

ANNUAL FINANCIAL REPORT
WHITE COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2015



DIVISION OF LOCAL GOVERNMENT AUDIT



**ANNUAL FINANCIAL REPORT
WHITE COUNTY, TENNESSEE
FOR THE YEAR ENDED JUNE 30, 2015**

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

***DIVISION OF LOCAL GOVERNMENT AUDIT
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Director***

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

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICE OF FINANCE DIRECTOR

- ◆ The Solid Waste Disposal Fund had a deficit in unrestricted net position at June 30, 2015.

OFFICE OF COUNTY CLERK

- ◆ Multiple employees operated from the same cash drawer.

INTRODUCTORY SECTION

White County Officials

June 30, 2015

Officials

Denny Wayne Robinson, County Executive
Clay Parker, Road Superintendent
Sandra Crouch, Director of Schools
Phyllis Humphrey, Trustee
Paytina Miller, Assessor of Property
Connie Jolley, County Clerk
Beverly Jolley, Circuit and General Sessions Courts Clerk
Gena Brock, Clerk and Master
Martha Bumbalough, Register of Deeds
Oddie Shoupe, Sheriff
Chad Marcum, Finance Director

Board of County Commissioners

Daniel Johnson, Chairman
Terry Alley
Robert Dale Bennett
Raymond Howard England
Bruce Frasier
Russell Gooch
Diana Haston

Karen LaFever
B.K. Luna
Matthew McBride
Stanley Neal
Bruce Null
Cain Rogers
Jack Sherrell

Board of Education

Edd Cantrell, Chairman
Richard McBride
Jason McDonald
Kenneth Robinson

Gary Sparkman
Janet Webb
Roy Whited

Financial Management Committee

Denny Wayne Robinson, County Executive, Chairman
Clay Parker, Road Superintendent
Sandra Crouch, Director of Schools
Diana Haston
Matthew McBride
Stanley Neal
Jack Sherrell

Audit Committee

Cain Rogers, Chairman
Russell Gooch
Ben Holland
Daniel Johnson
Stanley Neal

FINANCIAL SECTION



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

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of and for the year ended June 30, 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 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note V.B., White County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 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 by \$686,670, the Business-type Activities net position by \$30,629, and the discretely presented White County School Department net position by \$5,493,695 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.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability and related ratios, schedule of county contributions, schedule of school's proportionate share of the net pension liability and schedule of funding progress – other postemployment benefit plan on pages 85-91 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the White County School Department (a discretely presented component unit), and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial

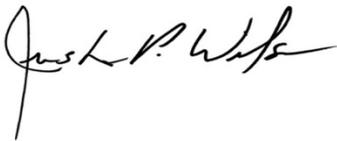
statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the White County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2015, on our consideration of White County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering White County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

October 7, 2015

JPW/kp

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government			Total	Component Unit	
	Governmental Activities	Business-type Activities			White County School Department	
	\$	153,842	\$ 0	\$ 153,842	\$	0
Cash						
Equity in Pooled Cash and Investments						
Accounts Receivable		3,145,030	642,048	3,787,078		20,926,362
Allowance for Uncollectibles		2,002,463	138,068	2,140,531		7,034
Due from Other Governments		(694,965)	(40,615)	(735,580)		0
Due From Other Funds		808,177	0	808,177		1,135,631
Property Taxes Receivable		0	900	900		0
Allowance for Uncollectible Property Taxes		5,025,247	0	5,025,247		3,438,151
Notes Receivable - Long-term		(148,126)	0	(148,126)		(104,381)
Net Pension Asset - Agent Plan		372,522	0	372,522		0
Net Pension Asset - Cost Sharing Plan		324,396	14,470	338,866		287,503
Capital Assets:		0	0	0		61,505
Assets Not Depreciated:						
Land		1,004,978	596,203	1,601,181		1,411,392
Construction in Progress		0	0	0		2,634,651
Assets Net of Accumulated Depreciation:						
Buildings and Improvements		7,105,135	776,380	7,881,515		17,894,193
Infrastructure		6,782,444	0	6,782,444		0
Other Capital Assets		962,204	342,516	1,304,720		1,039,398
Total Assets	\$	26,843,347	\$ 2,469,970	\$ 29,313,317	\$	48,731,439

(Continued)

Exhibit A

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

	Primary Government		Total	Component Unit
	Governmental Activities	Business-type Activities		White County School Department
\$	0 \$	0 \$	0	\$ 149,319
	0	0	0	20,946
	332,360	14,843	347,203	1,526,291
\$	332,360 \$	14,843 \$	347,203	\$ 1,696,556

DEFERRED OUTFLOWS OF RESOURCES

Pension Changes in Experience	
Pension Other Deferrals	
Pension Changes in Contributions after Measurement Date	
Total Deferred Outflows of Resources	

LIABILITIES

Accounts Payable	\$ 18,239	\$ 0	\$ 18,239	\$ 0
Accrued Payroll	1,629	0	1,629	0
Accrued Interest Payable	23,610	0	23,610	0
Payroll Deductions Payable	0	0	0	431,292
Contracts Payable	0	0	0	94,442
Retainage Payable	44,809	0	44,809	4,821
Due to Litigants, Heirs, and Others	3,832	0	3,832	0
Due to Other Funds	900	0	900	0
Due to State of Tennessee	900	0	900	0
Noncurrent Liabilities:				
Due Within One Year	1,190,000	173,920	1,363,920	90,990
Due in More Than One Year	5,605,000	1,177,333	6,782,333	557,978
Total Liabilities	\$ 6,888,919	\$ 1,351,253	\$ 8,239,272	\$ 1,179,523

(Continued)

Exhibit A

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

	Primary Government			Total	Component Unit	
	Governmental Activities	Business-type Activities			White County School Department	
	\$ 4,697,691	\$ 0	\$ 4,697,691	\$ 3,202,971		
Deferred Current Property Taxes	345,590	15,415	361,005	306,287		
Pension Changes in Experience	618,955	27,608	646,563	5,616,193		
Pension Changes in Investment Earnings	5,662,236	43,023	5,705,259	9,125,451		
Total Deferred Inflows of Resources	\$ 12,566,711	\$ 1,610,936	\$ 14,177,647	\$ 22,979,634		
<u>NET POSITION</u>						
Net Investment in Capital Assets	604,904	0	604,904	0		
Restricted for:	25,317	0	25,317	0		
General Government	179,910	0	179,910	0		
Finance	179,290	0	179,290	0		
Administration of Justice	22,936	0	22,936	0		
Public Safety	1,376	0	1,376	0		
Public Health and Welfare	597,111	0	597,111	0		
Social, Cultural, and Recreational Services	68,801	0	68,801	0		
Highway/Public Works	0	0	0	0		
Debt Service	378,196	(520,399)	(142,203)	3,082,696		
Education				14,060,691		
Unrestricted						
Total Net Position	\$ 14,624,552	\$ 1,090,537	\$ 15,715,089	\$ 40,123,021		

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

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Position						Component Unit White County School Department
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Total Governmental Activities	Business- type Activities	
Primary Government:							
Governmental Activities:							
General Government	\$ 2,717,954	\$ 692,461	\$ 65,164	\$ 0	\$ (1,960,329)	\$ 0	\$ 0
Finance	984,257	588,007	7,536	0	(388,714)	0	0
Administration of Justice	788,174	595,010	9,000	0	(184,164)	0	0
Public Safety	5,216,991	1,286,490	128,261	0	(3,802,240)	0	0
Public Health and Welfare	1,617,652	1,554,714	106,016	0	43,078	0	0
Social, Cultural, and Recreational Services	312,420	5,549	19,001	0	(287,870)	0	0
Agriculture and Natural Resources	124,434	0	0	0	(124,434)	0	0
Highways/Public Works	1,448,080	9,825	1,632,635	196,017	390,397	0	0
Interest on Long-term Debt	328,346	0	0	0	(328,346)	0	0
Total Governmental Activities	\$ 13,538,308	\$ 4,732,056	\$ 1,967,613	\$ 196,017	\$ (6,642,622)	\$ 0	\$ 0
Business-type Activities:							
Solid Waste Disposal	\$ 1,023,769	\$ 1,150,522	\$ 0	\$ 0	\$ 0	\$ 126,753	\$ 0
Total Primary Government	\$ 14,562,077	\$ 5,882,578	\$ 1,967,613	\$ 196,017	\$ (6,642,622)	\$ 126,753	\$ (6,515,869)
Component Unit:							
School Department	\$ 28,916,978	\$ 1,067,795	\$ 3,763,141	\$ 0	\$ 0	\$ 0	\$ (24,086,042)
Total Component Unit	\$ 28,916,978	\$ 1,067,795	\$ 3,763,141	\$ 0	\$ 0	\$ 0	\$ (24,086,042)

(Continued)

White County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Net (Expense) Revenue and Changes in Net Position						Component Unit White County School Department
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Total Governmental Activities	Business- type Activities	
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes		\$ 4,218,740			\$ 0	\$ 4,218,740	\$ 3,323,815
Property Taxes Levied for Debt Service		340,851			0	340,851	0
Local Option Sales Taxes		1,263,998			0	1,263,998	1,475,145
Litigation Tax - General		55,643			0	55,643	0
Litigation Tax - Special Purpose		39,504			0	39,504	0
Litigation Tax - Jail/Workhouse		20,016			0	20,016	0
Wholesale Beer Tax		180,710			0	180,710	0
Mineral Severance Tax		43,031			0	43,031	0
Business Tax		213,820			0	213,820	0
Wheel Tax		572,292			0	572,292	414,418
Hotel/Motel Tax		13,216			0	13,216	0
Other Local Taxes		0			0	0	5,262
Grants and Contributions Not Restricted to Specific Programs		601,233			0	601,233	22,161,935
Unrestricted Investment Earnings		46,407			0	46,407	1,181
Sale of Equipment		20,580			10,523	31,103	6,837
Miscellaneous		29,376			144	29,520	58,798
Pension Income		46,521			2,075	48,596	90,488
Total General Revenues		\$ 7,705,938			\$ 12,742	\$ 7,718,680	\$ 27,537,879
Insurance Recovery		\$ 0			\$ 0	\$ 0	\$ 25,831
Gain on Disposal of Capital Asset		0			2,120	2,120	0
Change in Net Position		\$ 1,063,316			\$ 141,615	\$ 1,204,931	\$ 3,477,668
Net Position, July 1, 2014		14,247,906			979,551	15,227,457	42,139,048
Restatement - Pension Liability (see Note I.D.9)		(686,670)			(30,629)	(717,299)	(5,493,695)
Net Position, June 30, 2015		\$ 14,624,552			\$ 1,090,537	\$ 15,715,089	\$ 40,123,021

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

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other	Governmental Funds	
\$	121,023	24,240	0	8,579		153,842
Equity in Pooled Cash and Investments	1,864,553	677,573	216,353	386,551		3,145,030
Accounts Receivable	2,000,679	0	1,532	252		2,002,463
Allowance for Uncollectibles	(694,965)	0	0	0		(694,965)
Due from Other Governments	340,874	306,830	160,473	0		808,177
Due from Other Funds	8,831	0	0	0		8,831
Property Taxes Receivable	4,659,262	0	365,985	0		5,025,247
Allowance for Uncollectible Property Taxes	(137,207)	0	(10,919)	0		(148,126)
Notes Receivable - Long-term	0	0	0	372,522		372,522
Total Assets	\$ 8,163,050	\$ 1,008,643	\$ 733,424	\$ 767,904	\$	\$ 10,673,021

ASSETS

Cash
 Equity in Pooled Cash and Investments
 Accounts Receivable
 Allowance for Uncollectibles
 Due from Other Governments
 Due from Other Funds
 Property Taxes Receivable
 Allowance for Uncollectible Property Taxes
 Notes Receivable - Long-term

LIABILITIES

Accounts Payable
 Accrued Payroll
 Retainage Payable
 Due to Other Funds
 Due to State of Tennessee
 Due to Litigants, Heirs, and Others
 Total Liabilities

DEFERRED INFLOWS OF RESOURCES

Deferred Current Property Taxes
 Deferred Delinquent Property Taxes

\$	18,239	0	0	0	0	18,239
	0	1,629	0	0	0	1,629
	44,809	0	0	0	0	44,809
	900	0	0	8,831	0	9,731
	900	0	0	0	0	900
	0	0	0	3,832	0	3,832
Total Liabilities	\$ 64,848	\$ 1,629	\$ 0	\$ 12,663	\$	\$ 79,140
\$	4,356,041	0	341,650	0	0	4,697,691
	158,324	0	12,794	0	0	171,118

(Continued)

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other	Governmental Funds	
Other Deferred/Unavailable Revenue	\$ 1,189,426	\$ 147,343	\$ 79,617	\$ 0	\$ 0	\$ 1,416,386
Total Deferred Inflows of Resources	\$ 5,703,791	\$ 147,343	\$ 434,061	\$ 0	\$ 0	\$ 6,285,195

DEFERRED INFLOWS OF RESOURCES (Cont.)

Other Deferred/Unavailable Revenue	\$ 1,189,426	\$ 147,343	\$ 79,617	\$ 0	\$ 0	\$ 1,416,386
Total Deferred Inflows of Resources	\$ 5,703,791	\$ 147,343	\$ 434,061	\$ 0	\$ 0	\$ 6,285,195

FUND BALANCES

Restricted:						
Restricted for General Government	\$ 22,431	\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,431
Restricted for Finance	25,317	0	0	0	0	25,317
Restricted for Administration of Justice	179,910	0	0	0	0	179,910
Restricted for Public Safety	6,522	0	0	172,768	0	179,290
Restricted for Public Health and Welfare	22,936	0	0	0	0	22,936
Restricted for Social, Cultural, and Recreational Services	1,376	0	0	0	0	1,376
Restricted for Other Operations	0	0	0	582,473	0	582,473
Restricted for Highways/Public Works	0	449,768	0	0	0	449,768
Committed:						
Committed for Public Safety	292,607	0	0	0	0	292,607
Committed for Social, Cultural, and Recreational Services	51,318	0	0	0	0	51,318
Committed for Other Operations	2,794	0	0	0	0	2,794
Committed for Highways/Public Works	0	409,903	0	0	0	409,903
Committed for Debt Service	0	0	299,363	0	0	299,363
Assigned:						
Assigned for General Government	559	0	0	0	0	559
Assigned for Public Safety	1,428	0	0	0	0	1,428
Assigned for Other Operations	439,920	0	0	0	0	439,920
Unassigned	1,347,293	0	0	0	0	1,347,293
Total Fund Balances	\$ 2,394,411	\$ 859,671	\$ 299,363	\$ 755,241	\$ 0	\$ 4,308,686
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 8,163,050	\$ 1,008,643	\$ 733,424	\$ 767,904	\$ 0	\$ 10,673,021

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

Exhibit C-2

White County, Tennessee
Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position
June 30, 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)		\$	4,308,686
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,004,978	
Add: buildings and improvements net of accumulated depreciation		7,105,135	
Add: infrastructure net of accumulated depreciation		6,782,444	
Add: other capital assets net of accumulated depreciation		<u>962,204</u>	15,854,761
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: bonds payable	\$	(6,795,000)	
Less: accrued interest on bonds		<u>(23,610)</u>	(6,818,610)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pensions expense in future years:			
Add: deferred outflows of resources related to pensions	\$	332,360	
Less: deferred inflows of resources related to pensions		<u>(964,545)</u>	(632,185)
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			324,396
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>1,587,504</u>
Net position of governmental activities (Exhibit A)		\$	<u>14,624,552</u>

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

Exhibit C-3

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other	Governmental Funds	
<u>Revenues</u>						
Local Taxes	\$ 5,671,629	\$ 112,101	\$ 1,264,430	\$ 0	\$ 0	\$ 7,048,160
Licenses and Permits	111,089	0	0	0	0	111,089
Fines, Forfeitures, and Penalties	154,339	0	0	51,090	0	205,429
Charges for Current Services	1,503,969	8,940	0	118	0	1,513,027
Other Local Revenues	111,209	9,646	41,346	6,725	0	168,926
Fees Received From County Officials	1,025,031	0	0	0	0	1,025,031
State of Tennessee	1,775,705	1,828,460	25,472	0	0	3,629,637
Federal Government	34,362	0	0	0	0	34,362
Other Governments and Citizens Groups	67,468	0	50,000	0	0	117,468
Total Revenues	\$ 10,454,801	\$ 1,959,147	\$ 1,381,248	\$ 57,933	\$ 0	\$ 13,853,129
<u>Expenditures</u>						
Current:						
General Government	\$ 1,282,730	\$ 0	\$ 0	\$ 118	\$ 0	\$ 1,282,848
Finance	1,022,132	0	0	0	0	1,022,132
Administration of Justice	818,893	0	0	0	0	818,893
Public Safety	5,279,032	0	0	59,171	0	5,338,203
Public Health and Welfare	1,760,352	0	0	0	0	1,760,352
Social, Cultural, and Recreational Services	318,197	0	0	0	0	318,197
Agriculture and Natural Resources	125,557	0	0	0	0	125,557
Other Operations	687,571	0	0	236	0	687,807
Highways	0	1,777,587	0	0	0	1,777,587
Debt Service:						
Principal on Debt	0	0	1,287,858	0	0	1,287,858
Interest on Debt	0	0	332,163	0	0	332,163
Other Debt Service	0	0	18,905	0	0	18,905
Total Expenditures	\$ 11,294,464	\$ 1,777,587	\$ 1,638,926	\$ 59,525	\$ 0	\$ 14,770,502

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor Funds		Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Governmental Funds		
Excess (Deficiency) of Revenues Over Expenditures	\$ (839,663) \$	181,560 \$	(257,678) \$	(1,592) \$		(917,373)
Other Financing Sources (Uses)						
Transfers In	\$ 86,000 \$	0 \$	0 \$	0 \$		86,000
Transfers Out	0	(86,000)	0	0		(86,000)
Total Other Financing Sources (Uses)	\$ 86,000 \$	(86,000) \$	0 \$	0 \$		0
Net Change in Fund Balances	\$ (753,663) \$	95,560 \$	(257,678) \$	(1,592) \$		(917,373)
Fund Balance, July 1, 2014	3,148,074	764,111	557,041	756,833		5,226,059
Fund Balance, June 30, 2015	\$ 2,394,411 \$	859,671 \$	299,363 \$	755,241 \$		4,308,686

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

Exhibit C-4

White County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 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)		\$ (917,373)
(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	\$ 715,910	
Less: current-year depreciation expense	<u>(625,098)</u>	90,812
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2015	\$ 1,587,504	
Less: deferred delinquent property taxes and other deferred June 30, 2014	<u>(1,368,183)</u>	219,321
(3) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:		
Add: principal payments on notes	\$ 142,858	
Add: principal payments on bonds	<u>1,145,000</u>	1,287,858
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ 3,817	
Change in deferred outflows of resources related to pensions	332,360	
Change in deferred inflows of resources related to pensions	(964,545)	
Change in net pension asset	<u>1,011,066</u>	<u>382,698</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 1,063,316</u>

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

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Revenues							
Local Taxes	\$ 5,671,629	\$ 0	\$ 0	\$ 5,671,629	\$ 5,635,011	\$ 5,635,011	\$ 36,618
Licenses and Permits	111,089	0	0	111,089	94,000	94,000	17,089
Fines, Forfeitures, and Penalties	154,339	0	0	154,339	165,900	165,900	(11,561)
Charges for Current Services	1,503,969	0	0	1,503,969	1,558,400	1,558,400	(54,431)
Other Local Revenues	111,209	0	0	111,209	87,900	87,900	23,309
Fees Received From County Officials	1,025,031	0	0	1,025,031	990,000	990,000	35,031
State of Tennessee	1,775,705	0	0	1,775,705	1,785,464	1,812,502	(36,797)
Federal Government	34,362	0	0	34,362	55,776	1,419,921	(1,385,559)
Other Governments and Citizens Groups	67,468	0	0	67,468	79,990	79,990	(12,522)
Total Revenues	\$ 10,454,801	\$ 0	\$ 0	\$ 10,454,801	\$ 10,452,441	\$ 11,843,624	\$ (1,388,823)
Expenditures							
General Government							
County Commission	\$ 66,262	\$ 0	\$ 0	\$ 66,262	\$ 67,077	\$ 67,077	\$ 815
County Mayor/Executive	153,640	0	0	153,640	162,103	162,103	8,463
County Attorney	24,247	0	0	24,247	25,000	25,000	753
Election Commission	190,867	0	0	190,867	202,821	202,821	11,954
Register of Deeds	183,092	0	0	183,092	193,176	203,176	20,084
Development	25,000	0	0	25,000	25,000	25,000	0
County Buildings	579,997	(500)	559	580,056	604,921	604,921	24,865
Other General Administration	0	0	0	0	5,000	5,000	5,000
Preservation of Records	59,625	0	0	59,625	66,877	66,877	7,252
Finance							
Accounting and Budgeting	328,581	(2,320)	0	326,261	361,434	361,434	35,173
Property Assessor's Office	214,291	0	0	214,291	235,567	234,397	20,106
Reappraisal Program	42,710	0	0	42,710	42,611	43,781	1,071
County Trustee's Office	185,330	0	0	185,330	189,754	189,754	4,424
County Clerk's Office	251,220	0	0	251,220	255,173	255,173	3,953
Administration of Justice							
Circuit Court	323,938	0	0	323,938	345,078	345,078	21,140

(Continued)

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)	
					Original			Final
					Original	Final		
	\$							
<u>Expenditures (Cont.)</u>								
<u>Administration of Justice (Cont.)</u>								
General Sessions Court	215,787	0	0	215,787	217,052	217,052	1,265	
Drug Court	60,540	0	0	60,540	65,512	65,512	4,972	
Chancery Court	155,827	(188)	0	155,639	167,489	167,489	11,850	
Judicial Commissioners	53,222	0	0	53,222	54,305	54,305	1,083	
Other Administration of Justice	9,579	0	0	9,579	19,500	19,500	9,921	
<u>Public Safety</u>								
Sheriff's Department	1,569,503	(832)	1,248	1,569,919	1,782,641	1,782,641	212,722	
Special Patrols	47,187	0	0	47,187	49,579	49,579	2,392	
Traffic Control	15,962	0	0	15,962	27,776	27,776	11,814	
Jail	2,030,852	0	180	2,031,032	2,043,437	2,052,313	21,281	
Juvenile Services	52,202	0	0	52,202	53,305	53,305	1,103	
Fire Prevention and Control	217,081	0	0	217,081	218,398	218,398	1,317	
Civil Defense	7,246	0	0	7,246	13,000	13,000	5,754	
Rescue Squad	16,273	0	0	16,273	16,273	16,273	0	
Disaster Relief	1,136,952	0	0	1,136,952	0	1,500,000	363,048	
County Coroner/Medical Examiner	56,799	0	0	56,799	46,500	57,500	701	
Other Public Safety	128,975	0	0	128,975	215,110	215,110	86,135	
<u>Public Health and Welfare</u>								
Local Health Center	198,199	0	0	198,199	223,915	248,953	50,754	
Rabies and Animal Control	73,249	0	0	73,249	86,888	86,888	13,639	
Ambulance/Emergency Medical Services	1,367,633	(800)	0	1,366,833	1,430,633	1,476,939	110,106	
General Welfare Assistance	9,577	0	0	9,577	4,800	10,800	1,223	
Sanitation Education/Information	35,139	0	0	35,139	36,800	36,800	1,661	
Waste Pickup	51,348	0	0	51,348	76,556	67,680	16,332	
Landfill Operation and Maintenance	25,207	0	0	25,207	32,000	32,000	6,793	
<u>Social, Cultural, and Recreational Services</u>								
Senior Citizens Assistance	39,000	0	0	39,000	39,000	39,000	0	
Libraries	210,055	0	0	210,055	210,683	218,022	7,967	
Parks and Fair Boards	57,331	0	0	57,331	78,000	78,000	20,669	

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Social, Cultural, and Recreational Services (Cont.)</u>							
Other Social, Cultural, and Recreational	\$ 11,811	\$ 0	\$ 0	\$ 11,811	\$ 12,000	\$ 12,000	\$ 189
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	97,634	0	0	97,634	111,836	111,836	14,202
Forest Service	2,000	0	0	2,000	2,000	2,000	0
Soil Conservation	25,923	0	0	25,923	25,924	25,924	1
<u>Other Operations</u>							
Tourism	3,813	0	0	3,813	6,000	6,000	2,187
Industrial Development	43,275	0	0	43,275	47,410	47,410	4,135
Airport	28,000	0	0	28,000	28,000	28,000	0
Veterans' Services	56,488	0	0	56,488	58,270	58,270	1,782
Other Charges	344,677	0	0	344,677	377,786	377,786	33,109
Contributions to Other Agencies	41,796	0	0	41,796	43,548	43,548	1,752
Employee Benefits	49,572	0	0	49,572	85,150	85,150	35,578
Miscellaneous	119,950	0	0	119,950	125,000	125,000	5,050
Total Expenditures	\$ 11,294,464	\$ (4,640)	\$ 1,987	\$ 11,291,811	\$ 10,913,668	\$ 12,519,351	\$ 1,227,540
Excess (Deficiency) of Revenues Over Expenditures	\$ (839,663)	\$ 4,640	\$ (1,987)	\$ (837,010)	\$ (461,227)	\$ (675,727)	\$ (161,283)
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 86,000	\$ 0	\$ 0	\$ 86,000	\$ 86,000	\$ 86,000	\$ 0
Total Other Financing Sources	\$ 86,000	\$ 0	\$ 0	\$ 86,000	\$ 86,000	\$ 86,000	\$ 0
Net Change in Fund Balance Fund Balance, July 1, 2014	\$ (753,663)	\$ 4,640	\$ (1,987)	\$ (751,010)	\$ (375,227)	\$ (589,727)	\$ (161,283)
Fund Balance, July 1, 2014	3,148,074	(4,640)	0	3,143,434	3,148,072	3,148,072	(4,638)
Fund Balance, June 30, 2015	\$ 2,394,411	\$ 0	\$ (1,987)	\$ 2,392,424	\$ 2,772,845	\$ 2,558,345	\$ (165,921)

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

Exhibit C-6

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 112,101	\$ 124,050	\$ 124,050	\$ (11,949)
Charges for Current Services	8,940	170,000	170,000	(161,060)
Other Local Revenues	9,646	19,000	19,000	(9,354)
State of Tennessee	1,828,460	1,788,600	1,788,600	39,860
Total Revenues	<u>\$ 1,959,147</u>	<u>\$ 2,101,650</u>	<u>\$ 2,101,650</u>	<u>\$ (142,503)</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 167,195	\$ 169,926	\$ 169,926	\$ 2,731
Highway and Bridge Maintenance	1,113,821	1,155,177	1,155,177	41,356
Operation and Maintenance of Equipment	110,217	155,000	155,000	44,783
Other Charges	79,332	81,926	81,926	2,594
Employee Benefits	8,170	13,050	13,050	4,880
Capital Outlay	298,852	440,000	440,000	141,148
Total Expenditures	<u>\$ 1,777,587</u>	<u>\$ 2,015,079</u>	<u>\$ 2,015,079</u>	<u>\$ 237,492</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 181,560</u>	<u>\$ 86,571</u>	<u>\$ 86,571</u>	<u>\$ 94,989</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (86,000)	\$ (86,000)	\$ (86,000)	\$ 0
Total Other Financing Sources	<u>\$ (86,000)</u>	<u>\$ (86,000)</u>	<u>\$ (86,000)</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 95,560	\$ 571	\$ 571	\$ 94,989
Fund Balance, July 1, 2014	764,111	764,111	764,111	0
Fund Balance, June 30, 2015	<u>\$ 859,671</u>	<u>\$ 764,682</u>	<u>\$ 764,682</u>	<u>\$ 94,989</u>

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

Exhibit D-1

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

	Business-type Activities - Enterprise Fund
	<u>Solid Waste Disposal Fund</u>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 100,102
Equity in Pooled Cash and Investments	541,946
Accounts Receivable	138,068
Allowance for Uncollectibles	(40,615)
Due from Other Funds	900
Total Current Assets	<u>\$ 740,401</u>
Noncurrent Assets:	
Net Pension Asset	\$ 14,470
Capital Assets:	
Assets Not Depreciated:	
Land	596,203
Assets Net of Accumulated Depreciation:	
Buildings and Improvements	776,380
Other Capital Assets	342,516
Total Noncurrent Assets	<u>\$ 1,729,569</u>
Total Assets	<u>\$ 2,469,970</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred Outflows of Resources:	
Pension Contributions After Measurement Date	\$ 14,843
Total Deferred Outflows of Resources	<u>\$ 14,843</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 2,484,813</u>

(Continued)

Exhibit D-1

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

	Business-type Activities - Enterprise Fund
	<u>Solid Waste Disposal Fund</u>
<u>LIABILITIES</u>	
Noncurrent Liabilities:	
Accrued Liability for Landfill Closure/Postclosure Care Costs	\$ 1,247,090
Capital Outlay Notes Payable - Long-term	<u>104,163</u>
Total Liabilities	<u>\$ 1,351,253</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Inflows of Resources:	
Pension Changes in Experience	\$ 15,415
Pension Changes in Investment Earnings	<u>27,608</u>
Total Deferred Inflows of Resources	<u>\$ 43,023</u>
<u>NET POSITION</u>	
Unrestricted	\$ (520,399)
Net Investment in Capital Assets	<u>1,610,936</u>
Total Net Position	<u>\$ 1,090,537</u>

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

Exhibit D-2

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

	Business-type Activities - <u>Enterprise Fund</u> Solid Waste Disposal <u>Fund</u>	Governmental Activities - Internal Service <u>Fund</u> Central Service <u>Fund</u>
<u>Operating Revenues</u>		
Charges for Services	\$ 1,083,201	\$ 0
Local Revenues	80,063	482,653
Total Operating Revenues	<u>\$ 1,163,264</u>	<u>\$ 482,653</u>
<u>Operating Expenses</u>		
Salaries and Benefits	\$ 434,131	\$ 0
Communications	6,117	0
Contracts with Private Agencies	30,822	0
Engineering Services	40,664	0
Evaluation and Testing	140	0
Maintenance Agreements	750	0
Maintenance and Repair Services - Buildings	3,820	0
Maintenance and Repair Services - Equipment	14,433	0
Travel	405	0
Permits	27,059	0
Other Contracted Services	260	0
Diesel Fuel	109,931	285,266
Equipment and Machinery Parts	52,526	0
Gasoline	5,925	197,140
Lubricants	9,534	0
Office Supplies	1,111	0
Utilities	19,876	0
Supplies and Material	44,063	0
Building and Contents Insurance	1,187	0
Trustee's Commission	9,867	0
Refunds	19	247
Vehicle and Equipment Insurance	10,537	0
Workers' Compensation Insurance	30,974	0
Depreciation	94,990	0
Landfill Closure/Postclosure Care Costs	25,682	0
Inservice/Staff Development	650	0

(Continued)

Exhibit D-2

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

	Business-type Activities - <u>Enterprise Fund</u> Solid Waste Disposal <u>Fund</u>	Governmental Activities - Internal Service <u>Fund</u> Central Service <u>Fund</u>
Data Processing Equipment	\$ 11,575	\$ 0
Solid Waste Equipment	29,293	0
Total Operating Expenses	<u>\$ 1,016,341</u>	<u>\$ 482,653</u>
Operating Income (Loss)	<u>\$ 146,923</u>	<u>\$ 0</u>
 <u>Nonoperating Revenues (Expenses)</u>		
Gain on Disposal of Capital Assets	\$ 2,120	\$ 0
Interest on Notes	(7,428)	0
Total Nonoperating Revenues (Expenses)	<u>\$ (5,308)</u>	<u>\$ 0</u>
 Change in Net Position	 \$ 141,615	 \$ 0
Net Position, June 30, 2014	979,551	0
Restatement-Pension Liability (See Note I.D.9)	<u>(30,629)</u>	<u>0</u>
 Net Position, June 30, 2015	 <u>\$ 1,090,537</u>	 <u>\$ 0</u>

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

Exhibit D-3

White County, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2015

	Business-type Activities - <u>Enterprise Fund</u> Solid Waste Disposal Fund	Governmental Activities - <u>Internal Service Fund</u> Central Service Fund
<u>Cash Flows from Operating Activities</u>		
Receipts from Customers and Users	\$ 1,163,850	\$ 482,653
Payments to Vendors	(453,133)	(482,406)
Payments to Employees	(453,578)	0
Other Payments	(9,867)	(247)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 247,272</u>	<u>\$ 0</u>
<u>Cash Flows from Noncapital Financing Activities</u>		
Grants Received	\$ 3,931	\$ 0
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 3,931</u>	<u>\$ 0</u>
<u>Cash Flows from Capital and Related Financing Activities</u>		
Proceeds from Disposal of Capital Assets	\$ 3,120	\$ 0
Principal Paid on Capital Outlay Notes	(141,967)	0
Interest Paid on Capital Outlay Notes	(7,428)	0
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (146,275)</u>	<u>\$ 0</u>
Net Increase (Decrease) in Cash	\$ 104,928	\$ 0
Cash, July 1, 2014	<u>537,120</u>	<u>0</u>
Cash, June 30, 2015	<u>\$ 642,048</u>	<u>\$ 0</u>
<u>Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>		
Operating Income (Loss)	\$ 146,923	\$ 0
Adjustment to Reconcile Net Operating Income to Net Cash Provided By (Used In) Operating Activities:		
Pension Income	(2,075)	0
Depreciation	94,990	0
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	2,661	0
(Increase) Decrease in Deferred Outflows Related to Pensions	(14,843)	0
Increase (Decrease) in Accounts Payable	(1,462)	0
Increase (Decrease) in Accrued Payroll	(4,604)	0
Increase (Decrease) in Landfill Closure/Postclosure Care Costs	<u>25,682</u>	<u>0</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 247,272</u>	<u>\$ 0</u>

(Continued)

Exhibit D-3

White County, Tennessee
Statement of Cash Flows (Cont.)
Proprietary Funds
For the Year Ended June 30, 2015

	Business-type Activities - <u>Enterprise Fund</u> Solid Waste Disposal <u>Fund</u>	Governmental Activities - <u>Internal Service</u> Fund Central Service <u>Fund</u>
Reconciliation of Cash With the Statement of Net Position		
Cash Per Net Position	\$ 100,102	\$ 0
Equity in Pooled Cash and Investments Per Net Position	<u>541,946</u>	<u>0</u>
Cash, June 30, 2015	<u>\$ 642,048</u>	<u>\$ 0</u>

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 588,945
Accounts Receivable	7,672
Due from Other Governments	<u>300,288</u>
Total Assets	<u>\$ 896,905</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 300,288
Due to Litigants, Heirs, and Others	<u>596,617</u>
Total Liabilities	<u>\$ 896,905</u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

The White County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of White County, and the White County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval. The financial statements of the White County Emergency Communications District were not available from other auditors in time for inclusion in this report; however, in our opinion, this omission is not material to the component unit's opinion unit.

The White County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the School Department are included in this report as listed in the table of

contents. Although required by GAAP, the financial statements of the White County Emergency Communications District were not available in time for inclusion, as previously mentioned. Complete financial statements of the White County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

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

B. Government-wide and Fund Financial Statements

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

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

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

Separate financial statements are provided for governmental funds, proprietary funds (internal service and enterprise), and fiduciary funds. The internal service fund is reported with the governmental activities in the

government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and the major enterprise fund are reported as separate columns in the fund financial statements.

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

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

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

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

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

amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

White County reports the following major governmental funds:

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

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

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

White County reports the following major proprietary fund:

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

Additionally, White County reports the following fund types:

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

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

however, use the accrual basis of accounting to recognize receivables and payables.

The discretely presented White County School Department reports the following major governmental 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, White County reports the following fund types:

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

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

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

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

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

1. Deposits and Investments

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

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's

Investment Pool; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

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

2. Receivables and Payables

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

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

All ambulance service, solid waste, and property taxes receivables are shown with an allowance for uncollectibles. Ambulance and solid waste receivables allowances for uncollectibles are based on historical collection data. The allowance for uncollectible property taxes is equal to 1.60 percent of total taxes levied.

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

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

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

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

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

Retainage payable in the primary government's General Fund and the discretely presented White County School Department's Education Capital Projects Fund represents amounts withheld from payments made on respective contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the General and Education Capital Projects funds.

3. Capital Assets

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

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

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

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

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

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

4. Deferred Outflows/Inflows of Resources

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

5. Compensated Absences

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

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

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

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

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

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

6. Long-term Obligations

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

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

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

7. Net Position and Fund Balance

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors,

grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2015, White County had \$3,506,950 in outstanding debt for capital purposes for the discretely presented White County School Department. This debt is a liability of White County; however, the capital assets acquired are reported in the financial statements of the School Department. Therefore, White County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

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

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

8. Minimum Fund Balance Policy

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

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 White County’s and the White County School Departments’ beginning net position has been recognized on the Statement of Activities totaling (\$717,299) and (\$5,493,695); 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 White County’s participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from White 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 White 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 White County School Department

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

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

Primary Government

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

Discretely Presented White County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (special revenue fund), which is not budgeted, and the discretely presented White County School Department's Education Capital Projects Fund, which adopts a project length budget. All annual appropriations lapse at fiscal year end.

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

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

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

At June 30, 2015, the White County School Department reported the following significant encumbrances:

<u>Funds</u>	<u>Description</u>	<u>Amount</u>
School Department:		
Major Fund:		
General Purpose School	Textbooks	\$ 255,988
"	Roof - Career Academy	77,505
"	Door Repairs- Woodland Park	23,900
"	Replace Gym Seats - WCHS	33,928
"	Shop Improvements	35,500

B. Net Position Deficit

The Solid Waste Disposal Fund had a deficit of \$520,399 in unrestricted net position at June 30, 2015. This deficit resulted from the recognition of a liability of \$1,247,090 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after closure.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state

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

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

Investment	Weighted Average Maturity (days)	Maturity	Fair Value
State Treasurer's Investment Pool	3 to 139	N/A	\$ 15,626,925

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

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

B. Notes Receivable

Notes receivable of \$372,522 in the Industrial/Economic Development Fund resulted from loans issued by the county to local industries in the current and prior years.

C. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 1,004,978	\$ 0	\$ 0	\$ 1,004,978
Construction in Progress	0	0	0	0
Total Capital Assets Not Depreciated	<u>\$ 1,004,978</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,004,978</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 11,500,126	\$ 0	\$ 0	\$ 11,500,126
Infrastructure	7,470,335	524,954	0	7,995,289
Other Capital Assets	3,372,706	190,956	0	3,563,662
Total Capital Assets Depreciated	<u>\$ 22,343,167</u>	<u>\$ 715,910</u>	<u>\$ 0</u>	<u>\$ 23,059,077</u>

Primary Government (Cont.)

Governmental Activities (Cont.):

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 4,134,199	\$ 260,792	\$ 0	\$ 4,394,991
Infrastructure	1,016,713	196,132	0	1,212,845
Other Capital Assets	2,433,284	168,174	0	2,601,458
Total Accumulated Depreciation	<u>\$ 7,584,196</u>	<u>\$ 625,098</u>	<u>\$ 0</u>	<u>\$ 8,209,294</u>
Total Capital Assets Depreciated, Net	<u>\$ 14,758,971</u>	<u>\$ 90,812</u>	<u>\$ 0</u>	<u>\$ 14,849,783</u>
Governmental Activities Capital Assets, Net	<u>\$ 15,763,949</u>	<u>\$ 90,812</u>	<u>\$ 0</u>	<u>\$ 15,854,761</u>

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

Governmental Activities:

General Government	\$ 287,533
Public Safety	50,599
Public Health and Welfare	49,618
Highways/Public Works	<u>237,348</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 625,098</u>

Business-type Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets				
Not Depreciated:				
Land	\$ 596,203	\$ 0	\$ 0	\$ 596,203
Total Capital Assets Not Depreciated	<u>\$ 596,203</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 596,203</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 1,829,737 (1)	\$ 0	\$ 0	\$ 1,829,737
Other Capital Assets	1,656,442	0	(131,312)	1,525,130
Total Capital Assets Depreciated	<u>\$ 3,486,179</u>	<u>\$ 0</u>	<u>\$ (131,312)</u>	<u>\$ 3,354,867</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 1,017,364	\$ 35,993	\$ 0	\$ 1,053,357
Other Capital Assets	1,253,929	58,997	(130,312)	1,182,614
Total Accumulated Depreciation	<u>\$ 2,271,293</u>	<u>\$ 94,990</u>	<u>\$ (130,312)</u>	<u>\$ 2,235,971</u>
Total Capital Assets Depreciated, Net	<u>\$ 1,214,886</u>	<u>\$ (94,990)</u>	<u>\$ (1,000)</u>	<u>\$ 1,118,896</u>
Business-type Activities Capital Assets, Net	<u>\$ 1,811,089</u>	<u>\$ (94,990)</u>	<u>\$ (1,000)</u>	<u>\$ 1,715,099</u>

(1) Beginning balance differs from prior year by \$2 due to rounding.

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

Business-type Activities:

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

Discretely Presented White County School Department

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 1,191,942	\$ 219,450	\$ 0	\$ 1,411,392
Construction in Progress	416,889	2,217,762	0	2,634,651
Total Capital Assets Not Depreciated	<u>\$ 1,608,831</u>	<u>\$ 2,437,212</u>	<u>\$ 0</u>	<u>\$ 4,046,043</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 29,164,075	\$ 778,050	\$ 0	\$ 29,942,125
Other Capital Assets	2,335,026	240,678	(105,043)	2,470,661
Total Capital Assets Depreciated	<u>\$ 31,499,101</u>	<u>\$ 1,018,728</u>	<u>\$ (105,043)</u>	<u>\$ 32,412,786</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 11,342,322	\$ 705,610	\$ 0	\$ 12,047,932
Other Capital Assets	1,386,997	147,309	(103,043)	1,431,263
Total Accumulated Depreciation	<u>\$ 12,729,319</u>	<u>\$ 852,919</u>	<u>\$ (103,043)</u>	<u>\$ 13,479,195</u>
Total Capital Assets Depreciated, Net	<u>\$ 18,769,782</u>	<u>\$ 165,809</u>	<u>\$ (2,000)</u>	<u>\$ 18,933,591</u>
Governmental Activities Capital Assets, Net	<u>\$ 20,378,613</u>	<u>\$ 2,603,021</u>	<u>\$ (2,000)</u>	<u>\$ 22,979,634</u>

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

Governmental Activities:

Instruction	\$ 708,060
Support Services	144,859
Total Depreciation Expense - Governmental Activities	<u>\$ 852,919</u>

D. Construction Commitments

At June 30, 2015, the School Department had uncompleted construction contracts of approximately \$1,830,015 for the renovation of Cassville Elementary School. Funding has been received for these future expenditures.

E. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 8,831
Solid Waste Disposal	General	900
Discretely Presented School Department:		
Nonmajor governmental	General Purpose School	25,085
General Purpose School	Nonmajor governmental	117

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.

Interfund Transfers:

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

Primary Government

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

Discretely Presented White County School Department

Transfer Out	Transfer In General Purpose School Fund
Nonmajor governmental funds	\$ 20,502

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

F. Long-term Obligations

Primary Government

General Obligation Bonds and Notes

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

General obligation bonds and capital outlay notes are direct obligations and pledge the full faith and credit of the government. General obligation bonds 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 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 Bond	4 to 4.4	%	6-15-25	\$ 1,000,000	\$ 610,000
General Obligation Bonds - Refunding	3.85 to 4.24		6-1-20	13,295,000	6,185,000

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 1,190,000	\$ 283,323	\$ 1,473,323
2017	1,240,000	235,723	1,475,723
2018	1,290,000	185,027	1,475,027
2019	1,340,000	131,390	1,471,390
2020	1,400,000	74,640	1,474,640
2021-2025	335,000	45,345	380,345
Total	\$ 6,795,000	\$ 955,448	\$ 7,750,448

There is \$299,363 available in the General Debt Service Fund to service long-term debt. Debt per capita for the bonds totaled \$263, based on the 2010 federal census.

Changes in Long-term Obligations

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

Governmental Activities:

	Bonds	Note
Balance, July 1, 2014	\$ 7,940,000	\$ 142,858
Reductions	(1,145,000)	(142,858)
Balance, June 30, 2015	\$ 6,795,000	\$ 0
Balance Due Within One Year	\$ 1,190,000	\$ 0

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 6,795,000
Less: Balance Due Within One Year	(1,190,000)
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	\$ 5,605,000

White County Solid Waste Disposal Fund (enterprise fund)

Capital outlay notes were issued for original terms of up to 12 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The capital outlay note included in long-term debt as of June 30, 2015, will be retired from the Solid Waste Disposal Fund.

The capital outlay note outstanding as of June 30, 2015, for business-type activities is as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-15
Capital Outlay Note	4.48 %	12-1-15	\$ 1,250,000	\$ 104,163

The annual requirements to amortize the note outstanding as of June 30, 2015, including interest payments, is presented in the following table:

Year Ending June 30	Note		
	Principal	Interest	Total
2016	\$ 104,163	\$ 2,333	\$ 106,496
Total	\$ 104,163	\$ 2,333	\$ 106,496

Changes in Long-term Obligations

Long-term obligations activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2015, was as follows:

Business-type Activities:	Note	Closure/ Postclosure Care Costs
Balance, July 1, 2014	\$ 246,130	\$ 1,221,408
Additions	0	25,682
Reductions	(141,967)	0
Balance, June 30, 2015	\$ 104,163	\$ 1,247,090
Balance Due Within One Year	\$ 104,163	\$ 69,757

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 1,351,253
Less: Balance Due Within One Year	(173,920)
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	\$ 1,177,333

Debt per capita of the enterprise fund for the note totaled \$4, based on the 2010 federal census.

Discretely Presented White County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2014	\$ 241,145	\$ 395,384
Additions	90,990	195,408
Reductions	(78,454)	(195,505)
Balance, June 30, 2015	<u>\$ 253,681</u>	<u>\$ 395,287</u>
Balance Due Within One Year	<u>\$ 90,990</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 648,968
Less: Balance Due Within One Year	<u>(90,990)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 557,978</u>

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

G. On-Behalf Payments

Discretely Presented White County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the White County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both of these plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2015, were \$124,965 and \$36,437, respectively. The School Department has recognized

these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

White County and the discretely presented White County School Department participate in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The county and the School Department pay annual premiums to the TN-RMT for their general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

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

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

B. Accounting Changes

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 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 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. Contingent Liabilities

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

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

D. Change in Administration

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

E. Landfill Closure and Postclosure Care Costs

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

State and federal laws and regulations require White County to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$1,247,090 reported as landfill closure and postclosure care liability at June 30, 2015, represents the cumulative amount reported to date based on the use of 73.9 percent of the estimated capacity of the landfill. The county will recognize the remaining estimated costs of

\$440,447 for closure and postclosure care as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2015. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

F. Joint Ventures

The Upper Cumberland Regional Airport was established as a joint venture between White County, Putnam County, the City of Cookeville, and the City of Sparta. The Upper Cumberland Regional Airport operates the regional airport for the two-county area. The five-member board of the airport is comprised of one member appointed by each of the four participating governments with the fifth member of the board being the chief executive of one of the participating governments. This fifth board position serves a one-year term and rotates among the four participating governments in a prescribed order. Each participant retains a 25 percent ownership in the airport. White County contributed \$28,000 to the Upper Cumberland Regional Airport for the year ended June 30, 2015.

The Thirteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Thirteenth Judicial District, Clay, Cumberland, DeKalb, Overton, Pickett, Putnam, and Overton counties, and participating municipalities within the district. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. White County did not make appropriations to the DTF for the year ended June 30, 2015.

On June 30, 2011, White County entered into an interlocal agreement with Putnam County and the Cities of Algood, Monterey, and Sparta to provide planning services for the area that were formerly provided by the Regional Planning Offices operated by the State of Tennessee. The Planning Services Executive Committee is comprised of each of the county/city mayors/executives for the participating entities. Each county/city agreed to an annual contribution for planning services to be administered by the Putnam County Executive in accordance with a budget approved by the Executive Committee. White County contributed \$25,000 for Planning Services for the year ended June 30, 2015.

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

Administrative Offices:

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

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

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

G. Jointly Governed Organization

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

H. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of White County and non-certified employees of the discretely presented White 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 54.1 percent and the non-certified employees of the discretely presented School Department comprise 45.9 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.

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	207
Inactive Employees Entitled to But Not Yet Receiving Benefits	417
Active Employees	390
Total	1,014

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. White County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2015, employer contributions for White County were \$572,832 based on a rate of 5.84 percent of pensionable payroll. By law, employer contributions are required to be paid. The TCRS may intercept White 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)

White 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

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

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

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

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	6.46 %	33 %
International Equity Emerging Market	6.26	17
International Equity Private Equity and Strategic Lending	6.40	5
U.S. Fixed Income Real Estate	4.61 0.98 4.73	8 29 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 White 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	\$ 18,279,417	\$ 16,392,585	\$ 1,886,832
Changes for the year:			
Service Cost	\$ 680,250	\$ 0	\$ 680,250
Interest	1,388,943	0	1,388,943
Differences Between Expected and Actual Experience	(834,114)	0	(834,114)
Contributions-Employer	0	560,956	(560,956)
Contributions-Employees	0	473,464	(473,464)
Net Investment Income	0	2,728,560	(2,728,560)
Benefit Payments, Including Refunds of Employee Contributions	(880,857)	(880,857)	0
Administrative Expense	0	(14,700)	14,700
Other Changes	0	0	0
Net Changes	\$ 354,222	\$ 2,867,423	\$ (2,513,201)
Balance, June 30, 2014	\$ 18,633,639	\$ 19,260,008	\$ (626,369)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	54.1%	\$ 10,080,799	\$ 10,419,664	\$ (338,866)
School Department	45.9%	8,552,840	8,840,344	(287,503)
Total		\$ 18,633,639	\$ 19,260,008	\$ (626,369)

Sensitivity of the Net Position Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of White County calculated using the discount rate of 7.5 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

White County	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
Net Pension Liability	\$ 1,669,265	\$ (626,369)	\$ (2,541,523)

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

Pension Income. For the year ended June 30, 2015, White County recognized pension income of \$89,827.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, White 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	\$ 667,291
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,195,127
Contributions Subsequent to the Measurement Date of June 30, 2014 (1)	572,832	N/A
Total	\$ 572,832	\$ 1,862,418

(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	\$ 347,203	\$ 1,007,568
School Department	<u>225,629</u>	<u>854,850</u>
Total	<u>\$ 572,832</u>	<u>\$ 1,862,418</u>

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	\$ (465,605)
2017	(465,605)
2018	(465,605)
2019	(465,605)
2020	0
Thereafter	0

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

Discretely Presented White County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of White County and non-certified employees of the discretely presented White 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 54.1 percent and the non-certified employees of the discretely present School Department comprise 45.9 percent of the plan based on census data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the White 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 \$4,350, 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 White 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 White 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	\$ 4,350	N/A

The White County School Department’s employer contributions of \$4,350 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 ended June 30, 2016.

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the White 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 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 benefits 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 White County School Department for the year ended June 30, 2015, to the Teacher Legacy Pension Plan were \$1,296,312, 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 White County School Department reported an asset of \$61,505 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 White County School Department's proportion of the net pension asset was based on the White County School Department's employer 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 June 30, 2014, measurement date, the White County School Department's proportion was .378504 percent. The proportion measured as of June 30, 2013, was .377019 percent.

Pension Income. For the year ended June 30, 2015, the White County School Department recognized a pension income of \$49,257.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, the White 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	\$ 149,319	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	5,067,630
Changes in Proportion of Net Pension Liability (Asset)	20,946	0
LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	1,296,312	N/A
Total	<u>\$ 1,466,577</u>	<u>\$ 5,067,630</u>

The White County School Department's employer contributions of \$1,296,312 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	\$ (1,238,530)
2017	(1,238,530)
2018	(1,238,530)
2019	(1,238,530)
2020	28,378
Thereafter	28,378

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	
			100	%
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 Position Liability (Asset) to Changes in the Discount Rate. The following presents White 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 White 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%
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Net Pension Liability \$ 10,373,533 \$ (61,505) \$ (8,700,585)

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

White County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 401(k). The White County School Department offers its employees a deferred compensation plan established pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of the plan participants. The Section 401(k), 457 and 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k), 457 and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

I. Other Postemployment Benefits (OPEB)

Plan Description

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

Funding Policy

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

statistical techniques to establish premium rates. The employer in the plan develops a contribution policy in terms of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. The state provides a partial subsidy to Local Education Agency pre-65 teachers and a full subsidy based on years of service for post-65 teachers in the Medicare Supplement Plan. The White County School Department provides postretirement benefits, in accordance with contract provisions, to certified employees who retire from the School Department. The School Department pays each retiree \$1,500 per year until the retiree is eligible for Medicare. This benefit is available to employees who retired after July 1, 1998, with a minimum of 30 years' service. During the year examined, approximately 44 retirees met those eligibility requirements, and the School Department contributed \$195,505 for postemployment benefits.

Annual OPEB Cost and Net OPEB Obligation

	Local Education Group Plan
ARC	\$ 195,000
Interest on the NOPEBO	15,815
Adjustment to the ARC	(15,407)
Annual OPEB cost	\$ 195,408
Amount of contribution	(195,505)
Increase/decrease in NOPEBO	\$ (97)
Net OPEB obligation, 7-1-14	395,384
Net OPEB obligation, 6-30-15	\$ 395,287

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6-30-13	Local Education Group	\$ 322,012	75	% \$ 482,336
6-30-14	"	188,497	146	395,384
6-30-15	"	195,408	100	395,287

Funded Status and Funding Progress

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

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

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

Actuarial Methods and Assumptions

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

In the July 1, 2013, actuarial valuation for the Local Government Plan and the Local Education Plan, the projected unit credit actuarial cost method was used, and the actuarial assumptions included a four percent investment rate of return (net of administrative expenses) and an annual health care cost trend rate of seven percent for fiscal year 2015. The trend rate will decrease to 6.5 percent in 2016, and then be reduced by decrements to an ultimate rate of 4.7 percent by fiscal year 2044. The rate includes a 2.5 percent inflation assumption. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over a 30-year period beginning with July 1, 2007.

J. Office of Central Accounting and Budgeting

Office of Director of Finance

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

K. Purchasing Law

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

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

	<u>2014</u>
Total Pension Liability (Asset)	
Service Cost	\$ 680,250
Interest	1,388,943
Changes in Benefit Terms	0
Differences Between Actual and Expected Experience	(834,114)
Changes in Assumptions	0
Benefit Payments, Including Refunds of Employee Contributions	(880,857)
Net Change in Total Pension Liability (Asset)	<u>\$ 354,222</u>
Total Pension Liability (Asset), Beginning	<u>18,279,417</u>
 Total Pension Liability (Asset), Ending (a)	 <u>\$ 18,633,639</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 560,956
Contributions - Employee	473,464
Net Investment Income	2,728,560
Benefit Payments, Including Refunds of Employee Contributions	(880,857)
Administrative Expense	(14,700)
Net Change in Plan Fiduciary Net Position	<u>\$ 2,867,423</u>
Plan Fiduciary Net Position, Beginning	<u>16,392,585</u>
 Plan Fiduciary Net Position, Ending (b)	 <u>\$ 19,260,008</u>
 Net Pension Liability (Asset), Ending (a - b)	 <u><u>\$ (626,369)</u></u>
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	 103.36%
Covered Employee Payroll	\$ 9,459,635
Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	6.62%

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

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

Exhibit F-2

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

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 560,956	\$ 572,832
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(560,956)</u>	<u>(572,832)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 9,459,635	\$ 9,782,892
Contributions as a Percentage of Covered Employee Payroll	5.93%	5.86%

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

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

Exhibit F-3

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

	<u>2015</u>
Actuarially Determined Contribution	\$ 2,719
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(4,350)</u>
Contribution Deficiency (Excess)	<u>\$ (1,631)</u>
Covered Employee Payroll	\$ 108,756
Contributions as a Percentage of Covered Employee Payroll	4%

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

Exhibit F-4

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

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 1,319,234	\$ 1,296,312
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(1,319,234)</u>	<u>(1,296,312)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 14,856,244	\$ 14,212,138
Contributions as a Percentage of Covered Employee Payroll	8.88%	9.12%

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

Exhibit F-5

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

	<u>2014</u>
School Department's Proportion of the Net Pension Asset	0.378504%
School Department's Proportionate Share of the Net Pension Asset	\$ 61,505
Covered Employee Payroll	\$ 14,856,244
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

White County, Tennessee
Schedule of Funding Progress – Other Postemployment Benefits Plan
Discretely Presented White County School Department
June 30, 2015

(Dollar amounts in thousands)

Plan	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Local Education Group	7-1-10	\$ 0	\$ 2,477	\$ 2,477	0 %	\$ 10,364	24 %
"	7-1-11	0	3,237	3,237	0	14,343	23
"	7-1-13	0	1,985	1,985	0	16,326	12

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Frozen Initial Liability
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	6 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

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

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

		<u>Special Revenue Funds</u>				
		Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Total Nonmajor Governmental Funds	
<u>ASSETS</u>						
Cash	\$	0	\$ 0	\$ 8,579	\$	8,579
Equity in Pooled Cash and Investments		209,951	176,600	0	0	386,551
Accounts Receivable		0	0	252	252	
Notes Receivable - Long-term		372,522	0	0	0	372,522
Total Assets	\$	582,473	\$ 176,600	\$ 8,831	\$	767,904
<u>LIABILITIES</u>						
Due to Other Funds	\$	0	\$ 0	\$ 8,831	\$	8,831
Due to Litigants, Heirs, and Others		0	3,832	0	0	3,832
Total Liabilities	\$	0	\$ 3,832	\$ 8,831	\$	12,663
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Public Safety	\$	0	\$ 172,768	\$ 0	\$	172,768
Restricted for Other Operations		582,473	0	0	0	582,473
Total Fund Balances	\$	582,473	\$ 172,768	\$ 0	\$	755,241
Total Liabilities and Fund Balances	\$	582,473	\$ 176,600	\$ 8,831	\$	767,904

White 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				Total Nonmajor Governmental Funds
	Industrial/ Economic Development	Drug Control	Constitu- tional Officers - Fees		
<u>Revenues</u>					
Fines, Forfeitures, and Penalties	\$ 0	\$ 51,090	\$ 0	\$ 0	\$ 51,090
Charges for Current Services	0	0	118	118	118
Other Local Revenues	5,561	1,164	0	0	6,725
Total Revenues	\$ 5,561	\$ 52,254	\$ 118	\$ 118	\$ 57,933
<u>Expenditures</u>					
Current:					
General Government	\$ 0	\$ 0	\$ 118	\$ 118	118
Public Safety	0	59,171	0	0	59,171
Other Operations	0	236	0	0	236
Total Expenditures	\$ 0	\$ 59,407	\$ 118	\$ 118	\$ 59,525
Excess (Deficiency) of Revenues Over Expenditures	\$ 5,561	\$ (7,153)	\$ 0	\$ 0	\$ (1,592)
Net Change in Fund Balances Fund Balance, July 1, 2014	\$ 5,561	\$ (7,153)	\$ 0	\$ 0	\$ (1,592)
Fund Balance, June 30, 2015	\$ 576,912	\$ 179,921	\$ 0	\$ 0	\$ 756,833
	\$ 582,473	\$ 172,768	\$ 0	\$ 0	\$ 755,241

Exhibit G-3

White County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Industrial/Economic Development Fund
For the Year Ended June 30, 2015

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 5,561	\$ 4,000	\$ 4,000	\$ 1,561
Total Revenues	<u>\$ 5,561</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 1,561</u>
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 5,561</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 1,561</u>
Net Change in Fund Balance	\$ 5,561	\$ 4,000	\$ 4,000	\$ 1,561
Fund Balance, July 1, 2014	576,912	576,912	576,912	0
Fund Balance, June 30, 2015	<u>\$ 582,473</u>	<u>\$ 580,912</u>	<u>\$ 580,912</u>	<u>\$ 1,561</u>

Exhibit G-4

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 51,090	\$ 65,000	\$ 65,000	\$ (13,910)
Other Local Revenues	1,164	1,000	1,000	164
Total Revenues	<u>\$ 52,254</u>	<u>\$ 66,000</u>	<u>\$ 66,000</u>	<u>\$ (13,746)</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 59,171	\$ 65,000	\$ 65,000	\$ 5,829
<u>Other Operations</u>				
Miscellaneous	236	1,000	1,000	764
Total Expenditures	<u>\$ 59,407</u>	<u>\$ 66,000</u>	<u>\$ 66,000</u>	<u>\$ 6,593</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (7,153)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (7,153)</u>
Net Change in Fund Balance	\$ (7,153)	\$ 0	\$ 0	\$ (7,153)
Fund Balance, July 1, 2014	<u>179,921</u>	<u>179,921</u>	<u>179,921</u>	<u>0</u>
Fund Balance, June 30, 2015	<u>\$ 172,768</u>	<u>\$ 179,921</u>	<u>\$ 179,921</u>	<u>\$ (7,153)</u>

Major Governmental Fund

General Debt Service Fund

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

Exhibit H

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,264,430	\$ 1,277,979	\$ 1,277,979	\$ (13,549)
Other Local Revenues	41,346	60,000	60,000	(18,654)
State of Tennessee	25,472	24,000	24,000	1,472
Other Governments and Citizens Groups	50,000	60,000	60,000	(10,000)
Total Revenues	<u>\$ 1,381,248</u>	<u>\$ 1,421,979</u>	<u>\$ 1,421,979</u>	<u>\$ (40,731)</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 667,608	\$ 667,608	\$ 667,608	\$ 0
Education	620,250	620,250	620,250	0
<u>Interest on Debt</u>				
General Government	162,951	165,840	165,840	2,889
Education	169,212	169,212	169,212	0
<u>Other Debt Service</u>				
General Government	18,905	28,000	28,000	9,095
Total Expenditures	<u>\$ 1,638,926</u>	<u>\$ 1,650,910</u>	<u>\$ 1,650,910</u>	<u>\$ 11,984</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (257,678)</u>	<u>\$ (228,931)</u>	<u>\$ (228,931)</u>	<u>\$ (28,747)</u>
Net Change in Fund Balance	\$ (257,678)	\$ (228,931)	\$ (228,931)	\$ (28,747)
Fund Balance, July 1, 2014	557,041	557,039	557,039	2
Fund Balance, June 30, 2015	<u>\$ 299,363</u>	<u>\$ 328,108</u>	<u>\$ 328,108</u>	<u>\$ (28,745)</u>

Fiduciary Funds

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

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

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

Exhibit I-1

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

	<u>Agency Funds</u>		
	Cities - Sales Tax	Constitu - tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 588,945	\$ 588,945
Accounts Receivable	0	7,672	7,672
Due from Other Governments	300,288	0	300,288
Total Assets	<u>\$ 300,288</u>	<u>\$ 596,617</u>	<u>\$ 896,905</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 300,288	\$ 0	\$ 300,288
Due to Litigants, Heirs, and Others	0	596,617	596,617
Total Liabilities	<u>\$ 300,288</u>	<u>\$ 596,617</u>	<u>\$ 896,905</u>

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 1,671,441	\$ 1,671,441	\$ 0
Due from Other Governments	284,874	300,288	284,874	300,288
Total Assets	\$ 284,874	\$ 1,971,729	\$ 1,956,315	\$ 300,288
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 284,874	\$ 1,971,729	\$ 1,956,315	\$ 300,288
Total Liabilities	\$ 284,874	\$ 1,971,729	\$ 1,956,315	\$ 300,288
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 358,054	\$ 4,970,868	\$ 4,739,977	\$ 588,945
Accounts Receivable	6,749	7,672	6,749	7,672
Total Assets	\$ 364,803	\$ 4,978,540	\$ 4,746,726	\$ 596,617
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 364,803	\$ 4,978,540	\$ 4,746,726	\$ 596,617
Total Liabilities	\$ 364,803	\$ 4,978,540	\$ 4,746,726	\$ 596,617
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 358,054	\$ 4,970,868	\$ 4,739,977	\$ 588,945
Equity in Pooled Cash and Investments	0	1,671,441	1,671,441	0
Accounts Receivable	6,749	7,672	6,749	7,672
Due from Other Governments	284,874	300,288	284,874	300,288
Total Assets	\$ 649,677	\$ 6,950,269	\$ 6,703,041	\$ 896,905
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 284,874	\$ 1,971,729	\$ 1,956,315	\$ 300,288
Due to Litigants, Heirs, and Others	364,803	4,978,540	4,746,726	596,617
Total Liabilities	\$ 649,677	\$ 6,950,269	\$ 6,703,041	\$ 896,905

White County School Department

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

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

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

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

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

Exhibit J-1

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

Functions/Programs	Program Revenues			Expenses	Net (Expense) Revenue and Changes in Net Position	
	Charges for Services	Operating Grants and Contributions	Total		Governmental	Activities
Governmental Activities:						
Instruction	\$ 17,518,985	\$ 1,401,129	\$ (15,565,311)			
Support Services	8,460,474	340,974	(8,057,328)			
Operation of Non-instructional Services	2,937,519	2,021,038	(463,403)			
Interest on Debt	0	0	0			
Total Governmental Activities	\$ 28,916,978	\$ 3,763,141	\$ (24,086,042)			
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes			\$ 3,323,815			
Local Option Sales Taxes			1,475,145			
Wheel Tax			414,418			
Other Local Taxes			5,262			
Grants and Contributions Not Restricted to Specific Programs			22,161,935			
Unrestricted Investment Earnings			1,181			
Miscellaneous			65,635			
Pension Income			90,488			
Total General Revenues			\$ 27,537,879			
Insurance Recovery			\$ 25,831			
Change in Net Position			\$ 3,477,668			
Net Position, July 1, 2014			42,139,048			
Restatement - Pension Liability (see Note I.D.9)			(5,493,695)			
Net Position, June 30, 2015			\$ 40,123,021			

Exhibit J-2

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

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 17,411,319	\$ 3,515,043	\$ 20,926,362
Accounts Receivable	2,663	4,371	7,034
Due from Other Governments	976,690	158,941	1,135,631
Due from Other Funds	117	25,085	25,202
Property Taxes Receivable	3,438,151	0	3,438,151
Allowance for Uncollectible Property Taxes	(104,381)	0	(104,381)
Total Assets	<u>\$ 21,724,559</u>	<u>\$ 3,703,440</u>	<u>\$ 25,427,999</u>
<u>LIABILITIES</u>			
Payroll Deductions Payable	\$ 431,292	\$ 0	\$ 431,292
Contracts Payable	2,848	91,594	94,442
Retainage Payable	0	4,821	4,821
Due to Other Funds	25,085	117	25,202
Total Liabilities	<u>\$ 459,225</u>	<u>\$ 96,532</u>	<u>\$ 555,757</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 3,202,971	\$ 0	\$ 3,202,971
Deferred Delinquent Property Taxes	124,740	0	124,740
Other Deferred/Unavailable Revenue	129,715	0	129,715
Total Deferred Inflows of Resources	<u>\$ 3,457,426</u>	<u>\$ 0</u>	<u>\$ 3,457,426</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 26,419	\$ 3,106,908	\$ 3,133,327
Committed:			
Committed for Education	7,717,773	0	7,717,773
Assigned:			
Assigned for Education	663,848	500,000	1,163,848
Unassigned	9,399,868	0	9,399,868
Total Fund Balances	<u>\$ 17,807,908</u>	<u>\$ 3,606,908</u>	<u>\$ 21,414,816</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 21,724,559</u>	<u>\$ 3,703,440</u>	<u>\$ 25,427,999</u>

Exhibit J-3

White County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented White 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)		\$ 21,414,816
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,411,392	
Add: construction in progress	2,634,651	
Add: buildings and improvements net of accumulated depreciation	17,894,193	
Add: other capital assets net of accumulated depreciation	<u>1,039,398</u>	22,979,634
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$ (253,681)	
Less: other postemployment benefits liability	<u>(395,287)</u>	(648,968)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years:		
Add: deferred outflows of resources related to pensions	\$ 1,696,556	
Less: deferred inflows of resources related to pensions	<u>(5,922,480)</u>	(4,225,924)
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension assets - agent plan	\$ 287,503	
Add: net pension assets - cost-sharing plan	<u>61,505</u>	349,008
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>254,455</u>
Net position of governmental activities (Exhibit A)		<u><u>\$ 40,123,021</u></u>

Exhibit J-4

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

	<u>Major Fund</u>	<u>Nonmajor</u> <u>Funds</u>	
	General	Other	Total
	Purpose	Govern- mental	Governmental
	School	Funds	Funds
<u>Revenues</u>			
Local Taxes	\$ 5,278,590	\$ 0	\$ 5,278,590
Licenses and Permits	2,203	0	2,203
Charges for Current Services	61,955	453,078	515,033
Other Local Revenues	617,416	13,235	630,651
State of Tennessee	21,365,736	23,395	21,389,131
Federal Government	66,777	4,375,423	4,442,200
Other Governments and Citizens Groups	14,628	0	14,628
Total Revenues	<u>\$ 27,407,305</u>	<u>\$ 4,865,131</u>	<u>\$ 32,272,436</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 15,910,291	\$ 1,774,095	\$ 17,684,386
Support Services	8,189,075	586,079	8,775,154
Operation of Non-instructional Services	555,233	2,376,368	2,931,601
Capital Outlay	1,424,798	0	1,424,798
Capital Projects	0	2,217,762	2,217,762
Total Expenditures	<u>\$ 26,079,397</u>	<u>\$ 6,954,304</u>	<u>\$ 33,033,701</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,327,908</u>	<u>\$ (2,089,173)</u>	<u>\$ (761,265)</u>
<u>Other Financing Sources (Uses)</u>			
Insurance Recovery	\$ 25,831	\$ 0	\$ 25,831
Transfers In	20,502	0	20,502
Transfers Out	0	(20,502)	(20,502)
Total Other Financing Sources (Uses)	<u>\$ 46,333</u>	<u>\$ (20,502)</u>	<u>\$ 25,831</u>
Net Change in Fund Balances	<u>\$ 1,374,241</u>	<u>\$ (2,109,675)</u>	<u>\$ (735,434)</u>
Fund Balance, July 1, 2014	16,433,667	5,716,583	22,150,250
Fund Balance, June 30, 2015	<u>\$ 17,807,908</u>	<u>\$ 3,606,908</u>	<u>\$ 21,414,816</u>

Exhibit J-5

White County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Discretely Presented White County School Department
For the Year Ended June 30, 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 I-4)		\$	(735,434)
(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	\$	3,455,940	
Less: current-year depreciation expense		<u>(852,919)</u>	2,603,021
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			
Less: book value of capital assets disposed			(2,000)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2015	\$	254,455	
Less: deferred delinquent property taxes and other deferred June 30, 2014		<u>(246,714)</u>	7,741
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in other postemployment benefits liability	\$	97	
Change in net pension asset - agent plan		896,080	
Change in net pension asset - cost-sharing plan		4,946,623	
Change in deferred outflows of resources related to pensions		1,696,556	
Change in deferred inflows of resources related to pensions		(5,922,480)	
Change in compensated absences payable		<u>(12,536)</u>	<u>1,604,340</u>
Change in net position of governmental activities (Exhibit B)			<u>\$ 3,477,668</u>

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

	Special Revenue Funds			Capital Projects Fund		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Total	Education Capital Projects		
\$	342,521	965,758	1,308,279	2,206,764	\$	3,515,043
	0	4,371	4,371	0		4,371
	157,479	1,462	158,941	0		158,941
	0	25,085	25,085	0		25,085
\$	500,000	996,676	1,496,676	2,206,764	\$	3,703,440

ASSETS

Equity in Pooled Cash and Investments
 Accounts Receivable
 Due from Other Governments
 Due from Other Funds

Total Assets

LIABILITIES

Contracts Payable
 Retainage Payable
 Due to Other Funds
 Total Liabilities

FUND BALANCES

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

Total Liabilities and Fund Balances

\$	0	0	0	0	\$	91,594
	0	0	0	4,821		4,821
	0	117	117	0		117
\$	0	117	117	96,415	\$	96,532
\$	0	996,559	996,559	2,110,349	\$	3,106,908
	500,000	0	500,000	0		500,000
\$	500,000	996,559	1,496,559	2,110,349	\$	3,606,908
\$	500,000	996,676	1,496,676	2,206,764	\$	3,703,440

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

	Special Revenue Funds			Capital Projects Fund		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Total	Education Capital Projects		
<u>Revenues</u>						
Charges for Current Services	0 \$	453,078 \$	453,078 \$	0 \$	0 \$	453,078
Other Local Revenues	0	13,235	13,235	0	0	13,235
State of Tennessee	0	23,395	23,395	0	0	23,395
Federal Government	2,695,473	1,679,950	4,375,423	0	0	4,375,423
Total Revenues	\$ 2,695,473	\$ 2,169,658	\$ 4,865,131	\$ 0	\$ 0	\$ 4,865,131
<u>Expenditures</u>						
Current:						
Instruction	1,774,095	0	1,774,095	0	0	1,774,095
Support Services	586,079	0	586,079	0	0	586,079
Operation of Non-instructional Services	314,797	2,061,571	2,376,368	0	0	2,376,368
Capital Projects	0	0	0	2,217,762	0	2,217,762
Total Expenditures	\$ 2,674,971	\$ 2,061,571	\$ 4,736,542	\$ 2,217,762	\$ 0	\$ 6,954,304
Excess (Deficiency) of Revenues Over Expenditures	\$ 20,502	\$ 108,087	\$ 128,589	\$ (2,217,762)	\$ 0	\$ (2,089,173)
<u>Other Financing Sources (Uses)</u>						
Transfers Out	(20,502)	0	(20,502)	0	0	(20,502)
Total Other Financing Sources (Uses)	\$ (20,502)	\$ 0	\$ (20,502)	\$ 0	\$ 0	\$ (20,502)
Net Change in Fund Balances	\$ 0	\$ 108,087	\$ 108,087	\$ (2,217,762)	\$ 0	\$ (2,109,675)
Fund Balance, July 1, 2014	500,000	888,472	1,388,472	4,328,111	0	5,716,583
Fund Balance, June 30, 2015	\$ 500,000	\$ 996,559	\$ 1,496,559	\$ 2,110,349	\$ 0	\$ 3,606,908

Exhibit J-8

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

	Actual (GAAP Basis)	Less:		Add: 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		7/1/2014	Encumbrances 6/30/2015			Original	Final	
Revenues								
Local Taxes	\$ 5,278,590	\$ 0	\$ 0	\$ 0	\$ 5,278,590	\$ 5,244,790	\$ 5,244,790	\$ 33,800
Licenses and Permits	2,203	0	0	0	2,203	2,500	2,500	(297)
Charges for Current Services	61,955	0	0	0	61,955	60,000	60,000	1,955
Other Local Revenues	617,416	0	0	0	617,416	97,980	97,980	519,436
State of Tennessee	21,365,736	0	0	0	21,365,736	21,300,106	21,336,508	29,228
Federal Government	66,777	0	0	0	66,777	89,000	89,000	(22,223)
Other Governments and Citizens Groups	14,628	0	0	0	14,628	12,000	12,000	2,628
Total Revenues	\$ 27,407,305	\$ 0	\$ 0	\$ 0	\$ 27,407,305	\$ 26,806,376	\$ 26,842,778	\$ 564,527
Expenditures								
<u>Instruction</u>								
Regular Instruction Program	\$ 13,548,901	\$ (69,392)	\$ 0	\$ 294,601	\$ 13,774,110	\$ 15,077,815	\$ 15,077,815	\$ 1,303,705
Special Education Program	1,631,956	0	0	0	1,631,956	1,695,140	1,660,940	28,984
Vocational Education Program	729,434	0	0	0	729,434	823,505	798,192	68,758
<u>Support Services</u>								
Attendance	79,669	0	0	0	79,669	80,050	80,050	381
Health Services	178,430	0	0	0	178,430	195,285	195,285	16,855
Other Student Support	702,650	0	0	0	702,650	745,025	745,025	42,375
Regular Instruction Program	758,463	0	0	0	758,463	782,945	782,945	24,482
Special Education Program	204,555	0	0	0	204,555	180,165	214,365	9,810
Vocational Education Program	141,072	0	0	0	141,072	117,435	142,748	1,676
Other Programs	161,402	0	0	0	161,402	0	161,402	0
Board of Education	495,062	(1,550)	0	1,705	495,217	659,915	534,915	39,698
Director of Schools	127,395	(75)	0	0	127,320	132,035	132,035	4,715
Office of the Principal	1,564,435	0	0	0	1,564,435	1,595,455	1,595,455	31,020
Fiscal Services	146,390	(787)	0	2,497	148,100	152,535	152,535	4,435
Operation of Plant	1,869,790	(8,608)	0	30,414	1,891,596	2,209,300	2,199,300	307,704
Maintenance of Plant	436,834	(20,807)	0	6,597	422,624	434,670	444,670	22,046
Transportation	1,322,928	0	0	3,000	1,325,928	1,453,465	1,453,465	127,537

(Continued)

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Operation of Non-instructional Services</u>							
Food Service	\$ 80,475	\$ 0	\$ 0	\$ 80,475	\$ 89,550	\$ 89,550	\$ 9,075
Community Services	55,901	0	0	55,901	60,220	60,220	4,319
Early Childhood Education	418,857	0	0	418,857	419,656	419,656	799
<u>Capital Outlay</u>							
Regular Capital Outlay	1,424,798	(56,987)	177,333	1,545,144	450,000	3,223,866	1,678,722
Total Expenditures	\$ 26,079,397	\$ (158,206)	\$ 516,147	\$ 26,437,338	\$ 27,354,166	\$ 30,164,434	\$ 3,727,096
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,327,908	\$ 158,206	\$ (516,147)	\$ 969,967	\$ (547,790)	\$ (3,321,656)	\$ 4,291,623
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 25,831	\$ 0	\$ 0	\$ 25,831	\$ 0	\$ 0	\$ 25,831
Transfers In	20,502	0	0	20,502	25,000	25,000	(4,498)
Total Other Financing Sources	\$ 46,333	\$ 0	\$ 0	\$ 46,333	\$ 25,000	\$ 25,000	\$ 21,333
Net Change in Fund Balance Fund Balance, July 1, 2014	\$ 1,374,241	\$ 158,206	\$ (516,147)	\$ 1,016,300	\$ (522,790)	\$ (3,296,656)	\$ 4,312,956
	16,433,667	(158,206)	0	16,275,461	16,433,665	16,433,665	(158,204)
Fund Balance, June 30, 2015	\$ 17,807,908	\$ 0	\$ (516,147)	\$ 17,291,761	\$ 15,910,875	\$ 13,137,009	\$ 4,154,752

Exhibit J-9

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 2,695,473	\$ 3,051,462	\$ 2,960,278	\$ (264,805)
Total Revenues	\$ 2,695,473	\$ 3,051,462	\$ 2,960,278	\$ (264,805)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,081,568	\$ 1,269,309	\$ 1,262,811	\$ 181,243
Special Education Program	641,377	657,797	663,185	21,808
Vocational Education Program	51,150	47,822	51,150	0
<u>Support Services</u>				
Other Student Support	38,236	35,292	40,011	1,775
Regular Instruction Program	239,396	262,353	265,434	26,038
Special Education Program	221,489	237,097	234,247	12,758
Vocational Education Program	37,213	50,451	50,451	13,238
Transportation	49,745	57,298	56,698	6,953
<u>Operation of Non-instructional Services</u>				
Community Services	314,797	411,726	314,851	54
Total Expenditures	\$ 2,674,971	\$ 3,029,145	\$ 2,938,838	\$ 263,867
Excess (Deficiency) of Revenues Over Expenditures	\$ 20,502	\$ 22,317	\$ 21,440	\$ (938)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (20,502)	\$ (22,317)	\$ (21,440)	\$ 938
Total Other Financing Sources	\$ (20,502)	\$ (22,317)	\$ (21,440)	\$ 938
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Fund Balance, July 1, 2014	500,000	500,000	500,000	0
Fund Balance, June 30, 2015	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0

Exhibit J-10

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 453,078	\$ 0	\$ 453,078	\$ 479,000	\$ 479,000	\$ (25,922)
Other Local Revenues	13,235	0	13,235	6,000	6,000	7,235
State of Tennessee	23,395	0	23,395	23,000	23,000	395
Federal Government	1,679,950	0	1,679,950	1,750,000	1,750,000	(70,050)
Total Revenues	\$ 2,169,658	\$ 0	\$ 2,169,658	\$ 2,258,000	\$ 2,258,000	\$ (88,342)
<u>Expenditures</u>						
<u>Operation of Non-instructional Services</u>						
Food Service	\$ 2,061,571	\$ (19,533)	\$ 2,042,038	\$ 2,257,762	\$ 2,257,762	\$ 215,724
Total Expenditures	\$ 2,061,571	\$ (19,533)	\$ 2,042,038	\$ 2,257,762	\$ 2,257,762	\$ 215,724
Excess (Deficiency) of Revenues Over Expenditures	\$ 108,087	\$ 19,533	\$ 127,620	\$ 238	\$ 238	\$ 127,382
Net Change in Fund Balance Fund Balance, July 1, 2014	\$ 108,087	\$ 19,533	\$ 127,620	\$ 238	\$ 238	\$ 127,382
Fund Balance, July 1, 2014	888,472	(19,533)	868,939	888,472	888,472	(19,533)
Fund Balance, June 30, 2015	\$ 996,559	\$ 0	\$ 996,559	\$ 888,710	\$ 888,710	\$ 107,849

MISCELLANEOUS SCHEDULES

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-14	Paid and/or Matured During Period	Outstanding 6-30-15
GOVERNMENTAL ACTIVITIES:							
NOTES PAYABLE							
Payable through General Debt Service Fund							
Industrial Development Land	\$ 1,000,000	4.15 %	6-11-08	6-1-15	\$ 142,858	\$ 142,858	\$ 0
Total Notes Payable					\$ 142,858	\$ 142,858	\$ 0
BONDS PAYABLE							
Payable through General Debt Service Fund							
Library	1,000,000	4 to 4.4	6-15-05	6-15-25	\$ 660,000	\$ 50,000	\$ 610,000
School Refunding, Series 2008	5,120,000	3.85	9-17-08	6-1-20	2,800,000	420,000	2,380,000
School/Judicial Complex Refunding, Series 2008A	8,175,000	4.24	12-2-08	6-1-20	4,480,000	675,000	3,805,000
Total Bonds Payable					\$ 7,940,000	\$ 1,145,000	\$ 6,795,000
BUSINESS-TYPE ACTIVITIES:							
NOTES PAYABLE							
Payable through Solid Waste Disposal Fund							
Landfill Improvements and Vehicles Compactor	1,250,000	4.48	12-1-03	12-1-15	\$ 208,330	\$ 104,167	\$ 104,163
	378,000	4.5	6-21-05	6-21-15	37,800	37,800	0
Total Notes Payable					\$ 246,130	\$ 141,967	\$ 104,163

Exhibit K-2

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

GOVERNMENTAL ACTIVITIES:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 1,190,000	\$ 283,323	\$ 1,473,323
2017	1,240,000	235,723	1,475,723
2018	1,290,000	185,027	1,475,027
2019	1,340,000	131,390	1,471,390
2020	1,400,000	74,640	1,474,640
2021	60,000	14,520	74,520
2022	65,000	11,970	76,970
2023	65,000	9,175	74,175
2024	70,000	6,380	76,380
2025	75,000	3,300	78,300
Total	<u>\$ 6,795,000</u>	<u>\$ 955,448</u>	<u>\$ 7,750,448</u>

BUSINESS-TYPE ACTIVITIES:

Year Ending June 30	Notes		
	Principal	Interest	Total
2016	\$ 104,163	\$ 2,333	\$ 106,496
Total	<u>\$ 104,163</u>	<u>\$ 2,333</u>	<u>\$ 106,496</u>

Exhibit K-3

White County, Tennessee
Schedule of Notes Receivable
For the Year Ended June 30, 2015

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-15
<u>Industrial/Economic Development Fund</u>						
Industrial Development	Jackson Kayak	\$ 250,000	12-08	12-15	2 %	\$ 19,040
"	CLS Molding	40,000	2-11	2-18	2	19,746
"	S&S Screw	90,000	9-10	9-18	2	35,778
"	CLS Molding	51,533	12-13	12-20	2	42,265
"	Jackson Kayak	75,000	3-14	3-21	2	62,365
"	Jackson Kayak	200,000	3-15	3-22	2	193,328
Total						<u>\$ 372,522</u>

Exhibit K-4

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

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
Highway/Public Works	General	Finance Department services	\$ 11,000
"	"	Maintenance garage operations	75,000
Total Transfers Primary Government			<u>\$ 86,000</u>
<u>DISCRETELY PRESENTED WHITE COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 20,502
Total Transfers Discretely Presented White County School Department			<u>\$ 20,502</u>

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive:				
Herd Sullivan (7-1-14 through 8-31-14)	Section 8-24-102, TCA	\$ 13,562	\$ 50,000	Auto Owners Insurance Company
Denny Robinson (9-1-14 through 6-30-15)	Section 8-24-102, TCA	64,796	100,000	"
Road Superintendent	Section 8-24-102, TCA	74,628	100,000	"
Director of Schools	State Board of Education and White County Board of Education	98,500 (1)	50,000	"
Trustee:				
Brenda Officer (7-1-14 through 8-31-14)	Section 8-24-102, TCA	11,742	972,000	"
Phyllis Humphrey (9-1-14 through 6-30-15)	Section 8-24-102, TCA	56,101	1,016,570	"
Assessor of Property	Section 8-24-102, TCA	67,843	50,000	"
Finance Director	County Commission	67,843	50,000	"
County Clerk	Section 8-24-102, TCA	67,843	100,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, TCA	67,843	100,000	"
Clerk and Master	Section 8-24-102, TCA	67,843	100,000	"
Register of Deeds:				
Gary Brogden (7-1-14 through 8-31-14)	Section 8-24-102, TCA	11,742	25,000	"
Martha Bumbalough (9-1-14 through 6-30-15)	Section 8-24-102, TCA	56,101	100,000	"
Sheriff	Section 8-24-102, TCA	74,628 (2)	100,000	"
Employee Dishonesty Bond Coverage:				
General County and Highway Employees			150,000	Tennessee Risk Management Trust
School Department Employees			150,000	"

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

Exhibit K-6

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 3,930,620	\$ 0	\$ 0	\$ 0	0
Trustee's Collections - Prior Year	173,180	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	81,052	0	0	0	0
Interest and Penalty	30,714	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	17,036	0	0	0	0
Payments in-Lieu-of Taxes - Other	12,612	0	0	0	0
<u>County Local Option Taxes</u>					
Local Option Sales Tax	350,624	0	0	0	0
Hotel/Motel Tax	6,608	0	0	0	0
Wheel Tax	503,222	0	0	0	69,070
Litigation Tax - General	55,643	0	0	0	0
Litigation Tax - Special Purpose	39,504	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	20,016	0	0	0	0
Business Tax	213,820	0	0	0	0
Mineral Severance Tax	0	0	0	0	43,031
<u>Statutory Local Taxes</u>					
Bank Excise Tax	56,268	0	0	0	0
Wholesale Beer Tax	180,710	0	0	0	0
Total Local Taxes	\$ 5,671,629	\$ 0	\$ 0	\$ 0	112,101
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 108,087	\$ 0	\$ 0	\$ 0	0
<u>Permits</u>					
Beer Permits	3,002	0	0	0	0
Total Licenses and Permits	\$ 111,089	\$ 0	\$ 0	\$ 0	0

(Continued)

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 7,032	\$ 0	\$ 0	\$ 0	0
Officers Costs	10,322	0	0	0	0
Drug Control Fines	3,923	0	19,202	0	0
Drug Court Fees	2,743	0	0	0	0
Jail Fees	549	0	0	0	0
DUI Treatment Fines	2,232	0	0	0	0
Data Entry Fee - Circuit Court	1,690	0	0	0	0
Courtroom Security Fee	5,737	0	0	0	0
<u>General Sessions Court</u>					
Fines	15,287	0	0	0	0
Fines for Littering	48	0	0	0	0
Officers Costs	29,437	0	0	0	0
Game and Fish Fines	580	0	0	0	0
Drug Control Fines	1,971	0	2,924	0	0
Drug Court Fees	2,394	0	0	0	0
Jail Fees	5,915	0	0	0	0
DUI Treatment Fines	4,460	0	0	0	0
Data Entry Fee - General Sessions Court	9,433	0	0	0	0
Courtroom Security Fee	37,395	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	2,750	0	0	0	0
Data Entry Fee - Chancery Court	3,028	0	0	0	0
Courtroom Security Fee	4,275	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	3,004	0	28,964	0	0

(Continued)

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>Other Fines, Forfeitures, and Penalties (Cont.)</u>					
Other Fines, Forfeitures, and Penalties	\$ 134	\$ 0	\$ 0	\$ 0	\$ 0
Total Fines, Forfeitures, and Penalties	\$ 154,339	\$ 0	\$ 51,090	\$ 0	\$ 0
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Patient Charges	\$ 1,333,798	\$ 0	\$ 0	\$ 0	\$ 0
Other General Service Charges	190	0	0	0	0
Service Charges	82,182	0	0	0	8,940
<u>Fees</u>					
Library Fees	5,003	0	0	0	0
Telephone Commissions	65,120	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	118	0
Data Processing Fee - Register	8,002	0	0	0	0
Data Processing Fee - Sheriff	3,099	0	0	0	0
Sexual Offender Registration Fee - Sheriff	3,400	0	0	0	0
Data Processing Fee - County Clerk	3,175	0	0	0	0
Total Charges for Current Services	\$ 1,503,969	\$ 0	\$ 0	\$ 118	\$ 8,940
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 5,061	\$ 0	\$ 0	\$ 0
Sale of Materials and Supplies	1,462	0	0	0	0
Commissary Sales	61,273	0	0	0	0
Sale of Maps	20	0	0	0	0
Sale of Recycled Materials	0	0	0	0	885

(Continued)

Exhibit K-6

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional - Officers - Fees	Highway / Public Works
<u>Other Local Revenues (Cont.)</u>					
<u>Recurring Items (Cont.)</u>					
Sale of Animals/Livestock	\$ 7,391	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous Refunds	25,068	0	0	0	158
<u>Nonrecurring Items</u>					
Sale of Equipment	11,977	0	0	0	8,603
Damages Recovered from Individuals	2,486	0	1,164	0	0
Contributions and Gifts	1,532	0	0	0	0
<u>Other Local Revenues</u>					
Other Local Revenues	0	500	0	0	0
Total Other Local Revenues	\$ 111,209	\$ 5,561	\$ 1,164	\$ 0	\$ 9,646
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 255,994	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	102,410	0	0	0	0
General Sessions Court Clerk	165,803	0	0	0	0
Clerk and Master	74,340	0	0	0	0
Register	89,561	0	0	0	0
Sheriff	21,105	0	0	0	0
Trustee	315,818	0	0	0	0
Total Fees Received From County Officials	\$ 1,025,031	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>State of Tennessee (Cont.)</u>					
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	\$ 14,400	\$ 0	\$ 0	\$ 0	\$ 0
Drug Control Grants	48,247	0	0	0	0
<u>Health and Welfare Grants</u>					
Health Department Programs	106,016	0	0	0	0
<u>Public Works Grants</u>					
State Aid Program	0	0	0	0	196,017
Litter Program	36,591	0	0	0	0
<u>Other State Revenues</u>					
Flood Control	1,783	0	0	0	0
Income Tax	66,127	0	0	0	0
Beer Tax	18,055	0	0	0	0
Vehicle Certificate of Title Fees	7,536	0	0	0	0
Alcoholic Beverage Tax	51,076	0	0	0	0
State Revenue Sharing - T.V.A.	315,219	0	0	0	0
Contracted Prisoner Boarding	1,055,331	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	1,613,798
Petroleum Special Tax	0	0	0	0	18,645
Registrar's Salary Supplement	15,164	0	0	0	0
Other State Grants	2,050	0	0	0	0
Other State Revenues	29,110	0	0	0	0
Total State of Tennessee	\$ 1,775,705	\$ 0	\$ 0	\$ 0	\$ 1,828,460
<u>Federal Government</u>					
<u>Federal Through State</u>					
Law Enforcement Grants	\$ 17,423	\$ 0	\$ 0	\$ 0	\$ 0
Other Federal through State	5,339	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds				
	General	Industrial / Economic Development	Drug Control	Constitu- tional Officers - Fees	Highway / Public Works
<u>Federal Government (Cont.)</u>					
<u>Direct Federal Revenue</u>					
Other Direct Federal Revenue	\$ 11,600	\$ 0	\$ 0	\$ 0	\$ 0
Total Federal Government	\$ 34,362	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 7,980	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	6,000	0	0	0	0
Contracted Services	47,876	0	0	0	0
<u>Citizens Groups</u>					
Donations	5,612	0	0	0	0
Total Other Governments and Citizens Groups	\$ 67,468	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 10,454,801	\$ 5,561	\$ 52,254	\$ 118	\$ 1,959,147

(Continued)

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

	Debt Service Fund	General Debt Service	Total
<u>Local Taxes</u>			
<u>County Property Taxes</u>			
Current Property Tax	\$ 317,623	\$	4,248,243
Trustee's Collections - Prior Year	13,994		187,174
Circuit Clerk/Clerk and Master Collections - Prior Years	6,550		87,602
Interest and Penalty	2,481		33,195
Payments in-Lieu-of Taxes - T.V.A.	1,377		18,413
Payments in-Lieu-of Taxes - Other	1,019		13,631
<u>County Local Option Taxes</u>			
Local Option Sales Tax	910,231		1,260,855
Hotel/Motel Tax	6,608		13,216
Wheel Tax	0		572,292
Litigation Tax - General	0		55,643
Litigation Tax - Special Purpose	0		39,504
Litigation Tax - Jail, Workhouse, or Courthouse	0		20,016
Business Tax	0		213,820
Mineral Severance Tax	0		43,031
<u>Statutory Local Taxes</u>			
Bank Excise Tax	4,547		60,815
Wholesale Beer Tax	0		180,710
Total Local Taxes	<u>\$ 1,264,430</u>	<u>\$</u>	<u>7,048,160</u>
<u>Licenses and Permits</u>			
<u>Licenses</u>			
Cable TV Franchise	0	\$	108,087
<u>Permits</u>			
Beer Permits	0		3,002
Total Licenses and Permits	<u>\$ 0</u>	<u>\$</u>	<u>111,089</u>

(Continued)

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

	Debt Service Fund	General Debt Service	Total
<u>Fines, Forfeitures, and Penalties</u>			
<u>Circuit Court</u>			
Fines	0	0	7,032
Officers Costs	0	0	10,322
Drug Control Fines	0	0	23,125
Drug Court Fees	0	0	2,743
Jail Fees	0	0	549
DUI Treatment Fines	0	0	2,232
Data Entry Fee - Circuit Court	0	0	1,690
Courtroom Security Fee	0	0	5,737
<u>General Sessions Court</u>			
Fines	0	0	15,287
Fines for Littering	0	0	48
Officers Costs	0	0	29,437
Game and Fish Fines	0	0	580
Drug Control Fines	0	0	4,895
Drug Court Fees	0	0	2,394
Jail Fees	0	0	5,915
DUI Treatment Fines	0	0	4,460
Data Entry Fee - General Sessions Court	0	0	9,433
Courtroom Security Fee	0	0	37,395
<u>Chancery Court</u>			
Officers Costs	0	0	2,750
Data Entry Fee - Chancery Court	0	0	3,028
Courtroom Security Fee	0	0	4,275
Other Fines, Forfeitures, and Penalties	0	0	31,968
Proceeds from Confiscated Property	0	0	31,968

(Continued)

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

	Debt Service Fund	General Debt Service	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>			
<u>Other Fines, Forfeitures, and Penalties (Cont.)</u>			
Other Fines, Forfeitures, and Penalties	0 \$	0 \$	134
Total Fines, Forfeitures, and Penalties	<u>0 \$</u>	<u>0 \$</u>	<u>205,429</u>
<u>Charges for Current Services</u>			
<u>General Service Charges</u>			
Patient Charges	0 \$	0 \$	1,333,798
Other General Service Charges	0	0	190
Service Charges	0	0	91,122
<u>Fees</u>			
Library Fees	0	0	5,003
Telephone Commissions	0	0	65,120
Constitutional Officers' Fees and Commissions	0	0	118
Data Processing Fee - Register	0	0	8,002
Data Processing Fee - Sheriff	0	0	3,099
Sexual Offender Registration Fee - Sheriff	0	0	3,400
Data Processing Fee - County Clerk	0	0	3,175
Total Charges for Current Services	<u>0 \$</u>	<u>0 \$</u>	<u>1,513,027</u>
<u>Other Local Revenues</u>			
<u>Recurring Items</u>			
Investment Income	41,346 \$	0	46,407
Sale of Materials and Supplies	0	0	1,462
Commissary Sales	0	0	61,273
Sale of Maps	0	0	20
Sale of Recycled Materials	0	0	885

(Continued)

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

	Debt Service Fund	General Debt Service	Total
<u>Other Local Revenues (Cont.)</u>			
<u>Recurring Items (Cont.)</u>			
Sale of Animals/Livestock	0 \$		7,391
Miscellaneous Refunds	0		25,226
<u>Nonrecurring Items</u>			
Sale of Equipment	0		20,580
Damages Recovered from Individuals	0		3,650
Contributions and Gifts	0		1,532
<u>Other Local Revenues</u>			
Other Local Revenues	0		500
Total Other Local Revenues	\$ 41,346	\$	168,926
<u>Fees Received From County Officials</u>			
<u>Fees In-Lieu-of Salary</u>			
County Clerk	0 \$		255,994
Circuit Court Clerk	0		102,410
General Sessions Court Clerk	0		165,803
Clerk and Master	0		74,340
Register	0		89,561
Sheriff	0		21,105
Trustee	0		315,818
Total Fees Received From County Officials	\$ 0	\$	1,025,031
<u>State of Tennessee</u>			
<u>General Government Grants</u>			
Juvenile Services Program	\$ 0	\$	9,000

(Continued)

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

	Debt Service Fund	General Debt Service	Total
<u>State of Tennessee (Cont.)</u>			
<u>Public Safety Grants</u>			
Law Enforcement Training Programs	0	0	14,400
Drug Control Grants	0	0	48,247
<u>Health and Welfare Grants</u>			
Health Department Programs	0	0	106,016
<u>Public Works Grants</u>			
State Aid Program	0	0	196,017
Litter Program	0	0	36,591
<u>Other State Revenues</u>			
Flood Control	0	0	1,783
Income Tax	0	0	66,127
Beer Tax	0	0	18,055
Vehicle Certificate of Title Fees	0	0	7,536
Alcoholic Beverage Tax	0	0	51,076
State Revenue Sharing - T.V.A.	25,472	0	340,691
Contracted Prisoner Boarding	0	0	1,055,331
Gasoline and Motor Fuel Tax	0	0	1,613,798
Petroleum Special Tax	0	0	18,645
Registrar's Salary Supplement	0	0	15,164
Other State Grants	0	0	2,050
Other State Revenues	0	0	29,110
Total State of Tennessee	<u>25,472</u>	<u>\$</u>	<u>3,629,637</u>
<u>Federal Government</u>			
<u>Federal Through State</u>			
Law Enforcement Grants	0	0	17,423
Other Federal through State	0	0	5,339

(Continued)

Exhibit K-6

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

	Debt Service Fund	General Debt Service	Total
<u>Federal Government (Cont.)</u>			
<u>Direct Federal Revenue</u>			
Other Direct Federal Revenue	0	0	11,600
Total Federal Government	<u>0</u>	<u>0</u>	<u>34,362</u>
<u>Other Governments and Citizens Groups</u>			
<u>Other Governments</u>			
Prisoner Board	0	0	7,980
Contributions	50,000	50,000	56,000
Contracted Services	0	0	47,876
<u>Citizens Groups</u>			
Donations	0	0	5,612
Total Other Governments and Citizens Groups	<u>50,000</u>	<u>50,000</u>	<u>117,468</u>
Total	<u>0</u>	<u>1,381,248</u>	<u>13,853,129</u>

Exhibit K-7

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

	Special Revenue Funds				Total
	General Purpose School	School Federal Projects	Central Cafeteria		
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 3,096,853	\$ 0	\$ 0	\$ 0	3,096,853
Trustee's Collections - Prior Year	136,445	0	0	0	136,445
Circuit Clerk/Clerk and Master Collections - Prior Years	63,859	0	0	0	63,859
Interest and Penalty	24,196	0	0	0	24,196
Payments in-Lieu-of Taxes - T.V.A.	13,422	0	0	0	13,422
Payments in-Lieu-of Taxes - Other	9,937	0	0	0	9,937
<u>County Local Option Taxes</u>					
Local Option Sales Tax	1,469,866	0	0	0	1,469,866
Wheel Tax	414,418	0	0	0	414,418
Mixed Drink Tax	695	0	0	0	695
<u>Statutory Local Taxes</u>					
Bank Excise Tax	44,332	0	0	0	44,332
Interstate Telecommunications Tax	4,567	0	0	0	4,567
Total Local Taxes	\$ 5,278,590	\$ 0	\$ 0	\$ 0	\$ 5,278,590
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	1,986	0	0	0	1,986
<u>Permits</u>					
Other Permits	217	0	0	0	217
Total Licenses and Permits	\$ 2,203	\$ 0	\$ 0	\$ 0	\$ 2,203

(Continued)

Exhibit K-7

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

	Special Revenue Funds				Total
	General Purpose School	School Federal Projects	Central Cafeteria		
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Lunch Payments - Children	\$ 0 \$	0 \$	217,596 \$		217,596
Lunch Payments - Adults	0	0	38,177		38,177
Income from Breakfast	0	0	34,867		34,867
A la Carte Sales	0	0	162,438		162,438
Receipts from Individual Schools	61,824	0	0		61,824
Other Charges for Services	131	0	0		131
Total Charges for Current Services	\$ 61,955 \$	0 \$	453,078 \$		515,033
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	0 \$	0 \$	1,181 \$		1,181
Lease/Rentals	552,545	0	0		552,545
Commodity Rebates	0	0	6,452		6,452
Miscellaneous Refunds	47,625	0	4,440		52,065
<u>Nonrecurring Items</u>					
Sale of Equipment	7,525	0	1,162		8,687
Damages Recovered from Individuals	281	0	0		281
<u>Other Local Revenues</u>					
Other Local Revenues	9,440	0	0		9,440
Total Other Local Revenues	\$ 617,416 \$	0 \$	13,235 \$		630,651
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 161,402 \$	0 \$	0 \$		161,402

(Continued)

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

	Special Revenue Funds				Total
	General Purpose School	School Federal Projects	Central Cafeteria		
<u>State of Tennessee (Cont.)</u>					
<u>State Education Funds</u>					
Basic Education Program	\$ 20,176,000	\$ 0	\$ 0	\$ 0	\$ 20,176,000
Early Childhood Education	408,616	0	0	0	408,616
School Food Service	0	0	23,395	0	23,395
Other State Education Funds	210,535	0	0	0	210,535
Career Ladder Program	107,359	0	0	0	107,359
Career Ladder - Extended Contract	48,670	0	0	0	48,670
<u>Other State Revenues</u>					
State Revenue Sharing - T.V.A.	248,354	0	0	0	248,354
Other State Grants	4,800	0	0	0	4,800
Total State of Tennessee	\$ 21,365,736	\$ 0	\$ 23,395	\$ 0	\$ 21,389,131
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,132,570	\$ 0	\$ 1,132,570
USDA - Commodities	0	0	132,760	0	132,760
Breakfast	0	0	375,793	0	375,793
USDA - Other	0	0	28,827	0	28,827
Vocational Education - Basic Grants to States	0	99,713	0	0	99,713
Title I Grants to Local Education Agencies	0	1,073,818	0	0	1,073,818
Special Education - Grants to States	1,450	885,542	0	0	886,992
Special Education Preschool Grants	0	34,745	0	0	34,745
Rural Education	0	76,832	0	0	76,832
Eisenhower Professional Development State Grants	0	168,440	0	0	168,440
Job Training Partnership Act	11,000	0	0	0	11,000
Other Federal through State	0	356,383	10,000	0	366,383

(Continued)

Exhibit K-7

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

	<u>Special Revenue Funds</u>			
	<u>General Purpose School</u>	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Total</u>
<u>Federal Government (Cont.)</u>				
<u>Direct Federal Revenue</u>				
<u>ROTC Reimbursement</u>	\$ 54,327 \$	0 \$	0 \$	54,327
<u>Total Federal Government</u>	\$ 66,777 \$	2,695,473 \$	1,679,950 \$	4,442,200
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
<u>Contributions</u>	\$ 14,628 \$	0 \$	0 \$	14,628
<u>Total Other Governments and Citizens Groups</u>	\$ 14,628 \$	0 \$	0 \$	14,628
<u>Total</u>	\$ 27,407,305 \$	2,695,473 \$	2,169,658 \$	32,272,436

Exhibit K-8

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	42,000	
Other Per Diem and Fees		1,200	
Social Security		2,682	
State Retirement		67	
Employer Medicare		627	
Advertising		1,523	
Audit Services		13,562	
Dues and Memberships		4,164	
Travel		43	
Other Supplies and Materials		244	
In Service/Staff Development		150	
Total County Commission			\$ 66,262

County Mayor/Executive

County Official/Administrative Officer	\$	78,358	
Assistant(s)		34,789	
Social Security		6,918	
State Retirement		5,995	
Medical Insurance		6,746	
Employer Medicare		1,618	
Communication		2,289	
Dues and Memberships		1,400	
Postal Charges		542	
Travel		3,490	
Other Contracted Services		90	
Duplicating Supplies		4,121	
Office Supplies		2,739	
Premiums on Corporate Surety Bonds		793	
In Service/Staff Development		965	
Office Equipment		2,787	
Total County Mayor/Executive			153,640

County Attorney

County Official/Administrative Officer	\$	18,192	
Social Security		1,128	
State Retirement		1,063	
Employer Medicare		264	
Legal Services		3,600	
Total County Attorney			24,247

Election Commission

County Official/Administrative Officer	\$	61,059	
Assistant(s)		30,925	
Election Commission		5,700	
Election Workers		27,492	
Social Security		6,570	
State Retirement		5,372	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Medical Insurance	\$	7,771	
Employer Medicare		1,537	
Advertising		9,039	
Communication		1,238	
Dues and Memberships		225	
Maintenance Agreements		16,935	
Postal Charges		2,986	
Travel		1,548	
Other Contracted Services		120	
Duplicating Supplies		2,341	
Office Supplies		2,002	
Other Supplies and Materials		948	
In Service/Staff Development		2,379	
Data Processing Equipment		4,680	
Total Election Commission			\$ 190,867

Register of Deeds

County Official/Administrative Officer	\$	67,843	
Assistant(s)		26,966	
Deputy(ies)		30,925	
Part-time Personnel		4,175	
Social Security		8,028	
State Retirement		7,343	
Employer Medicare		1,877	
Communication		1,038	
Dues and Memberships		603	
Maintenance Agreements		14,785	
Postal Charges		964	
Travel		435	
Duplicating Supplies		3,593	
Office Supplies		4,569	
Premiums on Corporate Surety Bonds		793	
Data Processing Equipment		9,155	
Total Register of Deeds			183,092

Development

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

County Buildings

Custodial Personnel	\$	43,939	
Maintenance Personnel		21,760	
Other Salaries and Wages		6,431	
Social Security		4,316	
State Retirement		3,186	
Medical Insurance		7,401	
Employer Medicare		1,008	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Communication	\$	6,877	
Consultants		21,212	
Dues and Memberships		100	
Janitorial Services		1,400	
Licenses		1,192	
Maintenance and Repair Services - Buildings		53,517	
Maintenance and Repair Services - Equipment		31,672	
Pest Control		935	
Rentals		7,800	
Disposal Fees		660	
Other Contracted Services		494	
Custodial Supplies		14,658	
Diesel Fuel		772	
Electricity		31,278	
Natural Gas		6,011	
Water and Sewer		2,392	
Other Supplies and Materials		20,637	
Building and Contents Insurance		57,079	
Liability Insurance		102,920	
Vehicle and Equipment Insurance		35,988	
Workers' Compensation Insurance		45,842	
Building Improvements		48,520	
Total County Buildings			\$ 579,997

Preservation of Records

Supervisor/Director	\$	29,722	
Other Salaries and Wages		8,405	
Social Security		2,346	
State Retirement		1,103	
Employer Medicare		549	
Advertising		1,731	
Communication		2,180	
Pest Control		315	
Disposal Fees		60	
Other Contracted Services		1,132	
Electricity		5,292	
Natural Gas		2,256	
Water and Sewer		715	
Other Supplies and Materials		3,819	
Total Preservation of Records			59,625

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	67,843	
Assistant(s)		100,568	
Social Security		9,935	
State Retirement		9,679	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Medical Insurance	\$	17,668	
Employer Medicare		2,324	
Advertising		2,507	
Communication		1,840	
Data Processing Services		78,205	
Dues and Memberships		705	
Maintenance Agreements		10,929	
Postal Charges		5,477	
Travel		1,417	
Other Contracted Services		521	
Duplicating Supplies		2,888	
Office Supplies		9,666	
In Service/Staff Development		2,368	
Data Processing Equipment		2,320	
Office Equipment		1,721	
Total Accounting and Budgeting			\$ 328,581

Property Assessor's Office

County Official/Administrative Officer	\$	67,843	
Assistant(s)		55,663	
Deputy(ies)		30,925	
Part-time Personnel		3,810	
Board and Committee Members Fees		2,810	
Social Security		9,354	
State Retirement		9,024	
Medical Insurance		8,367	
Employer Medicare		2,188	
Advertising		71	
Audit Services		5,010	
Communication		1,448	
Data Processing Services		9,379	
Dues and Memberships		1,400	
Postal Charges		865	
Travel		669	
Other Contracted Services		120	
Gasoline		875	
Office Supplies		3,220	
In Service/Staff Development		250	
Office Equipment		1,000	
Total Property Assessor's Office			214,291

Reappraisal Program

Secretary(ies)	\$	28,441	
Social Security		1,691	
State Retirement		1,250	
Medical Insurance		2,348	
Employer Medicare		395	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Reappraisal Program (Cont.)

Data Processing Services	\$	3,250	
Postal Charges		5,335	
Total Reappraisal Program			\$ 42,710

County Trustee's Office

County Official/Administrative Officer	\$	67,843	
Assistant(s)		27,306	
Deputy(ies)		30,925	
Part-time Personnel		3,501	
Social Security		7,567	
State Retirement		7,363	
Medical Insurance		7,598	
Employer Medicare		1,770	
Advertising		102	
Communication		670	
Dues and Memberships		623	
Maintenance Agreements		8,078	
Postal Charges		5,987	
Travel		686	
Other Contracted Services		4,239	
Duplicating Supplies		1,565	
Office Supplies		1,911	
Premiums on Corporate Surety Bonds		5,796	
In Service/Staff Development		300	
Office Equipment		1,500	
Total County Trustee's Office			185,330

County Clerk's Office

County Official/Administrative Officer	\$	67,843	
Assistant(s)		82,042	
Deputy(ies)		30,925	
Part-time Personnel		3,560	
Social Security		10,918	
State Retirement		10,559	
Medical Insurance		15,542	
Employer Medicare		2,553	
Communication		1,468	
Dues and Memberships		478	
Maintenance Agreements		5,520	
Postal Charges		6,162	
Duplicating Supplies		1,754	
Office Supplies		5,798	
Premiums on Corporate Surety Bonds		793	
Office Equipment		5,305	
Total County Clerk's Office			251,220

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	67,843	
Assistant(s)		136,530	
Deputy(ies)		30,925	
Social Security		13,749	
State Retirement		13,741	
Medical Insurance		20,140	
Employer Medicare		3,216	
Communication		4,441	
Dues and Memberships		788	
Maintenance Agreements		10,238	
Postal Charges		1,132	
Travel		588	
Other Contracted Services		120	
Duplicating Supplies		4,135	
Office Supplies		13,851	
Premiums on Corporate Surety Bonds		793	
Office Equipment		1,708	
Total Circuit Court			\$ 323,938

General Sessions Court

Judge(s)	\$	150,830	
Secretary(ies)		34,901	
Social Security		9,486	
State Retirement		10,847	
Employer Medicare		2,693	
Communication		2,018	
Dues and Memberships		470	
Travel		839	
Office Supplies		3,528	
In Service/Staff Development		175	
Total General Sessions Court			215,787

Drug Court

Other Salaries and Wages	\$	6,308	
Social Security		389	
State Retirement		368	
Employer Medicare		91	
Contracts with Government Agencies		48,247	
Remittance of Revenue Collected		5,137	
Total Drug Court			60,540

Chancery Court

County Official/Administrative Officer	\$	67,843	
Deputy(ies)		30,925	
Part-time Personnel		14,350	
Social Security		7,013	
State Retirement		5,763	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Employer Medicare	\$	1,640	
Advertising		1,377	
Communication		912	
Dues and Memberships		588	
Maintenance Agreements		7,725	
Postal Charges		7,488	
Other Contracted Services		120	
Duplicating Supplies		2,556	
Office Supplies		4,745	
Office Equipment		2,782	
Total Chancery Court			\$ 155,827

Judicial Commissioners

Other Salaries and Wages	\$	44,236	
Social Security		2,668	
Medical Insurance		3,886	
Employer Medicare		624	
Communication		949	
Travel		75	
Other Supplies and Materials		784	
Total Judicial Commissioners			53,222

Other Administration of Justice

Jury and Witness Expense	\$	7,777	
Maintenance Agreements		1,284	
Other Charges		518	
Total Other Administration of Justice			9,579

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	74,628	
Supervisor/Director		41,155	
Deputy(ies)		401,732	
Detective(s)		221,880	
Captain(s)		72,748	
Lieutenant(s)		34,837	
Sergeant(s)		197,824	
Secretary(ies)		28,286	
Overtime Pay		6,651	
Other Salaries and Wages		15,694	
Social Security		65,597	
State Retirement		59,252	
Medical Insurance		79,190	
Employer Medicare		15,341	
Advertising		71	
Dues and Memberships		2,200	
Maintenance Agreements		16,824	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Maintenance and Repair Services - Vehicles	\$	9,385	
Postal Charges		2,997	
Towing Services		3,865	
Travel		2,416	
Other Contracted Services		400	
Diesel Fuel		271	
Duplicating Supplies		6,242	
Gasoline		99,523	
Office Supplies		5,704	
Uniforms		8,682	
Other Supplies and Materials		3,812	
Premiums on Corporate Surety Bonds		1,441	
In Service/Staff Development		12,590	
Law Enforcement Equipment		15,551	
Motor Vehicles		62,714	
Total Sheriff's Department			\$ 1,569,503

Special Patrols

Supervisor/Director	\$	39,846	
Social Security		2,470	
State Retirement		2,327	
Employer Medicare		578	
Communication		591	
Gasoline		1,048	
Office Supplies		327	
Total Special Patrols			47,187

Traffic Control

Overtime Pay	\$	4,061	
Social Security		246	
State Retirement		237	
Employer Medicare		58	
Law Enforcement Equipment		11,360	
Total Traffic Control			15,962

Jail

Supervisor/Director	\$	35,856	
Captain(s)		32,390	
Lieutenant(s)		132,738	
Sergeant(s)		138,280	
Guards		535,110	
Secretary(ies)		28,286	
Clerical Personnel		22,908	
Part-time Personnel		926	
Other Salaries and Wages		22,274	
Social Security		56,235	
State Retirement		54,476	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Medical Insurance	\$	82,240	
Employer Medicare		13,152	
Advertising		86	
Communication		14,456	
Contracts with Government Agencies		680	
Contracts with Other Public Agencies		600	
Evaluation and Testing		5,643	
Maintenance Agreements		3,450	
Medical and Dental Services		205,881	
Pest Control		1,500	
Travel		3,522	
Disposal Fees		3,380	
Other Contracted Services		5,735	
Custodial Supplies		35,727	
Duplicating Supplies		3,823	
Electricity		92,971	
Food Preparation Supplies		6,777	
Food Supplies		200,219	
Natural Gas		36,856	
Office Supplies		3,932	
Prisoners Clothing		19,719	
Uniforms		7,652	
Water and Sewer		54,445	
Other Supplies and Materials		6,947	
Excess Risk Insurance		37,812	
Medical Claims		94,495	
In Service/Staff Development		1,524	
Data Processing Equipment		9,312	
Food Service Equipment		13,593	
Law Enforcement Equipment		5,244	
Total Jail			\$ 2,030,852

Juvenile Services

Youth Service Officer(s)	\$	43,143	
Social Security		2,654	
State Retirement		2,519	
Employer Medicare		621	
Communication		541	
Travel		2,461	
Office Supplies		263	
Total Juvenile Services			52,202

Fire Prevention and Control

Contracts with Government Agencies	\$	29,546	
Contributions		133,852	
Building and Contents Insurance		9,582	
Excess Risk Insurance		10,569	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control (Cont.)

Liability Insurance	\$	3,750	
Vehicle and Equipment Insurance		22,773	
Workers' Compensation Insurance		7,009	
Total Fire Prevention and Control			\$ 217,081

Civil Defense

Communication	\$	379	
Contracts with Other Public Agencies		916	
Travel		94	
Diesel Fuel		165	
Gasoline		501	
Other Supplies and Materials		5,191	
Total Civil Defense			7,246

Rescue Squad

Contributions	\$	16,273	
Total Rescue Squad			16,273

Disaster Relief

Other Contracted Services	\$	1,136,952	
Total Disaster Relief			1,136,952

County Coroner/Medical Examiner

Other Contracted Services	\$	56,799	
Total County Coroner/Medical Examiner			56,799

Other Public Safety

Contracts with Other Public Agencies	\$	126,925	
Road Signs		2,050	
Total Other Public Safety			128,975

Public Health and Welfare

Local Health Center

Other Salaries and Wages	\$	86,525	
Social Security		5,265	
State Retirement		3,246	
Medical Insurance		3,886	
Employer Medicare		1,231	
Communication		3,059	
Contracts with Government Agencies		29,310	
Janitorial Services		9,160	
Maintenance and Repair Services - Buildings		11,190	
Pest Control		691	
Travel		6,224	
Disposal Fees		750	
Electricity		7,739	
Natural Gas		1,535	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Water and Sewer	\$	1,055	
Other Supplies and Materials		3,933	
Other Charges		23,400	
Total Local Health Center			\$ 198,199

Rabies and Animal Control

Supervisor/Director	\$	24,904	
Other Salaries and Wages		14,790	
Social Security		2,395	
State Retirement		2,318	
Medical Insurance		3,916	
Employer Medicare		560	
Communication		1,685	
Licenses		370	
Veterinary Services		1,379	
Animal Food and Supplies		117	
Drugs and Medical Supplies		2,111	
Electricity		7,960	
Gasoline		3,739	
Office Supplies		305	
Uniforms		616	
Water and Sewer		2,506	
Other Supplies and Materials		3,578	
Total Rabies and Animal Control			73,249

Ambulance/Emergency Medical Services

Supervisor/Director	\$	51,816	
Paraprofessionals		698,440	
Custodial Personnel		2,002	
Part-time Personnel		61,475	
Overtime Pay		31,415	
Other Salaries and Wages		47,518	
Social Security		54,489	
State Retirement		47,949	
Medical Insurance		26,172	
Employer Medicare		12,743	
Communication		5,471	
Consultants		2,400	
Dues and Memberships		650	
Evaluation and Testing		355	
Janitorial Services		1,270	
Laundry Service		4,443	
Licenses		2,150	
Maintenance and Repair Services - Buildings		2,007	
Maintenance and Repair Services - Office Equipment		2,349	
Maintenance and Repair Services - Vehicles		20,032	
Pest Control		780	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Travel	\$	1,015	
Tuition		3,958	
Other Contracted Services		7,348	
Diesel Fuel		43,877	
Drugs and Medical Supplies		82,869	
Duplicating Supplies		3,329	
Electricity		8,166	
Gasoline		1,231	
Natural Gas		2,921	
Office Supplies		1,554	
Uniforms		7,753	
Water and Sewer		838	
In Service/Staff Development		5,944	
Communication Equipment		735	
Data Processing Equipment		2,094	
Motor Vehicles		52,921	
Other Equipment		65,154	
Total Ambulance/Emergency Medical Services			\$ 1,367,633

General Welfare Assistance

Pauper Burials	\$	9,577	
Total General Welfare Assistance			9,577

Sanitation Education/Information

Other Salaries and Wages	\$	25,440	
Other Per Diem and Fees		1,500	
Rentals		900	
Instructional Supplies and Materials		7,299	
Total Sanitation Education/Information			35,139

Waste Pickup

Other Salaries and Wages	\$	33,071	
Social Security		3,501	
State Retirement		849	
Employer Medicare		819	
Communication		2	
Travel		3,333	
Gasoline		8,946	
Other Supplies and Materials		827	
Total Waste Pickup			51,348

Landfill Operation and Maintenance

Life Insurance	\$	413	
Medical Insurance		24,794	
Total Landfill Operation and Maintenance			25,207

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Senior Citizens Assistance

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

Libraries

Supervisor/Director	\$	42,421	
Librarians		27,892	
Clerical Personnel		28,166	
Part-time Personnel		27,353	
Social Security		7,767	
State Retirement		5,777	
Medical Insurance		2,658	
Employer Medicare		1,817	
Communication		2,664	
Janitorial Services		4,160	
Pest Control		929	
Postal Charges		766	
Travel		1,173	
Disposal Fees		79	
Duplicating Supplies		4,349	
Electricity		17,500	
Library Books/Media		11,481	
Natural Gas		2,766	
Office Supplies		2,731	
Water and Sewer		569	
Other Supplies and Materials		3,472	
In Service/Staff Development		160	
Other Charges		2,000	
Data Processing Equipment		11,405	
Total Libraries			210,055

Parks and Fair Boards

Other Contracted Services	\$	16,330	
Electricity		15,544	
Natural Gas		258	
Water and Sewer		1,510	
Other Supplies and Materials		23,689	
Total Parks and Fair Boards			57,331

Other Social, Cultural, and Recreational

Instructional Supplies and Materials	\$	6,000	
Library Books/Media		5,811	
Total Other Social, Cultural, and Recreational			11,811

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	65,553	
Other Fringe Benefits		14,622	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Communication	\$	2,481	
Contributions		2,500	
Maintenance Agreements		3,500	
Disposal Fees		60	
Duplicating Supplies		5,124	
Electricity		2,218	
Natural Gas		1,121	
Water and Sewer		455	
Total Agricultural Extension Service			\$ 97,634

Forest Service

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

Soil Conservation

Secretary(ies)	\$	19,241	
Social Security		1,145	
State Retirement		1,123	
Medical Insurance		3,646	
Employer Medicare		268	
Contributions		500	
Total Soil Conservation			25,923

Other Operations

Tourism

Other Charges	\$	3,813	
Total Tourism			3,813

Industrial Development

Contributions	\$	40,000	
Permits		1,380	
Electricity		360	
Water and Sewer		175	
Other Charges		1,360	
Total Industrial Development			43,275

Airport

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

Veterans' Services

Supervisor/Director	\$	28,896	
Part-time Personnel		7,506	
Social Security		2,257	
State Retirement		1,687	
Employer Medicare		528	
Advertising		600	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Communication	\$	1,960	
Contributions		8,000	
Postal Charges		196	
Travel		463	
Duplicating Supplies		863	
Office Supplies		2,255	
Data Processing Equipment		1,277	
Total Veterans' Services			\$ 56,488

Other Charges

Supervisor/Director	\$	42,531	
Mechanic(s)		89,276	
Clerical Personnel		23,202	
Social Security		9,310	
State Retirement		9,051	
Medical Insurance		7,798	
Employer Medicare		2,177	
Communication		1,748	
Pest Control		315	
Other Contracted Services		2,754	
Custodial Supplies		968	
Diesel Fuel		1,292	
Electricity		6,218	
Equipment Parts - Heavy		94,885	
Garage Supplies		2,503	
Gasoline		3,948	
Lubricants		7,022	
Natural Gas		4,268	
Office Supplies		70	
Small Tools		1,685	
Tires and Tubes		31,014	
Uniforms		152	
Water and Sewer		540	
Other Equipment		1,950	
Total Other Charges			344,677

Contributions to Other Agencies

Contributions	\$	41,796	
Total Contributions to Other Agencies			41,796

Employee Benefits

Life Insurance	\$	8,022	
Medical Insurance		25,230	
Unemployment Compensation		16,320	
Total Employee Benefits			49,572

(Continued)

Exhibit K-8

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

<u>General Fund (Cont.)</u>			
<u>Other Operations (Cont.)</u>			
<u>Miscellaneous</u>			
Trustee's Commission	\$	119,950	
Total Miscellaneous			\$ 119,950
Total General Fund			\$ 11,294,464
<u>Drug Control Fund</u>			
<u>Public Safety</u>			
<u>Drug Enforcement</u>			
Confidential Drug Enforcement Payments	\$	10,000	
Other Supplies and Materials		29,532	
Law Enforcement Equipment		19,639	
Total Drug Enforcement			\$ 59,171
<u>Other Operations</u>			
<u>Miscellaneous</u>			
Trustee's Commission	\$	236	
Total Miscellaneous			236
Total Drug Control Fund			59,407
<u>Constitutional Officers - Fees Fund</u>			
<u>General Government</u>			
<u>Other General Administration</u>			
Constitutional Officers' Operating Expenses	\$	118	
Total Other General Administration			\$ 118
Total Constitutional Officers - Fees Fund			118
<u>Highway/Public Works Fund</u>			
<u>Highways</u>			
<u>Administration</u>			
County Official/Administrative Officer	\$	74,628	
Accountants/Bookkeepers		28,050	
Other Salaries and Wages		24,000	
Social Security		7,643	
State Retirement		7,401	
Medical Insurance		4,030	
Employer Medicare		1,788	
Communication		4,813	
Dues and Memberships		2,710	
Evaluation and Testing		112	
Pest Control		315	
Travel		300	
Electricity		2,416	
Natural Gas		834	
Office Supplies		2,417	
Water and Sewer		486	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Other Supplies and Materials	\$	3,857	
Premiums on Corporate Surety Bonds		793	
In Service/Staff Development		100	
Other Charges		502	
Total Administration			\$ 167,195

Highway and Bridge Maintenance

Foremen	\$	48,543	
Equipment Operators - Heavy		85,506	
Equipment Operators - Light		415,583	
Overtime Pay		24,707	
Other Salaries and Wages		972	
Social Security		33,942	
State Retirement		33,583	
Medical Insurance		70,460	
Employer Medicare		7,938	
Communication		1,200	
Other Contracted Services		6,195	
Asphalt		288,237	
Asphalt - Hot Mix		4,802	
Asphalt - Liquid		18,090	
Concrete		128	
Crushed Stone		8,507	
Electricity		904	
General Construction Materials		1,277	
Pipe - Metal		5,093	
Road Signs		3,950	
Salt		14,991	
Uniforms		283	
Gravel and Chert		36,777	
Other Supplies and Materials		2,153	
Total Highway and Bridge Maintenance			1,113,821

Operation and Maintenance of Equipment

Maintenance and Repair Services - Equipment	\$	9,832	
Maintenance and Repair Services - Vehicles		4,043	
Diesel Fuel		59,995	
Gasoline		29,600	
Lubricants		6,747	
Total Operation and Maintenance of Equipment			110,217

Other Charges

Building and Contents Insurance	\$	1,188	
Trustee's Commission		17,406	
Vehicle and Equipment Insurance		13,657	
Workers' Compensation Insurance		47,081	
Total Other Charges			79,332

(Continued)

Exhibit K-8

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

<u>Highway/Public Works Fund (Cont.)</u>			
<u>Highways (Cont.)</u>			
<u>Employee Benefits</u>			
Life Insurance	\$	1,334	
Medical Insurance		4,994	
Unemployment Compensation		1,842	
Total Employee Benefits			\$ 8,170
<u>Capital Outlay</u>			
Highway Construction	\$	4,749	
Highway Equipment		44,371	
State Aid Projects		249,732	
Total Capital Outlay			<u>298,852</u>
Total Highway/Public Works Fund			\$ 1,777,587
<u>General Debt Service Fund</u>			
<u>Principal on Debt</u>			
<u>General Government</u>			
Principal on Bonds	\$	524,750	
Principal on Notes		142,858	
Total General Government			\$ 667,608
<u>Education</u>			
Principal on Bonds	\$	620,250	
Total Education			620,250
<u>Interest on Debt</u>			
<u>General Government</u>			
Interest on Bonds	\$	159,911	
Interest on Notes		3,040	
Total General Government			162,951
<u>Education</u>			
Interest on Bonds	\$	169,212	
Total Education			169,212
<u>Other Debt Service</u>			
<u>General Government</u>			
Trustee's Commission	\$	16,715	
Other Debt Service		2,190	
Total General Government			<u>18,905</u>
Total General Debt Service Fund			<u>1,638,926</u>
Total Governmental Funds - Primary Government			<u>\$ 14,770,502</u>

Exhibit K-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$	9,005,695	
Career Ladder Program		64,600	
Career Ladder Extended Contracts		36,080	
Homebound Teachers		23,606	
Educational Assistants		535,537	
Certified Substitute Teachers		83,688	
Non-certified Substitute Teachers		111,035	
Social Security		572,939	
State Retirement		853,180	
Medical Insurance		1,472,705	
Unemployment Compensation		11,799	
Employer Medicare		134,812	
Maintenance and Repair Services - Equipment		11,831	
Instructional Supplies and Materials		356,329	
Textbooks		39,346	
Fee Waivers		4,547	
Other Charges		50,802	
Regular Instruction Equipment		180,370	
Total Regular Instruction Program			\$ 13,548,901

Special Education Program

Teachers	\$	1,101,100	
Career Ladder Program		10,000	
Educational Assistants		82,678	
Other Salaries and Wages		19,462	
Certified Substitute Teachers		320	
Non-certified Substitute Teachers		650	
Social Security		70,603	
State Retirement		106,145	
Medical Insurance		224,481	
Employer Medicare		16,517	
Total Special Education Program			1,631,956

Vocational Education Program

Teachers	\$	525,896	
Career Ladder Program		1,000	
Non-certified Substitute Teachers		2,960	
Social Security		30,846	
State Retirement		47,678	
Medical Insurance		91,907	
Employer Medicare		7,217	
Maintenance and Repair Services - Equipment		2,500	
Travel		850	
Instructional Supplies and Materials		18,580	
Total Vocational Education Program			729,434

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services

Attendance

Supervisor/Director	\$	59,440	
Career Ladder Program		1,000	
Social Security		3,457	
State Retirement		5,464	
Medical Insurance		9,000	
Employer Medicare		809	
Travel		499	
Total Attendance			\$ 79,669

Health Services

Medical Personnel	\$	38,523	
Other Salaries and Wages		84,271	
Social Security		7,325	
State Retirement		8,402	
Medical Insurance		10,866	
Employer Medicare		1,713	
Travel		1,625	
Drugs and Medical Supplies		4,056	
Other Supplies and Materials		16,039	
Other Charges		5,610	
Total Health Services			178,430

Other Student Support

Career Ladder Program	\$	2,000	
Guidance Personnel		442,090	
Clerical Personnel		21,190	
Social Security		26,756	
State Retirement		41,384	
Medical Insurance		68,106	
Employer Medicare		6,257	
Consultants		4,000	
Contracts with Government Agencies		6,391	
Evaluation and Testing		15,294	
Other Contracted Services		69,182	
Total Other Student Support			702,650

Regular Instruction Program

Supervisor/Director	\$	139,140	
Career Ladder Program		7,000	
Career Ladder Extended Contracts		5,600	
Librarians		286,015	
Instructional Computer Personnel		51,149	
Educational Assistants		28,658	
Other Salaries and Wages		27,226	
Social Security		32,442	
State Retirement		45,824	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Medical Insurance	\$	64,134	
Employer Medicare		7,587	
Travel		5,182	
Library Books/Media		50,899	
In Service/Staff Development		7,607	
Total Regular Instruction Program			\$ 758,463

Special Education Program

Supervisor/Director	\$	65,800	
Career Ladder Program		1,000	
Clerical Personnel		12,595	
Social Security		4,594	
State Retirement		6,774	
Medical Insurance		12,737	
Employer Medicare		1,075	
Travel		1,139	
Other Contracted Services		94,032	
Other Supplies and Materials		4,809	
Total Special Education Program			204,555

Vocational Education Program

Supervisor/Director	\$	54,552	
Secretary(ies)		21,190	
Social Security		4,352	
State Retirement		6,169	
Medical Insurance		8,073	
Employer Medicare		1,018	
Travel		155	
Other Contracted Services		45,563	
Total Vocational Education Program			141,072

Other Programs

On-behalf Payments to OPEB	\$	161,402	
Total Other Programs			161,402

Board of Education

Board and Committee Members Fees	\$	16,980	
In-service Training		13,250	
Social Security		1,267	
State Retirement		202	
Medical Insurance		3,679	
Employer Medicare		296	
Payments to Retirees		63,062	
Other Fringe Benefits		3,460	
Audit Services		6,500	
Dues and Memberships		9,673	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Legal Services	\$	2,775	
Liability Insurance		42,512	
Premiums on Corporate Surety Bonds		2,180	
Trustee's Commission		134,930	
Workers' Compensation Insurance		194,296	
Total Board of Education			\$ 495,062

Director of Schools

County Official/Administrative Officer	\$	95,500	
Career Ladder Program		3,000	
Social Security		6,057	
State Retirement		8,904	
Medical Insurance		6,149	
Employer Medicare		1,417	
Communication		3,206	
Dues and Memberships		2,279	
Travel		883	
Total Director of Schools			127,395

Office of the Principal

Principals	\$	548,666	
Career Ladder Program		7,000	
Accountants/Bookkeepers		54,800	
Assistant Principals		387,577	
Secretary(ies)		171,600	
Other Salaries and Wages		12,742	
Social Security		68,445	
State Retirement		98,512	
Medical Insurance		145,712	
Employer Medicare		16,094	
Communication		46,000	
Dues and Memberships		1,450	
Travel		1,037	
Other Charges		4,800	
Total Office of the Principal			1,564,435

Fiscal Services

Supervisor/Director	\$	48,070	
Secretary(ies)		27,290	
Clerical Personnel		27,290	
Social Security		5,798	
State Retirement		5,994	
Medical Insurance		11,036	
Employer Medicare		1,356	
Contributions		13,000	
Maintenance and Repair Services - Equipment		2,948	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Travel	\$	61	
Office Supplies		3,121	
In Service/Staff Development		426	
Total Fiscal Services			\$ 146,390

Operation of Plant

Custodial Personnel	\$	570,626	
Other Salaries and Wages		567	
Social Security		34,454	
State Retirement		31,185	
Medical Insurance		51,766	
Employer Medicare		8,058	
Other Contracted Services		122,098	
Electricity		650,635	
Natural Gas		133,359	
Water and Sewer		69,880	
Other Supplies and Materials		61,934	
Boiler Insurance		6,977	
Building and Contents Insurance		128,251	
Total Operation of Plant			1,869,790

Maintenance of Plant

Maintenance Personnel	\$	155,100	
Social Security		9,087	
State Retirement		9,091	
Medical Insurance		14,715	
Employer Medicare		2,125	
Pest Control		6,796	
Other Contracted Services		24,504	
Other Supplies and Materials		121,298	
Other Charges		525	
Maintenance Equipment		93,593	
Total Maintenance of Plant			436,834

Transportation

Supervisor/Director	\$	54,975	
Mechanic(s)		65,638	
Bus Drivers		474,626	
Clerical Personnel		20,258	
Other Salaries and Wages		46,608	
Social Security		40,688	
State Retirement		37,374	
Medical Insurance		21,483	
Employer Medicare		9,516	
Communication		2,529	
Medical and Dental Services		3,153	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Towing Services	\$	815	
Other Contracted Services		457	
Diesel Fuel		123,515	
Garage Supplies		4,657	
Gasoline		41,919	
Lubricants		4,333	
Tires and Tubes		16,350	
Vehicle Parts		61,382	
Vehicle and Equipment Insurance		39,242	
In Service/Staff Development		1,351	
Other Charges		7,881	
Transportation Equipment		244,178	
Total Transportation			\$ 1,322,928

Operation of Non-instructional Services

Food Service

Medical Insurance	\$	80,475	
Total Food Service			80,475

Community Services

Supervisor/Director	\$	21,282	
Other Salaries and Wages		20,086	
Social Security		2,332	
State Retirement		2,416	
Medical Insurance		3,679	
Employer Medicare		545	
Travel		792	
Other Supplies and Materials		4,769	
Total Community Services			55,901

Early Childhood Education

Teachers	\$	221,200	
Educational Assistants		72,773	
Social Security		17,333	
State Retirement		24,180	
Medical Insurance		49,646	
Employer Medicare		4,054	
Instructional Supplies and Materials		23,670	
Regular Instruction Equipment		6,001	
Total Early Childhood Education			418,857

Capital Outlay

Regular Capital Outlay

Other Contracted Services	\$	609	
Building Improvements		435,680	
Site Development		988,509	
Total Regular Capital Outlay			1,424,798

Total General Purpose School Fund \$ 26,079,397

(Continued)

Exhibit K-9

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

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	602,703	
Educational Assistants		216,117	
Other Salaries and Wages		500	
Social Security		48,681	
State Retirement		67,309	
Medical Insurance		74,801	
Unemployment Compensation		2,715	
Employer Medicare		11,386	
Instructional Supplies and Materials		55,743	
Other Charges		1,613	
Total Regular Instruction Program			\$ 1,081,568

Special Education Program

Teachers	\$	139,223	
Educational Assistants		318,507	
Speech Pathologist		47,500	
Social Security		29,249	
State Retirement		35,062	
Medical Insurance		38,765	
Unemployment Compensation		1,817	
Employer Medicare		6,848	
Instructional Supplies and Materials		2,458	
Other Supplies and Materials		3,076	
Special Education Equipment		18,872	
Total Special Education Program			641,377

Vocational Education Program

Other Supplies and Materials	\$	7,278	
Vocational Instruction Equipment		43,872	
Total Vocational Education Program			51,150

Support Services

Other Student Support

Bus Drivers	\$	477	
Social Security		30	
State Retirement		24	
Employer Medicare		7	
Travel		9,312	
In Service/Staff Development		8,962	
Other Charges		19,424	
Total Other Student Support			38,236

Regular Instruction Program

Supervisor/Director	\$	45,287	
Clerical Personnel		12,595	
Educational Assistants		25,973	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Other Salaries and Wages	\$	77,620	
Social Security		7,183	
State Retirement		9,625	
Medical Insurance		11,266	
Unemployment Compensation		313	
Employer Medicare		2,093	
Travel		3,514	
Other Contracted Services		6,300	
Other Supplies and Materials		8,023	
In Service/Staff Development		29,604	
Total Regular Instruction Program	\$		239,396

Special Education Program

Psychological Personnel	\$	154,764	
Other Salaries and Wages		2,220	
Social Security		8,686	
State Retirement		14,120	
Medical Insurance		32,061	
Unemployment Compensation		619	
Employer Medicare		2,031	
Maintenance and Repair Services - Equipment		943	
Travel		5,045	
In Service/Staff Development		1,000	
Total Special Education Program			221,489

Vocational Education Program

Supervisor/Director	\$	25,440	
Other Salaries and Wages		36	
Social Security		1,579	
State Retirement		2,302	
Unemployment Compensation		84	
Employer Medicare		369	
Travel		3,725	
Other Supplies and Materials		2,478	
Other Equipment		1,200	
Total Vocational Education Program			37,213

Transportation

Bus Drivers	\$	42,312	
Other Salaries and Wages		1,423	
Social Security		2,673	
State Retirement		2,554	
Unemployment Compensation		158	
Employer Medicare		625	
Total Transportation			49,745

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	53,950	
Teachers		120,549	
Clerical Personnel		5,411	
Educational Assistants		32,015	
Other Salaries and Wages		3,528	
Social Security		13,345	
State Retirement		17,443	
Employer Medicare		3,121	
Travel		1,440	
Food Supplies		1,654	
Instructional Supplies and Materials		61,319	
In Service/Staff Development		1,022	
Total Community Services			\$ 314,797

Total School Federal Projects Fund \$ 2,674,971

Central Cafeteria Fund

Operation of Non-instructional Services

Food Service

Supervisor/Director	\$	58,201	
Clerical Personnel		25,191	
Cafeteria Personnel		648,282	
Temporary Personnel		16,517	
Other Salaries and Wages		2,549	
Social Security		44,298	
State Retirement		40,901	
Medical Insurance		8,905	
Unemployment Compensation		2,143	
Employer Medicare		10,360	
Communication		4,310	
Maintenance and Repair Services - Equipment		25,345	
Transportation - Other than Students		72,433	
Travel		2,625	
Food Preparation Supplies		55,995	
Food Supplies		734,173	
USDA - Commodities		132,760	
Other Supplies and Materials		72,985	
Refunds		2,083	
In Service/Staff Development		6,396	
Other Charges		17,689	
Data Processing Equipment		13,853	
Food Service Equipment		63,577	
Total Food Service			\$ 2,061,571

Total Central Cafeteria Fund 2,061,571

(Continued)

Exhibit K-9

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

<u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Architects	\$ 27,235	
Other Contracted Services	2,600	
Building Construction	<u>2,187,927</u>	
Total Education Capital Projects		<u>\$ 2,217,762</u>
Total Education Capital Projects Fund		<u>\$ 2,217,762</u>
Total Governmental Funds - White County School Department		<u><u>\$ 33,033,701</u></u>

Exhibit K-10

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

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 1,671,441
	<hr/>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 1,654,726
Trustee's Commission	16,715
Total Cash Disbursements	<hr/> \$ 1,671,441 <hr/>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0
Cash Balance, July 1, 2014	<hr/> 0 <hr/>
Cash Balance, June 30, 2015	<hr/> \$ 0 <hr/> <hr/>

SINGLE AUDIT SECTION



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

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

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise White County's basic financial statements, and have issued our report thereon dated October 7, 2015.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies: 2015-001 and 2015-002.

Compliance and Other Matters

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

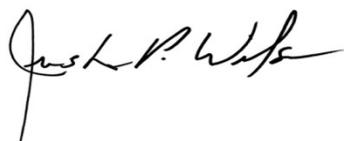
White County's Response to Findings

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

Purpose of this Report

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

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

October 7, 2015

JPW/kp



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT
SUITE 1500
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Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited White County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of White County's major federal programs for the year ended June 30, 2015. White County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of White County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and*

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

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

Opinion on Each Major Federal Program

In our opinion, White County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

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

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

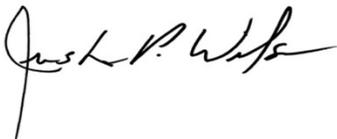
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise White County's basic financial statements. We issued our report thereon dated October 7, 2015, 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 Expenditure of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

October 7, 2015

JPW/kp

White 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	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	\$ 375,793
National School Lunch Program	10.555	N/A	1,161,397 (3)
Child Nutrition Direct Certification Performance Awards	10.589	N/A	10,000
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	132,760 (3)
Total U.S. Department of Agriculture			\$ 1,679,950
U.S. Department of Defense:			
Passed-through State Department of General Services:			
Section 1033 Excess Property Program	12.UNKNOWN	N/A	\$ 406
U.S. Department of Interior:			
Direct Program:			
Payments in-Lieu-of Taxes	15.226	N/A	\$ 2,412
U.S. Department of Labor:			
Passed-through Upper Cumberland Human Resource Agency:			
WIA Youth Activities	17.259	(2)	\$ 11,000
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Alcohol Open Container Requirements	20.607	(4)	\$ 17,423
Institute of Museum and Library Services:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	(2)	\$ 5,339
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 1,073,818
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	886,992
Special Education - Preschool Grants	84.173	N/A	34,745
Career and Technical Education - Basic Grants to States	84.048	N/A	64,299
Safe and Drug-free Schools and Communities - National Programs	84.184	(2)	38,690
Twenty-first Century Community Learning Centers	84.287	(2)	317,693
Rural Education	84.358	(2)	76,832
Improving Teacher Quality State Grants	84.367	(2)	168,440
Passed-through Putnam County, Tennessee Board of Education:			
Career and Technical Education - Basic Grants to States	84.048	(2)	35,414
Total U.S. Department of Education			\$ 2,696,923
Total Expenditures of Federal Awards			\$ 4,413,453

(Continued)

White County, Tennessee

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>State Grants</u>			
Local Park and Recreation Fund (LPRF) - State Department of Environment and Conservation	N/A	(2)	\$ 50
Local Health Services Grant - State Department of Health	N/A	GG-15-42237-00	106,016
Litter Program - State Department of Transportation	N/A	Z15LIT093	36,591
State Supplement Juvenile Court Improvement Funds - State Department of Children Services	N/A	GG-10-3011-00	9,000
Drug Court - State Department of Mental Health and Substance Abuse Services	N/A	(2)	48,247
Law Enforcement Training - State Department of Safety	N/A	(2)	14,400
Voluntary Pre-K for Tennessee - State Department of Education	N/A	(2)	408,616
Coordinated School Health - State Department of Education	N/A	(2)	89,483
Family Resource Centers - State Department of Education	N/A	(2)	29,455
ConnectTenn (Internet Connectivity) - State Department of Education	N/A	(2)	11,498
Safe Schools Act - State Department of Education	N/A	(2)	23,700
Arts Program Categorical Grants - State Department of Education	N/A	(2)	4,800
Public Technology Training - Tennessee Secretary of State	N/A	(2)	2,000
Total State Grants			<u>\$ 783,856</u>

CFDA = Catalog of Federal Domestic Assistance

N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Information not available.
- (3) Total for CFDA No. 10.555 is \$1,294,157.
- (4) 154-AL-15-128: \$15,461; 154-AL-14-114: \$1,962.

White 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. Presented below are findings from the Annual Financial Report of White County, Tennessee, for the year ended June 30, 2014, which have not been corrected.

OFFICE OF FINANCE DIRECTOR

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2014-001	166	The Solid Waste Disposal Fund had a deficit in unrestricted net position

OFFICE OF COUNTY CLERK

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2014-002	166	Multiple employees operated from the same cash drawer

WHITE 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 White County is unmodified.
2. The audit of the financial statements of White County reported significant deficiencies in internal control; however, none of these deficiencies was considered to be a material weakness.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of White County.
4. The audit 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 Title I Grants to Local Educational Agencies (CFDA No. 84.010) and Twenty-First Century Community Learning Centers (CFDA No. 84.287) were determined to be major programs.
8. A \$300,000 threshold was used to distinguish between Type A and Type B federal programs.
9. White County qualified as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF FINANCE DIRECTOR

FINDING 2015-001 **THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION AT JUNE 30, 2015**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The Solid Waste Disposal Fund had a deficit of \$520,399 in unrestricted net position at June 30, 2015. This deficit resulted from the recognition of a liability totaling \$1,247,090 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after its closure. Generally accepted accounting principles require that such costs be reflected in the financial statements. This deficiency exists due to the failure of management to correct the finding noted in the prior-year audit report.

RECOMMENDATION

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

MANAGEMENT'S RESPONSE – FINANCE DIRECTOR

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

OFFICE OF COUNTY CLERK

FINDING 2015-002 **MULTIPLE EMPLOYEES OPERATED FROM THE SAME CASH DRAWER**
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

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

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

RECOMMENDATION

The county clerk should assign each employee their own cash drawer.

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

There were no findings and questioned costs for federal awards.

**WHITE COUNTY, TENNESSEE
AUDITEE REPORTING RESPONSIBILITIES
For the Year Ended June 30, 2015**

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