABLE								
Payable by the School Department Contributions from the General Purpose School Fund to the General Debt Service Fund								
Trash Compactors	45,225	6.94	9-1-10	8-1-15	$ 11,870	$ 0	$ 10,221	$ 1,649
"	155,700	4.81	4-8-11	3-8-16	58,434	0	32,990	25,444
Total Capital Leases Payable					$ 70,304	$ 0	$ 43,211	$ 27,093

Exhibit K-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	$ 12,920,000	$ 7,716,964	$ 20,636,964
2017	13,985,000	7,002,844	20,987,844
2018	14,550,000	6,485,319	21,035,319
2019	15,225,000	5,879,070	21,104,070
2020	15,905,000	5,204,495	21,109,495
2021	16,600,000	4,465,106	21,065,106
2022	17,325,000	3,648,831	20,973,831
2023	18,125,000	2,801,082	20,926,082
2024	13,010,000	1,821,956	14,831,956
2025	3,155,000	1,517,831	4,672,831
2026	3,310,000	1,356,206	4,666,206
2027	3,470,000	1,221,407	4,691,407
2028	3,635,000	1,114,831	4,749,831
2029	3,775,000	984,806	4,759,806
2030	3,885,000	851,031	4,736,031
2031	4,005,000	732,682	4,737,682
2032	4,130,000	610,656	4,740,656
2033	4,260,000	484,806	4,744,806
2034	4,400,000	354,906	4,754,906
2035	4,545,000	217,891	4,762,891
2036	4,700,000	73,438	4,773,438
Total	$ 184,915,000	$ 54,546,158	$ 239,461,158

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2016	$ 27,093	$ 909	$ 28,002
Total	$ 27,093	$ 909	$ 28,002

Exhibit K-3

Sumner County, Tennessee
Schedule of Notes Receivable
June 30, 2015

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance
General Fund						
Emergency Communication Equipment	Sumner County Emergency Communications District	$ 1,870,872	10-3-11	9-1-16	4 %	$ 503,299
Various Capital Improvements	Sumner County Regional Airport Authority	800,000	1-2-14	1-2-23	3	800,000
Total Notes Receivable						$ 1,303,299

Exhibit K-4

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

To Fund	From Fund	Purpose	Amount
PRIMARY GOVERNMENT			
Self-Insurance	General	Operations	$ 3,000,000
General Capital Projects	General Debt Service	Capital projects	4,937,826
Total Transfers Primary Government			$ 7,937,826
DISCRETELY PRESENTED SUMNER COUNTY SCHOOL DEPARTMENT			
General Purpose School	School Federal Projects	Indirect costs	$ 91,071
Employee Insurance	General Purpose School	Operations	287,171
			$ 378,242

Exhibit K-5

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

Official	Authorization for Salary	Salary Paid During Period		Bond	Surety
County Executive	Sections 8-24-102 and 5-1-310, *TCA*	$ 106,640	(1)	$ 100,000	Hartford Fire Insurance Company
Superintendent of Roads	Section 8-24-102, *TCA*	100,131		100,000	"
Director of Schools	State Board of Education and Local Board of Education	202,730	(5)	100,000	Western Surety Company
Trustee	Sections 8-24-102 and 5-1-310, *TCA*	92,528	(1)	6,294,119	Hartford Fire Insurance Company
Assessor of Property	Sections 8-24-102 and 5-1-310, *TCA*	93,528	(1)(6)	50,000	Western Surety Company
Director of Finance	County Commission	115,201	(2)	100,000	Hartford Fire Insurance Company
County Clerk	Sections 8-24-102 and 5-1-310, *TCA*	92,528	(1)	100,000	"
Circuit, General Sessions, and Juvenile Courts Clerk:					
Mahailiah Hughes (7-1-14 through 8-31-14)	Sections 8-24-102 and 5-1-310, *TCA*	17,171	(1)	50,000	"
Kathryn Strong (9-1-14 through 6-30-15)	Sections 8-24-102 and 5-1-310, *TCA*	75,357		100,000	"
Clerk and Master	Sections 8-24-102 and 5-1-310, *TCA,* and Chancery Court	92,528	(1)(3)	50,000	Western Surety Company
Register of Deeds	Sections 8-24-102 and 5-1-310, *TCA*	92,528	(1)	100,000	Hartford Fire Insurance Company
Sheriff	Section 8-24-102, *TCA*	100,131	(4)	100,000	"
Employee Blanket Bonds					
Public Employee Dishonesty - County Departments				100,000	Travelers Insurance
Public Employee Dishonesty - School Department				"	"

(1) Includes an education supplement of $1,500.
(2) Includes longevity pay of $675.
(3) Does not include special commissioner fees totaling $3,404.
(4) Does not include a law enforcement training supplement of $600.
(5) Includes a 403(b) retirement contribution of $5,000 and vacation leave payout of $10,785.
(6) Includes a Tennessee certified assessor's pay of $1,000.

Exhibit K-6

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

		Special Revenue Funds				Debt Service Fund
	General	Courthouse and Jail Maintenance	Drug Control	Constitu-tional Officers - Fees	Highway / Public Works	General Debt Service
Local Taxes						
County Property Taxes						
Current Property Tax	$ 21,974,177	$ 0	$ 0	$ 0	$ 688,768	$ 14,123,055
Trustee's Collections - Prior Year	232,450	0	0	0	9,702	100,486
Trustee's Collections - Bankruptcy	4,292	0	0	0	160	1,735
Circuit Clerk/Clerk and Master Collections - Prior Years	293,397	0	0	0	10,917	143,026
Interest and Penalty	60,063	0	0	0	2,111	32,705
Payments in-Lieu-of Taxes - T.V.A.	153	0	0	0	5	98
Payments in-Lieu-of Taxes - Local Utilities	163,148	0	0	0	5,108	104,892
Payments in-Lieu-of Taxes - Other	3,305	0	0	0	0	0
County Local Option Taxes						
Local Option Sales Tax	0	0	0	0	0	7,528,939
Hotel/Motel Tax	558,567	0	0	0	0	0
Wheel Tax	0	0	0	0	1,959,545	0
Litigation Tax - General	0	0	0	0	0	135,070
Litigation Tax - Special Purpose	100,808	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	346,425	0	0	0	0
Business Tax	1,812,908	0	0	0	0	0
Mixed Drink Tax	5,415	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	169,456	0
Adequate Facilities/Development Tax	0	0	0	0	0	2,087,990
Statutory Local Taxes						
Bank Excise Tax	214,640	0	0	0	0	0
Wholesale Beer Tax	635,265	0	0	0	0	0
Beer Privilege Tax	2,312	0	0	0	0	0
Interstate Telecommunications Tax	0	0	0	0	0	6,937
Total Local Taxes	$ 26,060,900	$ 346,425	$ 0	$ 0	$ 2,845,772	$ 24,264,933

(Continued)

Exhibit K-6

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

		Special Revenue Funds				Debt Service Fund
	General	Courthouse and Jail Maintenance	Drug Control	Constitu-tional Officers - Fees	Highway / Public Works	General Debt Service
Licenses and Permits						
Licenses						
Marriage Licenses	$ 5,482	$ 0	$ 0	$ 0	$ 0	$ 0
Cable TV Franchise	485,271	0	0	0	0	0
Permits						
Beer Permits	1,425	0	0	0	0	0
Building Permits	176,416	0	0	0	0	0
Other Permits	825	0	0	0	100	0
Total Licenses and Permits	$ 669,419	$ 0	$ 0	$ 0	$ 100	$ 0
Fines, Forfeitures, and Penalties						
Circuit Court						
Fines	$ 41,995	$ 0	$ 0	$ 0	$ 0	$ 0
Officers Costs	56,963	0	0	0	0	0
Drug Control Fines	0	0	4,063	0	0	0
DUI Treatment Fines	4,351	0	0	0	0	0
Data Entry Fee - Circuit Court	73,652	0	0	0	0	0
Courtroom Security Fee	1,892	0	0	0	0	0
Criminal Court						
Drug Court Fees	17,380	0	0	0	0	0
General Sessions Court						
Fines	119,989	0	0	0	0	0
Officers Costs	209,397	0	0	0	0	0
Drug Control Fines	0	0	10,496	0	0	0
Drug Court Fees	42,278	0	0	0	0	0
DUI Treatment Fines	65,699	0	0	0	0	0
Courtroom Security Fee	11,880	0	0	0	0	0

(Continued)

Exhibit K-6

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

		Special Revenue Funds				Debt Service Fund
	General	Courthouse and Jail Maintenance	Drug Control	Constitu-tional Officers - Fees	Highway / Public Works	General Debt Service
Fines, Forfeitures, and Penalties (Cont.)						
Juvenile Court						
Fines	$ 9,548	$ 0	$ 0	$ 0	$ 0	$ 0
Officers Costs	21,667	0	0	0	0	0
Courtroom Security Fee	49	0	0	0	0	0
Chancery Court						
Officers Costs	9,819	0	0	0	0	0
Data Entry Fee - Chancery Court	13,533	0	0	0	0	0
Courtroom Security Fee	10	0	0	0	0	0
Other Courts - In-county						
Fines for Littering	28	0	0	0	0	0
Other Fines, Forfeitures, and Penalties						
Proceeds from Confiscated Property	1,150	0	2,073	0	0	0
Other Fines, Forfeitures, and Penalties	76,922	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	$ 778,202	$ 0	$ 16,632	$ 0	$ 0	$ 0
Charges for Current Services						
General Service Charges						
Self-Insurance Premiums/Contributions	$ 113,417	$ 0	$ 0	$ 0	$ 0	$ 0
Patient Charges	6,060,961	0	0	0	0	0
Zoning Studies	8,010	0	0	0	0	0
Work Release Charges for Board	4,143	0	0	0	0	0
Other General Service Charges	0	0	12,000	0	0	0
Fees						
Subdivision Lot Fees	38,080	0	0	0	0	0
Engineer Review Fees	4,585	0	0	0	0	0
Copy Fees	2,806	0	0	0	0	0

(Continued)

Exhibit K-6

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

	General	Special Revenue Funds				Debt Service Fund
		Courthouse and Jail Maintenance	Drug Control	Constitu-tional Officers - Fees	Highway / Public Works	General Debt Service
Charges for Current Services (Cont.)						
Fees (Cont.)						
Library Fees	$ 64,026	$ 0	$ 0	$ 0	$ 0	$ 0
Greenbelt Late Application Fee	1,650	0	0	0	0	0
Telephone Commissions	60,550	210,634	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	3,404	0	0
Data Processing Fee - Register	64,364	0	0	0	0	0
Probation Fees	457,506	0	0	0	0	0
Data Processing Fee - Sheriff	22,957	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	7,500	0	0	0	0	0
Data Processing Fee - County Clerk	65,630	0	0	0	0	0
Education Charges						
Other Charges for Services	18,810	0	0	0	0	0
Total Charges for Current Services	$ 6,994,995	$ 210,634	$ 12,000	$ 3,404	$ 0	$ 0
Other Local Revenues						
Recurring Items						
Investment Income	$ 127,872	$ 0	$ 93	$ 0	$ 0	$ 285,779
Lease/Rentals	180,143	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	146	0
Commissary Sales	165,028	0	0	0	0	0
Sale of Gasoline	0	0	0	0	81,979	0
Sale of Maps	40	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	3,397	0
E-Rate Funding	2,563	0	0	0	0	0
Sale of Animals/Livestock	40,525	0	0	0	0	0
Miscellaneous Refunds	15,512	0	0	0	2	0

(Continued)

Exhibit K-6

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

		Special Revenue Funds				Debt Service Fund
	General	Courthouse and Jail Maintenance	Drug Control	Constitu-tional Officers - Fees	Highway / Public Works	General Debt Service
Other Local Revenues (Cont.)						
Nonrecurring Items						
Sale of Equipment	$ 67,153	$ 0	$ 0	$ 0	$ 12,812	$ 0
Sale of Property	10,486	0	0	0	0	0
Damages Recovered from Individuals	1,113	0	0	0	0	0
Contributions and Gifts	159,305	0	2,353	0	0	0
Other Local Revenues						
Other Local Revenues	27,481	0	0	0	0	0
Total Other Local Revenues	$ 797,221	$ 0	$ 2,446	$ 0	$ 98,336	$ 285,779
Fees Received From County Officials						
Fees In-Lieu-of Salary						
County Clerk	$ 1,857,225	$ 0	$ 0	$ 0	$ 0	$ 0
Circuit Court Clerk	1,642,942	0	0	0	0	0
Clerk and Master	506,846	0	0	0	0	0
Register	1,023,396	0	0	0	0	0
Sheriff	49,666	0	0	0	0	0
Trustee	2,974,593	0	0	0	0	0
Total Fees Received From County Officials	$ 8,054,668	$ 0	$ 0	$ 0	$ 0	$ 0
State of Tennessee						
Public Safety Grants						
Law Enforcement Training Programs	$ 52,200	$ 0	$ 0	$ 0	$ 0	$ 0
Other Public Safety Grants	63,940	0	0	0	0	0
Health and Welfare Grants						
Health Department Programs	1,114,900	0	0	0	0	0

(Continued)

Exhibit K-6

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

		Special Revenue Funds				Debt Service Fund
	General	Courthouse and Jail Maintenance	Drug Control	Constitu-tional Officers - Fees	Highway / Public Works	General Debt Service
State of Tennessee (Cont.)						
Public Works Grants						
State Aid Program	$ 0	$ 0	$ 0	$ 0	$ 342,231	$ 0
Litter Program	0	0	0	0	70,216	0
Other State Revenues						
Flood Control	107,317	0	0	0	0	0
Income Tax	431,655	0	0	0	0	0
Beer Tax	18,055	0	0	0	0	0
Vehicle Certificate of Title Fees	23,283	0	0	0	0	0
Alcoholic Beverage Tax	212,258	0	0	0	0	0
State Revenue Sharing - T.V.A.	2,146,852	0	0	0	0	0
Emergency Hospital - Prisoners	349,691	0	0	0	0	0
Contracted Prisoner Boarding	2,578,895	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	2,785,038	0
Petroleum Special Tax	0	0	0	0	115,913	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	50,000	0	0	0	0	0
Other State Revenues	199,005	0	0	0	0	8,437
Total State of Tennessee	$ 7,363,215	$ 0	$ 0	$ 0	$ 3,313,398	$ 8,437
Federal Government						
Federal Through State						
Community Development	$ 138,716	$ 0	$ 0	$ 0	$ 0	$ 0
Homeland Security Grants	65,450	0	0	0	0	0
Law Enforcement Grants	66,941	0	0	0	0	0
Other Federal through State	8,062	0	0	0	0	0

(Continued)

Exhibit K-6

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

		Special Revenue Funds				Debt Service Fund
	General	Courthouse and Jail Maintenance	Drug Control	Constitu-tional Officers - Fees	Highway / Public Works	General Debt Service
Federal Government (Cont.)						
Direct Federal Revenue						
Police Service (Lake Area)	$ 11,261	$ 0	$ 0	$ 0	$ 0	$ 0
Other Direct Federal Revenue	31,298	0	0	0	0	0
Total Federal Government	$ 321,728	$ 0	$ 0	$ 0	$ 0	$ 0
Other Governments and Citizens Groups						
Other Governments						
Paving and Maintenance	$ 0	$ 0	$ 0	$ 0	$ 832,327	$ 0
Contributions	411,231	0	0	0	0	45,625
Contracted Services	5,925	0	0	0	0	0
Total Other Governments and Citizens Groups	$ 417,156	$ 0	$ 0	$ 0	$ 832,327	$ 45,625
Total	$ 51,457,504	$ 557,059	$ 31,078	$ 3,404	$ 7,089,933	$ 24,604,774

(Continued)

Exhibit K-6

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

	Capital Projects Fund	
	General Capital Projects	Total
Local Taxes		
County Property Taxes		
Current Property Tax	$ 4,924,390	$ 41,710,390
Trustee's Collections - Prior Year	61,029	403,667
Trustee's Collections - Bankruptcy	1,512	7,699
Circuit Clerk/Clerk and Master Collections - Prior Years	77,747	525,087
Interest and Penalty	15,013	109,892
Payments in-Lieu-of Taxes - T.V.A.	34	290
Payments in-Lieu-of Taxes - Local Utilities	36,568	309,716
Payments in-Lieu-of Taxes - Other	0	3,305
County Local Option Taxes		
Local Option Sales Tax	0	7,528,939
Hotel/Motel Tax	0	558,567
Wheel Tax	0	1,959,545
Litigation Tax - General	0	135,070
Litigation Tax - Special Purpose	0	100,808
Litigation Tax - Jail, Workhouse, or Courthouse	0	346,425
Business Tax	0	1,812,908
Mixed Drink Tax	0	5,415
Mineral Severance Tax	0	169,456
Adequate Facilities/Development Tax	0	2,087,990
Statutory Local Taxes		
Bank Excise Tax	0	214,640
Wholesale Beer Tax	0	635,265
Beer Privilege Tax	0	2,312
Interstate Telecommunications Tax	0	6,937
Total Local Taxes	$ 5,116,293	$ 58,634,323

(Continued)

Exhibit K-6

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

	Capital Projects Fund	
	General Capital Projects	Total
Licenses and Permits		
Licenses		
Marriage Licenses	$ 0	$ 5,482
Cable TV Franchise	0	485,271
Permits		
Beer Permits	0	1,425
Building Permits	0	176,416
Other Permits	0	925
Total Licenses and Permits	$ 0	$ 669,519
Fines, Forfeitures, and Penalties		
Circuit Court		
Fines	$ 0	$ 41,995
Officers Costs	0	56,963
Drug Control Fines	0	4,063
DUI Treatment Fines	0	4,351
Data Entry Fee - Circuit Court	0	73,652
Courtroom Security Fee	0	1,892
Criminal Court		
Drug Court Fees	0	17,380
General Sessions Court		
Fines	0	119,989
Officers Costs	0	209,397
Drug Control Fines	0	10,496
Drug Court Fees	0	42,278
DUI Treatment Fines	0	65,699
Courtroom Security Fee	0	11,880

(Continued)

Exhibit K-6

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

	Capital Projects Fund	
	General Capital Projects	Total
Fines, Forfeitures, and Penalties (Cont.)		
Juvenile Court		
Fines	$ 0	$ 9,548
Officers Costs	0	21,667
Courtroom Security Fee	0	49
Chancery Court		
Officers Costs	0	9,819
Data Entry Fee - Chancery Court	0	13,533
Courtroom Security Fee	0	10
Other Courts - In-county		
Fines for Littering	0	28
Other Fines, Forfeitures, and Penalties		
Proceeds from Confiscated Property	0	3,223
Other Fines, Forfeitures, and Penalties	0	76,922
Total Fines, Forfeitures, and Penalties	$ 0	$ 794,834
Charges for Current Services		
General Service Charges		
Self-Insurance Premiums/Contributions	$ 0	$ 113,417
Patient Charges	0	6,060,961
Zoning Studies	0	8,010
Work Release Charges for Board	0	4,143
Other General Service Charges	0	12,000
Fees		
Subdivision Lot Fees	0	38,080
Engineer Review Fees	0	4,585
Copy Fees	0	2,806

(Continued)

Exhibit K-6

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

	Capital Projects Fund	
	General Capital Projects	Total
Charges for Current Services (Cont.)		
Fees (Cont.)		
Library Fees	$ 0	$ 64,026
Greenbelt Late Application Fee	0	1,650
Telephone Commissions	0	271,184
Special Commissioner Fees/Special Master Fees	0	3,404
Data Processing Fee - Register	0	64,364
Probation Fees	0	457,506
Data Processing Fee - Sheriff	0	22,957
Sexual Offender Registration Fee - Sheriff	0	7,500
Data Processing Fee - County Clerk	0	65,630
Education Charges		
Other Charges for Services	0	18,810
Total Charges for Current Services	$ 0	$ 7,221,033
Other Local Revenues		
Recurring Items		
Investment Income	$ 0	$ 413,744
Lease/Rentals	0	180,143
Sale of Materials and Supplies	0	146
Commissary Sales	0	165,028
Sale of Gasoline	0	81,979
Sale of Maps	0	40
Sale of Recycled Materials	0	3,397
E-Rate Funding	0	2,563
Sale of Animals/Livestock	0	40,525
Miscellaneous Refunds	0	15,514

(Continued)

Exhibit K-6

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

	Capital Projects Fund	
	General Capital Projects	Total
Other Local Revenues (Cont.)		
Nonrecurring Items		
Sale of Equipment	$ 0	$ 79,965
Sale of Property	0	10,486
Damages Recovered from Individuals	0	1,113
Contributions and Gifts	100,000	261,658
Other Local Revenues		
Other Local Revenues	0	27,481
Total Other Local Revenues	$ 100,000	$ 1,283,782
Fees Received From County Officials		
Fees In-Lieu-of Salary		
County Clerk	$ 0	$ 1,857,225
Circuit Court Clerk	0	1,642,942
Clerk and Master	0	506,846
Register	0	1,023,396
Sheriff	0	49,666
Trustee	0	2,974,593
Total Fees Received From County Officials	$ 0	$ 8,054,668
State of Tennessee		
Public Safety Grants		
Law Enforcement Training Programs	$ 0	$ 52,200
Other Public Safety Grants	0	63,940
Health and Welfare Grants		
Health Department Programs	0	1,114,900

(Continued)

Exhibit K-6

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

	Capital Projects Fund	
	General Capital Projects	Total
State of Tennessee (Cont.)		
Public Works Grants		
State Aid Program	$ 0	$ 342,231
Litter Program	0	70,216
Other State Revenues		
Flood Control	0	107,317
Income Tax	0	431,655
Beer Tax	0	18,055
Vehicle Certificate of Title Fees	0	23,283
Alcoholic Beverage Tax	0	212,258
State Revenue Sharing - T.V.A.	0	2,146,852
Emergency Hospital - Prisoners	0	349,691
Contracted Prisoner Boarding	0	2,578,895
Gasoline and Motor Fuel Tax	0	2,785,038
Petroleum Special Tax	0	115,913
Registrar's Salary Supplement	0	15,164
Other State Grants	5,506	55,506
Other State Revenues	0	207,442
Total State of Tennessee	$ 5,506	$ 10,690,556
Federal Government		
Federal Through State		
Community Development	$ 224,625	$ 363,341
Homeland Security Grants	0	65,450
Law Enforcement Grants	0	66,941
Other Federal through State	507,216	515,278

(Continued)

Exhibit K-6

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

	Capital Projects Fund	
	General Capital Projects	Total
Federal Government (Cont.)		
Direct Federal Revenue		
Police Service (Lake Area)	$ 0	$ 11,261
Other Direct Federal Revenue	0	31,298
Total Federal Government	$ 731,841	$ 1,053,569
Other Governments and Citizens Groups		
Other Governments		
Paving and Maintenance	$ 0	$ 832,327
Contributions	65,419	522,275
Contracted Services	0	5,925
Total Other Governments and Citizens Groups	$ 65,419	$ 1,360,527
Total	$ 6,019,059	$ 89,762,811

Exhibit K-7

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

	General Purpose School	Special Revenue Fund School Federal Projects	Total
Local Taxes			
County Property Taxes			
Current Property Tax	$ 57,883,760	$ 0	$ 57,883,760
Trustee's Collections - Prior Year	724,497	0	724,497
Circuit Clerk/Clerk and Master Collections - Prior Years	788,649	0	788,649
Interest and Penalty	160,438	0	160,438
Payments in-Lieu-of Taxes - T.V.A.	403	0	403
Payments in-Lieu-of Taxes - Local Utilities	430,522	0	430,522
County Local Option Taxes			
Local Option Sales Tax	15,033,271	0	15,033,271
Wheel Tax	4,571,828	0	4,571,828
Mixed Drink Tax	510,797	0	510,797
Statutory Local Taxes			
Interstate Telecommunications Tax	13,874	0	13,874
Total Local Taxes	$ 80,118,039	$ 0	$ 80,118,039
Licenses and Permits			
Licenses			
Marriage Licenses	$ 5,482	$ 0	$ 5,482
Permits			
Other Permits	2,170	0	2,170
Total Licenses and Permits	$ 7,652	$ 0	$ 7,652
Charges for Current Services			
Education Charges			
Tuition - Regular Day Students	$ 50,550	$ 0	$ 50,550
Tuition - Summer School	5,950	0	5,950
Tuition - Other	14,595	0	14,595
Lunch Payments - Children	3,846,756	0	3,846,756
Lunch Payments - Adults	224,692	0	224,692
Income from Breakfast	309,935	0	309,935
Receipts from Individual Schools	630,126	0	630,126
Community Service Fees - Children	1,930,213	0	1,930,213
Other Charges for Services	88,941	0	88,941
Total Charges for Current Services	$ 7,101,758	$ 0	$ 7,101,758
Other Local Revenues			
Recurring Items			
Investment Income	$ 12,927	$ 0	$ 12,927
Lease/Rentals	120,391	0	120,391
Sale of Materials and Supplies	47,902	0	47,902

(Continued)

Exhibit K-7

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

	General Purpose School	Special Revenue Fund School Federal Projects	Total
Other Local Revenues (Cont.)			
Recurring Items (Cont.)			
Retirees' Insurance Payments	$ 63,949	$ 0	$ 63,949
Miscellaneous Refunds	40,036	0	40,036
Nonrecurring Items			
Sale of Equipment	52,154	0	52,154
Damages Recovered from Individuals	6,001	0	6,001
Contributions and Gifts	402,766	0	402,766
Other Local Revenues			
Other Local Revenues	33,439	0	33,439
Total Other Local Revenues	$ 779,565	$ 0	$ 779,565
State of Tennessee			
State Education Funds			
Basic Education Program	$ 122,651,000	$ 0	$ 122,651,000
Early Childhood Education	91,127	0	91,127
School Food Service	115,607	0	115,607
Other State Education Funds	42,971	0	42,971
Career Ladder Program	644,618	0	644,618
Career Ladder - Extended Contract	160,120	0	160,120
Other State Revenues			
Other State Grants	811,459	0	811,459
Other State Revenues	16,877	0	16,877
Total State of Tennessee	$ 124,533,779	$ 0	$ 124,533,779
Federal Government			
Federal Through State			
USDA School Lunch Program	$ 4,653,822	$ 0	$ 4,653,822
USDA - Commodities	677,913	0	677,913
Breakfast	1,356,557	0	1,356,557
USDA - Other	52,763	0	52,763
Vocational Education - Basic Grants to States	0	305,059	305,059
Title I Grants to Local Education Agencies	0	4,656,153	4,656,153
Special Education - Grants to States	172,642	6,353,126	6,525,768
Special Education Preschool Grants	0	102,847	102,847
English Language Acquisition Grants	0	76,197	76,197
Safe and Drug-free Schools - State Grants	570,753	0	570,753
Education for Homeless Children and Youth	0	57,448	57,448
Eisenhower Professional Development State Grants	0	1,019,970	1,019,970
Race-to-the-Top - ARRA	0	876,982	876,982
Direct Federal Revenue			
ROTC Reimbursement	197,692	0	197,692
Total Federal Government	$ 7,682,142	$ 13,447,782	$ 21,129,924
Total	$ 220,222,935	$ 13,447,782	$ 233,670,717

Exhibit K-8

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

General Fund				
General Government				
County Commission				
Other Salaries and Wages	$	27,350		
Board and Committee Members Fees		144,000		
Social Security		8,656		
State Retirement		2,199		
Employer Medicare		2,300		
Audit Services		48,194		
Data Processing Services		1,076		
Dues and Memberships		22,984		
Legal Services		100		
Legal Notices, Recording, and Court Costs		2,115		
Maintenance and Repair Services - Equipment		484		
Printing, Stationery, and Forms		3,740		
Rentals		300		
Food Supplies		111		
Office Supplies		323		
Road Signs		300		
Other Supplies and Materials		26		
Other Charges		11,400		
Other Equipment		2,927		
Total County Commission			$	278,585
Board of Equalization				
Board and Committee Members Fees	$	5,100		
Legal Notices, Recording, and Court Costs		250		
Postal Charges		343		
Printing, Stationery, and Forms		885		
Data Processing Supplies		702		
Office Supplies		366		
Total Board of Equalization				7,646
Other Boards and Committees				
Board and Committee Members Fees	$	3,700		
Evaluation and Testing		3,755		
Legal Notices, Recording, and Court Costs		1,220		
Total Other Boards and Committees				8,675
County Mayor/Executive				
County Official/Administrative Officer	$	106,640		
Assistant(s)		136,075		
Longevity Pay		2,475		
Social Security		14,314		
State Retirement		32,759		
Life Insurance		508		
Medical Insurance		39,531		
Dental Insurance		1,535		
Employer Medicare		3,354		
Communication		1,682		

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
General Government (Cont.)		
County Mayor/Executive (Cont.)		
Data Processing Services	$ 972	
Dues and Memberships	2,200	
Maintenance Agreements	1,381	
Postal Charges	60	
Printing, Stationery, and Forms	1,050	
Travel	6,802	
Data Processing Supplies	1,216	
Food Preparation Supplies	131	
Food Supplies	1,115	
Office Supplies	762	
Periodicals	197	
Other Supplies and Materials	10	
In Service/Staff Development	1,803	
Other Charges	4,525	
Total County Mayor/Executive		$ 361,097
County Attorney		
County Official/Administrative Officer	$ 160,740	
Longevity Pay	1,500	
Other Salaries and Wages	161,790	
Social Security	16,677	
State Retirement	44,609	
Life Insurance	541	
Medical Insurance	38,346	
Dental Insurance	1,192	
Disability Insurance	2,759	
Employer Medicare	4,511	
Communication	1,683	
Data Processing Services	3,503	
Dues and Memberships	664	
Legal Notices, Recording, and Court Costs	27	
Maintenance Agreements	1,977	
Postal Charges	552	
Printing, Stationery, and Forms	334	
Travel	1,116	
Custodial Supplies	108	
Data Processing Supplies	1,322	
Food Preparation Supplies	10	
Food Supplies	561	
General Construction Materials	87	
Office Supplies	1,609	
Periodicals	5,218	
Other Supplies and Materials	57	
In Service/Staff Development	872	
Other Charges	820	
Data Processing Equipment	1,492	
Office Equipment	172	
Total County Attorney		454,849

(Continued)

Exhibit K-8

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

General Fund (Cont.)
General Government (Cont.)
Election Commission

County Official/Administrative Officer	$ 81,385	
Secretary(ies)	144,576	
Longevity Pay	2,025	
Other Salaries and Wages	41,607	
Election Commission	5,925	
Election Workers	116,862	
Social Security	19,064	
State Retirement	31,523	
Life Insurance	479	
Medical Insurance	68,673	
Dental Insurance	2,103	
Employer Medicare	4,490	
Communication	1,408	
Data Processing Services	45,772	
Dues and Memberships	275	
Legal Notices, Recording, and Court Costs	7,470	
Maintenance Agreements	2,425	
Maintenance and Repair Services - Equipment	432	
Maintenance and Repair Services - Office Equipment	500	
Postal Charges	32,159	
Printing, Stationery, and Forms	5,464	
Rentals	125	
Travel	1,600	
Maintenance and Repair Services - Records	398	
Other Contracted Services	421	
Custodial Supplies	93	
Data Processing Supplies	3,665	
Food Preparation Supplies	171	
Food Supplies	779	
Office Supplies	3,940	
Periodicals	721	
Uniforms	1,606	
Other Supplies and Materials	1,633	
In Service/Staff Development	36	
Data Processing Equipment	19,793	
Furniture and Fixtures	608	
Total Election Commission		$ 650,206

Register of Deeds

County Official/Administrative Officer	$ 92,528	
Deputy(ies)	313,313	
Longevity Pay	7,425	
Social Security	23,643	
State Retirement	57,316	
Life Insurance	876	
Medical Insurance	95,098	
Dental Insurance	3,753	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
General Government (Cont.)		
Register of Deeds (Cont.)		
Employer Medicare	$ 5,530	
Communication	1,257	
Data Processing Services	38,975	
Dues and Memberships	844	
Maintenance Agreements	2,618	
Postal Charges	7,079	
Printing, Stationery, and Forms	356	
Travel	1,803	
Maintenance and Repair Services - Records	8,046	
Custodial Supplies	48	
Data Processing Supplies	2,105	
Office Supplies	4,355	
Periodicals	111	
Other Supplies and Materials	9,014	
In Service/Staff Development	525	
Communication Equipment	41	
Data Processing Equipment	2,226	
Total Register of Deeds		$ 678,885
Building		
Supervisor/Director	$ 68,229	
Investigator(s)	162,199	
Secretary(ies)	104,550	
Part-time Personnel	8,928	
Longevity Pay	8,400	
Other Salaries and Wages	72,421	
Social Security	24,341	
State Retirement	57,085	
Life Insurance	899	
Medical Insurance	100,429	
Dental Insurance	3,934	
Employer Medicare	5,693	
Advertising	919	
Communication	2,456	
Data Processing Services	2,564	
Dues and Memberships	7,285	
Evaluation and Testing	63	
Legal Notices, Recording, and Court Costs	147	
Maintenance Agreements	5,516	
Maintenance and Repair Services - Office Equipment	225	
Maintenance and Repair Services - Vehicles	9,403	
Postal Charges	1,257	
Printing, Stationery, and Forms	1,702	
Travel	5,527	
Permits	3,460	
Other Contracted Services	33,581	
Data Processing Supplies	272	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
General Government (Cont.)		
Building (Cont.)		
Food Preparation Supplies	$ 3	
Food Supplies	1,034	
Gasoline	10,035	
Office Supplies	2,645	
Periodicals	1,718	
Small Tools	146	
Uniforms	40	
Other Supplies and Materials	210	
In Service/Staff Development	4,047	
Other Charges	207	
Data Processing Equipment	54	
Furniture and Fixtures	462	
Office Equipment	25	
Other Equipment	289	
Total Building		$ 712,400
County Buildings		
Maintenance Personnel	$ 225,689	
Longevity Pay	8,775	
Social Security	13,800	
State Retirement	32,696	
Life Insurance	436	
Medical Insurance	47,818	
Dental Insurance	1,559	
Employer Medicare	3,227	
Communication	5,173	
Data Processing Services	180	
Dues and Memberships	60	
Maintenance and Repair Services - Buildings	5,675	
Maintenance and Repair Services - Equipment	23,961	
Maintenance and Repair Services - Vehicles	39	
Printing, Stationery, and Forms	26	
Rentals	132	
Travel	12	
Disposal Fees	402	
Permits	105	
Other Contracted Services	45,706	
Custodial Supplies	668	
Electricity	652,469	
Equipment and Machinery Parts	627	
Food Supplies	122	
Gasoline	429	
General Construction Materials	1,418	
Natural Gas	211,061	
Propane Gas	7,226	
Small Tools	125	
Uniforms	838	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
General Government (Cont.)		
County Buildings (Cont.)		
Vehicle Parts	$ 9	
Water and Sewer	178,137	
Chemicals	162	
Other Supplies and Materials	47	
Data Processing Equipment	3,076	
Furniture and Fixtures	4,655	
Other Equipment	6,054	
Total County Buildings		$ 1,482,594
Preservation of Records		
Clerical Personnel	$ 54,065	
Longevity Pay	825	
Social Security	3,259	
State Retirement	7,663	
Life Insurance	121	
Medical Insurance	6,112	
Dental Insurance	226	
Employer Medicare	762	
Communication	1,174	
Data Processing Services	1,143	
Dues and Memberships	110	
Maintenance Agreements	692	
Maintenance and Repair Services - Office Equipment	195	
Postal Charges	120	
Printing, Stationery, and Forms	172	
Travel	54	
Custodial Supplies	26	
Data Processing Supplies	1,112	
Office Supplies	593	
Other Supplies and Materials	851	
In Service/Staff Development	85	
Other Charges	25	
Data Processing Equipment	1,084	
Other Equipment	851	
Total Preservation of Records		81,320
Risk Management		
Building and Contents Insurance	$ 55,858	
Liability Insurance	527,524	
Premiums on Corporate Surety Bonds	36,005	
Workers' Compensation Insurance	225,157	
Total Risk Management		844,544
Finance		
Accounting and Budgeting		
County Official/Administrative Officer	$ 115,201	
Accountants/Bookkeepers	327,255	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Finance (Cont.)		
Accounting and Budgeting (Cont.)		
Data Processing Personnel	$ 77,547	
Librarians	11,425	
Part-time Personnel	12,925	
Longevity Pay	10,350	
Social Security	30,906	
State Retirement	73,830	
Life Insurance	1,120	
Medical Insurance	126,970	
Dental Insurance	5,121	
Employer Medicare	7,394	
Advertising	763	
Communication	2,600	
Data Processing Services	75,638	
Dues and Memberships	320	
Legal Notices, Recording, and Court Costs	167	
Licenses	110	
Maintenance Agreements	2,834	
Postal Charges	3,770	
Printing, Stationery, and Forms	130	
Travel	140	
Maintenance and Repair Services - Records	800	
Custodial Supplies	8	
Data Processing Supplies	3,986	
Duplicating Supplies	64	
Food Preparation Supplies	61	
Food Supplies	835	
Instructional Supplies and Materials	106	
Library Books/Media	537	
Office Supplies	3,923	
Periodicals	480	
Other Supplies and Materials	22	
In Service/Staff Development	305	
Other Charges	530	
Communication Equipment	76	
Data Processing Equipment	12,914	
Furniture and Fixtures	55	
Office Equipment	362	
Other Equipment	257	
Total Accounting and Budgeting		$ 911,837
Property Assessor's Office		
County Official/Administrative Officer	$ 93,528	
Data Processing Personnel	142,548	
Assessment Personnel	101,665	
Longevity Pay	14,325	
Other Salaries and Wages	95,481	
Social Security	25,483	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Finance (Cont.)		
Property Assessor's Office (Cont.)		
State Retirement	$ 61,754	
Life Insurance	953	
Medical Insurance	99,067	
Dental Insurance	3,959	
Employer Medicare	5,959	
Data Processing Services	25,042	
Dues and Memberships	3,305	
Maintenance Agreements	1,960	
Postal Charges	3,613	
Printing, Stationery, and Forms	1,059	
Travel	884	
Data Processing Supplies	1,985	
Office Supplies	861	
Small Tools	97	
In Service/Staff Development	2,630	
Other Charges	275	
Data Processing Equipment	2,098	
Total Property Assessor's Office		$ 688,531
Reappraisal Program		
Supervisor/Director	$ 113,593	
Data Processing Personnel	44,039	
Longevity Pay	9,750	
Other Salaries and Wages	176,703	
Social Security	19,632	
State Retirement	41,491	
Life Insurance	613	
Medical Insurance	77,185	
Dental Insurance	3,112	
Employer Medicare	4,592	
Audit Services	46,185	
Communication	6,396	
Data Processing Services	68,053	
Evaluation and Testing	63	
Janitorial Services	691	
Maintenance and Repair Services - Vehicles	3,321	
Postal Charges	4,042	
Printing, Stationery, and Forms	2,637	
Travel	2,275	
Data Processing Supplies	3,785	
Food Supplies	786	
Gasoline	7,617	
Lubricants	17	
Office Supplies	2,260	
Periodicals	653	
Vehicle Parts	114	
Other Supplies and Materials	41	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Finance (Cont.)		
Reappraisal Program (Cont.)		
Communication Equipment	$ 215	
Data Processing Equipment	1,798	
Office Equipment	245	
Total Reappraisal Program		$ 641,904
County Trustee's Office		
County Official/Administrative Officer	$ 92,528	
Deputy(ies)	188,684	
Longevity Pay	5,250	
Social Security	16,226	
State Retirement	37,155	
Life Insurance	545	
Medical Insurance	64,470	
Dental Insurance	2,237	
Employer Medicare	3,825	
Communication	901	
Contracts with Government Agencies	36,008	
Data Processing Services	30,341	
Dues and Memberships	919	
Legal Notices, Recording, and Court Costs	68	
Maintenance Agreements	1,359	
Postal Charges	7,683	
Printing, Stationery, and Forms	1,063	
Travel	1,611	
Custodial Supplies	13	
Data Processing Supplies	1,368	
Food Preparation Supplies	48	
Food Supplies	682	
Office Supplies	910	
In Service/Staff Development	425	
Other Charges	62	
Data Processing Equipment	2,137	
Furniture and Fixtures	492	
Total County Trustee's Office		497,010
County Clerk's Office		
County Official/Administrative Officer	$ 92,528	
Deputy(ies)	796,902	
Longevity Pay	25,200	
Social Security	48,441	
State Retirement	116,274	
Life Insurance	1,800	
Medical Insurance	235,202	
Dental Insurance	8,473	
Employer Medicare	12,157	
Communication	3,225	
Data Processing Services	40,203	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Finance (Cont.)		
County Clerk's Office (Cont.)		
Dues and Memberships	$ 869	
Maintenance Agreements	5,559	
Maintenance and Repair Services - Office Equipment	55	
Postal Charges	34,743	
Printing, Stationery, and Forms	2,787	
Travel	6,150	
Maintenance and Repair Services - Records	450	
Data Processing Supplies	7,531	
Food Preparation Supplies	11	
Food Supplies	149	
Office Supplies	7,274	
Periodicals	775	
In Service/Staff Development	445	
Communication Equipment	150	
Data Processing Equipment	24,273	
Furniture and Fixtures	631	
Office Equipment	448	
Total County Clerk's Office		$ 1,472,705
Data Processing		
Supervisor/Director	$ 75,481	
Longevity Pay	900	
Social Security	4,586	
State Retirement	9,959	
Life Insurance	158	
Medical Insurance	11,424	
Dental Insurance	436	
Employer Medicare	1,072	
Communication	1,920	
Data Processing Services	18,885	
Postal Charges	42	
Travel	260	
Data Processing Supplies	776	
Office Supplies	25	
Communication Equipment	449	
Total Data Processing		126,373
Administration of Justice		
Circuit Court		
County Official/Administrative Officer	$ 92,528	
Clerical Personnel	862,198	
Longevity Pay	23,325	
Jury and Witness Expense	34,113	
Social Security	56,163	
State Retirement	129,924	
Life Insurance	2,012	
Medical Insurance	209,670	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
Circuit Court (Cont.)		
Dental Insurance	$ 7,734	
Employer Medicare	13,170	
Communication	2,174	
Data Processing Services	32,427	
Dues and Memberships	774	
Legal Notices, Recording, and Court Costs	385	
Maintenance Agreements	17,341	
Maintenance and Repair Services - Equipment	150	
Postal Charges	23,610	
Printing, Stationery, and Forms	5,620	
Travel	2,702	
Maintenance and Repair Services - Records	917	
Custodial Supplies	10	
Data Processing Supplies	4,311	
Food Preparation Supplies	8	
Food Supplies	1,152	
Office Supplies	15,592	
Periodicals	810	
In Service/Staff Development	475	
Communication Equipment	118	
Data Processing Equipment	35,551	
Furniture and Fixtures	2,400	
Office Equipment	74	
Total Circuit Court		$ 1,577,438
General Sessions Court		
Data Processing Equipment	$ 2,500	
Total General Sessions Court		2,500
General Sessions Judge		
Judge(s)	$ 158,641	
Secretary(ies)	61,650	
Longevity Pay	2,100	
Social Security	10,574	
State Retirement	30,535	
Life Insurance	356	
Medical Insurance	6,112	
Dental Insurance	226	
Employer Medicare	3,154	
Communication	909	
Data Processing Services	300	
Licenses	50	
Maintenance Agreements	2,585	
Postal Charges	196	
Printing, Stationery, and Forms	1,938	
Travel	563	
Other Contracted Services	1,200	

(Continued)

Exhibit K-8

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

General Fund (Cont.)				
Administration of Justice (Cont.)				
General Sessions Judge (Cont.)				
Data Processing Supplies	$	306		
Office Supplies		1,002		
Periodicals		635		
In Service/Staff Development		215		
Other Charges		100		
Total General Sessions Judge			$	283,347
Drug Court				
County Official/Administrative Officer	$	51,462		
Assistant(s)		40,254		
Part-time Personnel		13,960		
Longevity Pay		1,725		
Social Security		5,571		
State Retirement		13,044		
Life Insurance		206		
Medical Insurance		12,225		
Dental Insurance		453		
Employer Medicare		1,506		
Communication		288		
Data Processing Services		273		
Dues and Memberships		200		
Evaluation and Testing		972		
Maintenance Agreements		1,008		
Postal Charges		196		
Printing, Stationery, and Forms		296		
Travel		2,604		
Drug Treatment		4,235		
Other Contracted Services		18,910		
Custodial Supplies		49		
Data Processing Supplies		1,100		
Drugs and Medical Supplies		33,205		
Instructional Supplies and Materials		1,725		
Office Supplies		1,157		
Other Supplies and Materials		29		
In Service/Staff Development		476		
Communication Equipment		389		
Furniture and Fixtures		975		
Office Equipment		307		
Total Drug Court				208,800
Chancery Court				
County Official/Administrative Officer	$	92,528		
Clerical Personnel		285,470		
Longevity Pay		10,350		
Social Security		21,468		
State Retirement		53,533		
Life Insurance		836		

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
Chancery Court (Cont.)		
Medical Insurance	$ 134,710	
Dental Insurance	4,701	
Employer Medicare	5,021	
Communication	3,292	
Data Processing Services	13,574	
Dues and Memberships	774	
Janitorial Services	2,400	
Maintenance Agreements	7,043	
Postal Charges	27,310	
Printing, Stationery, and Forms	1,133	
Data Processing Supplies	599	
Food Preparation Supplies	41	
Food Supplies	1,407	
Office Supplies	4,744	
Periodicals	762	
In Service/Staff Development	100	
Other Charges	48	
Data Processing Equipment	10,956	
Furniture and Fixtures	1,710	
Office Equipment	45	
Total Chancery Court		$ 684,555
Juvenile Court		
Judge(s)	$ 158,641	
Assistant(s)	126,067	
Secretary(ies)	100,937	
Longevity Pay	6,375	
Social Security	20,406	
State Retirement	53,129	
Life Insurance	706	
Medical Insurance	42,463	
Dental Insurance	1,635	
Employer Medicare	5,428	
Communication	5,793	
Data Processing Services	5,206	
Dues and Memberships	570	
Maintenance Agreements	7,896	
Maintenance and Repair Services - Equipment	35	
Printing, Stationery, and Forms	1,279	
Travel	2,675	
Maintenance and Repair Services - Records	420	
Data Processing Supplies	1,022	
Office Supplies	786	
Periodicals	680	
Uniforms	340	
In Service/Staff Development	470	
Data Processing Equipment	965	
Total Juvenile Court		543,924

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
District Attorney General		
Rentals	$ 3,600	
Total District Attorney General		$ 3,600
Judicial Commissioners		
County Official/Administrative Officer	$ 266,169	
Longevity Pay	1,050	
Social Security	14,679	
State Retirement	13,064	
Life Insurance	204	
Medical Insurance	30,204	
Dental Insurance	1,101	
Employer Medicare	3,921	
Communication	1,260	
Dues and Memberships	1,125	
Maintenance Agreements	1,104	
Data Processing Supplies	1,532	
General Construction Materials	964	
Office Supplies	1,572	
Periodicals	450	
Other Supplies and Materials	70	
Communication Equipment	100	
Data Processing Equipment	319	
Furniture and Fixtures	2,484	
Total Judicial Commissioners		341,372
Other Administration of Justice		
Part-time Personnel	$ 11,367	
Employer Medicare	165	
Contracts with Other Public Agencies	188,650	
Postal Charges	545	
Office Supplies	279	
Other Supplies and Materials	8,181	
Data Processing Equipment	695	
Total Other Administration of Justice		209,882
Probation Services		
Probation Officer(s)	$ 239,447	
Clerical Personnel	36,665	
Longevity Pay	7,425	
Social Security	16,306	
State Retirement	38,185	
Life Insurance	585	
Medical Insurance	39,099	
Dental Insurance	1,746	
Employer Medicare	3,938	
Communication	576	
Maintenance Agreements	2,291	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Administration of Justice (Cont.)		
Probation Services (Cont.)		
Postal Charges	$ 582	
Printing, Stationery, and Forms	711	
Travel	423	
Custodial Supplies	465	
Data Processing Supplies	380	
Food Preparation Supplies	40	
Office Supplies	819	
Other Supplies and Materials	121	
In Service/Staff Development	250	
Other Charges	500	
Furniture and Fixtures	879	
Office Equipment	35	
Other Equipment	298	
Total Probation Services		$ 391,766
Courtroom Security		
Other Equipment	$ 15,963	
Total Courtroom Security		15,963
Public Safety		
Sheriff's Department		
County Official/Administrative Officer	$ 100,131	
Deputy(ies)	3,147,870	
Detective(s)	394,280	
Captain(s)	173,659	
Lieutenant(s)	174,594	
Sergeant(s)	392,827	
Data Processing Personnel	56,366	
Dispatchers/Radio Operators	439,949	
Guards	328,603	
Clerical Personnel	458,308	
Maintenance Personnel	146,791	
Part-time Personnel	143,369	
Longevity Pay	147,000	
Overtime Pay	5,839	
Other Salaries and Wages	52,200	
Social Security	352,588	
State Retirement	832,646	
Life Insurance	12,736	
Medical Insurance	1,399,692	
Dental Insurance	57,015	
Employer Medicare	82,461	
Advertising	519	
Communication	20,356	
Data Processing Services	62,051	
Dues and Memberships	3,455	
Evaluation and Testing	13,035	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Public Safety (Cont.)		
Sheriff's Department (Cont.)		
Licenses	$ 540	
Maintenance Agreements	17,738	
Maintenance and Repair Services - Equipment	14,325	
Maintenance and Repair Services - Vehicles	44,980	
Postal Charges	7,904	
Printing, Stationery, and Forms	9,724	
Rentals	154	
Towing Services	1,565	
Transportation - Other than Students	21,819	
Travel	11,983	
Veterinary Services	23,014	
Other Contracted Services	150	
Animal Food and Supplies	11,886	
Data Processing Supplies	10,896	
Drugs and Medical Supplies	4,342	
Equipment and Machinery Parts	742	
Gasoline	260,077	
General Construction Materials	1,061	
Instructional Supplies and Materials	342	
Law Enforcement Supplies	24,348	
Lubricants	9,707	
Office Supplies	14,165	
Periodicals	100	
Propane Gas	4,673	
Small Tools	531	
Uniforms	31,122	
Vehicle Parts	21,809	
Other Supplies and Materials	3,720	
In Service/Staff Development	16,178	
Other Charges	1,176	
Communication Equipment	15,717	
Data Processing Equipment	78,484	
Furniture and Fixtures	19,857	
Law Enforcement Equipment	89,447	
Office Equipment	1,060	
Other Equipment	7,087	
Total Sheriff's Department		$ 9,780,763
Administration of the Sexual Offender Registry		
Data Processing Services	$ 2,176	
Data Processing Supplies	1,025	
Office Supplies	1,004	
Other Charges	3,000	
Total Administration of the Sexual Offender Registry		7,205
Jail		
Assistant(s)	$ 65,343	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Public Safety (Cont.)		
Jail (Cont.)		
Captain(s)	$ 60,328	
Lieutenant(s)	133,851	
Sergeant(s)	255,641	
Guards	3,592,566	
Cafeteria Personnel	56,561	
Part-time Personnel	1,937	
Longevity Pay	76,200	
Social Security	244,619	
State Retirement	591,338	
Life Insurance	8,800	
Medical Insurance	974,545	
Dental Insurance	39,810	
Employer Medicare	57,105	
Audit Services	882	
Contracts with Private Agencies	1,407	
Medical and Dental Services	1,489,878	
Custodial Supplies	79,357	
Food Preparation Supplies	1,805	
Food Supplies	623,578	
Prisoners Clothing	10,863	
Other Supplies and Materials	38,205	
Health Equipment	450	
Total Jail		$ 8,405,069
Juvenile Services		
Youth Service Officer(s)	$ 346,480	
Salary Supplements	5,196	
Longevity Pay	12,000	
Social Security	21,041	
State Retirement	50,770	
Life Insurance	771	
Medical Insurance	76,961	
Dental Insurance	2,936	
Employer Medicare	4,921	
Communication	803	
Data Processing Services	2,442	
Postal Charges	1,470	
Printing, Stationery, and Forms	68	
Travel	3,166	
Custodial Supplies	223	
Data Processing Supplies	858	
Duplicating Supplies	64	
Food Preparation Supplies	23	
Food Supplies	932	
Instructional Supplies and Materials	495	
Office Supplies	1,201	
Testing	2,353	

(Continued)

Exhibit K-8

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

General Fund (Cont.)				
Public Safety (Cont.)				
Juvenile Services (Cont.)				
In Service/Staff Development	$	865		
Data Processing Equipment		877		
Furniture and Fixtures		450		
Office Equipment		300		
Total Juvenile Services			$	537,666
Fire Prevention and Control				
Contracts with Government Agencies	$	2,000		
Total Fire Prevention and Control				2,000
Rural Fire Protection				
Contributions	$	168,000		
Total Rural Fire Protection				168,000
Other Emergency Management				
Supervisor/Director	$	79,895		
Deputy(ies)		19,797		
Part-time Personnel		28,829		
Longevity Pay		900		
Social Security		7,695		
State Retirement		11,279		
Life Insurance		176		
Medical Insurance		15,343		
Dental Insurance		613		
Employer Medicare		1,799		
Communication		2,774		
Data Processing Services		5,420		
Dues and Memberships		100		
Evaluation and Testing		63		
Maintenance Agreements		924		
Maintenance and Repair Services - Equipment		7,467		
Maintenance and Repair Services - Vehicles		1,709		
Rentals		84		
Travel		296		
Other Contracted Services		917		
Custodial Supplies		499		
Data Processing Supplies		158		
Equipment and Machinery Parts		435		
Fertilizer, Lime, and Seed		1,222		
Food Preparation Supplies		70		
Food Supplies		744		
Garage Supplies		240		
Gasoline		9,939		
General Construction Materials		448		
Instructional Supplies and Materials		310		
Law Enforcement Supplies		4,880		
Lubricants		826		

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Public Safety (Cont.)		
Other Emergency Management (Cont.)		
Office Supplies	$ 918	
Small Tools	819	
Uniforms	58	
Vehicle Parts	2,563	
Other Supplies and Materials	3,022	
Vehicle and Equipment Insurance	20,863	
Workers' Compensation Insurance	13,615	
Building Improvements	14,925	
Data Processing Equipment	360	
Furniture and Fixtures	198	
Other Equipment	7,050	
Total Other Emergency Management		$ 270,242
County Coroner/Medical Examiner		
Medical and Dental Services	$ 43,750	
Other Contracted Services	18,000	
Total County Coroner/Medical Examiner		61,750
Public Health and Welfare		
Local Health Center		
Custodial Personnel	$ 27,402	
Longevity Pay	14,925	
Other Salaries and Wages	817,601	
Social Security	49,845	
State Retirement	102,434	
Life Insurance	1,624	
Medical Insurance	178,737	
Dental Insurance	6,874	
Employer Medicare	11,657	
Advertising	600	
Communication	22,839	
Data Processing Services	1,092	
Dues and Memberships	495	
Maintenance Agreements	565	
Maintenance and Repair Services - Buildings	560	
Maintenance and Repair Services - Equipment	5,330	
Postal Charges	53	
Printing, Stationery, and Forms	24,538	
Rentals	545	
Travel	18,394	
Disposal Fees	2,910	
Other Contracted Services	25,479	
Custodial Supplies	2,462	
Data Processing Supplies	53	
Drugs and Medical Supplies	4,501	
Electricity	53,399	
Equipment and Machinery Parts	187	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
Local Health Center (Cont.)		
Food Preparation Supplies	$ 17	
Food Supplies	7,258	
General Construction Materials	2,201	
Instructional Supplies and Materials	11,038	
Natural Gas	5,982	
Office Supplies	1,585	
Periodicals	154	
Small Tools	107	
Water and Sewer	3,402	
Chemicals	221	
Other Supplies and Materials	3,386	
Liability Insurance	890	
In Service/Staff Development	1,720	
Other Charges	20	
Communication Equipment	28,592	
Data Processing Equipment	2,789	
Food Service Equipment	1,079	
Furniture and Fixtures	7,071	
Maintenance Equipment	79	
Office Equipment	60	
Health Equipment	328	
Other Equipment	90	
Total Local Health Center		$ 1,453,170
Ambulance/Emergency Medical Services		
Supervisor/Director	$ 89,053	
Mechanic(s)	47,661	
Dispatchers/Radio Operators	216,598	
Clerical Personnel	212,688	
Attendants	2,832,804	
Part-time Personnel	351,526	
Longevity Pay	91,275	
Overtime Pay	1,471,190	
Social Security	306,277	
State Retirement	692,666	
Life Insurance	9,587	
Medical Insurance	1,100,530	
Dental Insurance	41,364	
Employer Medicare	71,630	
Communication	35,582	
Consultants	5,000	
Data Processing Services	98,674	
Debt Collection Services	262,844	
Dues and Memberships	1,093	
Evaluation and Testing	3,147	
Janitorial Services	210	
Laundry Service	42	

(Continued)

Exhibit K-8

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

General Fund (Cont.)
Public Health and Welfare (Cont.)
Ambulance/Emergency Medical Services (Cont.)

Legal Notices, Recording, and Court Costs	$ 11	
Licenses	750	
Maintenance Agreements	14,591	
Maintenance and Repair Services - Equipment	3,795	
Maintenance and Repair Services - Vehicles	1,378	
Postal Charges	1,101	
Printing, Stationery, and Forms	139	
Rentals	4,467	
Travel	4,075	
Disposal Fees	3,007	
Other Contracted Services	1,416	
Custodial Supplies	7,515	
Data Processing Supplies	3,549	
Diesel Fuel	168,008	
Drugs and Medical Supplies	216,571	
Equipment Parts - Light	1,420	
Equipment and Machinery Parts	4,260	
Food Preparation Supplies	71	
Food Supplies	711	
Gasoline	16,463	
General Construction Materials	2,207	
Instructional Supplies and Materials	4,047	
Lubricants	14,405	
Office Supplies	2,582	
Periodicals	76	
Small Tools	20	
Textbooks	991	
Tires and Tubes	17,450	
Uniforms	51,737	
Vehicle Parts	44,304	
Gravel and Chert	50	
Chemicals	378	
Other Supplies and Materials	721	
Liability Insurance	23,328	
Refunds	34,412	
In Service/Staff Development	20,461	
Criminal Investigation of Applicants - TBI	1,331	
Other Charges	452	
Communication Equipment	18,054	
Data Processing Equipment	18,534	
Furniture and Fixtures	6,131	
Office Equipment	306	
Health Equipment	24,787	
Other Equipment	3,329	
Total Ambulance/Emergency Medical Services		$ 8,684,832

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Public Health and Welfare (Cont.)		
Appropriation to State		
Contracts with Government Agencies	$ 191,955	
Total Appropriation to State		$ 191,955
General Welfare Assistance		
Pauper Burials	$ 2,175	
Total General Welfare Assistance		2,175
Social, Cultural, and Recreational Services		
Senior Citizens Assistance		
Contributions	$ 46,500	
Tax Relief Program	225,007	
Total Senior Citizens Assistance		271,507
Libraries		
Librarians	$ 988,835	
Longevity Pay	17,250	
Social Security	58,787	
State Retirement	110,770	
Life Insurance	1,727	
Medical Insurance	260,116	
Dental Insurance	8,649	
Employer Medicare	13,436	
Advertising	100	
Communication	15,985	
Data Processing Services	31,072	
Dues and Memberships	1,175	
Janitorial Services	38,058	
Licenses	307	
Maintenance Agreements	18,811	
Maintenance and Repair Services - Buildings	1,343	
Maintenance and Repair Services - Equipment	10,787	
Pest Control	1,346	
Postal Charges	2,054	
Printing, Stationery, and Forms	5,246	
Travel	4,325	
Disposal Fees	1,170	
Permits	165	
Other Contracted Services	7,021	
Custodial Supplies	6,693	
Data Processing Supplies	5,937	
Duplicating Supplies	124	
Electricity	93,155	
Food Preparation Supplies	754	
Food Supplies	632	
General Construction Materials	462	
Instructional Supplies and Materials	1,188	
Library Books/Media	145,835	

(Continued)

Exhibit K-8

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

General Fund (Cont.)		
Social, Cultural, and Recreational Services (Cont.)		
Libraries (Cont.)		
Natural Gas	$ 2,734	
Office Supplies	17,909	
Periodicals	6,885	
Water and Sewer	6,734	
Other Supplies and Materials	4,342	
In Service/Staff Development	1,217	
Communication Equipment	477	
Data Processing Equipment	25,013	
Furniture and Fixtures	661	
Office Equipment	104	
Total Libraries		$ 1,919,391
Agriculture and Natural Resources		
Agricultural Extension Service		
County Official/Administrative Officer	$ 105,340	
Assistant(s)	100,407	
Secretary(ies)	46,868	
Longevity Pay	5,100	
Social Security	12,105	
State Retirement	36,071	
Life Insurance	299	
Medical Insurance	71,843	
Dental Insurance	2,734	
Employer Medicare	3,309	
Communication	3,787	
Data Processing Services	352	
Dues and Memberships	395	
Maintenance Agreements	987	
Maintenance and Repair Services - Equipment	56	
Travel	6,918	
Other Contracted Services	2,371	
Office Supplies	879	
Data Processing Equipment	1,280	
Total Agricultural Extension Service		401,101
Soil Conservation		
Secretary(ies)	$ 28,616	
Longevity Pay	1,650	
Social Security	1,596	
State Retirement	4,225	
Life Insurance	64	
Medical Insurance	15,343	
Dental Insurance	625	
Employer Medicare	373	
Data Processing Services	15	
Dues and Memberships	1,100	
Postal Charges	303	

(Continued)

Exhibit K-8

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

General Fund (Cont.)				
Agriculture and Natural Resources (Cont.)				
Soil Conservation (Cont.)				
Data Processing Supplies	$	210		
Office Supplies		190		
Periodicals		62		
Furniture and Fixtures		765		
Total Soil Conservation			$	55,137
Other Operations				
Tourism				
Contributions	$	380,000		
Total Tourism				380,000
Industrial Development				
Contributions	$	60,000		
Total Industrial Development				60,000
Veterans' Services				
County Official/Administrative Officer	$	44,007		
Longevity Pay		300		
Social Security		2,652		
State Retirement		6,185		
Life Insurance		98		
Dental Insurance		625		
Employer Medicare		620		
Communication		996		
Data Processing Services		527		
Maintenance Agreements		481		
Postal Charges		154		
Travel		719		
Maintenance and Repair Services - Records		22		
Data Processing Supplies		432		
Office Supplies		354		
Periodicals		239		
Data Processing Equipment		160		
Furniture and Fixtures		900		
Total Veterans' Services				59,471
Other Charges				
Disposal Fees	$	91,608		
Trustee's Commission		597,470		
Other Charges		31,726		
Total Other Charges				720,804
Contributions to Other Agencies				
Contributions	$	413,609		
Other Charges		181,090		
Total Contributions to Other Agencies				594,699

(Continued)

Exhibit K-8

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

General Fund (Cont.)			
Other Operations (Cont.)			
Employee Benefits			
State Retirement	$ 3,200		
Medical Insurance	23,884		
Unemployment Compensation	5,914		
Total Employee Benefits		$ 32,998	
Miscellaneous			
Investigator(s)	$ 58,012		
Clerical Personnel	24,567		
Part-time Personnel	4,403		
Longevity Pay	525		
Overtime Pay	6,540		
Other Salaries and Wages	5,000		
Social Security	5,999		
State Retirement	7,233		
Life Insurance	99		
Medical Insurance	6,112		
Dental Insurance	226		
Employer Medicare	1,403		
Total Miscellaneous		120,119	
Highways			
Traffic Control			
Maintenance and Repair Services - Equipment	$ 814		
Total Traffic Control		814	
Capital Outlay			
Land	$ 86		
Total Capital Outlay		86	
Capital Projects			
Public Health and Welfare Projects			
Other Contracted Services	$ 66		
Building Construction	202,750		
Total Public Health and Welfare Projects		202,816	
Social, Cultural, and Recreation Projects			
Pest Control	$ 1,500		
Building Improvements	13,250		
Total Social, Cultural, and Recreation Projects		14,750	
Total General Fund			$ 48,560,828
Courthouse and Jail Maintenance Fund			
General Government			
County Buildings			
Communication	$ 30,057		
Data Processing Services	5,952		

(Continued)

Exhibit K-8

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

Courthouse and Jail Maintenance Fund (Cont.)			
General Government (Cont.)			
County Buildings (Cont.)			
Dues and Memberships	$ 45		
Evaluation and Testing	27		
Janitorial Services	316		
Maintenance Agreements	146,813		
Maintenance and Repair Services - Buildings	20,918		
Maintenance and Repair Services - Equipment	110,692		
Maintenance and Repair Services - Vehicles	4,141		
Pest Control	8,525		
Printing, Stationery, and Forms	650		
Rentals	1,352		
Travel	180		
Disposal Fees	14,675		
Permits	770		
Other Contracted Services	20,688		
Custodial Supplies	19,961		
Data Processing Supplies	3,768		
Equipment and Machinery Parts	5,685		
Food Preparation Supplies	104		
Food Supplies	41		
Gasoline	2,383		
General Construction Materials	111,368		
Lubricants	103		
Road Signs	104		
Small Tools	5,771		
Vehicle Parts	321		
Chemicals	791		
Other Supplies and Materials	345		
Trustee's Commission	5,625		
Building Improvements	1,545		
Data Processing Equipment	1,470		
Food Service Equipment	5,976		
Furniture and Fixtures	3,187		
Heating and Air Conditioning Equipment	332		
Other Equipment	4,727		
Total County Buildings		$ 539,408	
Interest on Debt			
General Government			
Interest on Notes	$ 1,220		
Total General Government		1,220	
Total Courthouse and Jail Maintenance Fund			$ 540,628
Drug Control Fund			
Public Safety			
Drug Enforcement			
Contracts with Government Agencies	$ 2,680		

(Continued)

Exhibit K-8

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

Drug Control Fund (Cont.)			
Public Safety (Cont.)			
Drug Enforcement (Cont.)			
Data Processing Services	$ 23,098		
Evaluation and Testing	1,950		
Drugs and Medical Supplies	480		
Trustee's Commission	316		
In Service/Staff Development	1,000		
Law Enforcement Equipment	6,089		
Other Equipment	13,354		
Total Drug Enforcement		$ 48,967	
Total Drug Control Fund			$ 48,967
Constitutional Officers - Fees Fund			
Administration of Justice			
Chancery Court			
Special Commissioner Fees/Special Master Fees	$ 3,404		
Total Chancery Court		$ 3,404	
Total Constitutional Officers - Fees Fund			3,404
Highway/Public Works Fund			
Highways			
Administration			
County Official/Administrative Officer	$ 100,131		
Assistant(s)	35,574		
Clerical Personnel	31,816		
Advertising	2,288		
Data Processing Services	10,301		
Dues and Memberships	4,000		
Legal Services	4,700		
Legal Notices, Recording, and Court Costs	6		
Maintenance Agreements	1,752		
Postal Charges	256		
Printing, Stationery, and Forms	395		
Travel	1,322		
Other Contracted Services	17		
Data Processing Supplies	524		
Drugs and Medical Supplies	93		
Office Supplies	1,026		
In Service/Staff Development	150		
Total Administration		$ 194,351	
Highway and Bridge Maintenance			
Foremen	$ 181,368		
Equipment Operators	620,355		
Truck Drivers	370,752		
Laborers	4,128		
Engineering Services	26,550		

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)		
Highways (Cont.)		
Highway and Bridge Maintenance (Cont.)		
Evaluation and Testing	$ 1,524	
Postal Charges	9	
Rentals	1,043	
Permits	2,520	
Other Contracted Services	350	
Asphalt - Cold Mix	5,514	
Asphalt - Hot Mix	1,864,834	
Asphalt - Liquid	54,772	
Concrete	34,223	
Crushed Stone	155,857	
Fertilizer, Lime, and Seed	3,449	
Food Supplies	402	
General Construction Materials	81,286	
Other Road Materials	40,873	
Pipe	3,341	
Pipe - Concrete	17,244	
Pipe - Metal	2,172	
Propane Gas	976	
Road Signs	17,703	
Salt	48,465	
Sand	2,766	
Small Tools	1,927	
Structural Steel	2,181	
Uniforms	438	
Wood Products	667	
Fencing	415	
Chemicals	28,567	
In Service/Staff Development	808	
Total Highway and Bridge Maintenance		$ 3,577,479
Operation and Maintenance of Equipment		
Foremen	$ 56,885	
Mechanic(s)	158,878	
Laborers	34,906	
Evaluation and Testing	1,162	
Laundry Service	1,992	
Maintenance and Repair Services - Buildings	1,298	
Maintenance and Repair Services - Equipment	30,018	
Maintenance and Repair Services - Vehicles	7,572	
Rentals	435	
Towing Services	760	
Disposal Fees	431	
Permits	650	
Other Contracted Services	450	
Custodial Supplies	1,828	
Diesel Fuel	226,189	
Equipment and Machinery Parts	113,144	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)				
Highways (Cont.)				
Operation and Maintenance of Equipment (Cont.)				
Garage Supplies	$	9,728		
Gasoline		113,212		
General Construction Materials		1,252		
Lubricants		13,416		
Propane Gas		444		
Small Tools		5,247		
Tires and Tubes		49,022		
Vehicle Parts		74,778		
Other Supplies and Materials		480		
Total Operation and Maintenance of Equipment			$	904,177
Quarry Operations				
Permits	$	2,080		
Other Contracted Services		1,800		
Electricity		1,081		
Explosives and Drilling Supplies		36,690		
In Service/Staff Development		355		
Total Quarry Operations				42,006
Litter and Trash Collection				
Guards	$	30,496		
Medical Insurance		5,154		
Custodial Supplies		17		
Diesel Fuel		5,970		
Instructional Supplies and Materials		17,316		
Other Supplies and Materials		2,962		
Other Charges		6,363		
Total Litter and Trash Collection				68,278
Other Charges				
Communication	$	4,867		
Data Processing Services		3,619		
Electricity		24,281		
Natural Gas		5,873		
Propane Gas		3,767		
Water and Sewer		3,594		
Building and Contents Insurance		2,103		
Liability Insurance		161,039		
Trustee's Commission		67,271		
Vehicle and Equipment Insurance		49,873		
Total Other Charges				326,287
Employee Benefits				
Longevity Pay	$	40,950		
Social Security		117,137		
State Retirement		210,043		
Life Insurance		3,532		

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)			
Highways (Cont.)			
Employee Benefits (Cont.)			
Medical Insurance	$ 404,793		
Dental Insurance	15,133		
Unemployment Compensation	12,174		
Employer Medicare	1,095		
Workers' Compensation Insurance	100,754		
Total Employee Benefits		$ 905,611	
Capital Outlay			
Data Processing Equipment	$ 5,627		
Highway Equipment	244,268		
Land	186		
Motor Vehicles	103,445		
Office Equipment	65		
Total Capital Outlay		353,591	
Total Highway/Public Works Fund			$ 6,371,780
General Debt Service Fund			
Principal on Debt			
General Government			
Principal on Bonds	$ 547,395		
Total General Government		$ 547,395	
Education			
Principal on Bonds	$ 10,347,605		
Principal on Capital Leases	43,211		
Total Education		10,390,816	
Interest on Debt			
General Government			
Interest on Bonds	$ 266,517		
Total General Government		266,517	
Education			
Interest on Bonds	$ 5,087,146		
Interest on Capital Leases	2,414		
Total Education		5,089,560	
Other Debt Service			
General Government			
Trustee's Commission	$ 386,660		
Other Charges	550		
Total General Government		387,210	
Education			
Other Charges	$ 2,405		
Total Education		2,405	
Total General Debt Service Fund			16,683,903

(Continued)

Exhibit K-8

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

General Capital Projects Fund		
Capital Projects		
General Administration Projects		
Trustee's Commission	$ 100,758	
Underwriter's Discount	129,558	
Other Debt Issuance Charges	17,127	
Total General Administration Projects		$ 247,443
Administration of Justice Projects		
Architects	$ 25,881	
Building Improvements	22,950	
Total Administration of Justice Projects		48,831
Public Safety Projects		
Architects	$ 198,243	
Engineering Services	87,100	
Building Construction	2,366,845	
Motor Vehicles	493,948	
Other Construction	2,602,715	
Total Public Safety Projects		5,748,851
Public Health and Welfare Projects		
Motor Vehicles	$ 358,758	
Total Public Health and Welfare Projects		358,758
Social, Cultural, and Recreation Projects		
Other Contracted Services	$ 1,462	
Right-of-Way	58,545	
Site Development	96,284	
Total Social, Cultural, and Recreation Projects		156,291
Other General Government Projects		
Building Improvements	$ 269,601	
Data Processing Equipment	118,324	
Motor Vehicles	34,594	
Site Development	632	
Other Construction	330,629	
Other Capital Outlay	1,088,386	
Total Other General Government Projects		1,842,166
Education Capital Projects		
Architects	$ 1,472,679	
Textbooks	399,982	
Underwriter's Discount	867,045	
Other Debt Issuance Charges	114,621	
Building Construction	10,569,965	
Building Improvements	8,472,557	
Data Processing Equipment	284,358	
Furniture and Fixtures	273,109	
Heating and Air Conditioning Equipment	521,338	

(Continued)

Exhibit K-8

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

General Capital Projects Fund (Cont.)			
Capital Projects (Cont.)			
Education Capital Projects (Cont.)			
Land	$ 3,459,132		
Maintenance Equipment	90,479		
Transportation Equipment	663,477		
Other Equipment	186,977		
Other Construction	624,551		
Other Capital Outlay	383,331		
Total Education Capital Projects		$ 28,383,601	
Total General Capital Projects Fund			$ 36,785,941
Total Governmental Funds - Primary Government			$ 108,995,451

Exhibit K-9

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

General Purpose School Fund		
Instruction		
Regular Instruction Program		
Teachers	$ 69,619,293	
Career Ladder Program	342,770	
Career Ladder Extended Contracts	97,223	
Homebound Teachers	146,254	
Educational Assistants	1,523,481	
Other Salaries and Wages	171,609	
Certified Substitute Teachers	353,059	
Non-certified Substitute Teachers	437,274	
Social Security	4,241,081	
State Retirement	6,527,922	
Life Insurance	106,844	
Medical Insurance	15,362,087	
Dental Insurance	629,345	
Employer Medicare	996,369	
Maintenance and Repair Services - Equipment	66,069	
Other Contracted Services	145,693	
Instructional Supplies and Materials	842,843	
Textbooks	253,997	
Other Supplies and Materials	37,778	
Fee Waivers	469,325	
Other Charges	16,368	
Total Regular Instruction Program		$ 102,386,684
Alternative Instruction Program		
Teachers	$ 933,964	
Career Ladder Program	4,355	
Educational Assistants	208,852	
Other Salaries and Wages	184,230	
Certified Substitute Teachers	4,730	
Non-certified Substitute Teachers	178	
Social Security	75,550	
State Retirement	138,156	
Life Insurance	2,011	
Medical Insurance	427,826	
Dental Insurance	16,146	
Employer Medicare	17,715	
Other Contracted Services	112,342	
Instructional Supplies and Materials	14,228	
Textbooks	42,555	
Other Charges	2,800	
Total Alternative Instruction Program		2,185,638
Special Education Program		
Teachers	$ 9,712,667	
Career Ladder Program	38,927	
Career Ladder Extended Contracts	9,713	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Instruction (Cont.)		
Special Education Program (Cont.)		
Homebound Teachers	$ 100,908	
Educational Assistants	2,289,694	
Speech Pathologist	1,764,345	
Other Salaries and Wages	115,829	
Certified Substitute Teachers	39,816	
Non-certified Substitute Teachers	189,771	
Social Security	817,701	
State Retirement	1,376,381	
Life Insurance	16,976	
Medical Insurance	3,831,202	
Dental Insurance	147,393	
Employer Medicare	192,208	
Contracts with Private Agencies	112,111	
Other Contracted Services	24,878	
Instructional Supplies and Materials	132,184	
Other Supplies and Materials	16,343	
Other Charges	5,520	
Special Education Equipment	13,700	
Total Special Education Program		$ 20,948,267
Vocational Education Program		
Teachers	$ 6,600,202	
Career Ladder Program	32,469	
Career Ladder Extended Contracts	2,000	
Educational Assistants	12,005	
Certified Substitute Teachers	44,558	
Non-certified Substitute Teachers	38,990	
Social Security	395,685	
State Retirement	598,193	
Life Insurance	10,957	
Medical Insurance	1,226,417	
Dental Insurance	54,065	
Employer Medicare	93,028	
Maintenance and Repair Services - Equipment	6,062	
Instructional Supplies and Materials	112,532	
Textbooks	298	
Fee Waivers	58,596	
Other Charges	7,908	
Vocational Instruction Equipment	126,216	
Total Vocational Education Program		9,420,181
Support Services		
Attendance		
Supervisor/Director	$ 85,221	
Career Ladder Program	1,000	
Clerical Personnel	31,161	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Attendance (Cont.)		
Other Salaries and Wages	$ 159,857	
Social Security	16,237	
State Retirement	34,461	
Life Insurance	557	
Medical Insurance	51,709	
Dental Insurance	1,604	
Employer Medicare	3,797	
Travel	4,991	
Other Supplies and Materials	833	
Other Charges	2,829	
Total Attendance		$ 394,257
Health Services		
Medical Personnel	$ 604,431	
Other Salaries and Wages	229,947	
Social Security	48,061	
State Retirement	78,817	
Life Insurance	448	
Medical Insurance	207,024	
Dental Insurance	7,039	
Employer Medicare	11,243	
Postal Charges	10	
Travel	24,935	
Other Contracted Services	23,201	
Drugs and Medical Supplies	29,277	
Other Supplies and Materials	37,059	
In Service/Staff Development	830	
Other Charges	21,981	
Health Equipment	5,731	
Total Health Services		1,330,034
Other Student Support		
Career Ladder Program	$ 21,375	
Guidance Personnel	3,087,300	
Career Ladder Extended Contracts	20,250	
Clerical Personnel	178,995	
Other Salaries and Wages	255,183	
Social Security	206,130	
State Retirement	331,997	
Life Insurance	4,863	
Medical Insurance	679,052	
Dental Insurance	27,798	
Employer Medicare	49,088	
Evaluation and Testing	119,833	
Other Supplies and Materials	2,466	
Other Charges	3,547	
Total Other Student Support		4,987,877

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Regular Instruction Program		
Supervisor/Director	$ 912,698	
Career Ladder Program	41,875	
Career Ladder Extended Contracts	9,033	
Librarians	2,522,489	
Instructional Computer Personnel	273,064	
Secretary(ies)	75,909	
Clerical Personnel	249,045	
Educational Assistants	23,654	
Other Salaries and Wages	302,397	
Social Security	252,162	
State Retirement	417,831	
Life Insurance	7,304	
Medical Insurance	915,858	
Dental Insurance	39,680	
Employer Medicare	60,291	
Travel	47,683	
Other Contracted Services	440	
Library Books/Media	218,846	
Office Supplies	5,669	
Other Supplies and Materials	41,650	
In Service/Staff Development	32,392	
Other Charges	32,156	
Data Processing Equipment	7,103	
Other Equipment	26,674	
Total Regular Instruction Program		$ 6,515,903
Alternative Instruction Program		
Supervisor/Director	$ 106,536	
Career Ladder Program	2,400	
Guidance Personnel	79,087	
Librarians	23,267	
Secretary(ies)	41,166	
Clerical Personnel	17,010	
Social Security	15,901	
State Retirement	26,381	
Life Insurance	534	
Medical Insurance	47,773	
Dental Insurance	2,058	
Employer Medicare	3,719	
Library Books/Media	4,823	
Other Supplies and Materials	10,102	
Total Alternative Instruction Program		380,757
Special Education Program		
Supervisor/Director	$ 459,645	
Career Ladder Program	12,000	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Special Education Program (Cont.)		
Psychological Personnel	$ 479,444	
Secretary(ies)	83,772	
Clerical Personnel	85,460	
Speech Pathologist	74,489	
Other Salaries and Wages	398,156	
Social Security	93,094	
State Retirement	162,292	
Life Insurance	2,666	
Medical Insurance	313,100	
Dental Insurance	11,233	
Employer Medicare	21,772	
Communication	25	
Postal Charges	45	
Travel	71,701	
Other Supplies and Materials	23,000	
In Service/Staff Development	11,042	
Other Charges	632	
Other Equipment	318	
Total Special Education Program		$ 2,303,886
Vocational Education Program		
Supervisor/Director	$ 71,943	
Career Ladder Program	2,135	
Secretary(ies)	27,651	
Social Security	1,497	
State Retirement	3,860	
Life Insurance	56	
Medical Insurance	12,725	
Dental Insurance	395	
Employer Medicare	1,424	
Travel	10,168	
Other Supplies and Materials	483	
Other Charges	1,941	
Other Equipment	2,000	
Total Vocational Education Program		136,278
Board of Education		
Other Salaries and Wages	$ 11,609	
Board and Committee Members Fees	66,000	
Social Security	2,472	
State Retirement	126	
Unemployment Compensation	58,575	
Employer Medicare	1,125	
Other Fringe Benefits	2,404,886	
Audit Services	31,542	
Dues and Memberships	45,415	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Board of Education (Cont.)		
Legal Services	$ 406,873	
Travel	7,328	
Other Contracted Services	26,087	
Other Supplies and Materials	3,944	
Liability Insurance	193,161	
Trustee's Commission	1,616,539	
Workers' Compensation Insurance	489,286	
Criminal Investigation of Applicants - TBI	1,588	
Refund to Applicant for Criminal Investigation	12,580	
Other Charges	94,968	
Total Board of Education		$ 5,474,104
Director of Schools		
County Official/Administrative Officer	$ 197,730	
Secretary(ies)	85,942	
Social Security	12,558	
State Retirement	29,872	
Life Insurance	539	
Medical Insurance	33,695	
Dental Insurance	908	
Employer Medicare	4,015	
Communication	162,539	
Dues and Memberships	635	
Postal Charges	33,555	
Travel	1,554	
Other Contracted Services	50	
Office Supplies	2,162	
Other Charges	3,839	
Administration Equipment	3,531	
Total Director of Schools		573,124
Office of the Principal		
Principals	$ 3,814,869	
Career Ladder Program	49,170	
Career Ladder Extended Contracts	22,000	
Assistant Principals	3,301,482	
Secretary(ies)	995,842	
Clerical Personnel	1,365,973	
Social Security	548,775	
State Retirement	955,403	
Life Insurance	16,617	
Medical Insurance	2,262,698	
Dental Insurance	87,572	
Employer Medicare	129,440	
Office Supplies	281,159	
Other Charges	23,290	
Administration Equipment	23,886	
Total Office of the Principal		13,878,176

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Fiscal Services		
Supervisor/Director	$ 95,968	
Internal Audit Personnel	108,546	
Accountants/Bookkeepers	98,607	
Purchasing Personnel	96,911	
Secretary(ies)	25,623	
Other Salaries and Wages	222,819	
Social Security	37,339	
State Retirement	84,715	
Life Insurance	856	
Medical Insurance	146,313	
Dental Insurance	5,097	
Employer Medicare	8,283	
Advertising	5,803	
Communication	111	
Dues and Memberships	1,279	
Maintenance and Repair Services - Equipment	888	
Travel	2,273	
Other Contracted Services	192,690	
Office Supplies	4,067	
In Service/Staff Development	2,647	
Other Charges	49,648	
Administration Equipment	8,468	
Total Fiscal Services		$ 1,198,951
Human Services/Personnel		
Supervisor/Director	$ 79,973	
Secretary(ies)	39,507	
Clerical Personnel	241,391	
Other Salaries and Wages	136,900	
Social Security	29,759	
State Retirement	65,374	
Life Insurance	587	
Medical Insurance	70,916	
Dental Insurance	2,548	
Employer Medicare	6,960	
Advertising	1,475	
Communication	1,048	
Dues and Memberships	450	
Travel	2,863	
Other Contracted Services	40,120	
Office Supplies	3,844	
Other Supplies and Materials	8,075	
In Service/Staff Development	1,943	
Other Charges	1,819	
Administration Equipment	5,245	
Total Human Services/Personnel		740,797

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Operation of Plant		
Custodial Personnel	$ 3,064,394	
Other Salaries and Wages	111,002	
Social Security	177,345	
State Retirement	314,670	
Life Insurance	3,697	
Medical Insurance	917,096	
Dental Insurance	29,524	
Employer Medicare	42,494	
Architects	10,000	
Communication	512	
Engineering Services	23,469	
Evaluation and Testing	4,495	
Laundry Service	1,112	
Maintenance Agreements	274,757	
Pest Control	24,732	
Disposal Fees	171,107	
Permits	7,355	
Other Contracted Services	600	
Custodial Supplies	492,416	
Electricity	5,411,128	
Gasoline	4,362	
Natural Gas	479,615	
Water and Sewer	938,133	
Building and Contents Insurance	396,704	
Other Charges	5,225	
Administration Equipment	887	
Plant Operation Equipment	22,904	
Total Operation of Plant		$ 12,929,735
Maintenance of Plant		
Supervisor/Director	$ 70,040	
Secretary(ies)	35,783	
Maintenance Personnel	2,350,458	
Other Salaries and Wages	107,325	
Social Security	145,780	
State Retirement	353,682	
Life Insurance	4,130	
Medical Insurance	761,225	
Dental Insurance	22,833	
Employer Medicare	34,094	
Communication	1,529	
Laundry Service	17,819	
Maintenance and Repair Services - Buildings	54,618	
Maintenance and Repair Services - Equipment	9,078	
Maintenance and Repair Services - Vehicles	12,039	
Travel	941	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Maintenance of Plant (Cont.)		
Other Contracted Services	$ 416,851	
Equipment and Machinery Parts	242,276	
Gasoline	138,754	
Other Supplies and Materials	987,624	
In Service/Staff Development	5,364	
Other Charges	40,277	
Administration Equipment	3,536	
Maintenance Equipment	53,900	
Total Maintenance of Plant		$ 5,869,956
Transportation		
Supervisor/Director	$ 70,000	
Mechanic(s)	328,340	
Bus Drivers	2,221,891	
Clerical Personnel	49,400	
Other Salaries and Wages	574,284	
Social Security	171,399	
State Retirement	444,856	
Life Insurance	4,175	
Medical Insurance	1,916,665	
Dental Insurance	64,794	
Employer Medicare	40,188	
Communication	938	
Laundry Service	5,138	
Maintenance and Repair Services - Vehicles	19,171	
Travel	906	
Other Contracted Services	13,086	
Diesel Fuel	824,778	
Garage Supplies	6,571	
Gasoline	14,260	
Lubricants	31,593	
Tires and Tubes	135,131	
Vehicle Parts	320,075	
Other Supplies and Materials	8,926	
Vehicle and Equipment Insurance	281,693	
Other Charges	67,320	
Data Processing Equipment	21,600	
Transportation Equipment	75,048	
Total Transportation		7,712,226
Central and Other		
Supervisor/Director	$ 66,950	
Computer Programmer(s)	353,038	
Data Processing Personnel	285,764	
Clerical Personnel	32,148	
Social Security	43,434	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Support Services (Cont.)		
Central and Other (Cont.)		
State Retirement	$ 99,462	
Life Insurance	737	
Medical Insurance	145,015	
Dental Insurance	5,422	
Employer Medicare	10,607	
Communication	1,851	
Licenses	178,193	
Maintenance and Repair Services - Equipment	2,366	
Travel	532	
Other Contracted Services	1,102,841	
Gasoline	7,263	
Office Supplies	628	
Other Supplies and Materials	1,803	
In Service/Staff Development	28,203	
Other Charges	1,931	
Data Processing Equipment	660,688	
Total Central and Other		$ 3,028,876
Operation of Non-instructional Services		
Food Service		
Supervisor/Director	$ 76,238	
Career Ladder Program	1,000	
Clerical Personnel	101,847	
Cafeteria Personnel	2,877,673	
Other Salaries and Wages	128,948	
Social Security	167,343	
State Retirement	386,468	
Life Insurance	4,437	
Medical Insurance	1,706,281	
Dental Insurance	54,971	
Employer Medicare	39,550	
Communication	2,938	
Maintenance and Repair Services - Equipment	6,019	
Travel	19,845	
Other Contracted Services	46,807	
Food Preparation Supplies	328,326	
Food Supplies	4,567,183	
Office Supplies	19,085	
Utilities	231,439	
USDA - Commodities	677,913	
Other Supplies and Materials	2,829	
In Service/Staff Development	18,788	
Other Charges	3,958	
Food Service Equipment	176,295	
Total Food Service		11,646,181

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)		
Operation of Non-instructional Services (Cont.)		
Community Services		
Supervisor/Director	$ 321,105	
Clerical Personnel	29,681	
Educational Assistants	92,546	
Other Salaries and Wages	1,227,688	
Social Security	94,440	
State Retirement	138,109	
Life Insurance	879	
Medical Insurance	285,646	
Dental Insurance	11,149	
Employer Medicare	22,546	
Communication	2,643	
Travel	22,102	
Other Contracted Services	16,936	
Food Supplies	62,226	
Other Supplies and Materials	188,182	
Refunds	18	
In Service/Staff Development	1,989	
Other Charges	190,061	
Data Processing Equipment	122,683	
Food Service Equipment	3,291	
Other Equipment	44,808	
Other Capital Outlay	61,612	
Total Community Services		$ 2,940,340
Early Childhood Education		
Teachers	$ 55,031	
Social Security	3,300	
State Retirement	4,975	
Life Insurance	106	
Medical Insurance	5,870	
Dental Insurance	221	
Employer Medicare	772	
Communication	1,536	
Instructional Supplies and Materials	849	
In Service/Staff Development	9,822	
Other Charges	25	
Other Equipment	6,563	
Total Early Childhood Education		89,070
Capital Outlay		
Regular Capital Outlay		
Building Improvements	$ 164,785	
Furniture and Fixtures	16,307	
Land	16,000	
Other Capital Outlay	65,472	
Total Regular Capital Outlay		262,564

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)			
Other Debt Service			
Education			
Debt Service Contribution to Primary Government	$ 45,625		
Total Education		$ 45,625	
Total General Purpose School Fund			$ 217,379,487
School Federal Projects Fund			
Instruction			
Regular Instruction Program			
Teachers	$ 1,042,711		
Educational Assistants	873,915		
Other Salaries and Wages	646,350		
Certified Substitute Teachers	4,950		
Non-certified Substitute Teachers	6,783		
Social Security	146,825		
State Retirement	271,365		
Life Insurance	4,072		
Medical Insurance	686,816		
Dental Insurance	25,992		
Employer Medicare	34,886		
Other Contracted Services	7,951		
Instructional Supplies and Materials	495,375		
Other Supplies and Materials	84,763		
Other Charges	6,070		
Regular Instruction Equipment	498,033		
Total Regular Instruction Program		$ 4,836,857	
Alternative Instruction Program			
Teachers	$ 3,357		
Educational Assistants	24,764		
Social Security	1,538		
State Retirement	3,688		
Life Insurance	29		
Medical Insurance	3,409		
Dental Insurance	46		
Employer Medicare	406		
Total Alternative Instruction Program		37,237	
Special Education Program			
Teachers	$ 260,429		
Educational Assistants	1,711,255		
Speech Pathologist	58,608		
Social Security	107,223		
State Retirement	264,986		
Life Insurance	2,233		
Medical Insurance	1,092,723		
Dental Insurance	35,220		

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)		
Instruction (Cont.)		
Special Education Program (Cont.)		
Employer Medicare	$ 25,139	
Contracts with Private Agencies	8,143	
Maintenance and Repair Services - Equipment	5,567	
Instructional Supplies and Materials	72,782	
Other Supplies and Materials	64,247	
Other Charges	25,411	
Special Education Equipment	45,551	
Total Special Education Program		$ 3,779,517
Vocational Education Program		
Instructional Supplies and Materials	$ 30,000	
Vocational Instruction Equipment	188,184	
Total Vocational Education Program		218,184
Support Services		
Health Services		
Medical Personnel	$ 101,147	
Social Security	5,400	
State Retirement	7,958	
Life Insurance	212	
Medical Insurance	50,642	
Dental Insurance	1,466	
Employer Medicare	1,263	
Total Health Services		168,088
Other Student Support		
Social Workers	$ 37,733	
Social Security	2,238	
State Retirement	5,268	
Life Insurance	70	
Medical Insurance	6,149	
Dental Insurance	190	
Employer Medicare	523	
Travel	57,000	
Other Contracted Services	10,505	
Other Supplies and Materials	29,062	
In Service/Staff Development	18,000	
Other Charges	5,197	
Total Other Student Support		171,935
Regular Instruction Program		
Supervisor/Director	$ 49,663	
Instructional Computer Personnel	54,191	
Secretary(ies)	24,570	
Clerical Personnel	9,641	
Other Salaries and Wages	725,802	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)		
Support Services (Cont.)		
Regular Instruction Program (Cont.)		
Social Security	$ 49,659	
State Retirement	82,018	
Life Insurance	1,618	
Medical Insurance	184,627	
Dental Insurance	7,940	
Employer Medicare	11,654	
Travel	55,762	
Other Supplies and Materials	6,195	
In Service/Staff Development	422,867	
Other Charges	1,226	
Other Equipment	3,209	
Total Regular Instruction Program		$ 1,690,642
Special Education Program		
Supervisor/Director	$ 72,070	
Psychological Personnel	448,453	
Clerical Personnel	7,837	
Speech Pathologist	1,627	
Other Salaries and Wages	1,157,782	
Social Security	96,972	
State Retirement	155,174	
Life Insurance	2,685	
Medical Insurance	387,494	
Dental Insurance	15,444	
Employer Medicare	22,679	
Consultants	22,417	
Maintenance and Repair Services - Equipment	338	
Postal Charges	196	
Travel	20,091	
Other Contracted Services	3,740	
Other Supplies and Materials	30,886	
In Service/Staff Development	7,250	
Other Charges	5,720	
Other Equipment	6,250	
Total Special Education Program		2,465,105
Vocational Education Program		
Other Supplies and Materials	$ 13,292	
Total Vocational Education Program		13,292
Transportation		
Bus Drivers	$ 4,776	
Social Security	259	
State Retirement	667	
Life Insurance	16	
Medical Insurance	2,079	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)			
Support Services (Cont.)			
Transportation (Cont.)			
Dental Insurance	$ 41		
Employer Medicare	61		
Diesel Fuel	1,034		
Total Transportation		$ 8,933	
Total School Federal Projects Fund			$ 13,389,790
Total Governmental Funds - Sumner County School Department			$ 230,769,277

Exhibit K-10

Sumner County, Tennessee
Schedule of Detailed Receipts, Disbursements,
and Changes in Cash Balance - City Agency Fund
For the Year Ended June 30, 2015

	Cities - Sales Tax Fund
Cash Receipts	
Local Option Sales Tax	$ 20,342,932
Total Cash Receipts	$ 20,342,932
Cash Disbursements	
Remittance of Revenues Collected	$ 20,139,503
Trustee's Commission	203,429
Total Cash Disbursements	$ 20,342,932
Excess of Cash Receipts Over (Under) Cash Disbursements	$ 0
Cash Balance, July 1, 2014	0
Cash Balance, June 30, 2015	$ 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

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

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sumner County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Sumner County's basic financial statements, and have issued our report thereon dated March 2, 2016. Our report includes a reference to other auditors who audited the financial statements of the Sumner County Emergency Communications District and the Resource Authority in Sumner County, as described in our report on Sumner 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 Sumner 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 Sumner County's internal control. Accordingly, we do not express an opinion on the effectiveness of Sumner County's internal control.

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sumner 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2015-001.

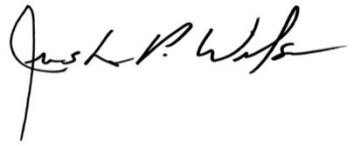
Sumner County's Response to the Finding

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

Purpose of this Report

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

March 2, 2016

JPW/sb

STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
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Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Sumner 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 Sumner County's major federal programs for the year ended June 30, 2015. Sumner 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 Sumner 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 Sumner 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 Sumner County's compliance.

Opinion on Each Major Federal Program

In our opinion, Sumner 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 Sumner 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 Sumner 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 Sumner 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.

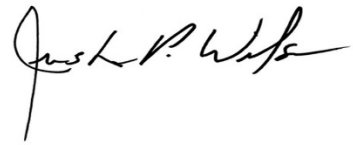
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any 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 Sumner County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Sumner County's basic financial statements. We issued our report thereon dated March 2, 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

March 2, 2016

JPW/sb

Sumner 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:				
Passed-through State Department of Agriculture:				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(2)	$ 677,913	(3)
Child and Adult Care Food Program	10.558	(2)	26,952	
Passed-through State Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	(2)	1,356,557	
National School Lunch Program	10.555	(2)	4,653,822	(3)
Total U.S. Department of Agriculture			$ 6,715,244	
U.S. Department of Housing and Urban Development:				
Passed-through State Department of Economic and Community Development:				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	(2)	$ 224,625	
Passed-through Tennessee Housing Development Agency:				
Home Investment Partnership Program	14.239	(2)	138,716	
Total U.S. Department of Housing and Urban Development			$ 363,341	
U.S. Department of the Interior:				
Direct Program:				
Payments in-Lieu-of Taxes	15.226	N/A	$ 24,902	
Total U.S. Department of the Interior			$ 24,902	
U.S. Department of Justice:				
Direct Program:				
State Criminal Alien Assistance Program	16.606	2013-AP-BX-0557	$ 6,396	
Total U.S. Department of Justice			$ 6,396	
U.S. Department of Transportation:				
Passed-through State Department of Transportation:				
Highway Planning and Construction	20.205	(2)	$ 507,216	
National Priority Safety Programs	20.616	(4)	66,941	
Total U.S. Department of Transportation			$ 574,157	
U.S. Institute of Museum and Library Services:				
Passed-through Tennessee State Library and Archives:				
Grants to States	45.310	(5)	$ 8,062	
Total U.S. Institute of Museum and Library Services			$ 8,062	

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	(2)	$ 4,656,153
Special Education Cluster:			
Special Education - Grants to States	84.027	(2)	6,525,768
Special Education - Preschool Grants	84.173	(2)	104,719
Career and Technical Education - Basic Grants to States	84.048	(2)	305,059
Safe and Drug-free Schools and Communities - National Programs	84.184	(2)	157,087
Education for Homeless Children and Youth	84.196	(2)	57,448
Twenty-first Century Community Learning Centers	84.287	(2)	413,666
English Language Acquisition Grants	84.365	(2)	76,897
Improving Teacher Quality State Grants	84.367	(2)	1,027,683
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grant, Recovery Act	84.395	(2)	891,795
Total U.S. Department of Education			$ 14,216,275
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	34101-08915	$ 46,350
Homeland Security Grant Program	97.067	34101-14014	19,100
Total U.S. Department of Homeland Security			$ 65,450
Total Expenditures of Federal Awards			$ 21,973,827
State Grants		Contract Number	
Litter Program - State Department of Transportation	N/A	(2)	$ 70,216
Law Enforcement Training - State Department of Public Safety	N/A	(2)	52,200
Public Construction Funds - State Library and Archives	N/A	(2)	50,000
Lottery for Education: Afterschool Program - State Department of Education	N/A	(2)	417,962
Early Childhood Education - State Department of Education	N/A	(2)	91,127
Health Department Programs - State Department of Health	N/A	GG-15-43741	1,114,900
Community Tree Planting Grant - State Department of Agriculture	N/A	(2)	5,506
Tennessee Arts Commission - State Department of Education	N/A	(2)	3,302
Family Resource Center - State Department of Education	N/A	(2)	29,443
Coordinated School Health Initiative - State Department of Education	N/A	(2)	155,000
Safe Schools Act - State Department of Education	N/A	(2)	117,271
Drug Court Grant Program - State Department of Mental Health and Substance Abuse Services	N/A	(2)	63,940
Connect Tenn - State Department of Education	N/A	(2)	82,481
Teacher Leader District Grant - State Department of Education	N/A	(2)	6,000
Total State Grants			$ 2,259,348

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

(1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
(2) Information not available.
(3) Total for CFDA No. 10.555 is $5,331,735.
(4) GHSO-2015-SCDC-CP: $44,048; Z-14-GHS-339: $22,893.
(5) 30504-00315-47: $1,403; 30504-0315-58: $2,251; 30504-00315-108: $3,073; 30504-00315-133: $1,335.

Sumner County, Tennessee
Schedule of Audit Findings 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 of Sumner County, Tennessee, for the year ended June 30, 2014, which have not been corrected.

SUMNER 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 Sumner County is unmodified.

2. The audit of the financial statements of Sumner County reported no significant deficiencies in internal control.

3. The audit disclosed no instances of noncompliance that are material to the financial statements of Sumner 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 Child Nutrition Cluster: the School Breakfast Program and the National School Lunch Program (CFDA Nos. 10.553 and 10.555), the Special Education Cluster: Special Education – Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173), and the State Fiscal Stabilization Fund – Race-to-the-Top Incentive Grant, Recovery Act (CFDA No. 84.395) were determined to be major programs.

8. A $659,215 threshold was used to distinguish between Type A and Type B federal programs.

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

PART II, A FINDING RELATED 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. The sheriff provided a written response to the finding, which is paraphrased in this report.

OFFICE OF SHERIFF

FINDING 2015-001 **THE COUNTY'S BUDGETARY AND PURCHASING PROCESSES WERE CIRCUMVENTED**
(Noncompliance Under *Government Auditing Standards*)

On October 2, 2014, the Sheriff's Department entered into a contract with a vendor to provide inmate telephone services. This contract included a clause that the vendor would "provide…a fund in the amount of $60,000…to pay for technology services or equipment purchased…from third party vendors." Management advised that the telephone vendor directly purchased bulletproof vests and radios on behalf of the Sheriff's Department; thus, circumventing the county's budgetary and purchasing processes. Section 5-9-401, *Tennessee Code Annotated* (*TCA*), states that "All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs of the various departments, commissions, institutions, boards, offices and agencies of county governments shall be appropriated to such use by the county legislative bodies." The office did not remit the revenues earned from its jail telephone contract ($60,000) to the county. The State Attorney General opined in November 1989 (U89-134) that revenues earned from telephone operations are local revenues and should be administered as any other local revenue. Section 8-24-103, *TCA*, requires that all fees and commissions earned by the Sheriff's Department be remitted to the county on a monthly basis. This contract was approved in advance by the county law director who stated she thought the purchases were allowed since the funds had not been held in escrow on behalf of the county.

RECOMMENDATION

All operating expenses of the Sheriff's Department should be appropriated by the County Commission and paid through the county's budgetary process, and revenues generated from the operation of the jail telephone system should be remitted to the county on a monthly basis.

MANAGEMENT'S RESPONSE – SHERIFF

This incident was undertaken by a former employee who misrepresented his actions to me. He has since left our employment. We have and will continue to follow all rules, laws, and regulations.

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 Sumner County.

SUMNER COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF PURCHASING

Sumner County does not have a central system of purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the purchasing process. On June 18, 2012, Sumner County adopted a private act requiring centralized accounting and budgeting; however, the act states in part "…this 2012 Finance Act shall not serve as authorization to remove any purchasing activities or authority from the School System." The absence of a central system of 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 purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Sumner 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 purchasing covering all county departments.

SUMNER 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' Schedule of Findings and Questioned Costs.