

ANNUAL FINANCIAL REPORT
MAURY COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2015



DIVISION OF LOCAL GOVERNMENT AUDIT



ANNUAL FINANCIAL REPORT
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FOR THE YEAR ENDED JUNE 30, 2015

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

DIVISION OF LOCAL GOVERNMENT AUDIT
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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
Maury County, Tennessee
For the Year Ended June 30, 2015

Scope

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

Results

Our report on the financial statements of Maury County is unmodified.

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

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY MAYOR

- ◆ The receipting software used by the Office of Zoning and Building Inspections did not have adequate application controls.

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

- ◆ Material audit adjustments were required for proper financial statement presentation.
- ◆ The office had weaknesses in posting financial transactions.
- ◆ The office had deficiencies in budget operations.

OFFICE OF DIRECTOR OF SCHOOLS

- ◆ Material audit adjustments were required for proper financial statement presentation.
- ◆ The actual beginning fund balance of the General Purpose School Fund exceeded the estimated beginning fund balance by a material amount.

OFFICE OF COUNTY CLERK

- ◆ Some bank statements were not reconciled with the official cash journal.

INTRODUCTORY SECTION

Maury County Officials
June 30, 2015

Officials

Charlie Norman, County Mayor
Van Boshers, Road Superintendent
Cynthia Johnson, Interim Director of Schools
Steve Konz, Trustee
Jim Dooley, Assessor of Property
Joey Allen, County Clerk
Sandy McLain, Circuit and General Sessions Courts Clerk
Larry Roe, Jr., Clerk and Master
John Fleming, Register of Deeds
Bucky Rowland, Sheriff
Theresa L. Weber, CPA, Director of Accounts and Budgets
Dana Gibson, Director of Human Resources
Buddy Harlan, Purchasing Agent

Board of County Commissioners

Sonny Shackelford, Chairman
Gerald Adkison
Ronald Attkisson
Talvin Barner
Davis Burkhalter
Donna Cook
Gwynne Evans
Michael Fulbright
Craig Harris
Steve Hazard
Don Morrow

Stewart Parker
Terry Potts
Eric Previti
William Roddy
Ricky Sims
Sue Stephenson
Gary Stovall
Scott Summers
Debbie Turner
Linda Whiteside
Tommy Wolaver

Board of Education

Jim Morrison, Chairman
David Bates
Howard Beaver
Tommy Dudley
Jerry Lassiter
Richard Wayne Lindsey

Jyuana Martin
David Moore
Kristin Parker
James Pennings
Carey Powers

Budget Committee

Craig Harris, Chairman
Donna Cook
Steve Hazard

Stewart Parker
Sonny Shackelford
Sue Stephenson

Audit Committee

Sue Stephenson, Chairperson
Craig Harris
Sonny Shackelford

Kelley McCall
Joyce Dove

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

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Maury Regional Hospital (major proprietary fund), which represent 98 percent, 98 percent, and 99 percent, respectively, of the assets, net position, and revenues of the business-type activities; or the Maury County Board of Public Utilities Water System, a discretely presented component unit. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Maury Regional Hospital and the Maury County Board of Public Utilities Water System, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan

and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund 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., Maury 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 to increase the beginning Governmental Activities net position by \$441,281, a restatement to increase the Business-type Activities net position by 18,243, a restatement to decrease the Maury County School Department's (a discretely presented component unit) net position by \$14,519,131, and a restatement to increase the Board of Public Utilities Water System's (a discretely presented component unit) beginning net position by \$13,986 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, schedules of county and school contributions, schedule of school's proportionate share of the net pension liability, and schedule of funding progress - other postemployment benefits plan on pages 114-120 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 Maury 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 Maury County School Department (a discretely presented component unit), and the 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 Maury 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, based on our audit and the procedures performed as described above, the combining and individual nonmajor

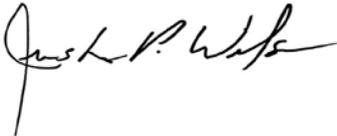
fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Maury County School Department (a discretely presented component unit), and miscellaneous schedules are fairly stated, 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 December 22, 2015, on our consideration of Maury 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 Maury County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 22, 2015

JPW/yu

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government			Component Units	
	Governmental Activities	Business- type Activities	Total	Maury County School Department	Board of Public Utilities Water System
<u>ASSETS</u>					
Cash	\$ 51,127	\$ 37,900,903	\$ 37,952,030	\$ 3,350	\$ 4,272,481
Equity in Pooled Cash and Investments	31,146,011	2,524,851	33,670,862	65,791,347	0
Certificates of Deposit	0	322,164	322,164	0	0
Investments	0	1,532,267	1,532,267	0	3,016,132
Accounts Receivable	696,417	58,380,894	59,077,311	7,784	240,453
Other Receivable	0	6,013,230	6,013,230	0	0
Allowance for Uncollectibles	0	(24,500,000)	(24,500,000)	0	0
Property Taxes Receivable	21,690,137	1,815,232	23,505,369	21,446,504	0
Allowance for Uncollectible Property Taxes	(601,897)	(50,372)	(652,269)	(595,137)	0
Accrued Interest Receivable	0	0	0	0	9,388
Due from Other Governments	1,440,573	3,614	1,444,187	2,939,839	0
Due from Affiliates	0	555,192	555,192	0	0
Prepaid Items	41,176	3,297,028	3,338,204	0	56,077
Inventories	0	4,781,254	4,781,254	76,420	71,742
Net Pension Asset - Agent Plan	2,049,430	84,726	2,134,156	3,039,366	64,957
Net Pension Asset - Cost-sharing Plan	0	0	0	188,780	0
Assets Limited as to Use	0	69,387,898	69,387,898	0	0
Interest in Joint Ventures	0	(99,446)	(99,446)	0	0
Restricted Assets:					
Customer Deposits	0	0	0	0	34,010
Capital Assets:					
Assets Not Depreciated:					
Land	7,412,754	8,897,333	16,310,087	3,019,939	437,552
Intangibles	1,098,294	0	1,098,294	0	0
Construction in Progress	2,070,132	9,624,359	11,694,491	9,623,736	23,170
Assets Net of Accumulated Depreciation:					
Buildings and Improvements	27,051,916	67,795,990	94,847,906	94,405,279	1,843,992
Infrastructure	36,144,735	0	36,144,735	0	22,302,946
Other Capital Assets	1,995,449	32,543,456	34,538,905	3,479,560	311,189
Total Assets	\$ 132,286,254	\$ 280,810,573	\$ 413,096,827	\$ 203,426,767	\$ 32,684,089

(Continued)

Exhibit A

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

	Primary Government			Component Units	
	Governmental Activities	Business- type Activities	Total	Maury County School Department	Board of Public Utilities Water System
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Deferred Pension Adjustments	\$ 0	\$ 614,779	\$ 614,779	\$ 0	\$ 0
Pension Changes in Experience	0	0	0	458,313	0
Pension Changes in Contributions After Measurement Date	676,905	25,934	702,839	4,424,743	6,791
Deferred Amount on Refunding	670,690	221,073	891,763	0	0
Total Deferred Outflows of Resources	\$ 1,347,595	\$ 861,786	\$ 2,209,381	\$ 4,883,056	\$ 6,791
<u>LIABILITIES</u>					
Accounts Payable	\$ 460,633	\$ 18,155,010	\$ 18,615,643	\$ 214,264	\$ 218,273
Accrued Payroll	20,552	7,295,507	7,316,059	10,421	14,658
Payroll Deductions Payable	347,464	15,120	362,584	321,923	0
Compensated Absences Payable	0	6,152,415	6,152,415	0	19,001
Accrued Interest Payable	752,540	82,427	834,967	0	0
Contracts Payable	17,672	0	17,672	2,252,945	0
Retainage Payable	0	0	0	99,786	0
Due to Litigants, Heirs, and Others	3,891	0	3,891	0	0
Customer Deposits Payable	2,775	0	2,775	0	34,010
Due to State of Tennessee	5,709	1,162	6,871	20,402	0
Other Current Liabilities	1,124,222	0	1,124,222	0	0
Noncurrent Liabilities:					
Due Within One Year	7,976,687	4,114,370	12,091,057	1,262,833	314,767
Due in More Than One Year (net of unamortized premium on debt)	102,849,963	46,504,718	149,354,681	13,778,937	6,253,367
Total Liabilities	\$ 113,562,108	\$ 82,320,729	\$ 195,882,837	\$ 17,961,511	\$ 6,854,076

(Continued)

Exhibit A

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

	Primary Government			Component Units	
	Governmental Activities	Business- type Activities	Total	Maury County School Department	Board of Public Utilities Water System
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 20,531,605	\$ 1,757,576	\$ 22,289,181	\$ 20,300,985	\$ 0
Pension Changes in Experience	168,598	6,970	175,568	250,035	5,344
Pension Changes in Investment Earnings	1,443,517	59,677	1,503,194	17,695,097	45,753
Pension Other Deferrals	0	864,558	864,558	89,516	0
Total Deferred Inflows of Resources	<u>\$ 22,143,720</u>	<u>\$ 2,688,781</u>	<u>\$ 24,832,501</u>	<u>\$ 38,335,633</u>	<u>\$ 51,097</u>
<u>NET POSITION</u>					
Net Investment in Capital Assets	\$ 46,790,970	\$ 98,768,857	\$ 145,559,827	\$ 110,528,514	\$ 18,350,715
Restricted for:					
Capital Projects	4,102,138	0	4,102,138	50,822,440	0
Debt Service	11,489,087	0	11,489,087	0	1,650,000
Highway/Public Works	3,439,443	0	3,439,443	0	0
Central Maintenance Garage	779,398	0	779,398	0	0
Drug Control	344,587	0	344,587	0	0
General Government	175,069	0	175,069	0	0
Finance	21,688	0	21,688	0	0
Administration of Justice	204,917	0	204,917	0	0
Public Safety	148,450	0	148,450	0	0
Public Health and Welfare	2,815	0	2,815	0	0
Education	0	0	0	29,139	0
Central Cafeteria	0	0	0	2,350,221	0
Federal Projects	0	0	0	609	0
Other Purposes	2,049,430	84,726	2,134,156	3,228,146	64,956
Unrestricted	(71,619,971)	97,809,266	26,189,295	(14,946,390)	5,720,036
Total Net Position	<u>\$ (2,071,979)</u>	<u>\$ 196,662,849</u>	<u>\$ 194,590,870</u>	<u>\$ 152,012,679</u>	<u>\$ 25,785,707</u>

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

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Maury County School Department	Board of Public Utilities Water System
					Governmental Activities	Business-type Activities	Total		
Primary Government:									
Governmental Activities:									
General Government	\$ 5,121,545	\$ 974,673	\$ 17,164	\$ 0	\$ (4,129,708)	\$ 0	\$ (4,129,708)	\$ 0	\$ 0
Finance	2,941,401	2,347,533	53,568	0	(540,300)	0	(540,300)	0	0
Administration of Justice	2,516,615	1,951,816	13,500	0	(551,299)	0	(551,299)	0	0
Public Safety	14,505,334	2,478,102	1,289,320	2,036	(10,735,876)	0	(10,735,876)	0	0
Public Health and Welfare	252,012	80,504	1,002,945	0	831,437	0	831,437	0	0
Social, Cultural, and Recreational Services	1,624,637	51,371	58,949	0	(1,514,317)	0	(1,514,317)	0	0
Agriculture and Natural Resources	174,843	0	0	0	(174,843)	0	(174,843)	0	0
Highway/Public Works	5,889,665	4,882	2,463,303	449,407	(2,972,073)	0	(2,972,073)	0	0
Education	60,482,084	898,685	276,075	0	(59,307,324)	0	(59,307,324)	0	0
Interest on Long-term Debt	2,629,140	0	483,374	0	(2,145,766)	0	(2,145,766)	0	0
Other Debt Service	1,176,695	0	0	0	(1,176,695)	0	(1,176,695)	0	0
Total Governmental Activities	\$ 97,313,971	\$ 8,787,566	\$ 5,658,198	\$ 451,443	\$ (82,416,764)	\$ 0	\$ (82,416,764)	\$ 0	\$ 0
Business-type Activities:									
Maury Regional Hospital	\$ 297,342,523	\$ 307,566,537	\$ 0	\$ 0	\$ 0	\$ 10,224,014	\$ 10,224,014	\$ 0	\$ 0
Solid Waste Disposal	3,249,598	1,651,449	0	0	0	(1,598,149)	(1,598,149)	0	0
Total Business-type Activities	\$ 300,592,121	\$ 309,217,986	\$ 0	\$ 0	\$ 0	\$ 8,625,865	\$ 8,625,865	\$ 0	\$ 0
Total Primary Government	\$ 397,906,092	\$ 318,005,552	\$ 5,658,198	\$ 451,443	\$ (82,416,764)	\$ 8,625,865	\$ (73,790,899)	\$ 0	\$ 0
Component Units:									
Maury County School Department	\$ 98,476,512	\$ 2,050,304	\$ 14,010,144	\$ 59,717,405	\$ 0	\$ 0	\$ 0	\$ (22,698,659)	\$ 0
Board of Public Utilities Water System	3,550,537	4,114,217	0	193,755	0	0	0	0	757,435
Total Component Units	\$ 102,027,049	\$ 6,164,521	\$ 14,010,144	\$ 59,911,160	\$ 0	\$ 0	\$ 0	\$ (22,698,659)	\$ 757,435

(Continued)

Exhibit B

Maury County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	Maury County School Department	Board of Public Utilities Water System
General Revenues:									
Taxes:									
Property Taxes Levied for General Purposes					\$ 16,368,654	\$ 1,865,484	\$ 18,234,138	\$ 22,135,433	\$ 0
Property Taxes Levied for Debt Service					5,901,337	0	5,901,337	0	0
Local Option Sales Tax					296,163	0	296,163	12,702,249	0
Hotel/Motel Tax					594,531	0	594,531	0	0
Wheel Tax					2,021,463	0	2,021,463	0	0
Litigation Tax - General					484,789	0	484,789	0	0
Litigation Tax - Jail					470,221	0	470,221	0	0
Business Tax					1,019,269	0	1,019,269	0	0
Mixed Drink Tax					0	0	0	293,395	0
Mineral Severance Tax					124,845	0	124,845	0	0
Adequate Facilities/Development Tax					1,089,701	0	1,089,701	0	0
Wholesale Beer Tax					379,663	0	379,663	0	0
Interstate Telecommunications Tax					0	0	0	9,688	0
Other Local Taxes					1,663	0	1,663	0	0
Grants and Contributions Not Restricted to Specific Programs					4,730,323	2,010,316	6,740,639	49,850,411	0
Unrestricted Investment Earnings					382,024	810,051	1,192,075	9,402	33,200
Pension Income					0	0	0	176,823	0
Miscellaneous					441,205	60,237	501,442	61,521	0
Gain on Sale of Capital Assets					84,479	0	84,479	0	9,063
Total General Revenues					\$ 34,390,330	\$ 4,746,088	\$ 39,136,418	\$ 85,238,922	\$ 42,263
Change in Net Position					\$ (48,026,434)	\$ 13,371,953	\$ (34,654,481)	\$ 62,540,263	\$ 799,698
Net Position, July 1, 2014					45,513,174	187,151,350	232,664,524	103,991,547	24,972,023
Restatement - See Note IB.V					0	(3,878,697)	(3,878,697)	0	0
Restatement - See Note I.D.9.					441,281	18,243	459,524	(14,519,131)	13,986
Net Position, June 30, 2015					\$ (2,071,979)	\$ 196,662,849	\$ 194,590,870	\$ 152,012,679	\$ 25,785,707

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

Exhibit C-1

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Funds Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 532	\$ 0	\$ 50,595	\$ 51,127
Equity in Pooled Cash and Investments	10,390,511	11,292,817	8,811,618	30,494,946
Accounts Receivable	434,915	130,750	88,266	653,931
Due from Other Governments	850,326	0	590,247	1,440,573
Due from Other Funds	44,728	0	0	44,728
Property Taxes Receivable	10,882,674	7,142,684	3,664,779	21,690,137
Allowance for Uncollectible Property Taxes	(321,146)	(179,055)	(101,696)	(601,897)
Prepaid Items	0	41,176	0	41,176
Total Assets	<u>\$ 22,282,540</u>	<u>\$ 18,428,372</u>	<u>\$ 13,103,809</u>	<u>\$ 53,814,721</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 87,686	\$ 0	\$ 372,624	\$ 460,310
Accrued Payroll	20,552	0	0	20,552
Payroll Deductions Payable	298,913	0	40,795	339,708
Contracts Payable	0	0	17,672	17,672
Due to Other Funds	0	0	44,728	44,728
Due to State of Tennessee	4,891	0	800	5,691
Due to Litigants, Heirs, and Others	0	0	3,891	3,891
Other Current Liabilities	0	0	1,098,050	1,098,050
Current Liabilities Payable From Restricted Assets	2,775	0	0	2,775
County Drug Court Fee	19,414	0	0	19,414
Other Long-term Liabilities	6,758	0	0	6,758
Total Liabilities	<u>\$ 440,989</u>	<u>\$ 0</u>	<u>\$ 1,578,560</u>	<u>\$ 2,019,549</u>

(Continued)

Exhibit C-1

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>General Debt Service</u>	<u>Funds</u> <u>Other Govern-mental Funds</u>	
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 10,246,313	\$ 6,816,259	\$ 3,469,033	\$ 20,531,605
Deferred Delinquent Property Taxes	265,927	124,327	79,344	469,598
Other Deferred/Unavailable Revenue	9,000	0	248,678	257,678
Total Deferred Inflows of Resources	<u>\$ 10,521,240</u>	<u>\$ 6,940,586</u>	<u>\$ 3,797,055</u>	<u>\$ 21,258,881</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Prepaid Items	\$ 0	\$ 41,176	\$ 0	\$ 41,176
Restricted:				
Restricted for General Government	175,069	0	1,640,794	1,815,863
Restricted for Finance	21,688	0	0	21,688
Restricted for Administration of Justice	204,917	0	0	204,917
Restricted for Public Safety	148,450	5,525,955	344,587	6,018,992
Restricted for Public Health and Welfare	2,815	0	0	2,815
Restricted for Highways/Public Works	0	67,564	3,883,338	3,950,902
Restricted for Capital Outlay	0	0	852,370	852,370
Restricted for Debt Service	0	5,853,091	0	5,853,091
Restricted for Other Purposes	0	0	778,387	778,387
Committed:				
Committed for General Government	86,127	0	228,718	314,845
Committed for Finance	20,670	0	0	20,670
Committed for Public Safety	35,895	0	0	35,895
Committed for Public Health and Welfare	42,711	0	0	42,711
Assigned:				
Assigned for General Government	160,159	0	0	160,159

(Continued)

Exhibit C-1

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

	<u>Major Funds</u>		<u>Nonmajor</u>	
			<u>Funds</u>	
			<u>Other</u>	
			<u>Govern-</u>	<u>Total</u>
	<u>General</u>	<u>Debt</u>	<u>mental</u>	<u>Governmental</u>
		<u>Service</u>	<u>Funds</u>	<u>Funds</u>
<u>FUND BALANCES (Cont.)</u>				
Assigned (Cont.):				
Assigned for Finance	\$ 25,660	\$ 0	\$ 0	\$ 25,660
Assigned for Administration of Justice	27,410	0	0	27,410
Assigned for Public Safety	260,893	0	0	260,893
Assigned for Public Health and Welfare	11,192	0	0	11,192
Assigned for Social, Cultural, and Recreational Services	67,211	0	0	67,211
Assigned for Other Operations	1,436	0	0	1,436
Unassigned	10,028,008	0	0	10,028,008
Total Fund Balances	<u>\$ 11,320,311</u>	<u>\$ 11,487,786</u>	<u>\$ 7,728,194</u>	<u>\$ 30,536,291</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 22,282,540</u>	<u>\$ 18,428,372</u>	<u>\$ 13,103,809</u>	<u>\$ 53,814,721</u>

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

Maury 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)		\$ 30,536,291
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 7,412,754	
Add: intangibles	1,098,294	
Add: construction in progress	2,070,132	
Add: buildings and improvements net of accumulated depreciation	27,051,916	
Add: infrastructure net of accumulated depreciation	36,144,735	
Add: other capital assets net of accumulated depreciation	1,995,449	
Less: capital assets of the internal service fund that are also included in item (2) below	<u>(89,209)</u>	75,684,071
(2) An internal service fund is used by management to charge the costs of a central maintenance garage to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		779,398
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: notes payable	\$ (4,560,000)	
Less: other loans payable	(3,353,634)	
Less: bonds payable	(95,855,000)	
Add: deferred amount on refunding	670,690	
Less: compensated absences payable	(1,288,702)	
Add: compensated absences payable of the internal service fund included in item (2) above	19,321	
Less: accrued interest on bonds and notes	(752,540)	
Less: other deferred revenue - premium on debt	<u>(5,769,314)</u>	(110,889,179)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years:		
Add: deferred outflows of resources related to pensions	\$ 676,905	
Less: deferred inflows of resources related to pensions	<u>(1,612,115)</u>	(935,210)
(5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		
Add: Net Pension Assets of Governmental Activities	\$ 2,049,431	
Less: Net Pension Position of Internal Service Fund	<u>(24,057)</u>	2,025,374
(6) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>727,276</u>
Net position of governmental activities (Exhibit A)		<u>\$ (2,071,979)</u>

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

Exhibit C-3

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 17,739,352	\$ 7,952,706	\$ 5,981,815	\$ 31,673,873
Licenses and Permits	340,087	0	0	340,087
Fines, Forfeitures, and Penalties	472,112	0	105,394	577,506
Charges for Current Services	347,486	0	33,555	381,041
Other Local Revenues	813,747	382,024	78,461	1,274,232
Fees Received From County Officials	4,198,948	0	0	4,198,948
State of Tennessee	3,439,023	1,200,307	2,812,054	7,451,384
Federal Government	1,326,399	336	104,831	1,431,566
Other Governments and Citizens Groups	105,866	276,075	0	381,941
Total Revenues	\$ 28,783,020	\$ 9,811,448	\$ 9,116,110	\$ 47,710,578
<u>Expenditures</u>				
Current:				
General Government	\$ 3,641,599	\$ 0	\$ 0	\$ 3,641,599
Finance	2,837,074	0	125,046	2,962,120
Administration of Justice	2,458,552	0	26,695	2,485,247
Public Safety	13,040,718	0	389,166	13,429,884
Public Health and Welfare	1,592,708	0	0	1,592,708
Social, Cultural, and Recreational Services	1,662,353	0	0	1,662,353
Agriculture and Natural Resources	173,697	0	0	173,697
Other Operations	2,095,985	0	26,006	2,121,991
Highways	0	0	5,026,117	5,026,117
Debt Service:				
Principal on Debt	0	6,555,052	0	6,555,052
Interest on Debt	0	2,350,800	0	2,350,800
Other Debt Service	0	856,880	0	856,880

(Continued)

Exhibit C-3

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>				
Capital Projects	\$ 4,625	\$ 59,121,840	\$ 2,955,111	\$ 62,081,576
Capital Projects - Donated	0	0	565,500	565,500
Total Expenditures	\$ 27,507,311	\$ 68,884,572	\$ 9,113,641	\$ 105,505,524
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,275,709	\$ (59,073,124)	\$ 2,469	\$ (57,794,946)
<u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 0	\$ 56,215,000	\$ 0	\$ 56,215,000
Premiums on Debt Sold	0	4,483,808	0	4,483,808
Insurance Recovery	34,739	0	57,381	92,120
Transfers In	0	99,050	892,508	991,558
Transfers Out	(108,750)	(882,808)	0	(991,558)
Total Other Financing Sources (Uses)	\$ (74,011)	\$ 59,915,050	\$ 949,889	\$ 60,790,928
Net Change in Fund Balances	\$ 1,201,698	\$ 841,926	\$ 952,358	\$ 2,995,982
Fund Balance, July 1, 2014	10,118,613	10,645,860	6,775,836	27,540,309
Fund Balance, June 30, 2015	\$ 11,320,311	\$ 11,487,786	\$ 7,728,194	\$ 30,536,291

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

Maury 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)		\$	2,995,982
(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	\$	7,480,095	
Less: current-year depreciation expense		(5,883,409)	
Add: current-year depreciation expense of the internal service fund that is also included in item (6) below		6,112	
Less: capital assets purchased by the internal service fund that are also included in item (6) below		<u>(22,078)</u>	1,580,720
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.			
Add: assets donated and capitalized			842,082
(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	\$	727,276	
Less: deferred delinquent property taxes and other deferred June 30, 2014		<u>(681,859)</u>	45,417
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:			
Less: bond proceeds	\$	(56,215,000)	
Less: change in premium on debt issuances		(4,000,434)	
Add: principal payments on bonds		4,165,000	
Add: principal payments on notes		2,115,000	
Add: principal payments on other loans		275,052	
Less: change in deferred amount on refunding debt		<u>(319,815)</u>	(53,980,197)
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in accrued interest payable	\$	(278,340)	
Change in net pension liability/asset		1,608,150	
Change in deferred outflows related to pensions		676,905	
Change in deferred inflows related to pensions		(1,612,115)	
Less: change in pensions from the internal service fund		(14,958)	
Change in compensated absences payable		484	
Less: change in compensated absences payable from the internal service fund that are also included in item (6) below		<u>(1,140)</u>	378,986
(6) An internal service fund is used by management to charge the costs of a central maintenance garage to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities in the statement of activities.			<u>110,576</u>
Change in net position of governmental activities (Exhibit B)		\$	<u>(48,026,434)</u>

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

Exhibit C-5

Maury 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	
<u>Revenues</u>							
Local Taxes	\$ 17,739,352	\$ 0	\$ 0	\$ 17,739,352	\$ 17,161,065	\$ 17,161,065	\$ 578,287
Licenses and Permits	340,087	0	0	340,087	272,000	272,000	68,087
Fines, Forfeitures, and Penalties	472,112	0	0	472,112	326,399	326,399	145,713
Charges for Current Services	347,486	0	0	347,486	316,340	317,815	29,671
Other Local Revenues	813,747	0	0	813,747	388,400	682,627	131,120
Fees Received From County Officials	4,198,948	0	0	4,198,948	3,295,000	3,295,000	903,948
State of Tennessee	3,439,023	0	0	3,439,023	2,982,343	3,124,515	314,508
Federal Government	1,326,399	0	0	1,326,399	1,539,401	1,662,135	(335,736)
Other Governments and Citizens Groups	105,866	0	0	105,866	7,510	52,446	53,420
Total Revenues	\$ 28,783,020	\$ 0	\$ 0	\$ 28,783,020	\$ 26,288,458	\$ 26,894,002	\$ 1,889,018
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 75,986	\$ 0	\$ 290	\$ 76,276	\$ 82,095	\$ 82,095	\$ 5,819
Board of Equalization	558	0	0	558	3,330	3,330	2,772
Other Boards and Committees	5,007	0	2,793	7,800	9,000	9,000	1,200
County Mayor/Executive	226,737	0	0	226,737	244,248	248,634	21,897
Personnel Office	238,141	0	252	238,393	235,263	242,463	4,070
County Attorney	110,159	0	0	110,159	116,003	116,003	5,844
Election Commission	388,206	(27,800)	50	360,456	362,715	378,322	17,866
Register of Deeds	298,135	0	0	298,135	307,150	307,150	9,015
Development	427,842	0	1,350	429,192	469,245	469,245	40,053
County Buildings	835,951	0	131,766	967,717	815,860	985,859	18,142
Other General Administration	891,672	(975)	23,159	913,856	849,083	914,916	1,060
Preservation of Records	143,205	0	500	143,705	131,878	152,977	9,272
<u>Finance</u>							
Accounting and Budgeting	436,653	0	100	436,753	502,537	502,537	65,784
Purchasing	216,704	0	210	216,914	217,785	217,785	871
Property Assessor's Office	595,654	0	9,690	605,344	598,055	626,055	20,711
Reappraisal Program	150,245	0	0	150,245	175,210	175,210	24,965

(Continued)

Exhibit C-5

Maury 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>Finance (Cont.)</u>							
County Trustee's Office	\$ 321,781	\$ 0	\$ 419	\$ 322,200	\$ 322,730	\$ 322,729	\$ 529
County Clerk's Office	600,089	0	375	600,464	202,025	622,043	21,579
Data Processing	515,948	0	14,865	530,813	449,043	575,296	44,483
<u>Administration of Justice</u>							
Circuit Court	1,002,670	0	1,342	1,004,012	997,598	1,046,497	42,485
General Sessions Court	1,006,339	0	912	1,007,251	1,040,044	1,040,044	32,793
Chancery Court	391,215	0	496	391,711	403,684	403,684	11,973
District Attorney General	0	0	0	0	121,200	1,200	1,200
Victim Assistance Programs	58,328	0	0	58,328	48,999	48,999	(9,329)
<u>Public Safety</u>							
Sheriff's Department	5,984,183	(8,186)	70,882	6,046,879	6,281,745	6,394,397	347,518
Administration of the Sexual Offender Registry	1,800	0	0	1,800	2,000	2,000	200
Jail	5,038,121	(50,790)	142,736	5,130,067	4,724,495	5,118,054	(12,013)
Juvenile Services	274,694	0	400	275,094	276,215	276,216	1,122
Civil Defense	223,211	0	0	223,211	221,451	223,211	0
Other Emergency Management	1,472,886	(1,168,967)	131,589	435,508	1,702,781	1,772,027	1,336,519
Public Safety Grants Program	45,823	(25,535)	21,416	41,704	0	26,685	(15,019)
<u>Public Health and Welfare</u>							
Local Health Center	895,347	(7,388)	2,064	890,023	940,669	1,036,016	145,993
Rabies and Animal Control	594,679	0	9,128	603,807	662,061	665,369	61,562
Appropriation to State	69,900	0	0	69,900	69,900	69,900	0
Other Public Health and Welfare	32,782	0	0	32,782	150,493	150,505	117,723
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	34,500	0	0	34,500	34,500	34,500	0
Libraries	602,413	(143)	2,525	604,795	649,214	649,214	44,419
Parks and Fair Boards	1,025,440	(49,234)	65,286	1,041,492	718,131	1,041,137	(355)
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	128,834	0	0	128,834	141,671	141,671	12,837
Forest Service	2,000	0	0	2,000	2,000	2,000	0

(Continued)

Exhibit C-5

Maury 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>Agriculture and Natural Resources (Cont.)</u>							
Soil Conservation	\$ 42,863	\$ 0	\$ 0	\$ 42,863	\$ 43,009	\$ 43,009	\$ 146
<u>Other Operations</u>							
Tourism	382,365	(7,875)	1,436	375,926	409,873	409,873	33,947
Industrial Development	601,728	0	0	601,728	202,000	602,000	272
Other Economic and Community Development	213	0	0	213	2,700	2,700	2,487
Airport	40,000	0	0	40,000	40,000	40,000	0
Veterans' Services	85,618	0	0	85,618	89,300	89,300	3,682
Contributions to Other Agencies	85,500	0	0	85,500	88,500	88,500	3,000
Employee Benefits	28,687	0	0	28,687	29,500	29,500	813
Payments to Cities	250,000	0	0	250,000	250,000	250,000	0
Miscellaneous	621,874	0	24,660	646,534	513,895	638,797	(7,737)
<u>Capital Projects</u>							
Public Safety Projects	4,625	0	0	4,625	0	5,500	875
Total Expenditures	\$ 27,507,311	\$ (1,346,893)	\$ 660,691	\$ 26,821,109	\$ 26,950,883	\$ 29,294,154	\$ 2,473,045
Excess (Deficiency) of Revenues Over Expenditures							
	\$ 1,275,709	\$ 1,346,893	\$ (660,691)	\$ 1,961,911	\$ (662,425)	\$ (2,400,152)	\$ 4,362,063
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 34,739	\$ 0	\$ 0	\$ 34,739	\$ 35,000	\$ 67,757	\$ (33,018)
Transfers In	0	0	0	0	900,000	0	0
Transfers Out	(108,750)	0	0	(108,750)	(635,000)	(108,750)	0
Total Other Financing Sources	\$ (74,011)	\$ 0	\$ 0	\$ (74,011)	\$ 300,000	\$ (40,993)	\$ (33,018)
Net Change in Fund Balance							
Fund Balance, July 1, 2014	\$ 1,201,698	\$ 1,346,893	\$ (660,691)	\$ 1,887,900	\$ (362,425)	\$ (2,441,145)	\$ 4,329,045
	10,118,613	(1,346,893)	0	8,771,720	9,561,206	9,561,206	(789,486)
Fund Balance, June 30, 2015	\$ 11,320,311	\$ 0	\$ (660,691)	\$ 10,659,620	\$ 9,198,781	\$ 7,120,061	\$ 3,539,559

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

Exhibit D-1

Maury County, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-type Activities			Governmental Activities - Internal Service Fund Central Maintenance/ Garage
	Major	Nonmajor	Total	
	Fund	Fund		
	Maury Regional Hospital	Solid Waste Disposal		
ASSETS				
Current Assets:				
Cash	\$ 37,900,703	\$ 200	\$ 37,900,903	\$ 0
Certificates of Deposit	322,164	0	322,164	0
Equity in Pooled Cash and Investments	0	2,524,851	2,524,851	651,065
Investments	1,532,267	0	1,532,267	0
Accounts Receivable	58,166,240	214,654	58,380,894	42,486
Allowance for Uncollectible Accounts	(24,500,000)	0	(24,500,000)	0
Property Taxes Receivable (Net of Allowance for Uncollected Property Taxes)	0	1,764,860	1,764,860	0
Due from Other Governments	0	3,614	3,614	0
Due from Affiliates	555,192	0	555,192	0
Inventories	4,781,254	0	4,781,254	0
Prepaid Items	3,297,028	0	3,297,028	0
Other Receivables	6,013,230	0	6,013,230	0
Total Current Assets	\$ 88,068,078	\$ 4,508,179	\$ 92,576,257	\$ 693,551
Noncurrent Assets:				
Assets Limited as to Use	\$ 69,387,898	\$ 0	\$ 69,387,898	\$ 0
Interest in Joint Ventures	(99,446)	0	(99,446)	0
Net Pension Asset - Agent Plan	0	84,726	84,726	42,256
Capital Assets:				
Assets Not Depreciated:				
Land	8,078,966	818,367	8,897,333	25,000
Construction in Progress	9,624,359	0	9,624,359	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	67,532,891	263,099	67,795,990	43,432
Other Capital Assets	31,558,134	985,322	32,543,456	20,777
Total Noncurrent Assets	\$ 186,082,802	\$ 2,151,514	\$ 188,234,316	\$ 131,465
Total Assets	\$ 274,150,880	\$ 6,659,693	\$ 280,810,573	\$ 825,016
DEFERRED OUTFLOWS OF RESOURCES				
Pension Other Deferrals	\$ 614,779	\$ 0	\$ 614,779	\$ 0
Pension Changes in Contributions After Measurement Date	0	25,934	25,934	15,039
Deferred Amounts from Debt Refunding	221,073	0	221,073	0
Total Deferred Inflows of Resources	\$ 835,852	\$ 25,934	\$ 861,786	\$ 15,039
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 18,085,518	\$ 69,492	\$ 18,155,010	\$ 323
Accrued Payroll	7,294,133	1,374	7,295,507	0
Payroll Deductions Payable	0	15,120	15,120	7,756
Due to State of Tennessee	0	1,162	1,162	18
Compensated Absences Payable	6,115,974	36,441	6,152,415	16,258
Accrued Liability for Landfill Postclosure Care Cost	0	38,206	38,206	0
Accrued Interest Payable	82,427	0	82,427	0
Current Portion of Long-term Debt	4,076,164	0	4,076,164	0
Total Current Liabilities	\$ 35,654,216	\$ 161,795	\$ 35,816,011	\$ 24,355
Noncurrent Liabilities:				
Accrued Liability for Landfill Postclosure Care Cost	\$ 0	\$ 356,753	\$ 356,753	\$ 0
Compensated Absences Payable	0	21,785	21,785	3,063
Other Long-term Liabilities	10,949,532	0	10,949,532	0
Bonds and Other Long-term Debt	35,176,648	0	35,176,648	0
Total Noncurrent Liabilities	\$ 46,126,180	\$ 378,538	\$ 46,504,718	\$ 3,063
Total Liabilities	\$ 81,780,396	\$ 540,333	\$ 82,320,729	\$ 27,418

(Continued)

Exhibit D-1

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

	Business-type Activities		Total	Governmental
	Major	Nonmajor		Activities -
	Fund	Fund		Internal
	Maury	Solid	Service	Fund
	Regional	Waste		Central
	Hospital	Disposal		Maintenance/ Garage
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$ 1,757,576	\$ 1,757,576	\$ 0
Pension Changes in Experience	0	6,970	6,970	3,476
Pension Changes in Investment Earnings	0	59,677	59,677	29,763
Pension Other Deferrals	864,558	0	864,558	0
Total Deferred Inflows of Resources	<u>\$ 864,558</u>	<u>\$ 1,824,223</u>	<u>\$ 2,688,781</u>	<u>\$ 33,239</u>
<u>NET POSITION</u>				
Net Investment in Capital Assets	\$ 96,702,069	\$ 2,066,788	\$ 98,768,857	\$ 89,209
Restricted for Other Purposes	0	84,726	84,726	42,256
Unrestricted	95,639,709	2,169,557	97,809,266	647,933
Total Net Position	<u>\$ 192,341,778</u>	<u>\$ 4,321,071</u>	<u>\$ 196,662,849</u>	<u>\$ 779,398</u>

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

Exhibit D-2

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

	<u>Business-type Activities</u>			<u>Governmental Activities - Internal Service Fund Central Maintenance/ Garage</u>
	<u>Major</u>	<u>Nonmajor</u>	<u>Total</u>	
	<u>Fund</u>	<u>Fund</u>		
	<u>Maury Regional Hospital</u>	<u>Solid Waste Disposal</u>		
<u>Operating Revenues</u>				
Charges for Current Services	\$ 296,154,015	\$ 1,433,460	\$ 297,587,475	\$ 2,068,311
Other Local Revenues	11,412,522	217,989	11,630,511	11,110
Total Operating Revenues	<u>\$ 307,566,537</u>	<u>\$ 1,651,449</u>	<u>\$ 309,217,986</u>	<u>\$ 2,079,421</u>
<u>Operating Expenses</u>				
Salaries and Employee Benefits	\$ 179,084,670	\$ 0	\$ 179,084,670	\$ 0
Other General Administration	0	0	0	1,962,733
Other Operations	10,848,196	0	10,848,196	0
Fees and Professional Services	24,016,115	0	24,016,115	0
Supplies and Other Expenses	65,551,151	0	65,551,151	0
Waste Pickup	0	55,746	55,746	0
Convenience Centers	0	867,933	867,933	0
Landfill Operation and Maintenance	0	2,066,511	2,066,511	0
Depreciation and Amortization Expense	16,880,780	259,408	17,140,188	6,112
Total Operating Expenses	<u>\$ 296,380,912</u>	<u>\$ 3,249,598</u>	<u>\$ 299,630,510</u>	<u>\$ 1,968,845</u>
Operating Income (Loss)	<u>\$ 11,185,625</u>	<u>\$ (1,598,149)</u>	<u>\$ 9,587,476</u>	<u>\$ 110,576</u>
<u>Nonoperating Revenues (Expenses)</u>				
Local Taxes	\$ 0	\$ 1,865,484	\$ 1,865,484	\$ 0
State Grants	0	92,415	92,415	0
Contributions	1,917,901	0	1,917,901	0
Interest Income	810,051	0	810,051	0
Interest Expense	(444,286)	0	(444,286)	0
Equity in Joint Venture Losses	(479,570)	0	(479,570)	0
Other	(37,755)	60,237	22,482	0
Total Nonoperating Revenues (Expenses)	<u>\$ 1,766,341</u>	<u>\$ 2,018,136</u>	<u>\$ 3,784,477</u>	<u>\$ 0</u>
Change in Net Position	\$ 12,951,966	\$ 419,987	\$ 13,371,953	\$ 110,576
Net Position, July 1, 2014	183,268,509	3,882,841	187,151,350	659,723
Restatement - See Notes I.D.9. and VI.B.	(3,878,697)	18,243	(3,860,454)	9,099
Net Position, June 30, 2015	<u>\$ 192,341,778</u>	<u>\$ 4,321,071</u>	<u>\$ 196,662,849</u>	<u>\$ 779,398</u>

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

Exhibit D-3

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

	Business-type Activities			Governmental Activities - Internal Service Fund Central Maintenance/ Garage
	Major	Nonmajor	Total	
	Fund	Fund		
	Maury Regional Hospital	Solid Waste Disposal		
<u>Cash Flows from Operating Activities</u>				
Receipts from Customers and Users	\$ 296,419,251	\$ 1,369,182	\$ 297,788,433	\$ 2,128,737
Other Cash Receipts (Payments)	9,856,998	215,776	10,072,774	11,110
Payments to Suppliers	(100,499,927)	0	(100,499,927)	0
Payments to Employees	(179,776,501)	0	(179,776,501)	0
Central Maintenance Garage Activity - Uses	0	0	0	(1,963,907)
Waste Collection and Disposal Activity - Uses	0	(2,956,626)	(2,956,626)	0
Net Cash Provided By (Used In) Operating Activities	\$ 25,999,821	\$ (1,371,668)	\$ 24,628,153	\$ 175,940
<u>Cash Flows from Capital and Related Financing Activities</u>				
Acquisition of Capital Assets	\$ (15,621,477)	\$ (274,516)	\$ (15,895,993)	\$ (22,078)
Proceeds from Sale of Equipment	63,411	0	63,411	494
Proceeds from Issuance of Long-term Debt	34,186,582	0	34,186,582	0
Insurance Recovery	0	60,237	60,237	0
Principal Payments on Long-term Debt	(13,714,312)	0	(13,714,312)	0
Interest Paid on Long-term Debt	(569,316)	0	(569,316)	0
Deferred Amounts from Bond Refunding	(221,073)	0	(221,073)	0
Net Cash Provided By (Used In) Capital and Related Financing Activities	\$ 4,123,815	\$ (214,279)	\$ 3,909,536	\$ (21,584)
<u>Cash Flows from Noncapital Financing Activities</u>				
Grants Received	\$ 1,917,901	\$ 92,415	\$ 2,010,316	\$ 0
Local Taxes	0	1,862,762	1,862,762	0
Pension Contributions	0	(25,770)	(25,770)	(14,957)
Net Cash Provided By (Used In) Noncapital Financing Activities	\$ 1,917,901	\$ 1,929,407	\$ 3,847,308	\$ (14,957)
<u>Cash Flows from Investing Activities</u>				
Investment Income	\$ 810,051	\$ 0	\$ 810,051	\$ 0
Purchase of Investments	(30,996,877)	0	(30,996,877)	0
Proceeds from Maturities of Certificates of Deposit	642,415	0	642,415	0
Purchase of Certificates of Deposit	(644,328)	0	(644,328)	0
Investment in Joint Venture	(300,000)	0	(300,000)	0
Issuance of Notes Receivable	(729,223)	0	(729,223)	0
Net Cash Provided By (Used In) Investing Activities	\$ (31,217,962)	\$ 0	\$ (31,217,962)	\$ 0
Net Increase (Decrease) in Cash	\$ 823,575	\$ 343,460	\$ 1,167,035	\$ 139,399
Cash, July 1, 2014	37,077,128	2,181,591	39,258,719	511,666
Cash, June 30, 2015	\$ 37,900,703	\$ 2,525,051	\$ 40,425,754	\$ 651,065

(Continued)

Exhibit D-3

Maury County, Tennessee
Statement of Cash Flows
Proprietary Funds (Cont.)

	Business-type Activities			Governmental Activities - Internal Service Fund Central Maintenance/ Garage
	Major	Nonmajor	Total	
	Fund	Fund		
	Maury Regional Hospital	Solid Waste Disposal		
<u>Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>				
Operating Income (Loss)	\$ 11,185,625	\$ (1,598,149)	\$ 9,587,476	\$ 110,576
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:				
Depreciation and Amortization Expense	16,880,780	259,408	17,140,188	6,112
Provision for Uncollectible Accounts	29,919,639	0	29,919,639	0
Amortization of Deferred Pension Adjustments	(33,076)	0	(33,076)	0
(Increase) Decrease in Accounts Receivable	(32,857,124)	(64,278)	(32,921,402)	60,426
(Increase) Decrease in Due from Other Governments	0	(2,213)	(2,213)	0
(Increase) Decrease in Due from Affiliates	30,000	0	30,000	0
(Increase) Decrease in Inventories	(367,962)	0	(367,962)	0
(Increase) Decrease in Prepaid Items	(45,659)	0	(45,659)	0
(Increase) Decrease in Other Assets	(970,745)	0	(970,745)	0
Increase (Decrease) in Accounts Payable	(503,396)	60,991	(442,405)	98
Increase (Decrease) in Accrued Payroll	272,099	98	272,197	0
Increase (Decrease) in Payroll Deductions Payable	0	695	695	(126)
Increase (Decrease) in Postclosure Care Costs	0	(34,283)	(34,283)	0
Increase (Decrease) in Due to State of Tennessee	0	(15)	(15)	(5)
Increase (Decrease) in Other Long-term Liabilities	1,954,861	0	1,954,861	0
Increase (Decrease) in Accrued Leave	534,779	6,078	540,857	(1,141)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 25,999,821</u>	<u>\$ (1,371,668)</u>	<u>\$ 24,628,153</u>	<u>\$ 175,940</u>
<u>Reconciliation of Cash With the Statement of Net Position</u>				
Cash Per Net Position	\$ 37,900,703	\$ 200	\$ 37,900,903	\$ 0
Equity in Pooled Cash and Investments Per Net Position	0	2,524,851	2,524,851	651,065
Cash, June 30, 2015	<u>\$ 37,900,703</u>	<u>\$ 2,525,051</u>	<u>\$ 40,425,754</u>	<u>\$ 651,065</u>
<u>Schedule of Noncash Capital and Related Financing Activities</u>				
Equipment Acquired Through Capital Leases	\$ 152,877	\$ 0	\$ 152,877	\$ 0

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 2,298,644
Investments	11,547
Accounts Receivable	1,097
Due from Other Governments	<u>2,090,297</u>
Total Assets	<u>\$ 4,401,585</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 2,090,297
Due to Litigants, Heirs, and Others	<u>2,311,288</u>
Total Liabilities	<u>\$ 4,401,585</u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Maury 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 Maury County:

A. Reporting Entity

Maury County is a public municipal corporation governed by an elected 22-member board. As required by GAAP, these financial statements present Maury 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 Maury County School Department operates the public school system in the county, and the voters of Maury 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 Maury County Board of Public Utilities Water System provides water supply and distribution lines for county residents outside of the city limits. The county mayor appoints, and the County Commission ratifies its governing body. The board's operating budget is subject to the County Commission's approval.

The Maury County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Maury County, and the Maury 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 Maury 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 units' opinion unit.

The Maury 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 Maury County Emergency Communications District were not available in time for inclusion, as previously mentioned. Complete financial statements of the Maury County Board of Public Utilities Water System and the Maury County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Maury County Board of Public
Utilities Water System
765 New Lewisburg Highway
Columbia, TN 38401

Maury County Emergency
Communications District
2907 Cayce Lane
Columbia, TN 38401

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 Maury 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.

Maury County issues all debt for the discretely presented Maury County School Department. The county contributed \$59,121,840 in debt issues and premiums 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 enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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 Maury 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. Maury County reports three proprietary funds (one internal service fund and two enterprise funds).

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable

and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Maury 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.

Maury 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.

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.

Maury County reports the following major proprietary fund:

Maury Regional Hospital Fund – This fund accounts for the regional hospital under authority of and in compliance with the provisions of Chapter 373 of the Tennessee Private Acts of 1953.

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

Internal Service Fund – The Central Maintenance/Garage Fund is used to account for the county's central vehicle maintenance program.

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 Maury 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 Maury County School Department reports the following major governmental funds:

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has three proprietary funds to account for

solid waste disposal (enterprise fund), a regional hospital (enterprise fund), and a central maintenance/garage (internal service fund). Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the county's proprietary funds are charges for services. Operating expenses for the proprietary funds include general operating expenses.

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

1. Deposits and Investments

For purposes of the Statement of Cash Flows of the primary government (excluding the Maury Regional Hospital), cash includes cash on hand 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 (excluding the Maury Regional Hospital) and the discretely presented Maury 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. In addition, investments are held separately by the Constitutional Officers - Agency Fund. Maury County (excluding the Maury Regional Hospital) and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost. Investments in the State Treasurer's Investment Pool are reported at fair value. The State Treasurer's Investment Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Accordingly, the pool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as

prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

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

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to two percent of total taxes levied.

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

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

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

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets reflected in the primary government funds represent deposits placed with Maury County for animal control spay/neuter vouchers.

Retainage payable in the Maury County School Department's Education Capital Projects Fund and nonmajor governmental funds represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held

by the county trustee as Equity in Pooled Cash and Investments in these funds.

3. Prepaid Items

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

4. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and the business-type columns in the government-wide financial statements. Capital assets are defined by the government (excluding the Maury Regional Hospital) as assets with an initial, individual cost of \$10,000 (infrastructure and intangible assets \$50,000) for the primary government and \$5,000 for the School Department or more and an estimated useful life of more than two 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, intangibles, and infrastructure of the primary government (excluding Maury Regional Hospital) 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	10 - 50
Other Capital Assets	3 - 7
Infrastructure:	
Roads	5 - 15
Bridges	50
Intangibles	5 - 10

5. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are for deferred amount on refunding, pension changes in experience, and employer contributions made to the pension plan after the measurement date.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. 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 for governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. Compensated Absences

Primary Government

The policy of Maury County (with the exception of the Maury Regional Hospital) permits employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Maury County does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county. A liability for

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

Discretely Presented Maury County School Department

It is the policy of the discretely presented Maury County School Department to permit employees to accumulate varying amounts of earned but unused vacation leave, which will be paid upon retirement, resignation, or termination. It is also the policy of the School Department to permit employees to accumulate varying amounts of earned but unused sick leave. Upon retirement from the School Department, employees will be paid either \$50 (professional) or \$10 (certain nonprofessional) per day for unused sick leave. This payment will be made after the employee's retirement has been approved by the Tennessee Consolidated Retirement System. During the year, 41 employees retired and received sick leave payments totaling \$215,661. All vacation and sick leave is accrued when incurred in the government-wide financial statements for the School Department. A liability for vacation and sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

7. Long-term Obligations

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

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

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

8. Net Position and Fund Balance

In the government-wide financial statements and the proprietary funds 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.

The government-wide Statement of Net Position reports \$22,757,022 of restricted net position for the primary government, of which \$2,049,430 is restricted for Other Purposes for the primary government, which consists of net pension obligations.

As of June 30, 2015, Maury County had \$75,238,184 in outstanding debt for capital purposes for the discretely presented Maury County School Department. This debt is a liability of Maury County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Maury County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

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

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

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

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

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

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

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 to increase Maury County's Governmental Activities beginning net position by \$441,281, a restatement to increase the beginning net position of the Solid Waste Disposal Fund (a nonmajor enterprise fund – business-type activity) by \$18,243, a restatement to decrease the Maury County School Department's beginning net position by 14,519,131, and a restatement to increase the Board of Public Utilities Water System's beginning net position by \$13,986, has been recognized on the Statement of Activities.

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 Maury County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Maury 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 Maury 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 Maury 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 Maury 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 capital projects funds (except for the primary government's Other Capital Projects Fund), which adopt project length budgets. All annual appropriations lapse at fiscal year end.

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

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

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

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

Fund	Description	Amount
Primary Government:		
Nonmajor Fund:		
Other Capital Projects	Patrol Cars	\$ 242,855
School Department:		
Major Fund:		
General Purpose School	Textbooks	210,613
General Purpose School	Pressbox Construction	374,168
General Purpose School	Energy Efficient Upgrades	255,179

B. Cash Shortage – Prior Year

The theft of approximately \$80 from the Maury County Animal Shelter was reported to the state Comptroller’s Office on July 25, 2014. The cash was allegedly stolen by a former employee of the office. A police report was filed with the Maury County Sheriff’s Department, and the employee was arrested on July 26, 2014, and charged with theft under \$500. This case was heard in Maury County General Sessions Court on October 13, 2014. The defendant was found guilty and ordered to pay restitution of \$80. The cash shortage was liquidated on February 24, 2015.

C. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the County Commission in the following major appropriation categories (the legal level of control) of the General Fund and the discretely presented General Purpose School Fund:

<u>Fund/Major Appropriation Category</u>	<u>Amount Overspent</u>
General Fund:	
Victims Assistance Programs	\$ 9,329
Jail	12,013
Public Safety Grants Program	15,019
Parks and Fair Boards	355
Miscellaneous	7,737
General Purpose School Fund:	
Early Childhood Education	6,999

Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by greater than anticipated revenues.

D. The Actual Fund Balance Exceeded the Estimated Beginning Fund Balance by a Material Amount

The General Purpose School Fund's actual fund balance at July 1, 2014, was \$8,078,821; however, the estimated fund balance reflected in the county's budget was \$3,536,597. Therefore, the actual fund balance exceeded the estimated fund balance presented to the County Commission during the budget approval process by \$4,542,224.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

Legal Provisions. All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least

105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and 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, Maury County (excluding the Maury Regional Hospital) had the following investments carried at amortized cost. All investments are in the Constitutional Officers - Agency Fund and were made on behalf of litigants at the direction of a court order.

Investment	Weighted Average Maturity (days)	Maturities	\$	Cost
Merrill Lynch	N/A	Daily	\$	11,547

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. Maury 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. Maury County has no investment policy that would further limit its investment choices.

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Maury County does not have a formal policy that limits custodial credit risk for investments. It should be noted that the above-noted amount is invested on behalf of litigants at the order of the court, and the county has no custodial credit risk for this investment.

B. Capital Assets

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

Primary Government (Excluding Maury Regional Hospital)

Governmental Activities (Includes Internal Service Fund):

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 6,581,804	\$ 830,950	\$ 0	\$ 7,412,754
Intangibles	1,098,294	0	0	1,098,294
Construction in Progress	1,754,551	1,993,670	(1,678,089)	2,070,132
Total Capital Assets Not Depreciated	<u>\$ 9,434,649</u>	<u>\$ 2,824,620</u>	<u>\$ (1,678,089)</u>	<u>\$ 10,581,180</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 38,889,083	\$ 243,219	\$ (124,000)	\$ 39,008,302
Infrastructure	70,897,528	6,266,386	0	77,163,914
Other Capital Assets	12,747,477	666,041	(500,519)	12,912,999
Total Capital Assets Depreciated	<u>\$ 122,534,088</u>	<u>\$ 7,175,646</u>	<u>\$ (624,519)</u>	<u>\$ 129,085,215</u>

Governmental Activities (Includes Internal Service Fund) (Cont.):

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Less Accumulated Depreciation For: Buildings and Improvements	\$ 11,229,964	\$ 850,422	\$ (124,000)	\$ 11,956,386
Infrastructure	36,677,433	4,341,746	0	41,019,179
Other Capital Assets	10,726,335	691,241	(500,026)	10,917,550
Total Accumulated Depreciation	<u>\$ 58,633,732</u>	<u>\$ 5,883,409</u>	<u>\$ (624,026)</u>	<u>\$ 63,893,115</u>
Total Capital Assets Depreciated, Net	<u>\$ 63,900,356</u>	<u>\$ 1,292,237</u>	<u>\$ (493)</u>	<u>\$ 65,192,100</u>
Governmental Activities Capital Assets, Net	<u>\$ 73,335,005</u>	<u>\$ 4,116,857</u>	<u>\$ (1,678,582)</u>	<u>\$ 75,773,280</u>

Business-type Activities (Excluding Maury Regional Hospital):

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated: Land	\$ 818,367	\$ 0	\$ 0	\$ 818,367
Total Capital Assets Not Depreciated	<u>\$ 818,367</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 818,367</u>
Capital Assets Depreciated: Buildings and Improvements	\$ 1,333,952	\$ 99,980	\$ 0	\$ 1,433,932
Other Capital Assets	3,291,744	174,536	0	3,466,280
Total Capital Assets Depreciated	<u>\$ 4,625,696</u>	<u>\$ 274,516</u>	<u>\$ 0</u>	<u>\$ 4,900,212</u>
Less Accumulated Depreciation For: Buildings and Improvements	\$ 1,139,172	\$ 31,661	\$ 0	\$ 1,170,833
Other Capital Assets	2,253,211	227,747	0	2,480,958
Total Accumulated Depreciation	<u>\$ 3,392,383</u>	<u>\$ 259,408</u>	<u>\$ 0</u>	<u>\$ 3,651,791</u>

Business-type Activities (Excluding Maury Regional Hospital) (Cont.):

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Total Capital Assets Depreciated, Net	\$ 1,233,313	\$ 15,108	\$ 0	\$ 1,248,421
Business-type Activities Capital Assets, Net	\$ 2,051,680	\$ 15,108		\$ 2,066,788

Depreciation expense was charged to functions of the primary government (excluding the Maury Regional Hospital) as follows:

Governmental Activities:

General Government	\$ 549,452
Finance	45,634
Administration of Justice	35,764
Public Safety	558,868
Public Health and Welfare	21,186
Social, Cultural, and Recreational Services	156,606
Agriculture and Natural Resources	4,089
Other Operations	11,372
Highways	<u>4,500,438</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 5,883,409</u>

Business-type Activities:

Solid Waste Disposal	<u>\$ 259,408</u>
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Discretely Presented Maury County School Department

Governmental Activities:

	Balance 7-1-14	Increases	Decreases	Balance 6-30-15
Capital Assets Not Depreciated:				
Land	\$ 3,019,939	\$ 0	\$ 0	\$ 3,019,939
Construction in Progress	527,588	9,747,736	(651,588)	9,623,736
Total Capital Assets Not Depreciated	<u>\$ 3,547,527</u>	<u>\$ 9,747,736</u>	<u>\$ (651,588)</u>	<u>\$ 12,643,675</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 160,340,436	\$ 1,371,046	\$ 0	\$ 161,711,482
Other Capital Assets	17,764,348	755,771	(592,332)	17,927,787
Total Capital Assets Depreciated	<u>\$ 178,104,784</u>	<u>\$ 2,126,817</u>	<u>\$ (592,332)</u>	<u>\$ 179,639,269</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 63,644,227	\$ 3,661,976	\$ 0	\$ 67,306,203
Other Capital Assets	13,891,046	1,115,837	(558,656)	14,448,227
Total Accumulated Depreciation	<u>\$ 77,535,273</u>	<u>\$ 4,777,813</u>	<u>\$ (558,656)</u>	<u>\$ 81,754,430</u>
Total Capital Assets Depreciated, Net	<u>\$ 100,569,511</u>	<u>\$ (2,650,996)</u>	<u>\$ (33,676)</u>	<u>\$ 97,884,839</u>
Governmental Activities Capital Assets, Net	<u>\$ 104,117,038</u>	<u>\$ 7,096,740</u>	<u>\$ (685,264)</u>	<u>\$ 110,528,514</u>

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

Governmental Activities:

Instruction	\$ 3,022,046
Support Services	1,557,556
Operation of Non-instructional Services	<u>198,211</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,777,813</u>

C. Construction Commitments

At June 30, 2015, the discretely presented Maury County School Department had uncompleted construction contracts of approximately \$42,372,820 in the Education Capital Projects Fund and \$1,306,551 in the Other Capital Projects Fund for construction and renovations at Central High School. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental fund	\$ 44,728
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental fund	131,657

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

<u>Transfers Out</u>	<u>Transfers In</u>	
	General Debt Service Fund	Nonmajor Governmental Funds
General Fund	\$ 99,050	\$ 9,700
General Debt Service Fund	0	882,808
Total	<u>\$ 99,050</u>	<u>\$ 892,508</u>

Discretely Presented Maury County School Department

Transfer Out	Transfer In General Purpose School Fund
Nonmajor governmental funds	\$ 153,687

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

E. Long-term Obligations

Primary Government (Excluding Maury Regional Hospital)

General Obligation Bonds, Notes, and Other Loans

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

General obligation bonds, capital outlay notes, and other loans are direct obligations and pledge the full faith and credit of the government. General obligation bonds, capital outlay notes, and other loans outstanding were issued for original terms of up to 21 years for bonds, five years for notes, and 17 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds, notes, and other loans included in long-term debt as of June 30, 2015, will be retired from the General Debt Service Fund.

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

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-15
General Obligation Bonds	2 to 5%	4-1-36	\$ 85,195,000	\$ 82,015,000
General Obligation Bonds - Refunding	1 to 4	4-1-20	18,320,000	13,840,000
Capital Outlay Notes	4	4-1-17	6,675,000	4,560,000
Other Loans	4.85	9-15-27	4,408,000	3,353,634

In a prior year, Maury County entered into a loan agreement with the Tennessee State School Board Authority. Under this loan agreement, the authority loaned the county \$4,408,000 for rehabilitation and repairs of county school buildings. This loan earns interest monthly based upon the local government investment pool rate, which is netted against the annual principal payment. The county pays an annual administrative fee of \$3,526 under this agreement. The loan retirement schedule also includes equal monthly payments of interest; however, the county will semi-annually receive a federal interest subsidy, which will offset these payments.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2016	\$ 4,590,000	\$ 3,488,712	\$ 8,078,712
2017	4,850,000	3,625,432	8,475,432
2018	5,905,000	3,439,532	9,344,532
2019	6,155,000	3,203,932	9,358,932
2020	6,420,000	2,997,957	9,417,957
2021-2025	27,290,000	11,212,535	38,502,535
2026-2030	21,270,000	5,826,207	27,096,207
2031-2035	15,845,000	2,445,095	18,290,095
2036	3,530,000	127,963	3,657,963
Total	\$ 95,855,000	\$ 36,367,365	\$ 132,222,365

Year Ending June 30	Notes		
	Principal	Interest	Total
2016	2,230,000	182,400	2,412,400
2017	2,330,000	93,200	2,423,200
Total	\$ 4,560,000	\$ 275,600	\$ 4,835,600

Year Ending June 30	Other Loans			
	Principal	Interest	(1) Other Fees	Total
		0		
2016	\$ 275,052	\$ 213,700	\$ 3,526	\$ 492,278
2017	275,052	213,700	3,526	492,278
2018	275,052	213,700	3,526	492,278
2019	275,052	213,700	3,526	492,278
2020	275,052	213,700	3,526	492,278
2021-2025	1,375,260	1,068,500	17,630	2,461,390
2026-2028	603,114	429,017	7,640	1,039,771
Total	\$ 3,353,634	\$ 2,566,017	\$ 42,900	\$ 5,962,551

(1) Includes interest requirements on Qualified School Construction Bonds, Series 2010, before federal interest rate subsidy.

There is \$11,487,786 available in the General Debt Service Fund to service long-term debt. Debt per capita, including bonds, notes, and other loans, totaled \$1,282, based on the 2010 federal census.

Changes in Long-term Obligations

Long-term obligations activity for the primary government (excluding the Maury Regional Hospital) for the year ended June 30, 2015, was as follows:

Governmental Activities:

	Bonds	Notes
Balance, July 1, 2014	\$ 43,805,000	\$ 6,675,000
Additions	56,215,000	0
Reductions	(4,165,000)	(2,115,000)
Balance, June 30, 2015	\$ 95,855,000	\$ 4,560,000
Balance Due Within One Year	\$ 4,590,000	\$ 2,230,000

	Other Loans	Compensated Absences
Balance, July 1, 2014	\$ 3,628,686	\$ 1,289,186
Additions	0	1,205,497
Reductions	(275,052)	(1,205,981)
Balance, June 30, 2015	<u>\$ 3,353,634</u>	<u>\$ 1,288,702</u>
Balance Due Within One Year	<u>\$ 275,052</u>	<u>\$ 881,635</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 105,057,336
Less: Due Within One Year	(7,976,687)
Add: Unamortized Premium on Debt	<u>5,769,314</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 102,849,963</u>

Compensated absences will be paid from the employing funds, primarily the General and Highway/Public Works funds.

During the year, the School Department contributed \$276,075 to the primary government to service some of the debt issued on its behalf by the primary government.

Maury County Solid Waste Disposal Fund (Enterprise Fund)

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:

	Postclosure Care Costs	Compensated Absences
Balance, July 1, 2014	\$ 429,242	\$ 52,148
Additions	6,028	45,819
Reductions	(40,311)	(39,741)
Balance, June 30, 2015	<u>\$ 394,959</u>	<u>\$ 58,226</u>
Balance Due Within One Year	<u>\$ 38,206</u>	<u>\$ 36,441</u>

Analysis of Noncurrent Liabilities Presented on Exhibit D:

Total Noncurrent Liabilities, June 30, 2015	\$ 453,185
Less: Due Within One Year	<u>(74,647)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 378,538</u>

Discretely Presented Maury County School Department

Changes in Long-term Obligations

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

Governmental Activities:	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2014	\$ 3,769,959	\$ 9,887,441
Additions	909,853	3,303,188
Reductions	<u>(1,226,051)</u>	<u>(1,602,620)</u>
Balance, June 30, 2015	<u>\$ 3,453,761</u>	<u>\$ 11,588,009</u>
Balance Due Within One Year	<u>\$ 1,262,833</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2015	\$ 15,041,770
Less: Due Within One Year	<u>(1,262,833)</u>
Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 13,778,937</u>

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

F. On-Behalf Payments – Discretely Presented Maury County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Maury 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 \$361,740 and \$95,607, respectively. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

G. Short-term Debt

Maury County issued tax anticipation notes in advance of property tax collections and deposited the proceeds in the General Purpose School Fund. These notes were necessary because funds were not available to meet obligations coming due before current tax collections. Short-term debt activity for the year ended June 30, 2015, was as follows:

	Balance 7-1-14	Issued	Paid	Balance 6-30-15
Tax Anticipation Notes	\$ 0	\$ 2,000,000	\$ (2,000,000)	\$ 0

V. OTHER INFORMATION

A. Risk Management

Maury County (excluding the Maury Regional Hospital) is exposed to various risks related to general liability, property, and casualty losses. The county decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. The county joined the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$100,000 for each insured event.

Maury County (excluding the Maury Regional Hospital) and the discretely presented Maury County School Department participate in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established by the Tennessee County Services Association, an association of member counties, to provide for liabilities arising under the workers' compensation law. In accordance with Sections 12-9-101 through 12-9-109, *Tennessee Code Annotated (TCA)*, inclusive, local governments are eligible to participate. The creation of the LGWCF provides for it to be self-sustaining through member premiums. The LGWCF reinsures through

commercial insurance companies for claims exceeding \$500,000 for each insured event.

The county (excluding the Maury Regional Hospital) continues to carry commercial insurance for employees' health insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. The county does not allow pre-65 age retirees to stay in the health insurance program.

The discretely presented Maury County School Department continues to carry commercial insurance for all other risks of loss, including general liability, property, and casualty. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The discretely presented Maury County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *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 amounts of contributions made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

C. Subsequent Events

On August 17, 2015, Cynthia Johnson left the Office of Director of Schools and was succeeded by Dr. Chris Marczak.

On December 22, 2015, Maury County issued \$20,150,000 in general obligation refunding bonds to refund other general obligation bonds.

D. Contingent Liabilities

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

E. Changes in Administration

On August 31, 2014, James Bailey, Jr., left the Office of County Mayor and was succeeded by Charlie Norman; Nancy Thompson left the Office of County Clerk and was succeeded by Joey Allen; and Enoch George left the Office of Sheriff and was succeeded by Bucky Rowland.

Director of Schools Eddie Hickman retired March 31, 2015, and was succeeded on an interim basis by Cynthia Johnson effective April 1, 2015.

F. Landfill Closure/Postclosure Care Costs

Maury 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 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 the 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. Maury County closed its sanitary landfill in 1997. The \$394,959 reported as postclosure care liability at June 30, 2015, represents amounts based on what it would cost to perform all postclosure care in 2015. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

G. Joint Ventures

The Maury County Regional Airport Authority is a joint venture in which the county and the cities of Columbia and Mount Pleasant participate. The authority is governed by a three-member board comprising one appointee from the county and one appointee from each city. During the year ended June 30, 2015, Maury County contributed \$40,000 to the authority.

The Twenty-second Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-second Judicial District, Lawrence, Giles, Maury, and Wayne counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Maury County did not contribute any funds to the DTF for the year ended June 30, 2015.

Maury County and the discretely presented Maury County School Department do not have equity interests in any of the above-noted joint ventures. Complete financial statements for the Maury County Regional Airport Authority, and the Twenty-second Judicial District DTF can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Maury County Regional Airport Authority
1200 North Main Street
Mt. Pleasant, TN 38474

Office of District Attorney General
Twenty-second Judicial District Drug Task Force
P.O. Box 852
Lawrenceburg, TN 38464

H. Jointly Governed Organization

The Tennessee Southern Railroad Authority (TSRA) was created by the county, in conjunction with Giles and Lawrence counties. The TSRA's board includes the county mayors and a representative appointed by the respective County Commissions from each of the three counties, and a representative from the cities of Mt. Pleasant and Lawrenceburg. However, the counties and cities do not have any ongoing financial interest or responsibility for the entity. The majority of TSRA's funding is received from various grants from the Tennessee Department of Transportation. Maury County made no appropriations to the TSRA during the year ended June 30, 2015.

I. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Maury County, employees of the discretely presented Maury County Water System, and non-certified employees of the discretely presented Maury 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 40.74 percent, employees of the discretely presented Maury County Water System comprises 1.24 percent, and the non-certified employees of the discretely presented School Department comprise 58.02 percent of the plan based on census data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/tcrs.

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

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer

price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	254
Inactive Employees Entitled to But Not Yet Receiving Benefits	571
Active Employees	886
Total	<u><u>1,711</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Maury 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 Maury County were \$1,177,519 based on a rate of 4.62 percent of pensionable payroll. By law, employer contributions are required to be paid. The TCRS may intercept Maury County’s state shared taxes if required employer contributions are not remitted. The employer’s actuarially determined contribution (ADC) 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)

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

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

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

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

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

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from Maury 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	\$ 50,510,376	\$ 50,018,686	\$ 491,690
Changes for the year:			
Service Cost	\$ 2,144,201	\$ 0	\$ 2,144,201
Interest	3,882,590	0	3,882,590
Differences Between Expected and Actual Experience	(517,136)	0	(517,136)
Contributions-Employer	0	1,619,633	(1,619,633)
Contributions-Employees	0	1,251,509	(1,251,509)
Net Investment Income	0	8,403,420	(8,403,420)
Benefit Payments, Including Refunds of Employee Contributions	(1,773,430)	(1,773,430)	0
Administrative Expense	0	(34,737)	34,737
Other Changes	0	0	0
Net Changes	\$ 3,736,225	\$ 9,466,395	\$ (5,730,170)
Balance, June 30, 2014	\$ 54,246,601	\$ 59,485,081	\$ (5,238,480)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	40.74%	\$ 22,100,065	\$ 24,234,222	\$ (2,134,157)
Water System	1.24%	672,658	737,615	(64,957)
School Department	58.02%	31,473,878	34,513,244	(3,039,366)
Total		\$ 54,246,601	\$ 59,485,081	\$ (5,238,480)

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

	1% Decrease	Current Discount Rate	1% Increase
<u>Maury County</u>	6.5%	7.5%	8.5%

Net Pension Liability \$ 2,216,581 \$ (5,238,480) \$ (11,410,366)

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

Pension Expense. For the year ended June 30, 2015, Maury County recognized pension expense of \$10,136.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, Maury 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	\$ 430,947
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	3,689,726
Contributions Subsequent to the Measurement Date of June 30, 2014 (1)	<u>1,177,519</u>	<u>N/A</u>
Total	<u>\$ 1,177,519</u>	<u>\$ 4,120,673</u>

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 702,839	\$ 1,678,762
Water System	6,791	51,097
School Department	467,889	2,390,814
Total	<u>\$ 1,177,519</u>	<u>\$ 4,120,673</u>

Amounts reported as deferred outflows of resources, excluding contributions subsequent to the measurement date of June 30, 2014, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2016	\$ (1,008,620)
2017	(1,008,620)
2018	(1,008,620)
2019	(1,008,620)
2020	(86,189)
Thereafter	0

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

Discretely Presented Maury County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Maury County, employees of the discretely presented Maury County Water System, and non-certified employees of the discretely presented Maury 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 40.74 percent, employees of the Water System comprise 1.24 percent, and the

non-certified employees of the discretely presented School Department comprise 58.02 percent of the plan based on census data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Maury 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 (LEA) 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 for 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 \$95,107, 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 Maury 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 Maury County School Department reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
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LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	\$ 95,107	N/A
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The Maury County School Department's employer contributions of \$95,107 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 Maury County School Department with membership in the TCRS before July 1, 2014, of the Maury County School Department are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at www.treasury.tn.gov/tcrs.

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

benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustments (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 (LEA) 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 Maury County School Department for the year ended June 30, 2015, to the Teacher Legacy Pension Plan were \$3,861,747, 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, 2014, the Maury County School Department reported an asset of \$188,781 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 Maury County School Department's proportion of the net pension asset was based on Maury County School'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 the June 30, 2014, measurement date, the Maury County School Department's proportion was 1.161760 percent. The proportion measured as of June 30, 2013, was 1.168106 percent.

Pension Income. For the year ended June 30, 2015, the Maury County School Department recognized a pension income of \$176,823.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, the Maury 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	\$ 458,313	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	15,554,318
Changes in Proportion of Net Pension Liability (Asset)	0	89,516
LEAs Contributions Subsequent to the Measurement Date of June 30, 2014	<u>3,861,747</u>	<u>N/A</u>
Total	<u>\$ 4,320,060</u>	<u>\$ 15,643,834</u>

The Maury County School Department's employer contributions of \$3,861,747 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 ended 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	\$ (3,827,113)
2017	(3,827,113)
2018	(3,827,113)
2019	(3,827,113)
2020	61,466
Thereafter	61,466

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

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents Maury 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 Maury County School Department's proportionate share of 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:

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 \$ 31,839,977 \$ (188,781) \$ (26,705,120)

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

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

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

J. Other Postemployment Benefits (OPEB)

Plan Description

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

Funding Policy

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employer in the plan develops its own 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. During the year ended June 30, 2015, the discretely presented Maury County School Department contributed \$1,602,620 for postemployment benefits.

	Local Education Group Plan
	<hr/>
ARC	\$ 3,293,000
Interest on the NOPEBO	395,498
Adjustment to the ARC	(385,310)
Annual OPEB cost	<hr/> \$ 3,303,188
Amount of contribution	(1,602,620)
Increase/decrease in NOPEBO	<hr/> \$ 1,700,568
Net OPEB obligation, 7-1-14	<hr/> 9,887,441
	<hr/>
Net OPEB obligation, 6-30-15	<u><u>\$ 11,588,009</u></u>

Fiscal Year Ended	Plan	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
		<hr/>		
6-30-13	Local Education Group	\$ 3,409,445	41 %	\$ 8,335,586
6-30-14	"	3,185,588	51	9,887,441
6-30-15	"	3,303,188	49	11,588,009

Funded Status and Funding Progress

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

(in thousands)		<u>Local Education Group Plan</u>
Actuarial valuation date		7-1-13
Actuarial accrued liability (AAL)	\$	25,085
Actuarial value of plan assets	\$	0
Unfunded actuarial accrued liability (UAAL)	\$	25,085
Actuarial value of assets as a % of the AAL		0%
Covered payroll (active plan members)	\$	55,903
UAAL as a % of covered payroll		45%

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

Actuarial Methods and Assumptions

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

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

K. Offices of Accounting and Budgeting and Human Resources

Maury County operates under provisions of Chapter 233, Private Acts of 1963, which provide for a central system of accounting and budgeting covering funds administered by the county mayor and the road superintendent. These funds are maintained in the Office of Accounting and Budgeting under the supervision of the director of accounts and budgets.

Maury County also operates under provisions of Chapter 91, Private Acts of 2004, which provide for an Office of Human Resources under the direction of the administrative committee of the County Commission. The Office of Human Resources handles all human resource duties and responsibilities.

L. Purchasing Laws

Offices of County Mayor and Road Superintendent

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

Office of Director of Schools

Purchasing procedures for the discretely presented Maury County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000.

VI. OTHER NOTES – MAURY REGIONAL HOSPITAL FUND (ENTERPRISE FUND)

A. Organization

Maury Regional Hospital is operated and maintained by Maury County, Tennessee, under authority of and in compliance with the provisions of Chapter 125 of the Tennessee Private Acts of 1996. The federal, state, and local governments participated in the cost of constructing and equipping the hospital under the Hill-Burton Act. For financial reporting purposes, the hospital is considered an enterprise fund of Maury County, Tennessee.

The hospital's primary mission is to provide healthcare services to the residents of southern and middle Tennessee, including Giles, Hickman,

Lawrence, Lewis, Marshall, Maury, Perry, Wayne, and Williamson counties. The financial statements present the hospital and its component units. The hospital is comprised of the following operating entities:

Maury Regional Medical Center (MRMC), located in Columbia, Tennessee, has been in operation since 1953 and presently has a 275-bed capacity with 20 beds designated for skilled nursing care, and also includes five medical office buildings in its service area.

Marshall Medical Center is an acute-care hospital located in Lewisburg, Tennessee, which was acquired by the hospital in 1995 and, effective January 1, 2005, was designated a critical access hospital with 25 licensed beds.

Wayne Medical Center is an acute-care hospital with an 80-bed capacity located in Waynesboro, Tennessee, and has been leased by the hospital since 1995.

Additionally, the combined financial statements include the following blended component units that provide healthcare services that support the hospital's mission:

Family Health Group (FHG) is a nonprofit corporation, which acquires, owns, operates, and manages physician practices in the hospital's service area. The hospital is the sole member of FHG and funds its operating losses.

Maury Regional Ambulatory Center (the Surgery Center) is a nonprofit corporation that provides medical care to non-emergent patients in the hospital's service area. The hospital is the sole member of the Surgery Center and funds its operating losses. Operations at the Surgery Center began in fiscal year 2014.

Maury Regional Healthcare Foundation is a not-for-profit organization formed to coordinate the fundraising activities of the hospital. The hospital is the sole member of the foundation and appoints all board members. The hospital also funds all operating expenses of the foundation.

B. Summary of Significant Accounting Policies

Method of Accounting – The hospital utilizes the enterprise fund method of accounting. Revenues and expenses are recorded on the accrual basis using the economic resources measurement focus.

Recently Issued or Effective Accounting Pronouncements – In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68, *Accounting and Financial Reporting for Pensions*. The statement provides guidance for improved accounting and financial reporting by state and local

government entities related to pensions. It also replaces the requirements of GASB Statement No. 27 and Statement No. 50, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. Additionally, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which is effective concurrent with Statement No. 68.

In prior years, the hospital 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 to the hospital's beginning net position has been recognized on the Statement of Activities totaling \$3,878,697.

In February 2015, the GASB issued Statement No. 72, *Fair Value Measurement and Application*. Statement No. 72 defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. This statement will become effective in fiscal 2016 and management does not expect any significant impact on the combined financial statements other than additional disclosures.

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

Cash and Cash Equivalents – Cash and cash equivalents include cash on hand, deposits in banks, and investments with a maturity of three months or less when purchased, excluding any amounts whose use is limited by board designation.

Inventories – Inventories consist principally of medical and surgical supplies and are reported at the lower of cost or market, with cost determined by the average cost method.

Patient Accounts Receivable – Patient accounts receivable are reported net of both an estimated allowance for contractual adjustments and an estimated allowance for uncollectible accounts. The contractual allowance represents the difference between established billing rates and estimated reimbursement from Medicare, TennCare, and other third-party payor programs. The bad debt allowance is estimated based upon the age of the account, prior experience, and any unusual circumstances, which affect the collectability. The hospital's policy does not require collateral or other security for patient accounts receivable, and the hospital routinely accepts

assignment of, or is otherwise entitled to receive, patient benefits payable under health insurance programs, plans or policies.

Investments and Assets Limited as to Use – Investments and assets limited as to use are reported at estimated fair value based on quoted market prices. Interest, dividends, and gains and losses (realized and unrealized) are included in investment income. The Board has designated certain assets as limited as to use for future capital improvements. Included in assets limited as to use is approximately \$19,000,000 in bond funds restricted for future capital additions.

Property, Plant, and Equipment – Property, plant, and equipment are reported at cost or fair value at the date of gift, if donated. The hospital has established a capitalization threshold of \$1,000. Depreciation is calculated by the straight-line method to allocate the cost of the assets (other than land) over their estimated useful lives, which range from three to 20 years for equipment and ten to 40 years for buildings and land improvements. Equipment held under capital lease obligations is amortized using the straight-line method over the shorter of the estimated useful life or the lease term. This amortization is included with depreciation expense and as part of accumulated depreciation in the combined financial statements. Interest costs incurred on applicable borrowings outstanding during the construction period of capital assets is capitalized as part of the cost of acquiring the asset and is amortized on the same basis as the related capital asset. Costs of maintenance and repairs are charged to expense when incurred. The hospital periodically reviews property, plant, and equipment for indications of potential impairment. Management does not believe any impairment existed as of June 30, 2015.

Intangible Assets – Intangible assets, including goodwill, are amortized over their estimated useful life and included in other assets in the combined financial statements.

Compensated Absences – The hospital's employees earn paid time off at varying rates depending on years of service. An accrual for paid time off is recorded in the period in which the employee earns the right to the compensation. Employees also earn sick leave benefits based on varying rates depending on years of service and may accumulate sick leave up to a specified maximum. Employees are not paid for accumulated sick leave if they leave before retirement. However, employees who retire after the age of 60 may convert accumulated sick leave to termination payments. The estimated amount of sick leave, which will ultimately be payable as termination payments totals \$1,170,000 at June 30, 2015, and is reported as a noncurrent liability in the combined financial statements. The hospital's paid time off policy was amended effective July 1, 2015, to eliminate future sick leave accruals and freeze existing sick pay accrual amounts at their June 30, 2015 amounts. In addition, the accrual for compensated absences at June 30, 2015, was modified to utilize a "years of service" factor which served to reduce the amount recorded. This change in method resulted in a

reduction in the amount recorded by approximately \$680,000. Due to uncertainties in this estimate, it is at least reasonably possible that management's estimate could change in 2016.

Net Position – Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the balances of any outstanding borrowings used to finance the purchase or construction of those assets. Unrestricted net position is remaining assets that do not meet the definition of net investment in capital assets. There were no assets in a restricted position at June 30, 2015.

Net Patient Service Revenue – Net patient service revenue is reported as services are rendered at estimated net realizable amounts, including estimated retroactive revenue adjustments under reimbursement agreements with third-party payors. Estimated settlements under third-party reimbursement agreements are accrued in the period the related services are rendered and adjusted in future periods as final settlements are determined. An estimated provision for bad debts is included in net patient service revenue.

Charity Care – The hospital provides care without charge to patients who meet certain criteria under its charity-care policy. Because the hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

Operating Activities – The hospital defines operating activities as reported on the Combined Statement of Revenues, Expenses, and Changes in Net Position as those that generally result from exchange transactions, such as payments for providing services and payments for goods and services received. Non-exchange transactions, including contributions and grants, as well as interest income and interest expense, are considered nonoperating revenue and expenses.

Contributions and Grants – Revenues from contributions and grants are recognized when all eligibility requirements are met. Contributions and grants may be restricted for specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenue. Amounts restricted to capital acquisitions, if any, are reported after nonoperating revenue and expenses.

Income Taxes – The hospital meets the Internal Revenue Service definition of a governmental unit and is exempt from federal income taxes. As taxable entities, the owners of the Imaging Center and VMRO are subject to state and federal income taxes.

Subsequent Events – Management did not note any subsequent events that required recognition or disclosure in the combined financial statements at June 30, 2015.

C. Patient Service Revenue and Accounts Receivable

The hospital has agreements with various third-party payors that provide for payments to the hospital at amounts different from established rates. The difference between the rates charged and the estimated payments from third-party payors is recorded as a reduction of gross patient service charges. Revenue for patient service charges has been adjusted to the amounts estimated to be receivable under third-party payer arrangements. Amounts recorded under these contractual arrangements are subject to review and final determination by various program intermediaries. Management believes that adequate provision has been made for any adjustments, which may result from such reviews. However, due to uncertainties in the estimates, it is at least reasonably possible that management's estimates will change in 2016. Net patient service revenue for the year ended June 30, 2015, decreased by approximately \$820,000 due to adjustments of estimates or final settlements of prior periods.

A summary of the payment arrangements with significant third-party payors follows:

Medicare – Inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are paid primarily on a prospective basis. These rates vary according to a patient classification system that is based on clinical diagnosis, procedures utilized, and other factors. The Medicare program continues to reimburse certain other services based on a per diem or on a percentage of cost up to predetermined limits. The hospital also receives additional payments from the Medicare program for providing services to a disproportionate share of Medicaid (TennCare) and other low income patients. Approximately \$11,700,000 of net patient accounts receivable are due from the Medicare program at June 30, 2015.

TennCare – The State of Tennessee's Medicaid waiver program (TennCare) provides coverage through several managed care organizations. TennCare reimbursement for both inpatient and outpatient services is based upon prospectively determined rates and per-diem amounts. Approximately \$2,900,000 of net patient accounts receivable are from payors under the TennCare program at June 30, 2015.

During 2015, the hospital received additional distributions under the TennCare Essential Access, federal matching, and other programs totaling approximately \$2,340,000. Future distributions under these programs are not guaranteed.

Other Payors – The hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the hospital under these agreements includes prospectively determined rates, discounts from established charges, and prospectively determined per-diem amounts.

Charity Care – The hospital provides care without charge to patients who meet certain criteria under its charity care policy. Because the hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient revenue. The estimated direct and indirect costs of providing these services totaled approximately \$5,800,000 in 2015. Such costs are determined using a ratio of cost to charges analysis with indirect cost allocated under a reasonable and systematic approach.

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue is as follows at June 30, 2015:

Patient Service Charges	\$ 918,571,844
Less: Estimated Contractual Adjustments	(571,383,915)
Less: Estimated Provision for Bad Debts	(29,919,639)
Less: Charity Care	<u>(21,114,275)</u>
Total	<u>\$ 296,154,015</u>

D. Cash, Cash Equivalents, Certificates of Deposit, Investments, and Assets Limited As to Use

The carrying amount of deposits and investments included in the hospital's combined statements of net position is as follows:

Deposits	\$ 60,870,040
Investments	<u>48,272,992</u>
Total	<u>\$ 109,143,032</u>

These amounts are included in the combined financial statements as follows:

Cash and Cash Equivalents	\$ 37,900,703
Certificates of Deposit	322,164
Investments	1,532,267
Assets Limited As to Use	<u>69,387,898</u>
Total	<u>\$ 109,143,032</u>

The hospital holds deposits only in banks participating in the State of Tennessee Collateral Pool and in banks that provide collateral for all deposits, or banks that are members of the Federal Deposit Insurance Corporation (FDIC).

Additionally, the hospital's deposits in financial institutions are required by state statute to be secured and collateralized by the institutions. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool. 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 collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each individual 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.

At June 30, 2015, the hospital's bank balances for deposits totaled \$59,392,001, a majority of which was insured by the FDIC or by the bank's participation in the State of Tennessee's collateral pool. Remaining deposits totaling \$440,843 are collateralized by securities held by the financial institution and pledged as collateral for the hospital's deposits.

The estimated fair values and maturities for investments, all of which were held in the hospital's name by a custodial bank that is an agent of the hospital, are as follows at June 30, 2015:

<u>Investment Type</u>	<u>Maturity</u>	<u>Amount</u>
Mutual Funds - Fixed Income	N/A	\$ 18,084,476
Mutual Funds - Equity	N/A	8,669,055
Government Agency Bonds	Less than 1 year	1,506,490
Government Agency Bonds	1 to 5 years	9,476,166
Corporate Bonds	Less than 1 year	3,026,315
Corporate Bonds	1 to 5 years	<u>7,510,490</u>
Total		<u>\$ 48,272,992</u>

Interest Rate Risk – As a means to limiting its exposure to fair value losses by rising interest rates, the hospital's investment policy limits investment in U.S. treasury securities, government agency bonds or notes, corporate bonds, and municipal bonds to those with maturities of less than five years.

Credit Risk – The hospital's investment policy restricts investments in corporate bonds and municipal bonds to those with a credit rating of at least BBB and AA, respectively. Mutual fund's underlying investments must meet the same credit ratings as other investments. At June 30, 2015, all the hospital's investments in corporate bonds were rated at least BBB by Standard and Poor's.

Concentration of Credit Risk – The hospital's investment policy limits investments in corporate bonds to 50 percent of total investments with no security issuer exceeding five percent of total investments and municipal bonds to 25 percent of total investments with no security issuer exceeding five percent of total investments. There is no limit on investments in U.S. treasury securities, government agency bonds, or notes. Mutual funds containing corporate bonds should not exceed 50 percent of total investments, and a single mutual fund should not exceed 25 percent of total investments. An investment in the equity of a single corporation and a single equity

mutual fund should not exceed five percent and 15 percent, respectively, of total investments.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the hospital will not be able to recover the value of its investment or collateral. All investments are in the hospital's name at a custodial bank.

E. Property, Plant, and Equipment

A summary of changes in property, plant, and equipment and related accumulated depreciation for the year ended June 30, 2015, is as follows:

	Balance 7-1-14	Additions/ Transfers	Retirements	Balance 6-30-15
Capital Assets Depreciated:				
Land Improvements	\$ 5,613,433	\$ 0	\$ 0	\$ 5,613,433
Buildings	181,214,696	1,549,955	(40,938)	182,723,713
Equipment	168,662,154	6,925,222	(1,256,205)	174,331,171
Total Capital Assets Depreciated	<u>\$ 355,490,283</u>	<u>\$ 8,475,177</u>	<u>\$ (1,297,143)</u>	<u>\$ 362,668,317</u>
Less Accumulated Depreciation For:				
Land Improvements	\$ 4,468,271	\$ 228,877	\$ (6,170)	\$ 4,690,978
Buildings	108,490,555	7,622,722	0	116,113,277
Equipment	135,357,279	8,612,574	(1,196,816)	142,773,037
Total Accumulated Depreciation	<u>\$ 248,316,105</u>	<u>\$ 16,464,173</u>	<u>\$ (1,202,986)</u>	<u>\$ 263,577,292</u>
Total Capital Assets Depreciated, Net	<u>\$ 107,174,178</u>	<u>\$ (7,988,996)</u>	<u>\$ (94,157)</u>	<u>\$ 99,091,025</u>
Capital Assets Not Depreciated:				
Land	\$ 8,085,975	\$ 0	\$ (7,009)	\$ 8,078,966
Construction in Progress	2,325,182	7,299,177	0	9,624,359
Total Capital Assets Not Depreciated	<u>\$ 10,411,157</u>	<u>\$ 7,299,177</u>	<u>\$ (7,009)</u>	<u>\$ 17,703,325</u>
Total Capital Assets, Net	<u>\$ 117,585,335</u>	<u>\$ (689,819)</u>	<u>\$ (101,166)</u>	<u>\$ 116,794,350</u>

During 2015, the hospital capitalized interest expense on construction projects totaling approximately \$203,800. Construction in progress at June 30, 2015, consisted primarily of facility renovations, and the total estimated costs required to complete construction in progress is approximately \$600,000.

F. Long-term Debt

Long-term debt consists of the following as of June 30, 2015:

Bonds Payable

Series 2015, Maury County General Obligation Refunding and Public Improvement Bonds issued on behalf of the hospital, with interest rates ranging from 2% to 5%, maturing over a 12 year period, with the final payment due April 1, 2027.	\$ 30,335,000
Series 2012B, Maury County General Obligation Bonds issued on behalf of the hospital, with interest rates from 1.5% to 2%, maturing over an 8 year period, with the final payment due April 1, 2020.	1,640,000
Series 2006, Maury County General Obligation Bonds issued on behalf of the hospital, with an interest rate of 5%, with the final payment due June 1, 2016.	1,420,000
Total Bonds Payable	<u>\$ 33,395,000</u>
Plus unamortized gain on bond refunding	\$ 3,911,694
Total Bonds Payable, Net of Unamortized Loss and Premiums	<u>\$ 37,306,694</u>
 <u>Other Long-term Debt</u>	
Capital lease obligations - see Note VI.I.	\$ 1,946,118
Total Other Long-term Debt	<u>\$ 1,946,118</u>
Total debt	\$ 39,252,812
Less: current portion	<u>4,076,164</u>
Total long-term debt	<u>\$ 35,176,648</u>

The hospital's bonds payable are general obligation bonds of Maury County, Tennessee. The bonds were issued for the purpose of acquiring property and equipment or the retirement of previously outstanding bonds and notes and to pay issuance costs and are secured by unlimited ad valorem taxes on all taxable property within the county.

The Series 2015 Bonds were issued to finance the constructing, repairing, renovating, and equipping of the hospital in addition to prepaying the hospital's outstanding notes payable and the remaining portion of the Series 2006 Bonds less \$1,420,000 that will be paid in 2016.

The Series 2015 Bonds maturing on or after April 1, 2026, are subject to redemption prior to maturity at the option of the county on April 1, 2025, or thereafter, at a redemption price of par plus accrued interest.

The hospital's scheduled principal maturities on all long-term debt as of June 30, 2015, (including the capital lease obligations and excluding unamortized premiums) follows:

Year Ending June 30	Principal	Interest
2016	\$ 4,076,164	\$ 1,530,340
2017	3,993,326	1,319,197
2018	3,740,084	1,235,499
2019	3,570,245	1,075,383
2020	3,726,299	907,906
2021-2025	12,260,000	2,304,000
2026-2030	3,975,000	179,850
Total	\$ 35,341,118	\$ 8,552,175

A schedule of changes in long-term debt for the year ended June 30, 2015, follows:

	Balance 7-1-14	Additions/ Amortization	Payments/ Maturities	Balance 6-30-15	Amounts Due Within One Year
Bonds payable	\$ 11,795,000	\$ 30,335,000	\$ (8,735,000)	\$ 33,395,000	\$ 3,360,000
Unamortized premiums	222,892	3,688,802	0	3,911,694	0
Other long-term debt	6,772,553	152,877	(4,979,312)	1,946,118	716,164
Total	\$ 18,790,445	\$ 34,176,679	\$ (13,714,312)	\$ 39,252,812	\$ 4,076,164

G. Pension Plan

Plan Description. Prior to May 1, 1997, all employees of the hospital were eligible to participate in the Maury Regional Hospital Retirement Plan (the Plan), a single-employer public retirement system (PERS), accounted for as a separate entity from the hospital. The purpose of the plan is to provide retirement, death, and certain other benefits to employees as specified in the plan. Although it has not expressed any intention to do so, the hospital has the right under the plan to discontinue its contributions at any time and to terminate the plan subject to the provisions set forth in ERISA.

The plan was amended effective May 1, 1997, to stop accrual of benefit service on April 30, 1997, for participants who made an irrevocable election to participate in the Maury Regional Healthcare System 403(b) plan on May 1, 1997. Employees hired after May 1, 1997, are not eligible to participate in the plan.

Benefits Provided. In addition to normal retirement benefits, the plan also provides for early retirement and death benefits. Retirement benefits are calculated as a percent of the employee's highest average compensation during 60 consecutive months of the last 120 months of employment.

Employees earn full retirement benefits once an employee has reached the age of 65. Early retirement benefits are available once an employee has reached the age of 55 and five years of service at a reduced rate based on age. Death benefits equal the actuarial equivalent value of the employee's vested accrued benefit as of the date of death. An employee who terminates service for other reasons after five years of credited service will receive retirement benefits at the normal retirement date.

Employees Covered by Benefit Terms. At April 30, the following employees were covered by the benefit terms:

Active Employees - Accruing Benefits	71
Active Employees - Frozen Benefits	326
Inactive Employees with Deferred Benefits	266
Inactive Employees Currently Receiving Benefits	510
 Total	 <u><u>1,173</u></u>

Contributions. The hospital funds the plan as contributions are approved by the Board of Trustees based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned during the year with an additional amount to finance any unfunded accrued liability.

Net Pension Liability. The hospital's net pension liability (asset) was measured as of June 30, 2015, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of April 30, 2015. The total pension liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement as of April 30:

Inflation	2.5%
Salary Increases	4% to 7.5%
Investment Rate of Return	8.0%
Discount Rate	8.0%

Mortality rates were based on the 1994 Group Annuity Mortality Basic Table with mortality improvement projected to the valuation year under Projection Scale AA.

The long-term expected rate of return on pension plan investments was determined using a method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows as of April 30:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
Large Cap Equities	9.25 %	45 %
Small Cap Equities	11.00	6
International Equities	9.75	10
Emerging Market Equities	12.50	4
Real Estate	8.75	5
Fixed Income	4.25	30
Total		100 %

The pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees assuming the actuarially determined contributions are made each year, although not required by the funding policy. Therefore, the discount rate for determining the total pension liability is equal to the long-term expected rate of return on pension plan investments.

Changes in the Net Pension Liability. Changes in the hospital's net pension liability are as follows for the years ended June 30:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, June 30, 2013	\$ 44,912,448	\$ 40,998,248	\$ 3,914,200
Changes for the year:			
Service Cost	\$ 537,777	\$ 0	\$ 537,777
Interest	3,534,471	0	3,534,471
Experience Gains or Losses	(163,079)	0	(163,079)
Assumption Changes	0	0	0
Benefit Payments	(2,538,680)	(2,538,680)	0
Administrative Expenses	0	(233,515)	233,515
Investment Income	0	4,539,172	(4,539,172)
Employer Contributions	0	828,000	(828,000)
Net Changes	\$ 1,370,489	\$ 2,594,977	\$ (1,224,488)
Balance, June 30, 2014	\$ 46,282,937	\$ 43,593,225	\$ 2,689,712

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Changes for the year:			
Service Cost	\$ 505,975	\$ 0	\$ 505,975
Interest	3,628,986	0	3,628,986
Liability Gains or Losses	825,938	0	825,938
Assumption Changes	0	0	0
Benefit Payments	(2,853,179)	(2,853,179)	0
Administrative Expenses	0	(260,570)	260,570
Investment Income	0	3,304,037	(3,304,037)
Employer Contributions	0	802,000	(802,000)
Net Changes	<u>\$ 2,107,720</u>	<u>\$ 992,288</u>	<u>\$ 1,115,432</u>
Balance, June 30, 2015	<u>\$ 48,390,657</u>	<u>\$ 44,585,513</u>	<u>\$ 3,805,144</u>

The plan's fiduciary net position as a percentage of the total pension liability was approximately 92% and 94% as of June 30, 2015 and 2014, respectively.

The following presents the net pension liability (asset) of the hospital calculated using a discount rate of 8.0 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 (7.0%) or one percentage point higher (9.0%) than the current rate:

	1%	Current	1%
	Decrease	Discount	Increase
	7.0%	8.0%	9.0%
Net Pension Liability	\$ 8,546,754	\$ 3,805,144	\$ (297,738)

Pension Expense. For the year ended June 30, 2015, the hospital recognized pension expense of \$978,226.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2015, the hospital 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	\$ 550,625	\$ (54,359)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	64,154	(810,199)
Total	<u>\$ 614,779</u>	<u>\$ (864,558)</u>

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	\$ (33,076)
2017	21,284
2018	(254,027)
2019	16,040
2020	0

H. Other Retirement Plans

Effective May 1, 1997, the hospital implemented a defined contribution plan which includes a 403(b) feature and an employer matching provision and covers substantially all hourly and salaried employees. Voluntary contributions may be made by the participants as a percentage of annual compensation not to exceed Internal Revenue Service limits. The hospital's contribution in 2015 consisted of a matching contribution equal to 100 percent of the first three percent of annual compensation and an additional matching contribution of 125 percent of the employees' contribution from four to five percent of annual compensation if the employee had five or more years of service. The hospital's total contribution for the year ended June 30, 2015 was approximately \$4,000,000. Hospital employees' total contributions for the year ended June 30, 2015, were approximately \$5,620,000.

I. Leases

Capital Leases – The hospital leases medical equipment under various capital lease agreements with interest rates ranging from 2.4 percent to 4.5 percent. A summary of the leased equipment, which is included in property, plant, and equipment, at June 30, 2015, is as follows:

Equipment Acquired Under Capital Leases	\$ 3,437,877
Less: Accumulated Depreciation	<u>(1,568,578)</u>
Total	<u>\$ 1,869,299</u>

The following is a schedule of the future minimum lease payments required under capital leases as of June 30, 2015:

Year Ending June 30	Amount
2016	\$ 812,968
2017	739,381
2018	467,715
2019	51,878
2020	<u>11,404</u>
Total Minimum Lease Payments	\$ 2,083,346
Less: Amount Representing Interest	<u>(137,228)</u>
Present Value of Minimum Lease Payments	<u>\$ 1,946,118</u>

Operating Leases – The hospital also rents office space and equipment under various non-cancelable operating lease agreements with varying terms. Rent expense under operating lease agreements totaled approximately \$4,560,000 for the year ended June 30, 2015.

Future minimum lease commitments for all significant non-cancelable operating leases, excluding discretely presented component units, are as follows:

Year Ending June 30	Amount
2016	\$ 2,023,842
2017	1,914,118
2018	1,511,127
2019	1,434,940
2020	1,453,112
2021-2025	8,172,091
2026-2030	5,493,197
2031-2035	<u>1,643,279</u>
Total	<u>\$ 23,645,706</u>

Leases with Physicians – The hospital leases office space in its medical office buildings to physicians under non-cancelable operating leases with varying

terms. Rental income under these lease agreements totaled approximately \$2,010,000 for the year ended June 30, 2015. Future minimum lease commitments to the hospital for all significant non-cancelable operating leases to physicians are as follows:

Year Ending June 30	Amount
2016	\$ 1,071,607
2017	582,529
2018	161,139
2019	50,200
2020	<u>33,908</u>
Total	<u>\$ 1,899,383</u>

J. Leased Healthcare Facilities

Effective July 1, 2014, the hospital entered into a five-year lease under a lease arrangement with Wayne County for the operation of several Wayne County healthcare facilities, including the county hospital, ambulance service, and medical office buildings. The lease also extends to all equipment, improvements, fixtures, and related personal property. The annual lease expense is \$50,000 each year and an annual capital improvement commitment of \$150,000. The lease provides for two five-year renewal options, which occur automatically unless the hospital provides notice of its intent to terminate the lease at least 180 days in advance.

K. Commitments and Contingencies

General Liability Claims – The hospital is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The hospital maintains commercial insurance coverage for each of those risks of loss. Management believes such coverage is sufficient to preclude any significant losses to the hospital.

Malpractice Liability Claims – The hospital is subject to claims and suits arising in the ordinary course of business from services provided to patients. Losses against the hospital are limited by the Tennessee Governmental Tort Liability Act to \$300,000 for injury or death per person and \$700,000 per occurrence. However, claims against healthcare practitioners are not subject to these limits. The hospital maintains professional liability insurance on a claims made basis with limits of \$1,000,000 per occurrence with a retention of \$250,000 per claim and a \$3,000,000 annual aggregate with a \$750,000 annual aggregate retention. The hospital has estimated and recorded a liability for reported claims totaling approximately \$980,000 at June 30, 2015. In management’s opinion, the hospital is currently not a party

to any proceeding, the ultimate resolution of which will have a material adverse effect on the hospital's results of operations or financial condition. The hospital has not estimated any liability for incurred but not reported claims.

Workers' Compensation Claims – The hospital is covered for workers' compensation claims through an insurance policy with a deductible of \$500,000 per claim. Management has recorded an accrual for the estimated liability related to claims reported as of June 30, 2015. The hospital was informed in 2015 that the claims with the hospital's prior insurer, Reciprocal of America (ROA), which were believed to be liabilities of the hospital because of ROA's bankruptcy, are now covered by another third party insurer. The liability for workers compensation claims was reduced by approximately \$2,000,000 during 2015 as the claims occurring during the ROA policy period are no longer considered to be liabilities of the hospital. The hospital has not estimated any liability for incurred but not reported claims.

Healthcare Benefits – The hospital maintains a partially self-insured healthcare plan to provide reimbursement for covered expenses incurred as a result of illness or injury to covered employees and dependents. Stop-loss insurance is purchased for annual claims per individual exceeding \$300,000 with an additional aggregating specific amount of \$100,000. The hospital has estimated and recorded a liability for healthcare claims incurred but not yet reported totaling approximately \$2,590,000 at June 30, 2015. Employees that retire after attaining age 60 and completing 20 years of service will receive continued coverage under the hospital's health benefit program until they attain age 65 or become eligible for Medicare benefits. The estimated amount of retirement health benefits payable totaled approximately \$1,175,000 at June 30, 2015, and is reported as a noncurrent liability in the combined financial statements. Due to uncertainties in the estimate, it is at least reasonably possible that management's estimate could change in 2016.

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

Recovery Audit Contractor program, or similar initiatives, have been estimated and recorded as Other Long-term Liabilities in the combined financial statements; and therefore, any additional impact on the combined financial statements will not be significant. However, due to the uncertainties involved, management's estimate could change in the near future.

Healthcare Reform – In March 2010, Congress adopted comprehensive healthcare insurance legislation, the Patient Care Protection and Affordable Care Act and the Healthcare and Education Reconciliation Act. The legislation, among other matters, is designed to expand access to healthcare coverage to substantially all citizens through a combination of public program expansion and private industry health insurance. Changes to existing TennCare coverage and payments are also expected to occur as a result of this legislation. Implementing regulations are generally required as a result of such legislation over a period of several years. Accordingly, the impact of any future regulations is not determinable.

L. Other Revenue

The American Recovery and Reinvestment Act of 2009 and the Health Information Technology for Economic and Clinical Health (HITECH) Act established incentive payments under the Medicare and Medicaid programs for certain healthcare providers that use certified Electronic Health Record (EHR) technology. To qualify for incentive payments, healthcare providers must meet designated EHR meaningful use criteria as defined. Compliance with meaningful use criteria is subject to audit by the federal government or its designee and incentive payments are subject to adjustment in a future period. The hospital recognizes revenue for EHR incentive payments when substantially all contingencies have been met. During 2015, the hospital recognized approximately \$2,300,000 of other revenue related to EHR incentive payments.

M. Blended Component Unit Information

Condensed financial information of the hospital's blended component units is as follows:

Statement of Net Position
For the Year Ended June 30, 2015

	Hospital	FHG	Surgery Center	Foundation
Assets				
Current Assets	\$ 79,972,189	\$ 3,222,327	\$ 389,074	\$ 1,326,039
Due (to)				
from Affiliates	1,585,326	(100)	(1,029,045)	0
Property, Plant, and Equipment	111,060,444	1,305,268	4,428,638	0
Other Assets	84,862,892	-	382,463	0
Total Assets	\$ 277,480,851	\$ 4,527,495	\$ 4,171,130	\$ 1,326,039
Deferred Outflows of Resources				
Deferred Pension				
Adjustments	\$ 614,779	\$ 0	\$ 0	\$ 0
Deferred Amounts from				
Debt Refunding	221,073	0	0	0
Combined Assets and Deferred Outflows of Resources	\$ 278,316,703	\$ 4,527,495	\$ 4,171,130	\$ 1,326,039
Liabilities				
Current liabilities	\$ 31,990,039	\$ 3,923,137	\$ 1,357,050	\$ 0
Long-term debt	35,176,648	0	0	0
Other liabilities	10,949,532	0	0	0
Total Liabilities	\$ 78,116,219	\$ 3,923,137	\$ 1,357,050	\$ 0
Deferred Inflows of Resources				
Deferred Pension				
Adjustments	\$ 864,558	\$ 0	\$ 0	\$ 0
Combined Liabilities and Deferred Inflows of Resources	\$ 78,980,777	\$ 3,923,137	\$ 1,357,050	\$ 0
Net Position				
Net investment				
in capital assets	\$ 90,968,163	\$ 1,305,268	\$ 4,428,638	\$ 0
Unrestricted	108,367,763	(700,910)	(1,614,558)	1,326,039
	\$ 199,335,926	\$ 604,358	\$ 2,814,080	\$ 1,326,039

Statements of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2015

	Hospital	FHG	Surgery Center	Foundation
Operating Revenue				
Net Patient Service				
Revenue	\$ 264,106,370	\$ 30,967,682	\$ 1,079,963	\$ 0
Other Operating				
Revenue	14,928,289	4,540,951	0	0
Total Operating				
Revenue	\$ 279,034,659	\$ 35,508,633	\$ 1,079,963	\$ 0
Operating Expenses	(244,358,376)	(40,995,927)	(1,905,416)	(565,123)
Depreciation and				
Amortization	(15,414,746)	(1,054,355)	(411,679)	0
Income (Loss)	\$ 19,261,537	\$ (6,541,649)	\$ (1,237,132)	\$ (565,123)
Nonoperating Revenue				
(Expenses)	2,290,623	(8,189)	3	705,644
Equity in Affiliate Losses	(8,404,964)	0	0	0
Interest Expense	(335,770)	(6,339)	(132,069)	0
Excess of Revenue				
Over Expenses	\$ 12,811,426	\$ (6,556,177)	\$ (1,369,198)	\$ 140,521
Capital Contributions				
and Transfers	0	5,270,298	3,751,726	0
Change in Net				
Position	\$ 12,811,426	\$ (1,285,879)	\$ 2,382,528	\$ 140,521
Net Position, 7-1-14	182,509,710	1,890,237	431,552	1,185,518
Restatement	4,014,790	0	0	0
Net Position, 6-30-15	\$ 199,335,926	\$ 604,358	\$ 2,814,080	\$ 1,326,039

Statements of Cash Flows
For the Year Ended June 30, 2015

	Hospital	FHG	Surgery Center	Foundation
Cash Flows from				
Operating Activities	\$ 23,160,554	\$ (590,337)	\$ 4,174,693	\$ (745,089)
Cash Flows from				
Noncapital Financing				
Activities	1,249,225	0	0	668,676
Cash Flows from				
Capital and Related				
Financing Activities	8,503,284	(62,683)	(4,316,786)	0
Cash Flows from				
Investing Activities	(31,254,933)	0	3	36,968
Increase in Cash and				
Cash Equivalents	\$ 1,658,130	\$ (653,020)	\$ (142,090)	\$ (39,445)
Cash and Cash				
Equivalents, 7-1-14	36,899,810	(216,640)	338,194	55,764
Cash and Cash				
Equivalents, 6-30-15	\$ 38,557,940	\$ (869,660)	\$ 196,104	\$ 16,319

VII. **OTHER NOTES – DISCRETELY PRESENTED MAURY COUNTY BOARD OF PUBLIC UTILITIES WATER SYSTEM**

A. **Summary of Significant Accounting Policies**

1. **General**

The Maury County Board of Public Utilities Water System is a discrete component unit of Maury County, Tennessee. The system is governed by a board of directors appointed by the county mayor and ratified by commissioners of Maury County. In addition, the Maury County Commissioners approve the annual budget of the system.

2. **Basis of Accounting**

The system's financial statements have been presented using the economic resources approach and the accrual basis of accounting, except that revenue from water sales is recognized when billed.

3. **Organization**

The system is operated as an enterprise fund with self-balancing accounting records. The system does not receive any operating revenues from Maury County, Tennessee.

4. **Utility Plant and Equipment**

The utility plant and equipment are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the respective assets. Items costing over \$500 are depreciated. Maintenance and repairs are charged to expense as incurred; major renewals and improvements are capitalized. When items of property or equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is included in income. Depreciation expense for the year ended June 30, 2015, was \$736,047.

5. **Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the system considers all investment instruments purchased with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2015. Restricted assets are not treated as part of the system's cash and cash equivalents.

6. **Classification of Revenues**

The system has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues – Operating revenues generally result from providing water for use or providing related support services to an individual or entity separate from the system.

Nonoperating revenues – Nonoperating revenues are those revenues that do not meet the definition of operating revenues. Nonoperating revenues include gifts, investment income, and insurance reimbursements.

7. Use of Estimates

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

8. Inventory

The system's inventory of supplies is stated at cost using the first-in, first-out method. The costs of inventory items are recognized as expenditures in governmental funds when purchased, since they are not of a material nature, and as expenses in the enterprise fund when used.

9. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted assets are available, it is the system's policy to first apply restricted resources.

B. Accounts Receivable

Customer receivables are composed of the following aged categories:

	<u>Amount</u>
Current Billings	\$ 250,507
30 Days Past Due	(6,436)
60 Days Past Due	(3,150)
90 Days Past Due	<u>(466)</u>
Total	<u>\$ 240,455</u>

Bad debts are determined and written-off only by direct action of the system's board. For the year ended June 30, 2015, \$4,781 was written-off.

C. Deposits and Investments

Deposits

The system is subject to the Tennessee statute, which requires deposits in financial institutions be secured and collateralized by such institutions. The collateral must meet certain requirements and must have a total minimum market value of 105 percent of the value of the deposits placed in the institutions, less the amount protected by federal depository insurance. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool.

Custodial credit risk is the risk that in the event of a bank failure, the system's deposits may not be returned to it. As of June 30, 2015, all deposits were insured or collateralized.

Investments consist of certificates of deposit with financial institutions with original maturities of over three months and not over one year. The system's policy is to hold these investments to maturity; therefore, there is no interest rate risk that will adversely affect the fair value of the investments.

D. Restricted Assets

The restricted assets represent investment of customer deposits. The customer deposits are not available for operation of the system and are held in trust. The deposits at June 30, 2015, included \$34,010 for meter deposits of current customers.

E. Utility Plant, Property, and Equipment

Major classifications of the utility plant and equipment and their respective depreciable lives are summarized below:

<u>Assets</u>	<u>Years</u>
Water Grid and Improvements	50 - 100
Water Mains	40
Water Towers and Stations	40
Water Meters	10 - 40
Casting and Valves	20 - 50
Other Capitalized Costs	40
Equipment and Fixtures:	
Trucks	5
Small Tools and Equipment	3 - 10
Office Furniture and Equipment	5 - 10

F. Capital Assets

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

	Balance		Balance	
	7-1-14	Additions	Retirements	6-30-15
Capital Assets Not Depreciated:				
Land	\$ 502,909	\$ 0	\$ (65,357)	\$ 437,552
Construction in Progress	0	23,170	0	23,170
Total Capital Assets Not Depreciated	<u>\$ 502,909</u>	<u>\$ 23,170</u>	<u>\$ (65,357)</u>	<u>\$ 460,722</u>
Capital Assets Depreciated:				
Building	\$ 2,137,719	\$ 0	\$ (148,983)	\$ 1,988,736
Water Grid and Improvements	29,761,411	232,509	0	29,993,920
Equipment and Fixtures	987,508	70,718	0	1,058,226
Total Capital Assets Depreciated	<u>\$ 32,886,638</u>	<u>\$ 303,227</u>	<u>\$ (148,983)</u>	<u>\$ 33,040,882</u>
Less Accumulated Depreciation For:				
Building	\$ 173,433	\$ 54,225	\$ (82,914)	\$ 144,744
Water Grid and Improvements	7,091,717	599,257	0	7,690,974
Equipment and Fixtures	664,472	82,565	0	747,037
Total Accumulated Depreciation	<u>\$ 7,929,622</u>	<u>\$ 736,047</u>	<u>\$ (82,914)</u>	<u>\$ 8,582,755</u>
Total Capital Assets Depreciated, Net	<u>\$ 24,957,016</u>	<u>\$ (432,820)</u>	<u>\$ (66,069)</u>	<u>\$ 24,458,127</u>
Business-type Activities Capital Assets, Net	<u>\$ 25,459,925</u>	<u>\$ (409,650)</u>	<u>\$ (131,426)</u>	<u>\$ 24,918,849</u>

G. Accrued Leave

Accumulated annual leave at June 30, 2015, totaled \$19,001. It is the system's policy to accrue vacation annually for full-time personnel and charge employee benefits. The policy provides two weeks annual leave for personnel with one to five years continuous service, three weeks for six to 11 years of service, and increasing amounts up to five weeks for service up to 25 years.

H. Risk Management

The system is exposed to losses that could arise from torts; asset theft, damage, or destruction; business interruption; errors or omissions; job-related illnesses or injuries to employees; acts of nature; accident, health, dental, and other medical benefits to employees. Potential losses are covered by commercial insurance.

The system has not been involved in any significant litigation during the last five fiscal years.

I. Long-term Debt

The system's bonds payable are liabilities derived from various system water line upgrades, extensions, and improvements.

Bonds payable consist of the following at June 30, 2015:

Bonds Payable

Series 2006, State Revolving Loan Fund: DWSRF 2005-065: The principal will be amortized over 20 years with monthly payments of \$21,623 and an interest rate of 2.42%.	\$ 2,748,265
Series 2008, State Revolving Loan Fund: DWSRF 2007-072: The principal will be amortized over 20 years with monthly payments of \$8,679 and an interest rate of 2.42%.	1,173,324
Series 2006, USDA Rural Development Loan: The principal will be amortized over 38 years with monthly payments of \$12,615 and an interest rate of 4.125%.	<u>2,646,545</u>
Total Bonds Payable	\$ 6,568,134
Less current portion	<u>(314,767)</u>
Total Long-term Bonds Payable	<u><u>\$ 6,253,367</u></u>

Business-type Activities - Bonds Payable

Balance 7-1-14	Reductions	Balance 6-30-15	Due Within One Year
<u>\$ 6,874,453</u>	<u>\$ (306,319)</u>	<u>\$ 6,568,134</u>	<u>\$ 314,767</u>

The principal and interest requirements for outstanding bonds as of June 30, 2015, are as follows:

Year Ending June 30	Principal	Interest	Total
2016	\$ 314,767	\$ 200,238	\$ 515,005
2017	323,237	191,768	515,005
2018	331,938	183,067	515,005
2019	340,875	174,130	515,005
2020	350,062	164,942	515,004
2021-2025	1,897,698	677,324	2,575,022
2026-2030	1,238,181	432,370	1,670,551
2031-2035	434,177	322,723	756,900
2036-2040	533,422	223,478	756,900
2041-2045	655,355	101,545	756,900
2046	148,422	3,328	151,750
Total	\$ 6,568,134	\$ 2,674,913	\$ 9,243,047

J. Pension

The system participates in the Tennessee Consolidated Retirement System, under the Maury County, Tennessee plan. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service.

Employees contribute five percent of earnable compensation to the plan. The system is required to contribute at an actuarially determined rate; the rate of the fiscal year ended June 30, 2014, was 6.47 percent of annual covered payroll. The information for the fiscal year ended June 30, 2015, was not available yet.

K. Contributions in Aid of Construction

During the fiscal year ended June 30, 2015, the system was deeded water lines from three sources. The system owns these lines. The total amount of \$193,755 is shown on the Statement of Revenues, Expenses, and Changes in Net Position as Contributions in Aid of Construction.

L. Subsequent Events

The system considers events and transactions that occur after the statement of net position, but before the financial statements are issued, to provide additional evidence relative to certain estimates or to identify matters that require disclosure.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

Maury 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	\$ 2,144,201
Interest	3,882,590
Changes in Benefit Terms	0
Differences Between Actual and Expected Experience	(517,136)
Changes in Assumptions	0
Benefit Payments, Including Refunds of Employee Contributions	<u>(1,773,430)</u>
Net Change in Total Pension Liability (Asset)	\$ 3,736,225
Total Pension Liability (Asset), Beginning	<u>50,510,376</u>
 Total Pension Liability (Asset), Ending (a)	 <u>\$ 54,246,601</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 1,619,633
Contributions - Employee	1,251,509
Net Investment Income	8,403,420
Benefit Payments, Including Refunds of Employee Contributions	(1,773,430)
Administrative Expense	<u>(34,737)</u>
Net Change in Plan Fiduciary Net Position	\$ 9,466,395
Plan Fiduciary Net Position, Beginning	<u>50,018,686</u>
 Plan Fiduciary Net Position, Ending (b)	 <u>\$ 59,485,081</u>
 Net Pension Liability (Asset), Ending (a - b)	 <u>\$ (5,238,480)</u>
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	 109.66%
Covered Employee Payroll	\$ 25,033,043
Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	20.93%

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

Note: data presented is primary government, discretely presented non-certified employees of the School Department, and discretely presented Maury County Water System.

Exhibit F-2

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

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 1,619,633	\$ 1,177,519
Less Contributions in Relation to the Actuarially Determined Contribution	(1,919,633)	(1,177,519)
Contribution Deficiency (Excess)	<u>\$ (300,000)</u>	<u>\$ 0</u>
 Covered Employee Payroll	 \$ 25,033,043	 \$ 25,839,373
Contributions as a Percentage of Covered Employee Payroll	6.47%	4.56%

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

Note: data presented is primary government, discretely presented non-certified employees of the School Department, and discretely presented Maury County Water System.

Exhibit F-3

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

	<u>2015</u>
Actuarially Determined Contribution	\$ 59,442
Less Contributions in Relation to the Actuarially Determined Contribution	<u>(95,107)</u>
Contribution Deficiency (Excess)	<u><u>\$ (35,665)</u></u>
Covered Employee Payroll	\$ 2,272,628
Contributions as a Percentage of Covered Employee Payroll	4.00%

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

Exhibit F-4

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

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 4,049,189	\$ 3,861,747
Less Contributions in Relation to the Actuarially Determined Contribution	(4,049,189)	(3,861,747)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 45,598,978	\$ 42,635,212
Contributions as a Percentage of Covered Employee Payroll	8.88%	9.04%

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

Exhibit F-5

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

	<u>2014</u>
School Department's Proportion of the Net Pension Asset	1.161760%
School Department's Proportionate Share of the Net Pension Asset	\$ 188,781
Covered Employee Payroll	\$ 45,598,978
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

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

(Dollar amounts in thousands)

Plan	Actuarial Valuation Date	Actuarial Value of Plan 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	\$ 18,870	\$ 18,870	0 %	\$ 54,670	35 %
"	7-1-11	0	26,079	26,079	0	53,884	48
"	7-1-13	0	25,085	25,085	0	55,903	45

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

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

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

Nonmajor Governmental Funds

Special Revenue Funds

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

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

Adequate Facilities/Development Tax Fund – The Adequate Facilities/Development Tax Fund is used to account for the fee assessed on square footage on all new residential and commercial buildings.

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.

Highway/Public Works Fund – The Highway/Public Works Fund is used to account for transactions of the county's Highway Department.

Capital Projects Funds

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

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

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for general capital expenditures of the Highway Department.

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

Exhibit G-1

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

	Special Revenue Funds					Capital Projects Funds
	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees	Highway / Public Works	Total	General Capital Projects
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 50,595	\$ 0	\$ 50,595	\$ 0
Equity in Pooled Cash and Investments	1,440,347	2,049,153	0	3,141,849	6,631,349	852,370
Accounts Receivable	2,290	0	60,427	25,549	88,266	0
Due from Other Governments	0	0	0	499,880	499,880	0
Property Taxes Receivable	0	0	0	2,714,270	2,714,270	0
Allowance for Uncollectible Property Taxes	0	0	0	(75,320)	(75,320)	0
Total Assets	\$ 1,442,637	\$ 2,049,153	\$ 111,022	\$ 6,306,228	\$ 9,909,040	\$ 852,370
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 242,044	\$ 0	\$ 130,580	\$ 372,624	\$ 0
Payroll Deductions Payable	0	0	0	40,795	40,795	0
Contracts Payable	0	0	0	17,672	17,672	0
Due to Other Funds	0	0	44,728	0	44,728	0
Due to State of Tennessee	0	0	0	800	800	0
Due to Litigants, Heirs, and Others	0	0	3,891	0	3,891	0
Other Current Liabilities	1,098,050	0	0	0	1,098,050	0
Total Liabilities	\$ 1,098,050	\$ 242,044	\$ 48,619	\$ 189,847	\$ 1,578,560	\$ 0
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 2,569,293	\$ 2,569,293	\$ 0
Deferred Delinquent Property Taxes	0	0	0	58,765	58,765	0

(Continued)

Exhibit G-1

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

	Special Revenue Funds					Capital Projects Funds
	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees	Highway / Public Works	Total	General Capital Projects
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Other Deferred/Unavailable Revenue	\$ 0	\$ 0	\$ 0	\$ 248,678	\$ 248,678	\$ 0
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 2,876,736	\$ 2,876,736	\$ 0
<u>FUND BALANCES</u>						
Restricted:						
Restricted for General Government	\$ 0	\$ 1,640,794	\$ 0	\$ 0	\$ 1,640,794	\$ 0
Restricted for Public Safety	344,587	0	0	0	344,587	0
Restricted for Highways/Public Works	0	0	0	3,239,645	3,239,645	0
Restricted for Capital Outlay	0	0	0	0	0	852,370
Restricted for Other Purposes	0	0	0	0	0	0
Committed:						
Committed for General Government	0	166,315	62,403	0	228,718	0
Total Fund Balances	\$ 344,587	\$ 1,807,109	\$ 62,403	\$ 3,239,645	\$ 5,453,744	\$ 852,370
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,442,637	\$ 2,049,153	\$ 111,022	\$ 6,306,228	\$ 9,909,040	\$ 852,370

(Continued)

Exhibit G-1

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

	<u>Capital Projects Funds (Cont.)</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>Highway Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 0	\$ 50,595
Equity in Pooled Cash and Investments	553,326	774,573	2,180,269	8,811,618
Accounts Receivable	0	0	0	88,266
Due from Other Governments	90,367	0	90,367	590,247
Property Taxes Receivable	0	950,509	950,509	3,664,779
Allowance for Uncollectible Property Taxes	0	(26,376)	(26,376)	(101,696)
Total Assets	\$ 643,693	\$ 1,698,706	\$ 3,194,769	\$ 13,103,809
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 372,624
Payroll Deductions Payable	0	0	0	40,795
Contracts Payable	0	0	0	17,672
Due to Other Funds	0	0	0	44,728
Due to State of Tennessee	0	0	0	800
Due to Litigants, Heirs, and Others	0	0	0	3,891
Other Current Liabilities	0	0	0	1,098,050
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 1,578,560
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$ 899,740	\$ 899,740	\$ 3,469,033
Deferred Delinquent Property Taxes	0	20,579	20,579	79,344
Other Deferred/Unavailable Revenue	0	0	0	248,678
Total Deferred Inflows of Resources	\$ 0	\$ 920,319	\$ 920,319	\$ 3,797,055

(Continued)

Exhibit G-1

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

	<u>Capital Projects Funds (Cont.)</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>Highway Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>	
<u>FUND BALANCES</u>				
Restricted:				
Restricted for General Government	\$ 0	\$ 0	\$ 0	\$ 1,640,794
Restricted for Public Safety	0	0	0	344,587
Restricted for Highways/Public Works	643,693	0	643,693	3,883,338
Restricted for Capital Outlay	0	0	852,370	852,370
Restricted for Other Purposes	0	778,387	778,387	778,387
Committed:				
Committed for General Government	0	0	0	228,718
Total Fund Balances	<u>\$ 643,693</u>	<u>\$ 778,387</u>	<u>\$ 2,274,450</u>	<u>\$ 7,728,194</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 643,693</u>	<u>\$ 1,698,706</u>	<u>\$ 3,194,769</u>	<u>\$ 13,103,809</u>

Exhibit G-2

Maury 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					Capital Projects Funds
	Drug Control	Adequate Facilities/ Development Tax	Constitu - tional Officers - Fees	Highway / Public Works	Total	General Capital Projects
<u>Revenues</u>						
Local Taxes	\$ 0	\$ 1,089,701	\$ 0	\$ 2,909,383	\$ 3,999,084	\$ 0
Fines, Forfeitures, and Penalties	105,394	0	0	0	105,394	0
Charges for Current Services	0	0	33,555	0	33,555	0
Other Local Revenues	0	0	0	67,091	67,091	0
State of Tennessee	0	0	0	2,812,054	2,812,054	0
Federal Government	20,440	0	0	84,391	104,831	0
Total Revenues	\$ 125,834	\$ 1,089,701	\$ 33,555	\$ 5,872,919	\$ 7,122,009	\$ 0
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 125,046	\$ 0	\$ 125,046	\$ 0
Administration of Justice	0	0	26,695	0	26,695	0
Public Safety	92,895	0	50	0	92,945	0
Other Operations	0	0	0	0	0	0
Highways	0	0	0	5,026,117	5,026,117	0
Capital Projects	0	1,114,423	0	856,315	1,970,738	188,217
Capital Projects - Donated	0	0	0	0	0	0
Total Expenditures	\$ 92,895	\$ 1,114,423	\$ 151,791	\$ 5,882,432	\$ 7,241,541	\$ 188,217
Excess (Deficiency) of Revenues Over Expenditures	\$ 32,939	\$ (24,722)	\$ (118,236)	\$ (9,513)	\$ (119,532)	\$ (188,217)
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 57,381	\$ 57,381	\$ 0
Transfers In	0	0	0	9,700	9,700	882,808
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 67,081	\$ 67,081	\$ 882,808
Net Change in Fund Balances	\$ 32,939	\$ (24,722)	\$ (118,236)	\$ 57,568	\$ (52,451)	\$ 694,591
Fund Balance, July 1, 2014	311,648	1,831,831	180,639	3,182,077	5,506,195	157,779
Fund Balance, June 30, 2015	\$ 344,587	\$ 1,807,109	\$ 62,403	\$ 3,239,645	\$ 5,453,744	\$ 852,370

(Continued)

Exhibit G-2

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

	<u>Capital Projects Funds (Cont.)</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>Highway Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>	
<u>Revenues</u>				
Local Taxes	\$ 1,010,732	\$ 971,999	\$ 1,982,731	\$ 5,981,815
Fines, Forfeitures, and Penalties	0	0	0	105,394
Charges for Current Services	0	0	0	33,555
Other Local Revenues	0	11,370	11,370	78,461
State of Tennessee	0	0	0	2,812,054
Federal Government	0	0	0	104,831
Total Revenues	\$ 1,010,732	\$ 983,369	\$ 1,994,101	\$ 9,116,110
<u>Expenditures</u>				
Current:				
Finance	\$ 0	\$ 0	\$ 0	\$ 125,046
Administration of Justice	0	0	0	26,695
Public Safety	0	296,221	296,221	389,166
Other Operations	5,706	20,300	26,006	26,006
Highways	0	0	0	5,026,117
Capital Projects	793,562	2,594	984,373	2,955,111
Capital Projects - Donated	0	565,500	565,500	565,500
Total Expenditures	\$ 799,268	\$ 884,615	\$ 1,872,100	\$ 9,113,641
Excess (Deficiency) of Revenues Over Expenditures	\$ 211,464	\$ 98,754	\$ 122,001	\$ 2,469
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 57,381
Transfers In	0	0	882,808	892,508
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 882,808	\$ 949,889
Net Change in Fund Balances	\$ 211,464	\$ 98,754	\$ 1,004,809	\$ 952,358
Fund Balance, July 1, 2014	432,229	679,633	1,269,641	6,775,836
Fund Balance, June 30, 2015	\$ 643,693	\$ 778,387	\$ 2,274,450	\$ 7,728,194

Exhibit G-3

Maury 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	\$ 105,394	\$ 109,000	\$ 109,000	\$ (3,606)
Federal Government	20,440	8,000	8,000	12,440
Total Revenues	<u>\$ 125,834</u>	<u>\$ 117,000</u>	<u>\$ 117,000</u>	<u>\$ 8,834</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 92,895	\$ 109,490	\$ 109,490	\$ 16,595
Total Expenditures	<u>\$ 92,895</u>	<u>\$ 109,490</u>	<u>\$ 109,490</u>	<u>\$ 16,595</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 32,939</u>	<u>\$ 7,510</u>	<u>\$ 7,510</u>	<u>\$ 25,429</u>
Net Change in Fund Balance	\$ 32,939	\$ 7,510	\$ 7,510	\$ 25,429
Fund Balance, July 1, 2014	311,648	307,075	307,075	4,573
Fund Balance, June 30, 2015	<u><u>\$ 344,587</u></u>	<u><u>\$ 314,585</u></u>	<u><u>\$ 314,585</u></u>	<u><u>\$ 30,002</u></u>

Exhibit G-4

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Adequate Facilities/ Development Tax Fund
For the Year Ended June 30, 2015

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,089,701	\$ 0	\$ 0	\$ 1,089,701	\$ 500,000	\$ 500,000	\$ 589,701
Licenses and Permits	0	0	0	0	1,000	1,000	(1,000)
Total Revenues	\$ 1,089,701	\$ 0	\$ 0	\$ 1,089,701	\$ 501,000	\$ 501,000	\$ 588,701
<u>Expenditures</u>							
<u>Capital Projects</u>							
General Administration Projects	\$ 34,038	\$ 0	\$ 120,772	\$ 154,810	\$ 0	\$ 154,811	\$ 1
Public Safety Projects	347,240	(54,458)	0	292,782	100,000	322,159	29,377
Highway and Street Capital Projects	733,145	0	0	733,145	0	800,000	66,855
Total Expenditures	\$ 1,114,423	\$ (54,458)	\$ 120,772	\$ 1,180,737	\$ 100,000	\$ 1,276,970	\$ 96,233
Excess (Deficiency) of Revenues Over Expenditures	\$ (24,722)	\$ 54,458	\$ (120,772)	\$ (91,036)	\$ 401,000	\$ (775,970)	\$ 684,934
Net Change in Fund Balance	\$ (24,722)	\$ 54,458	\$ (120,772)	\$ (91,036)	\$ 401,000	\$ (775,970)	\$ 684,934
Fund Balance, July 1, 2014	1,831,831	(54,458)	0	1,777,373	1,845,032	1,845,032	(67,659)
Fund Balance, June 30, 2015	\$ 1,807,109	\$ 0	\$ (120,772)	\$ 1,686,337	\$ 2,246,032	\$ 1,069,062	\$ 617,275

Exhibit G-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 2,909,383	\$ 0	\$ 0	\$ 2,909,383	\$ 2,798,558	\$ 2,798,558	\$ 110,825
Other Local Revenues	67,091	0	0	67,091	36,451	70,010	(2,919)
State of Tennessee	2,812,054	0	0	2,812,054	2,796,525	2,810,590	1,464
Federal Government	84,391	0	0	84,391	0	0	84,391
Total Revenues	\$ 5,872,919	\$ 0	\$ 0	\$ 5,872,919	\$ 5,631,534	\$ 5,679,158	\$ 193,761
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 232,139	\$ 0	\$ 0	\$ 232,139	\$ 243,436	\$ 239,296	\$ 7,157
Highway and Bridge Maintenance	2,891,425	(68,226)	343,175	3,166,374	3,433,845	3,476,813	310,439
Operation and Maintenance of Equipment	788,809	(151)	38,901	827,559	1,046,040	1,019,931	192,372
Other Charges	400,460	0	1,250	401,710	415,112	417,611	15,901
Employee Benefits	0	0	0	0	2,600	2,600	2,600
Capital Outlay	713,284	(307,566)	77,669	483,387	811,946	947,964	464,577
<u>Capital Projects</u>							
Highway and Street Capital Projects	856,315	(50,461)	15,614	821,468	75,000	854,853	33,385
Total Expenditures	\$ 5,882,432	\$ (426,404)	\$ 476,609	\$ 5,932,637	\$ 6,027,979	\$ 6,959,068	\$ 1,026,431
Excess (Deficiency) of Revenues Over Expenditures	\$ (9,513)	\$ 426,404	\$ (476,609)	\$ (59,718)	\$ (396,445)	\$ (1,279,910)	\$ 1,220,192
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 57,381	\$ 0	\$ 0	\$ 57,381	\$ 0	\$ 62,536	\$ (5,155)
Transfers In	9,700	0	0	9,700	0	9,700	0
Total Other Financing Sources	\$ 67,081	\$ 0	\$ 0	\$ 67,081	\$ 0	\$ 72,236	\$ (5,155)
Net Change in Fund Balance	\$ 57,568	\$ 426,404	\$ (476,609)	\$ 7,363	\$ (396,445)	\$ (1,207,674)	\$ 1,215,037
Fund Balance, July 1, 2014	3,182,077	(426,404)	0	2,755,673	2,987,419	2,987,419	(231,746)
Fund Balance, June 30, 2015	\$ 3,239,645	\$ 0	\$ (476,609)	\$ 2,763,036	\$ 2,590,974	\$ 1,779,745	\$ 983,291

Exhibit G-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 971,999	\$ 0	\$ 0	\$ 971,999	\$ 991,520	\$ 991,520	\$ (19,521)
Other Local Revenues	11,370	0	0	11,370	0	0	11,370
Total Revenues	\$ 983,369	\$ 0	\$ 0	\$ 983,369	\$ 991,520	\$ 991,520	\$ (8,151)
<u>Expenditures</u>							
<u>Public Safety</u>							
Sheriff's Department	\$ 296,221	\$ (296,221)	\$ 275,715	\$ 275,715	\$ 274,400	\$ 275,715	\$ 0
<u>Public Health and Welfare</u>							
Landfill Operation and Maintenance	0	0	0	0	100,000	100,000	100,000
<u>Other Operations</u>							
Other Charges	691	0	0	691	2,000	2,000	1,309
Miscellaneous	19,609	0	0	19,609	36,000	36,000	16,391
<u>Support Services</u>							
Board of Education	0	0	0	0	573,628	0	0
<u>Capital Projects</u>							
Highway and Street Capital Projects	2,594	0	124,230	126,824	0	126,824	0
<u>Capital Projects - Donated</u>							
Capital Projects Donated to School Department	565,500	0	0	565,500	0	573,628	8,128
Total Expenditures	\$ 884,615	\$ (296,221)	\$ 399,945	\$ 988,339	\$ 986,028	\$ 1,114,167	\$ 125,828
<u>Excess (Deficiency) of Revenues</u>							
Over Expenditures	\$ 98,754	\$ 296,221	\$ (399,945)	\$ (4,970)	\$ 5,492	\$ (122,647)	\$ 117,677
<u>Net Change in Fund Balance</u>							
Fund Balance, July 1, 2014	\$ 679,633	\$ (296,221)	\$ 0	\$ 383,412	\$ 967,362	\$ 967,362	\$ (583,950)
Fund Balance, June 30, 2015	\$ 778,387	\$ 0	\$ (399,945)	\$ 378,442	\$ 972,854	\$ 844,715	\$ (466,273)

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

Maury 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	\$ 7,952,706	\$ 8,570,541	\$ 8,570,541	\$ (617,835)
Other Local Revenues	382,024	245,000	245,000	137,024
State of Tennessee	1,200,307	1,130,000	1,130,000	70,307
Federal Government	336	0	0	336
Other Governments and Citizens Groups	276,075	0	0	276,075
Total Revenues	<u>\$ 9,811,448</u>	<u>\$ 9,945,541</u>	<u>\$ 9,945,541</u>	<u>\$ (134,093)</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,668,654	\$ 1,730,292	\$ 1,730,292	\$ 61,638
Education	4,886,398	5,253,011	5,253,011	366,613
<u>Interest on Debt</u>				
General Government	526,099	397,095	526,099	0
Education	1,824,701	2,075,929	2,072,404	247,703
<u>Other Debt Service</u>				
General Government	159,194	159,400	159,400	206
Education	697,686	0	697,686	0
<u>Capital Projects</u>				
Education Capital Projects	59,121,840	0	59,121,840	0
Total Expenditures	<u>\$ 68,884,572</u>	<u>\$ 9,615,727</u>	<u>\$ 69,560,732</u>	<u>\$ 676,160</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (59,073,124)</u>	<u>\$ 329,814</u>	<u>\$ (59,615,191)</u>	<u>\$ 542,067</u>
<u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 56,215,000	\$ 0	\$ 56,215,000	\$ 0
Premiums on Debt Sold	4,483,808	0	4,483,808	0
Transfers In	99,050	99,000	99,000	50
Transfers Out	(882,808)	(925,000)	(925,000)	42,192
Total Other Financing Sources	<u>\$ 59,915,050</u>	<u>\$ (826,000)</u>	<u>\$ 59,872,808</u>	<u>\$ 42,242</u>
Net Change in Fund Balance	\$ 841,926	\$ (496,186)	\$ 257,617	\$ 584,309
Fund Balance, July 1, 2014	10,645,860	10,430,142	10,430,142	215,718
Fund Balance, June 30, 2015	<u>\$ 11,487,786</u>	<u>\$ 9,933,956</u>	<u>\$ 10,687,759</u>	<u>\$ 800,027</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

Maury 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	\$ 2,298,644	\$ 2,298,644
Investments	0	11,547	11,547
Accounts Receivable	0	1,097	1,097
Due from Other Governments	2,090,297	0	2,090,297
Total Assets	<u>\$ 2,090,297</u>	<u>\$ 2,311,288</u>	<u>\$ 4,401,585</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 2,090,297	\$ 0	\$ 2,090,297
Due to Litigants, Heirs, and Others	0	2,311,288	2,311,288
Total Liabilities	<u>\$ 2,090,297</u>	<u>\$ 2,311,288</u>	<u>\$ 4,401,585</u>

Exhibit I-2

Maury 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	\$ 11,610,690	\$ 11,610,690	\$ 0
Due from Other Governments	1,912,388	2,090,297	1,912,388	2,090,297
Total Assets	\$ 1,912,388	\$ 13,700,987	\$ 13,523,078	\$ 2,090,297
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 1,912,388	\$ 13,700,987	\$ 13,523,078	\$ 2,090,297
Total Liabilities	\$ 1,912,388	\$ 13,700,987	\$ 13,523,078	\$ 2,090,297
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 2,403,642	\$ 19,644,593	\$ 19,749,591	\$ 2,298,644
Investments	38,622	11,547	38,622	11,547
Accounts Receivable	38,526	1,097	38,526	1,097
Total Assets	\$ 2,480,790	\$ 19,657,237	\$ 19,826,739	\$ 2,311,288
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 2,480,790	\$ 19,657,237	\$ 19,826,739	\$ 2,311,288
Total Liabilities	\$ 2,480,790	\$ 19,657,237	\$ 19,826,739	\$ 2,311,288
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 2,403,642	\$ 19,644,593	\$ 19,749,591	\$ 2,298,644
Equity in Pooled Cash and Investments	0	11,610,690	11,610,690	0
Investments	38,622	11,547	38,622	11,547
Accounts Receivable	38,526	1,097	38,526	1,097
Due from Other Governments	1,912,388	2,090,297	1,912,388	2,090,297
Total Assets	\$ 4,393,178	\$ 33,358,224	\$ 33,349,817	\$ 4,401,585
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 1,912,388	\$ 13,700,987	\$ 13,523,078	\$ 2,090,297
Due to Litigants, Heirs, and Others	2,480,790	19,657,237	19,826,739	2,311,288
Total Liabilities	\$ 4,393,178	\$ 33,358,224	\$ 33,349,817	\$ 4,401,585

Maury County School Department

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

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.

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

Exhibit J-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:					
Instruction	\$ 56,031,060	\$ 328,500	\$ 8,623,830	\$ 0	\$ (47,078,730)
Support Services	34,893,156	257,313	451,050	59,687,340	25,502,547
Operation of Non-instructional Services	7,276,221	1,464,491	4,935,264	30,065	(846,401)
Other Debt Service	276,075	0	0	0	(276,075)
Total Governmental Activities	\$ 98,476,512	\$ 2,050,304	\$ 14,010,144	\$ 59,717,405	\$ (22,698,659)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 22,135,433
Local Option Sales Tax					12,702,249
Mixed Drink Tax					293,395
Interstate Telecommunications Tax					9,688
Grants and Contributions Not Restricted to Specific Programs					49,850,411
Unrestricted Investment Earnings					9,402
Pension Income					176,823
Miscellaneous					61,521
Total General Revenues					\$ 85,238,922
Change in Net Position					\$ 62,540,263
Net Position, July 1, 2014					103,991,547
Restatement - See Note I.D.9.					(14,519,131)
Net Position, June 30, 2015					\$ 152,012,679

Exhibit J-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Other</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Govern-</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>mental</u>	<u>Funds</u>
			<u>Funds</u>	<u>Funds</u>
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 3,350	\$ 3,350
Equity in Pooled Cash and Investments	10,044,050	51,327,026	4,420,271	65,791,347
Inventories	0	0	76,420	76,420
Accounts Receivable	5,162	0	2,622	7,784
Due from Other Governments	2,730,751	0	209,088	2,939,839
Due from Other Funds	131,657	0	0	131,657
Property Taxes Receivable	21,446,504	0	0	21,446,504
Allowance for Uncollectible Property Taxes	(595,137)	0	0	(595,137)
Total Assets	<u>\$ 33,762,987</u>	<u>\$ 51,327,026</u>	<u>\$ 4,711,751</u>	<u>\$ 89,801,764</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 210,424	\$ 0	\$ 3,840	\$ 214,264
Accrued Payroll	0	0	10,421	10,421
Payroll Deductions Payable	298,768	0	23,155	321,923
Contracts Payable	173,315	1,761,216	318,414	2,252,945
Retainage Payable	0	82,962	16,824	99,786
Due to Other Funds	0	0	131,657	131,657
Due to State of Tennessee	14,349	0	6,053	20,402
Total Liabilities	<u>\$ 696,856</u>	<u>\$ 1,844,178</u>	<u>\$ 510,364</u>	<u>\$ 3,051,398</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 20,300,985	\$ 0	\$ 0	\$ 20,300,985
Deferred Delinquent Property Taxes	464,323	0	0	464,323

(Continued)

Exhibit J-2

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

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
	<u>General Purpose School</u>	<u>Education Capital Projects</u>	<u>Other Governmental Funds</u>	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>				
Other Deferred/Unavailable Revenue	\$ 1,168,127	\$ 0	\$ 0	\$ 1,168,127
Total Deferred Inflows of Resources	\$ 21,933,435	\$ 0	\$ 0	\$ 21,933,435
<u>FUND BALANCES</u>				
Nonspendable:				
Inventory	\$ 0	\$ 0	\$ 76,420	\$ 76,420
Restricted:				
Restricted for Education	29,139	49,482,848	3,724,967	53,236,954
Committed:				
Committed for Education	749,155	0	400,000	1,149,155
Assigned:				
Assigned for Education	1,971,665	0	0	1,971,665
Unassigned	8,382,737	0	0	8,382,737
Total Fund Balances	\$ 11,132,696	\$ 49,482,848	\$ 4,201,387	\$ 64,816,931
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 33,762,987	\$ 51,327,026	\$ 4,711,751	\$ 89,801,764

Exhibit J-3

Maury County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented Maury 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)		\$	64,816,931
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	3,019,939	
Add: construction in progress		9,623,736	
Add: building and improvements net of accumulated depreciation		94,405,279	
Add: other capital assets net of accumulated depreciation		<u>3,479,560</u>	110,528,514
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other postemployment benefits liability	\$	(11,588,009)	
Less: compensated absences payable		<u>(3,453,761)</u>	(15,041,770)
(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	\$	4,883,056	
Less: deferred inflows of resources related to pensions		<u>(18,034,648)</u>	(13,151,592)
(4) Net pension assets of the agent and cost-sharing plans are not current financial resources and therefore are not reported in the governmental funds.			3,228,146
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>1,632,450</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>152,012,679</u></u>

Exhibit J-4

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

	Major Funds		Nonmajor	Total
	General Purpose School	Education Capital Projects	Other Governmental Funds	
<u>Revenues</u>				
Local Taxes	\$ 35,047,276	\$ 0	\$ 0	\$ 35,047,276
Licenses and Permits	6,232	0	0	6,232
Charges for Current Services	445,644	0	1,471,002	1,916,646
Other Local Revenues	98,389	0	39,467	137,856
State of Tennessee	51,959,632	0	59,411	52,019,043
Federal Government	621,564	0	11,330,119	11,951,683
Other Governments and Citizens Groups	0	54,470,894	4,650,946	59,121,840
Total Revenues	\$ 88,178,737	\$ 54,470,894	\$ 17,550,945	\$ 160,200,576
<u>Expenditures</u>				
Current:				
Instruction	\$ 52,812,441	\$ 0	\$ 3,810,359	\$ 56,622,800
Support Services	30,211,223	0	2,770,220	32,981,443
Operation of Non-Instructional Services	1,193,019	0	6,044,405	7,237,424
Capital Outlay	1,971,601	0	3,311,354	5,282,955
Debt Service:				
Other Debt Service	276,075	0	0	276,075
Capital Projects	0	4,988,046	0	4,988,046
Total Expenditures	\$ 86,464,359	\$ 4,988,046	\$ 15,936,338	\$ 107,388,743
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 1,714,378	\$ 49,482,848	\$ 1,614,607	\$ 52,811,833
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 12,150	\$ 0	\$ 0	\$ 12,150
Transfers In	153,687	0	0	153,687
Transfers Out	0	0	(153,687)	(153,687)
Total Other Financing Sources (Uses)	\$ 165,837	\$ 0	\$ (153,687)	\$ 12,150
Net Change in Fund Balances	\$ 1,880,215	\$ 49,482,848	\$ 1,460,920	\$ 52,823,983
Fund Balance, July 1, 2014	9,252,481	0	2,740,467	11,992,948
Fund Balance, June 30, 2015	\$ 11,132,696	\$ 49,482,848	\$ 4,201,387	\$ 64,816,931

Exhibit J-5

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

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ 52,823,983
(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	\$ 10,657,465	
Less: current-year depreciation expense	<u>(4,777,813)</u>	5,879,652
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized	\$ 565,500	
Less: book value of capital assets disposed	<u>(33,676)</u>	531,824
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2015	\$ 1,632,450	
Less: deferred delinquent property taxes and other deferred June 30, 2014	<u>(1,538,961)</u>	93,489
(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 net pension liability/asset	\$ 17,747,277	
Change in deferred outflows related to pensions	4,883,056	
Change in deferred inflows related to pensions	(18,034,648)	
Change in compensated absences payable	316,198	
Change in other postemployment benefits liability	<u>(1,700,568)</u>	3,211,315
Change in net position of governmental activities (Exhibit B)		<u>\$ 62,540,263</u>

Exhibit J-6

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>School</u> <u>Federal</u> <u>Projects</u>	<u>Central</u> <u>Cafeteria</u>	<u>Total</u>	<u>Projects Fund</u> <u>Other</u> <u>Capital</u> <u>Projects</u>	
<u>ASSETS</u>					
Cash	\$ 0	\$ 3,350	\$ 3,350	\$ 0	\$ 3,350
Equity in Pooled Cash and Investments	409,257	2,336,184	2,745,441	1,674,830	4,420,271
Inventories	0	76,420	76,420	0	76,420
Accounts Receivable	917	1,705	2,622	0	2,622
Due from Other Governments	150,679	58,409	209,088	0	209,088
Total Assets	<u>\$ 560,853</u>	<u>\$ 2,476,068</u>	<u>\$ 3,036,921</u>	<u>\$ 1,674,830</u>	<u>\$ 4,711,751</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 3,840	\$ 0	\$ 3,840	\$ 0	\$ 3,840
Accrued Payroll	0	10,421	10,421	0	10,421
Payroll Deductions Payable	18,694	4,461	23,155	0	23,155
Contracts Payable	0	0	0	318,414	318,414
Retainage Payable	0	0	0	16,824	16,824
Due to Other Funds	131,657	0	131,657	0	131,657
Due to State of Tennessee	6,053	0	6,053	0	6,053
Total Liabilities	<u>\$ 160,244</u>	<u>\$ 14,882</u>	<u>\$ 175,126</u>	<u>\$ 335,238</u>	<u>\$ 510,364</u>
<u>FUND BALANCES</u>					
Nonspendable:					
Inventory	\$ 0	\$ 76,420	\$ 76,420	\$ 0	\$ 76,420
Restricted:					
Restricted for Education	609	2,384,766	2,385,375	1,339,592	3,724,967
Committed:					
Committed for Education	\$ 400,000	\$ 0	\$ 400,000	\$ 0	\$ 400,000
Total Fund Balances	<u>\$ 400,609</u>	<u>\$ 2,461,186</u>	<u>\$ 2,861,795</u>	<u>\$ 1,339,592</u>	<u>\$ 4,201,387</u>
Total Liabilities and Fund Balances	<u>\$ 560,853</u>	<u>\$ 2,476,068</u>	<u>\$ 3,036,921</u>	<u>\$ 1,674,830</u>	<u>\$ 4,711,751</u>

Exhibit J-7

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>School</u>	<u>Central</u>	<u>Total</u>	<u>Projects Fund</u>	
	<u>Federal</u>	<u>Cafeteria</u>		<u>Other</u>	<u>Nonmajor</u>
	<u>Projects</u>			<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
<u>Revenues</u>					
Charges for Current Services	\$ 0	\$ 1,471,002	\$ 1,471,002	\$ 0	\$ 1,471,002
Other Local Revenues	0	39,467	39,467	0	39,467
State of Tennessee	0	59,411	59,411	0	59,411
Federal Government	6,574,296	4,755,823	11,330,119	0	11,330,119
Other Governments and Citizens Groups	0	0	0	4,650,946	4,650,946
Total Revenues	\$ 6,574,296	\$ 6,325,703	\$ 12,899,999	\$ 4,650,946	\$ 17,550,945
<u>Expenditures</u>					
Current:					
Instruction	\$ 3,810,359	\$ 0	\$ 3,810,359	\$ 0	\$ 3,810,359
Support Services	2,709,251	60,969	2,770,220	0	2,770,220
Operation of Non-Instructional Services	0	6,044,405	6,044,405	0	6,044,405
Capital Outlay	0	0	0	3,311,354	3,311,354
Total Expenditures	\$ 6,519,610	\$ 6,105,374	\$ 12,624,984	\$ 3,311,354	\$ 15,936,338
Excess (Deficiency) of Revenues Over Expenditures	\$ 54,686	\$ 220,329	\$ 275,015	\$ 1,339,592	\$ 1,614,607
<u>Other Financing Sources (Uses)</u>					
Transfers Out	\$ (131,126)	\$ (22,561)	\$ (153,687)	\$ 0	\$ (153,687)
Total Other Financing Sources (Uses)	\$ (131,126)	\$ (22,561)	\$ (153,687)	\$ 0	\$ (153,687)
Net Change in Fund Balances	\$ (76,440)	\$ 197,768	\$ 121,328	\$ 1,339,592	\$ 1,460,920
Fund Balance, July 1, 2014	477,049	2,263,418	2,740,467	0	2,740,467
Fund Balance, June 30, 2015	\$ 400,609	\$ 2,461,186	\$ 2,861,795	\$ 1,339,592	\$ 4,201,387

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Add: Encumbrances 6/30/2015	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 35,047,276	\$ 0	\$ 0	\$ 35,047,276	\$ 32,877,595	\$ 32,932,595	\$ 2,114,681
Licenses and Permits	6,232	0	0	6,232	5,400	5,400	832
Charges for Current Services	445,644	0	0	445,644	245,000	352,891	92,753
Other Local Revenues	98,389	0	0	98,389	6,000	27,908	70,481
State of Tennessee	51,959,632	0	0	51,959,632	50,624,563	52,188,303	(228,671)
Federal Government	621,564	0	0	621,564	120,000	670,785	(49,221)
Total Revenues	\$ 88,178,737	\$ 0	\$ 0	\$ 88,178,737	\$ 83,878,558	\$ 86,177,882	\$ 2,000,855
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 41,319,633	\$ (222,721)	\$ 223,066	\$ 41,319,978	\$ 41,818,218	\$ 42,162,792	\$ 842,814
Alternative Instruction Program	568,348	0	0	568,348	573,683	584,603	16,255
Special Education Program	8,059,533	(20,379)	10,488	8,049,642	8,145,800	8,309,310	259,668
Vocational Education Program	2,616,895	(39,255)	62,583	2,640,223	2,666,397	2,690,521	50,298
Other	248,032	0	1,090	249,122	197,706	250,303	1,181
<u>Support Services</u>							
Attendance	567,568	(10,026)	157	557,699	604,053	584,194	26,495
Health Services	611,089	(5,319)	7,075	612,845	622,911	623,351	10,506
Other Student Support	1,918,158	(2,081)	4,366	1,920,443	1,955,961	1,957,389	36,946
Regular Instruction Program	2,733,490	(63,012)	12,137	2,682,615	2,814,127	2,908,581	225,966
Alternative Instruction Program	163,343	(1,220)	0	162,123	168,008	165,907	3,784
Special Education Program	1,006,765	(1,849)	3,138	1,008,054	1,016,477	1,016,478	8,424
Vocational Education Program	157,627	(1,392)	566	156,801	158,867	165,156	8,355
Other Programs	457,347	0	0	457,347	0	457,347	0
Board of Education	2,372,299	(327)	6,142	2,378,114	2,486,616	2,513,361	135,247
Director of Schools	438,834	(2,067)	125	436,892	308,821	455,980	19,088
Office of the Principal	6,370,854	0	39	6,370,893	6,620,850	6,569,003	198,110
Fiscal Services	474,329	(15,794)	2,701	461,236	530,699	490,491	29,255
Human Services/Personnel	268,623	(8,258)	4,471	264,836	292,455	286,910	22,074

(Continued)

Exhibit J-8

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Maury 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>Support Services (Cont.)</u>							
Operation of Plant	\$ 6,174,956	\$ (2,775)	\$ 48,993	\$ 6,221,174	\$ 6,310,077	\$ 6,388,007	\$ 166,833
Maintenance of Plant	1,442,589	(67,223)	115,776	1,491,142	1,390,495	1,542,883	51,741
Transportation	4,064,607	(11,413)	14,300	4,067,494	4,293,399	4,157,405	89,911
Central and Other	988,745	(76,592)	84,461	996,614	1,048,938	1,040,496	43,882
<u>Operation of Non-Instructional Services</u>							
Community Services	104,503	0	19,073	123,576	0	130,000	6,424
Early Childhood Education	1,088,516	(141)	7,850	1,096,225	0	1,089,226	(6,999)
<u>Capital Outlay</u>							
Regular Capital Outlay	1,971,601	(621,816)	1,343,068	2,692,853	0	3,263,280	570,427
<u>Other Debt Service</u>							
Education	276,075	0	0	276,075	0	276,075	0
Total Expenditures	\$ 86,464,359	\$ (1,173,660)	\$ 1,971,665	\$ 87,262,364	\$ 84,024,558	\$ 90,079,049	\$ 2,816,685
Excess (Deficiency) of Revenues Over Expenditures							
	\$ 1,714,378	\$ 1,173,660	\$ (1,971,665)	\$ 916,373	\$ (146,000)	\$ (3,901,167)	\$ 4,817,540
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 12,150	\$ 0	\$ 0	\$ 12,150	\$ 0	\$ 12,741	\$ (591)
Transfers In	153,687	0	0	153,687	150,000	191,700	(38,013)
Transfers Out	0	0	0	0	(4,000)	(4,000)	4,000
Total Other Financing Sources	\$ 165,837	\$ 0	\$ 0	\$ 165,837	\$ 146,000	\$ 200,441	\$ (34,604)
Net Change in Fund Balance							
Fund Balance, July 1, 2014	\$ 1,880,215	\$ 1,173,660	\$ (1,971,665)	\$ 1,082,210	\$ 0	\$ (3,700,726)	\$ 4,782,936
	9,252,481	(1,173,660)	0	8,078,821	3,536,597	3,536,597	4,542,224
Fund Balance, June 30, 2015							
	\$ 11,132,696	\$ 0	\$ (1,971,665)	\$ 9,161,031	\$ 3,536,597	\$ (164,129)	\$ 9,325,160

Exhibit J-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2014	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Federal Government	\$ 6,574,296	\$ 0	\$ 6,574,296	\$ 8,818,311	\$ 8,896,066	\$ (2,321,770)
Total Revenues	\$ 6,574,296	\$ 0	\$ 6,574,296	\$ 8,818,311	\$ 8,896,066	\$ (2,321,770)
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 2,478,068	\$ 0	\$ 2,478,068	\$ 2,388,993	\$ 2,617,121	\$ 139,053
Special Education Program	1,201,838	(52,361)	1,149,477	2,358,688	2,376,600	1,227,123
Vocational Education Program	130,453	0	130,453	150,316	152,816	22,363
<u>Support Services</u>						
Health Services	210,169	0	210,169	265,725	265,725	55,556
Other Student Support	181,772	0	181,772	826,917	487,663	305,891
Regular Instruction Program	1,428,960	(55)	1,428,905	1,668,340	1,776,917	348,012
Special Education Program	448,347	0	448,347	500,348	505,348	57,001
Vocational Education Program	7,722	0	7,722	8,259	8,259	537
Operation of Plant	315	0	315	10,000	10,000	9,685
Transportation	431,966	0	431,966	543,408	548,712	116,746
Total Expenditures	\$ 6,519,610	\$ (52,416)	\$ 6,467,194	\$ 8,720,994	\$ 8,749,161	\$ 2,281,967
Excess (Deficiency) of Revenues Over Expenditures	\$ 54,686	\$ 52,416	\$ 107,102	\$ 97,317	\$ 146,905	\$ (39,803)
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (131,126)	\$ 0	\$ (131,126)	\$ (174,366)	\$ (171,537)	\$ 40,411
Total Other Financing Sources	\$ (131,126)	\$ 0	\$ (131,126)	\$ (174,366)	\$ (171,537)	\$ 40,411
Net Change in Fund Balance	\$ (76,440)	\$ 52,416	\$ (24,024)	\$ (77,049)	\$ (24,632)	\$ 608
Fund Balance, July 1, 2014	477,049	(52,416)	424,633	477,048	477,048	(52,415)
Fund Balance, June 30, 2015	\$ 400,609	\$ 0	\$ 400,609	\$ 399,999	\$ 452,416	\$ (51,807)

Exhibit J-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 1,471,002	\$ 2,000,000	\$ 2,000,000	\$ (528,998)
Other Local Revenues	39,467	13,000	13,000	26,467
State of Tennessee	59,411	57,009	57,009	2,402
Federal Government	4,755,823	4,358,571	4,358,571	397,252
Total Revenues	<u>\$ 6,325,703</u>	<u>\$ 6,428,580</u>	<u>\$ 6,428,580</u>	<u>\$ (102,877)</u>
<u>Expenditures</u>				
<u>Support Services</u>				
Board of Education	\$ 60,969	\$ 61,000	\$ 61,000	\$ 31
<u>Operation of Non-Instructional Services</u>				
Food Service	6,044,405	6,354,490	6,719,248	674,843
Total Expenditures	<u>\$ 6,105,374</u>	<u>\$ 6,415,490</u>	<u>\$ 6,780,248</u>	<u>\$ 674,874</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 220,329</u>	<u>\$ 13,090</u>	<u>\$ (351,668)</u>	<u>\$ 571,997</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (22,561)	\$ 0	\$ (41,700)	\$ 19,139
Total Other Financing Sources	<u>\$ (22,561)</u>	<u>\$ 0</u>	<u>\$ (41,700)</u>	<u>\$ 19,139</u>
Net Change in Fund Balance	\$ 197,768	\$ 13,090	\$ (393,368)	\$ 591,136
Fund Balance, July 1, 2014	2,263,418	1,982,273	1,982,273	281,145
Fund Balance, June 30, 2015	<u>\$ 2,461,186</u>	<u>\$ 1,995,363</u>	<u>\$ 1,588,905</u>	<u>\$ 872,281</u>

MISCELLANEOUS SCHEDULES

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-14	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-15
<u>NOTES PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
General Obligation Refunding	\$ 6,675,000	4 %	5-23-12	4-1-17	\$ 6,675,000	\$ 0	\$ 2,115,000	\$ 4,560,000
Total Notes Payable					\$ 6,675,000	\$ 0	\$ 2,115,000	\$ 4,560,000
<u>OTHER LOANS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
Qualified School Construction Bond (QSCB)	4,408,000	(1)	10-1-10	9-15-27	\$ 3,628,686	\$ 0	\$ 275,052	\$ 3,353,634
Total Other Loans Payable					\$ 3,628,686	\$ 0	\$ 275,052	\$ 3,353,634
<u>BONDS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
Criminal Justice Center and School Construction	29,000,000	3.5 to 5	6-12-08	4-1-28	\$ 27,000,000	\$ 0	\$ 1,000,000	\$ 26,000,000
General Obligation Refunding	18,320,000	1 to 4	5-23-12	4-1-20	16,805,000	0	2,965,000	13,840,000
School and Public Improvement	12,250,000	2 to 5	10-14-14	10-14-30	0	12,250,000	200,000	12,050,000
School Improvement	43,945,000	2 to 5	6-1-15	4-1-36	0	43,965,000	0	43,965,000
Total Bonds Payable					\$ 43,805,000	\$ 56,215,000	\$ 4,165,000	\$ 95,855,000

(1) Interest rate of approximately 4.85 percent is offset by a federal interest subsidy.

Note: this schedule for the primary government excludes Maury Regional Hospital.

Exhibit K-2

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

Year Ending June 30	Notes		Total
	Principal	Interest	
2016	\$ 2,230,000	\$ 182,400	\$ 2,412,400
2017	2,330,000	93,200	2,423,200
Total	\$ 4,560,000	\$ 275,600	\$ 4,835,600

Year Ending June 30	Other Loans			Total
	Principal	Interest	(1) Other Fees	
2016	\$ 275,052	\$ 213,700	\$ 3,526	\$ 492,278
2017	275,052	213,700	3,526	492,278
2018	275,052	213,700	3,526	492,278
2019	275,052	213,700	3,526	492,278
2020	275,052	213,700	3,526	492,278
2021	275,052	213,700	3,526	492,278
2022	275,052	213,700	3,526	492,278
2023	275,052	213,700	3,526	492,278
2024	275,052	213,700	3,526	492,278
2025	275,052	213,700	3,526	492,278
2026	275,052	213,700	3,526	492,278
2027	302,128	213,700	3,526	519,354
2028	25,934	1,617	588	28,139
Total	\$ 3,353,634	\$ 2,566,017	\$ 42,900	\$ 5,962,551

(Continued)

Exhibit K-2

Maury County, Tennessee
Schedule of Long-term Debt Requirements by Year (Cont.)

Year Ending June 30	Bonds		Total
	Principal	Interest	
2016	\$ 4,590,000	\$ 3,488,712	\$ 8,078,712
2017	4,850,000	3,625,432	8,475,432
2018	5,905,000	3,439,532	9,344,532
2019	6,155,000	3,203,932	9,358,932
2020	6,420,000	2,997,957	9,417,957
2021	5,185,000	2,727,607	7,912,607
2022	5,285,000	2,490,357	7,775,357
2023	5,445,000	2,247,607	7,692,607
2024	5,610,000	1,996,857	7,606,857
2025	5,765,000	1,750,107	7,515,107
2026	4,925,000	1,514,006	6,439,006
2027	5,010,000	1,343,619	6,353,619
2028	5,095,000	1,166,444	6,261,444
2029	3,060,000	960,569	4,020,569
2030	3,180,000	841,569	4,021,569
2031	2,940,000	717,869	3,657,869
2032	3,060,000	600,269	3,660,269
2033	3,165,000	493,169	3,658,169
2034	3,275,000	382,394	3,657,394
2035	3,405,000	251,394	3,656,394
2036	3,530,000	127,963	3,657,963
Total	\$ 95,855,000	\$ 36,367,365	\$ 132,222,365

(1) Includes interest requirements on Qualified School Construction Bonds, Series 2010, before federal interest rate subsidy.

Note: this schedule for the primary government excludes Maury Regional Hospital.

Exhibit K-3

Maury County, Tennessee
Schedule of Investments
June 30, 2015

Fund and Type	Date of Purchase	Date of Maturity	Interest Rates	Amount
<u>Constitutional Officers - Agency Fund</u> <u>Clerk and Master</u> Merrill Lynch - NOW Account	Various	None	Varies	<u>\$ 11,547</u>

Exhibit K-4

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

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General Fund	Highway/Public Works Fund	Guardrail	\$ 9,700
"	General Debt Service	Service debt	99,050
General Debt Service	General Capital Projects	Various capital projects	<u>882,808</u>
Total Transfers Primary Government			<u>\$ 991,558</u>
<u>DISCRETELY PRESENTED MAURY COUNTY SCHOOL DEPARTMENT</u>			
Central Cafeteria	General Purpose School	Operations	\$ 22,561
School Federal Projects	"	Indirect Costs	<u>131,126</u>
Total Transfers Discretely Presented Maury County School Department			<u>\$ 153,687</u>

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor				
James Bailey, Jr. (7-1-14 through 8-31-14)	Section 8-24-102, <i>TCA</i>	\$ 20,127	\$ 50,000	Cincinnati Insurance Company
Charlie Norman (9-1-14 through 6-30-15)	Section 8-24-102, <i>TCA</i>	75,020	100,000	RLI Insurance Company
Road Superintendent	Section 8-24-102, <i>TCA</i>	87,295	100,000	"
Director of Schools				
Eddie Hickman (7-1-14 through 3-31-15)	State Board of Education and Local Board of Education	246,493 (1)	(8)	
Cynthia Johnson - Interim (4-1-15 through 6-30-15)	State Board of Education and Local Board of Education	30,000	(8)	
Trustee	Section 8-24-102, <i>TCA</i>	79,352	3,660,000	Cincinnati Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	79,352 (2)	50,000	RLI Insurance Company
County Clerk				
Nancy Thompson (7-1-14 through 8-31-14)	Section 8-24-102, <i>TCA</i>	16,786	50,000	Cincinnati Insurance Company
Joey Allen (9-1-14 through 6-30-15)	Section 8-24-102, <i>TCA</i>	62,566	100,000	RLI Insurance Company
Circuit and General Sessions Courts Clerk: Clerk and Master	Section 8-24-102, <i>TCA</i>	79,352	100,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	79,352 (3)	50,000	RLI Insurance Company
Sheriff	Section 8-24-102, <i>TCA</i>	79,352	100,000	"
Enoch George (7-1-14 through 8-31-14)	Section 8-24-102, <i>TCA</i> , and County Commission	18,466 (4)	25,000	Cincinnati Insurance Company
Bucky Rowland (9-1-14 through 6-30-15)	Section 8-24-102, <i>TCA</i> , and County Commission	68,829 (5)	100,000	RLI Insurance Company
Director of Accounts and Budgets	Chapter 233, Private Acts of 1963, as amended	81,738	100,000	"
Director of Human Resources	Chapter 91, Private Acts of 2004	69,868 (6)	(9)	
Purchasing Agent	County Commission	58,552 (7)	100,000	"
<u>Other Bonds</u>				
Public Employee Dishonesty			150,000	Local Government Insurance Pool
School Employee Blanket Bond			1,000,000	Tennessee Risk Management Trust

(1) Includes \$1,000 for a chief executive officer training supplement, \$112,733 settlement, \$28,767 unused vacation days, and \$10,500 unused sick days.

(2) Does not include \$750 for a state board of equalization salary supplement.

(3) Does not include \$26,695 in special commissioner fees.

(4) Does not include \$641 for serving as workhouse superintendent and \$600 for a law enforcement training supplement.

(5) Does not include \$2,388 for serving as workhouse superintendent.

(6) Includes \$650 longevity pay.

(7) Includes \$1,000 longevity pay.

(8) Covered under the school's blanket bond.

(9) Covered under the county's blanket bond.

Exhibit K-6

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Adequate Facilities/Development Tax	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 11,914,764	\$ 0	\$ 0	\$ 0	\$ 2,632,964	\$ 5,570,458
Trustee's Collections - Prior Year	345,225	0	0	0	76,283	161,381
Trustee's Collections - Bankruptcy	9,472	0	0	0	2,087	4,417
Circuit Clerk/Clerk and Master Collections - Prior Years	242,555	0	0	0	53,600	113,400
Interest and Penalty	65,063	0	0	0	14,368	30,394
Pickup Taxes	23,695	0	0	0	5,236	11,078
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	12,757
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	425,863
Payments in-Lieu-of Taxes - Other	2,362,500	0	0	0	0	114,374
<u>County Local Option Taxes</u>						
Local Option Sales Tax	296,163	0	0	0	0	0
Hotel/Motel Tax	594,531	0	0	0	0	0
Wheel Tax	0	0	0	0	0	1,010,731
Litigation Tax - General	484,789	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	470,221
Business Tax	1,019,269	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	124,845	0
Adequate Facilities/Development Tax	0	0	1,089,701	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	27,632
Wholesale Beer Tax	379,663	0	0	0	0	0
Interstate Telecommunications Tax	1,663	0	0	0	0	0
Total Local Taxes	\$ 17,739,352	\$ 0	\$ 1,089,701	\$ 0	\$ 2,909,383	\$ 7,952,706

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Adequate Facilities/ Development Tax	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 180,988	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Permits</u>						
Beer Permits	2,903	0	0	0	0	0
Building Permits	145,125	0	0	0	0	0
Other Permits	11,071	0	0	0	0	0
Total Licenses and Permits	\$ 340,087	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 24,677	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	22,004	0	0	0	0	0
Drug Control Fines	0	40,042	0	0	0	0
Drug Court Fees	4,523	0	0	0	0	0
Jail Fees	13,604	0	0	0	0	0
DUI Treatment Fines	6,697	0	0	0	0	0
Data Entry Fee - Circuit Court	3,775	0	0	0	0	0
Courtroom Security Fee	150	0	0	0	0	0
Victims Assistance Assessments	20,779	0	0	0	0	0
<u>Criminal Court</u>						
DUI Treatment Fines	2,138	0	0	0	0	0
Victims Assistance Assessments	20,779	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	65,564	0	0	0	0	0
Fines for Littering	48	0	0	0	0	0
Officers Costs	82,024	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Debt Service
	General	Drug Control	Adequate Facilities/ Development Tax	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Game and Fish Fines	\$ 2,718	\$ 0	\$ 0	\$ 0	\$ 0	0
Drug Control Fines	0	6,938	0	0	0	0
Drug Court Fees	14,891	0	0	0	0	0
Jail Fees	44,391	0	0	0	0	0
DUI Treatment Fines	27,900	0	0	0	0	0
Data Entry Fee - General Sessions Court	40,467	0	0	0	0	0
Courtroom Security Fee	230	0	0	0	0	0
Victims Assistance Assessments	20,779	0	0	0	0	0
<u>Juvenile Court</u>						
Data Entry Fee - Juvenile Court	3,343	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	12,131	0	0	0	0	0
Data Entry Fee - Chancery Court	12,066	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	58,414	0	0	0	0
Other Fines, Forfeitures, and Penalties	26,434	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 472,112	\$ 105,394	\$ 0	\$ 0	\$ 0	0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other Employee Benefit Charges/Contributions	\$ 400	\$ 0	\$ 0	\$ 0	\$ 0	0
Work Release Charges for Board	59,005	0	0	0	0	0
Service Charges	450	0	0	0	0	0
<u>Fees</u>						
Subdivision Lot Fees	13,350	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Adequate Facilities/ Development Tax	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Recreation Fees	\$ 32,309	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Copy Fees	3,144	0	0	0	0	0
Library Fees	18,762	0	0	0	0	0
Greenbelt Late Application Fee	300	0	0	0	0	0
Telephone Commissions	134,564	0	0	0	0	0
Vending Machine Collections	116	0	0	0	0	0
Tourism Fees	27,410	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	33,555	0	0
Data Processing Fee - Register	30,951	0	0	0	0	0
Data Processing Fee - Sheriff	10,850	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	8,265	0	0	0	0	0
Data Processing Fee - County Clerk	7,610	0	0	0	0	0
Total Charges for Current Services	\$ 347,486	\$ 0	\$ 0	\$ 33,555	\$ 0	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 382,024
Lease/Rentals	83,242	0	0	0	0	0
Sale of Materials and Supplies	105	0	0	0	4,882	0
Sale of Animals/Livestock	80,504	0	0	0	0	0
Miscellaneous Refunds	23,107	0	0	0	0	0
<u>Nonrecurring Items</u>						
Revenue from Joint Ventures	203,382	0	0	0	0	0
Sale of Equipment	20,103	0	0	0	30,809	0
Sale of Property	1,200	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Adequate Facilities/ Development Tax	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items (Cont.)</u>						
Damages Recovered from Individuals	\$ 0	\$ 0	\$ 0	\$ 0	1,400	\$ 0
Contributions and Gifts	27,442	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	374,662	0	0	0	30,000	0
Total Other Local Revenues	<u>\$ 813,747</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 67,091</u>	<u>\$ 382,024</u>
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
County Clerk	\$ 262,778	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fees In-Lieu-of Salary</u>						
County Clerk	607,339	0	0	0	0	0
Circuit Court Clerk	255,794	0	0	0	0	0
General Sessions Court Clerk	711,647	0	0	0	0	0
Clerk and Master	379,024	0	0	0	0	0
Juvenile Court Clerk	86,120	0	0	0	0	0
Register	430,247	0	0	0	0	0
Sheriff	41,794	0	0	0	0	0
Trustee	1,424,205	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 4,198,948</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 13,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State Reappraisal Grant	1,750	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Adequate Facilities/ Development Tax	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>State of Tennessee (Cont.)</u>						
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	\$ 45,600	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Health and Welfare Grants</u>						
Other Health and Welfare Grants	706,938	0	0	0	0	0
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	260,024	0
State Aid Program	0	0	0	0	189,383	0
<u>Other State Revenues</u>						
Income Tax	132,444	0	0	0	0	0
Beer Tax	18,055	0	0	0	0	0
Vehicle Certificate of Title Fees	16,553	0	0	0	0	0
Alcoholic Beverage Tax	127,060	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	0	0	1,200,307
Contracted Prisoner Boarding	2,165,203	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	2,290,168	0
Petroleum Special Tax	0	0	0	0	58,414	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	149,881	0	0	0	14,065	0
Other State Revenues	46,875	0	0	0	0	0
Total State of Tennessee	\$ 3,439,023	\$ 0	\$ 0	\$ 0	2,812,054	\$ 1,200,307
<u>Federal Government</u>						
<u>Federal Through State</u>						
Disaster Relief	\$ 0	\$ 0	\$ 0	\$ 0	84,391	\$ 0
Homeland Security Grants	936,419	0	0	0	0	0
Law Enforcement Grants	111,902	0	0	0	0	0
Other Federal through State	52,077	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Debt Service Fund
	General	Drug Control	Adequate Facilities/ Development Tax	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Federal Government (Cont.)</u>						
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	\$ 0	\$ 20,440	\$ 0	\$ 0	\$ 0	\$ 0
Tax Credit Bond Rebate	198,313	0	0	0	0	0
Other Direct Federal Revenue	27,688	0	0	0	0	336
Total Federal Government	\$ 1,326,399	\$ 20,440	\$ 0	\$ 0	\$ 84,391	\$ 336
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 276,075
<u>Citizens Groups</u>						
Donations	9,112	0	0	0	0	0
<u>Other</u>	96,754	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 105,866	\$ 0	\$ 0	\$ 0	\$ 0	\$ 276,075
Total	\$ 28,783,020	\$ 125,834	\$ 1,089,701	\$ 33,555	\$ 5,872,919	\$ 9,811,448

(Continued)

Exhibit K-6

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

	Capital Projects Funds		Total
	Highway Capital Projects	Other Capital Projects	
<u>Local Taxes</u>			
<u>County Property Taxes</u>			
Current Property Tax	\$ 0	\$ 917,937	\$ 21,036,123
Trustee's Collections - Prior Year	0	26,732	609,621
Trustee's Collections - Bankruptcy	0	1,278	17,254
Circuit Clerk/Clerk and Master Collections - Prior Years	0	18,770	428,325
Interest and Penalty	0	5,062	114,887
Pickup Taxes	0	2,220	42,229
Payments in-Lieu-of Taxes - T.V.A.	0	0	12,757
Payments in-Lieu-of Taxes - Local Utilities	0	0	425,863
Payments in-Lieu-of Taxes - Other	0	0	2,476,874
<u>County Local Option Taxes</u>			
Local Option Sales Tax	0	0	296,163
Hotel/Motel Tax	0	0	594,531
Wheel Tax	1,010,732	0	2,021,463
Litigation Tax - General	0	0	484,789
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	470,221
Business Tax	0	0	1,019,269
Mineral Severance Tax	0	0	124,845
Adequate Facilities/Development Tax	0	0	1,089,701
<u>Statutory Local Taxes</u>			
Bank Excise Tax	0	0	27,632
Wholesale Beer Tax	0	0	379,663
Interstate Telecommunications Tax	0	0	1,663
Total Local Taxes	\$ 1,010,732	\$ 971,999	\$ 31,673,873

(Continued)

Exhibit K-6

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

	Capital Projects Funds		Total
	Highway Capital Projects	Other Capital Projects	
<u>Licenses and Permits</u>			
<u>Licenses</u>			
Cable TV Franchise	\$ 0	\$ 0	\$ 180,988
<u>Permits</u>			
Beer Permits	0	0	2,903
Building Permits	0	0	145,125
Other Permits	0	0	11,071
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 340,087</u>
<u>Fines, Forfeitures, and Penalties</u>			
<u>Circuit Court</u>			
Fines	\$ 0	\$ 0	\$ 24,677
Officers Costs	0	0	22,004
Drug Control Fines	0	0	40,042
Drug Court Fees	0	0	4,523
Jail Fees	0	0	13,604
DUI Treatment Fines	0	0	6,697
Data Entry Fee - Circuit Court	0	0	3,775
Courtroom Security Fee	0	0	150
Victims Assistance Assessments	0	0	20,779
<u>Criminal Court</u>			
DUI Treatment Fines	0	0	2,138
Victims Assistance Assessments	0	0	20,779
<u>General Sessions Court</u>			
Fines	0	0	65,564
Fines for Littering	0	0	48
Officers Costs	0	0	82,024

(Continued)

Exhibit K-6

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

	Capital Projects Funds		Total
	Highway Capital Projects	Other Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>			
<u>General Sessions Court (Cont.)</u>			
Game and Fish Fines	\$ 0	\$ 0	\$ 2,718
Drug Control Fines	0	0	6,938
Drug Court Fees	0	0	14,891
Jail Fees	0	0	44,391
DUI Treatment Fines	0	0	27,900
Data Entry Fee - General Sessions Court	0	0	40,467
Courtroom Security Fee	0	0	230
Victims Assistance Assessments	0	0	20,779
<u>Juvenile Court</u>			
Data Entry Fee - Juvenile Court	0	0	3,343
<u>Chancery Court</u>			
Officers Costs	0	0	12,131
Data Entry Fee - Chancery Court	0	0	12,066
<u>Other Fines, Forfeitures, and Penalties</u>			
Proceeds from Confiscated Property	0	0	58,414
Other Fines, Forfeitures, and Penalties	0	0	26,434
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 577,506
<u>Charges for Current Services</u>			
<u>General Service Charges</u>			
Other Employee Benefit Charges/Contributions	\$ 0	\$ 0	\$ 400
Work Release Charges for Board	0	0	59,005
Service Charges	0	0	450
<u>Fees</u>			
Subdivision Lot Fees	0	0	13,350

(Continued)

Exhibit K-6

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

	Capital Projects Funds		Total
	Highway Capital Projects	Other Capital Projects	
<u>Charges for Current Services (Cont.)</u>			
<u>Fees (Cont.)</u>			
Recreation Fees	\$ 0	\$ 0	\$ 32,309
Copy Fees	0	0	3,144
Library Fees	0	0	18,762
Greenbelt Late Application Fee	0	0	300
Telephone Commissions	0	0	134,564
Vending Machine Collections	0	0	116
Tourism Fees	0	0	27,410
Constitutional Officers' Fees and Commissions	0	0	33,555
Data Processing Fee - Register	0	0	30,951
Data Processing Fee - Sheriff	0	0	10,850
Sexual Offender Registration Fee - Sheriff	0	0	8,265
Data Processing Fee - County Clerk	0	0	7,610
Total Charges for Current Services	\$ 0	\$ 0	\$ 381,041
<u>Other Local Revenues</u>			
<u>Recurring Items</u>			
Investment Income	\$ 0	\$ 0	\$ 382,024
Lease/Rentals	0	0	83,242
Sale of Materials and Supplies	0	0	4,987
Sale of Animals/Livestock	0	0	80,504
Miscellaneous Refunds	0	0	23,107
<u>Nonrecurring Items</u>			
Revenue from Joint Ventures	0	0	203,382
Sale of Equipment	0	11,370	62,282
Sale of Property	0	0	1,200

(Continued)

Exhibit K-6

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

	<u>Capital Projects Funds</u>		
	Highway Capital Projects	Other Capital Projects	Total
<u>Other Local Revenues (Cont.)</u>			
<u>Nonrecurring Items (Cont.)</u>			
Damages Recovered from Individuals	\$ 0	\$ 0	\$ 1,400
Contributions and Gifts	0	0	27,442
<u>Other Local Revenues</u>			
Other Local Revenues	0	0	404,662
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 11,370</u>	<u>\$ 1,274,232</u>
<u>Fees Received From County Officials</u>			
<u>Excess Fees</u>			
County Clerk	\$ 0	\$ 0	\$ 262,778
<u>Fees In-Lieu-of Salary</u>			
County Clerk	0	0	607,339
Circuit Court Clerk	0	0	255,794
General Sessions Court Clerk	0	0	711,647
Clerk and Master	0	0	379,024
Juvenile Court Clerk	0	0	86,120
Register	0	0	430,247
Sheriff	0	0	41,794
Trustee	0	0	1,424,205
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,198,948</u>
<u>State of Tennessee</u>			
<u>General Government Grants</u>			
Juvenile Services Program	\$ 0	\$ 0	\$ 13,500
State Reappraisal Grant	0	0	1,750

(Continued)

Exhibit K-6

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

	Capital Projects Funds		Total
	Highway Capital Projects	Other Capital Projects	
<u>State of Tennessee (Cont.)</u>			
<u>Public Safety Grants</u>			
Law Enforcement Training Programs	\$ 0	\$ 0	\$ 45,600
<u>Health and Welfare Grants</u>			
Other Health and Welfare Grants	0	0	706,938
<u>Public Works Grants</u>			
Bridge Program	0	0	260,024
State Aid Program	0	0	189,383
<u>Other State Revenues</u>			
Income Tax	0	0	132,444
Beer Tax	0	0	18,055
Vehicle Certificate of Title Fees	0	0	16,553
Alcoholic Beverage Tax	0	0	127,060
State Revenue Sharing - T.V.A.	0	0	1,200,307
Contracted Prisoner Boarding	0	0	2,165,203
Gasoline and Motor Fuel Tax	0	0	2,290,168
Petroleum Special Tax	0	0	58,414
Registrar's Salary Supplement	0	0	15,164
Other State Grants	0	0	163,946
Other State Revenues	0	0	46,875
Total State of Tennessee	\$ 0	\$ 0	\$ 7,451,384
<u>Federal Government</u>			
<u>Federal Through State</u>			
Disaster Relief	\$ 0	\$ 0	\$ 84,391
Homeland Security Grants	0	0	936,419
Law Enforcement Grants	0	0	111,902
Other Federal through State	0	0	52,077

(Continued)

Exhibit K-6

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

	Capital Projects Funds		Total
	Highway Capital Projects	Other Capital Projects	
<u>Federal Government (Cont.)</u>			
<u>Direct Federal Revenue</u>			
Asset Forfeiture Funds	\$ 0	\$ 0	\$ 20,440
Tax Credit Bond Rebate	0	0	198,313
Other Direct Federal Revenue	0	0	28,024
Total Federal Government	\$ 0	\$ 0	\$ 1,431,566
<u>Other Governments and Citizens Groups</u>			
<u>Other Governments</u>			
Contributions	\$ 0	\$ 0	\$ 276,075
<u>Citizens Groups</u>			
Donations	0	0	9,112
<u>Other</u>			
Other	0	0	96,754
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 381,941
Total	\$ 1,010,732	\$ 983,369	\$ 47,710,578

Exhibit K-7

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

	General Purpose School	Special Revenue Funds		Capital Projects Funds		Total
		School Federal Projects	Central Cafeteria	Education Capital Projects	Other Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 20,905,944	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,905,944
Trustee's Collections - Prior Year	560,886	0	0	0	0	560,886
Trustee's Collections - Bankruptcy	16,492	0	0	0	0	16,492
Circuit Clerk/Clerk and Master Collections - Prior Years	519,055	0	0	0	0	519,055
Interest and Penalty	113,612	0	0	0	0	113,612
Pickup Taxes	41,373	0	0	0	0	41,373
<u>County Local Option Taxes</u>						
Local Option Sales Tax	12,586,831	0	0	0	0	12,586,831
Mixed Drink Tax	293,395	0	0	0	0	293,395
<u>Statutory Local Taxes</u>						
Interstate Telecommunications Tax	9,688	0	0	0	0	9,688
Total Local Taxes	\$ 35,047,276	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,047,276
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 6,232	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,232
Total Licenses and Permits	\$ 6,232	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,232
<u>Charges for Current Services</u>						
<u>Fees</u>						
Vending Machine Collections	\$ 322	\$ 0	\$ 0	\$ 0	\$ 0	\$ 322
<u>Education Charges</u>						
Tuition - Regular Day Students	20,501	0	0	0	0	20,501
Lunch Payments - Children	0	0	710,733	0	0	710,733

(Continued)

Exhibit K-7

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

	General Purpose School	Special Revenue Funds		Capital Projects Funds		Total
		School Federal Projects	Central Cafeteria	Education Capital Projects	Other Capital Projects	
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
Lunch Payments - Adults	\$ 0	\$ 0	\$ 158,144	\$ 0	\$ 0	\$ 158,144
Income from Breakfast	0	0	62,304	0	0	62,304
A la Carte Sales	0	0	532,988	0	0	532,988
Contract for Instructional Services with Other LEA's	2,250	0	0	0	0	2,250
Receipts from Individual Schools	247,987	0	0	0	0	247,987
Other Charges for Services	174,584	0	6,833	0	0	181,417
Total Charges for Current Services	\$ 445,644	\$ 0	\$ 1,471,002	\$ 0	\$ 0	\$ 1,916,646
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 9,402	\$ 0	\$ 0	\$ 9,402
Lease/Rentals	136	0	0	0	0	136
Sale of Materials and Supplies	3,485	0	0	0	0	3,485
E-Rate Funding	3,455	0	0	0	0	3,455
Miscellaneous Refunds	38,571	0	30,065	0	0	68,636
<u>Nonrecurring Items</u>						
Sale of Equipment	28,595	0	0	0	0	28,595
Resale of Materials - T&I House	13,875	0	0	0	0	13,875
Damages Recovered from Individuals	4,591	0	0	0	0	4,591
Contributions and Gifts	5,588	0	0	0	0	5,588
<u>Other Local Revenues</u>						
Other Local Revenues	93	0	0	0	0	93
Total Other Local Revenues	\$ 98,389	\$ 0	\$ 39,467	\$ 0	\$ 0	\$ 137,856

(Continued)

Exhibit K-7

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

	General Purpose School	Special Revenue Funds		Capital Projects Funds		Total
		School Federal Projects	Central Cafeteria	Education Capital Projects	Other Capital Projects	
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 457,347	\$ 0	\$ 0	\$ 0	\$ 0	457,347
<u>State Education Funds</u>						
Basic Education Program	49,834,000	0	0	0	0	49,834,000
Early Childhood Education	981,333	0	0	0	0	981,333
School Food Service	0	0	59,411	0	0	59,411
Other State Education Funds	294,688	0	0	0	0	294,688
Career Ladder Program	310,913	0	0	0	0	310,913
Career Ladder - Extended Contract	74,020	0	0	0	0	74,020
Other Vocational	1,980	0	0	0	0	1,980
<u>Other State Revenues</u>						
Other State Grants	5,351	0	0	0	0	5,351
Total State of Tennessee	\$ 51,959,632	\$ 0	\$ 59,411	\$ 0	\$ 0	52,019,043
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 3,324,265	\$ 0	\$ 0	3,324,265
USDA - Commodities	0	0	257,962	0	0	257,962
Breakfast	0	0	1,115,187	0	0	1,115,187
USDA - Other	0	0	58,409	0	0	58,409
Vocational Education - Basic Grants to States	0	202,857	0	0	0	202,857
Other Vocational	0	78,143	0	0	0	78,143
Title I Grants to Local Education Agencies	0	3,155,996	0	0	0	3,155,996
Special Education - Grants to States	43,773	2,195,882	0	0	0	2,239,655
Special Education Preschool Grants	0	88,674	0	0	0	88,674

(Continued)

Exhibit K-7

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

	General Purpose School	Special Revenue Funds		Capital Projects Funds		Total
		School Federal Projects	Central Cafeteria	Education Capital Projects	Other Capital Projects	
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
English Language Acquisition Grants	\$ 0	\$ 34,703	\$ 0	\$ 0	\$ 0	34,703
Safe and Drug-free Schools - State Grants	120,030	0	0	0	0	120,030
Eisenhower Professional Development State Grants	0	455,121	0	0	0	455,121
Race to the Top - ARRA	0	362,920	0	0	0	362,920
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	126,582	0	0	0	0	126,582
Other Direct Federal Revenue	331,179	0	0	0	0	331,179
Total Federal Government	<u>\$ 621,564</u>	<u>\$ 6,574,296</u>	<u>\$ 4,755,823</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,951,683</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 54,470,894	\$ 4,650,946	\$ 59,121,840
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 54,470,894</u>	<u>\$ 4,650,946</u>	<u>\$ 59,121,840</u>
Total	<u>\$ 88,178,737</u>	<u>\$ 6,574,296</u>	<u>\$ 6,325,703</u>	<u>\$ 54,470,894</u>	<u>\$ 4,650,946</u>	<u>\$ 160,200,576</u>

Exhibit K-8

Maury 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	\$	68,415	
Social Security		4,242	
Employer Medicare		992	
Legal Notices, Recording, and Court Costs		1,756	
Office Supplies		581	
Total County Commission			\$ 75,986

Board of Equalization

Board and Committee Members Fees	\$	470	
Social Security		29	
Employer Medicare		7	
Legal Notices, Recording, and Court Costs		52	
Total Board of Equalization			558

Other Boards and Committees

Legal Notices, Recording, and Court Costs	\$	659	
Postal Charges		248	
Office Supplies		743	
Other Supplies and Materials		3,357	
Total Other Boards and Committees			5,007

County Mayor/Executive

County Official/Administrative Officer	\$	95,147	
Assistant(s)		40,671	
Clerical Personnel		27,707	
Longevity Pay		650	
Overtime Pay		9,722	
Other Salaries and Wages		5,150	
Social Security		11,149	
State Retirement		7,924	
Life Insurance		153	
Medical Insurance		17,172	
Dental Insurance		559	
Disability Insurance		390	
Unemployment Compensation		291	
Employer Medicare		2,607	
Communication		491	
Dues and Memberships		2,192	
Maintenance Agreements		347	
Postal Charges		165	
Printing, Stationery, and Forms		863	
Travel		1,408	
Office Supplies		1,656	
Periodicals		323	
Total County Mayor/Executive			226,737

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Personnel Office

County Official/Administrative Officer	\$	69,868	
Clerical Personnel		100,922	
Longevity Pay		2,150	
Overtime Pay		569	
Social Security		10,516	
State Retirement		8,004	
Life Insurance		253	
Medical Insurance		25,772	
Dental Insurance		852	
Disability Insurance		526	
Unemployment Compensation		360	
Employer Medicare		2,459	
Communication		161	
Dues and Memberships		680	
Legal Notices, Recording, and Court Costs		862	
Maintenance Agreements		3,213	
Postal Charges		465	
Printing, Stationery, and Forms		103	
Travel		1,372	
Other Contracted Services		392	
Office Supplies		1,487	
Furniture and Fixtures		220	
Office Equipment		6,935	
Total Personnel Office	\$		238,141

County Attorney

County Official/Administrative Officer	\$	77,402	
Longevity Pay		300	
Social Security		4,418	
State Retirement		3,590	
Life Insurance		63	
Medical Insurance		5,807	
Dental Insurance		213	
Disability Insurance		230	
Unemployment Compensation		90	
Employer Medicare		1,033	
Consultants		7,643	
Dues and Memberships		250	
Electricity		750	
Office Supplies		3,000	
Other Supplies and Materials		1,251	
Indirect Cost		4,119	
Total County Attorney			110,159

Election Commission

County Official/Administrative Officer	\$	71,409	
Clerical Personnel		58,862	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Part-time Personnel	\$	13,246	
Longevity Pay		1,800	
Overtime Pay		2,528	
Other Salaries and Wages		1,369	
Election Commission		5,340	
Election Workers		82,029	
Social Security		11,704	
State Retirement		6,254	
Life Insurance		168	
Medical Insurance		19,329	
Dental Insurance		639	
Disability Insurance		403	
Unemployment Compensation		652	
Employer Medicare		2,737	
Communication		475	
Contracts with Public Carriers		4,000	
Data Processing Services		3,600	
Dues and Memberships		250	
Legal Notices, Recording, and Court Costs		14,382	
Maintenance Agreements		11,772	
Maintenance and Repair Services - Buildings		214	
Maintenance and Repair Services - Equipment		25,355	
Pest Control		230	
Postal Charges		10,946	
Printing, Stationery, and Forms		15,843	
Rentals		1,960	
Travel		1,910	
Data Processing Supplies		1,393	
Electricity		5,258	
Natural Gas		2,639	
Office Supplies		1,263	
Furniture and Fixtures		447	
Other Capital Outlay		7,800	
Total Election Commission			\$ 388,206

Register of Deeds

County Official/Administrative Officer	\$	79,352
Clerical Personnel		129,987
Longevity Pay		1,950
Overtime Pay		790
Social Security		13,063
State Retirement		9,798
Life Insurance		316
Medical Insurance		32,216
Dental Insurance		1,064
Disability Insurance		638
Unemployment Compensation		360

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Employer Medicare	\$	3,055	
Data Processing Services		12,737	
Dues and Memberships		561	
Maintenance Agreements		4,741	
Postal Charges		606	
Data Processing Supplies		896	
Office Supplies		1,896	
Data Processing Equipment		3,924	
Furniture and Fixtures		152	
Office Equipment		33	
Total Register of Deeds			\$ 298,135

Development

County Official/Administrative Officer	\$	52,728	
Assistant(s)		45,032	
Secretary(ies)		40,830	
Clerical Personnel		33,654	
Longevity Pay		2,200	
Overtime Pay		50	
Other Salaries and Wages		86,572	
Social Security		16,056	
State Retirement		11,882	
Life Insurance		395	
Medical Insurance		40,850	
Dental Insurance		1,210	
Disability Insurance		748	
Unemployment Compensation		725	
Employer Medicare		3,755	
Communication		1,576	
Consultants		55,800	
Data Processing Services		8,710	
Dues and Memberships		643	
Legal Notices, Recording, and Court Costs		4,552	
Maintenance Agreements		6,932	
Maintenance and Repair Services - Vehicles		1,837	
Postal Charges		765	
Printing, Stationery, and Forms		540	
Travel		3,069	
Gasoline		4,968	
Office Supplies		933	
Periodicals		312	
In Service/Staff Development		357	
Other Charges		29	
Other Equipment		132	
Total Development			427,842

(Continued)

Exhibit K-8

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

General Fund (Cont.)General Government (Cont.)County Buildings

Supervisor/Director	\$	49,712	
Custodial Personnel		80,102	
Longevity Pay		4,950	
Overtime Pay		4,792	
Other Salaries and Wages		157,830	
Social Security		18,285	
State Retirement		13,079	
Life Insurance		501	
Medical Insurance		51,545	
Dental Insurance		1,703	
Disability Insurance		831	
Unemployment Compensation		893	
Employer Medicare		4,276	
Communication		8,758	
Janitorial Services		4,650	
Laundry Service		4,551	
Licenses		1,375	
Maintenance Agreements		28,797	
Maintenance and Repair Services - Buildings		89,695	
Maintenance and Repair Services - Equipment		583	
Maintenance and Repair Services - Vehicles		3,344	
Pest Control		2,193	
Rentals		54	
Travel		9	
Disposal Fees		9,356	
Other Contracted Services		1,347	
Custodial Supplies		10,696	
Electricity		148,115	
Gasoline		8,724	
Natural Gas		21,468	
Office Supplies		48	
Small Tools		240	
Other Supplies and Materials		216	
Boiler Insurance		8,581	
Building and Contents Insurance		69,485	
Motor Vehicles		25,167	
Total County Buildings			\$ 835,951

Other General Administration

Audit Services	\$	24,287
Consultants		825
Data Processing Services		38,849
Dues and Memberships		12,170
Legal Services		8,838
Maintenance and Repair Services - Vehicles		1,823
Travel		182
Other Contracted Services		56,593

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration (Cont.)

Gasoline	\$	1,513	
Natural Gas		139	
Indirect Cost		5,000	
Judgments		14,553	
Liability Insurance		173,729	
Premiums on Corporate Surety Bonds		15,156	
Vehicle and Equipment Insurance		78,216	
Workers' Compensation Insurance		453,641	
Other Charges		6,158	
Total Other General Administration			\$ 891,672

Preservation of Records

County Official/Administrative Officer	\$	54,730	
Assistant(s)		33,654	
Part-time Personnel		13,546	
Longevity Pay		1,050	
Social Security		6,294	
State Retirement		4,132	
Life Insurance		127	
Medical Insurance		12,886	
Dental Insurance		426	
Disability Insurance		272	
Unemployment Compensation		294	
Employer Medicare		1,472	
Communication		475	
Janitorial Services		1,500	
Maintenance Agreements		2,598	
Postal Charges		175	
Travel		154	
Custodial Supplies		268	
Library Books/Media		1,941	
Office Supplies		3,373	
Periodicals		141	
Furniture and Fixtures		3,697	
Total Preservation of Records			143,205

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	81,738
Assistant(s)		50,921
Accountants/Bookkeepers		91,761
Clerical Personnel		105,939
Longevity Pay		3,100
Overtime Pay		455
Social Security		20,205
State Retirement		15,427
Life Insurance		416

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Medical Insurance	\$	43,517	
Dental Insurance		1,438	
Disability Insurance		976	
Unemployment Compensation		702	
Employer Medicare		4,725	
Communication		808	
Dues and Memberships		942	
Maintenance Agreements		542	
Postal Charges		2,988	
Printing, Stationery, and Forms		47	
Travel		1,482	
Other Contracted Services		392	
Office Supplies		3,573	
Other Charges		116	
Furniture and Fixtures		2,200	
Office Equipment		2,243	
Total Accounting and Budgeting			\$ 436,653

Purchasing

County Official/Administrative Officer	\$	58,552	
Accountants/Bookkeepers		104,208	
Longevity Pay		2,700	
Social Security		10,137	
State Retirement		7,644	
Life Insurance		190	
Medical Insurance		19,329	
Dental Insurance		639	
Disability Insurance		501	
Unemployment Compensation		270	
Employer Medicare		2,371	
Communication		481	
Data Processing Services		2,507	
Dues and Memberships		345	
Maintenance Agreements		1,995	
Postal Charges		244	
Travel		1,310	
Office Supplies		1,086	
Premiums on Corporate Surety Bonds		248	
Other Charges		110	
Furniture and Fixtures		1,669	
Office Equipment		168	
Total Purchasing			216,704

Property Assessor's Office

County Official/Administrative Officer	\$	79,352	
Clerical Personnel		132,006	
Longevity Pay		4,700	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Overtime Pay	\$	1,594	
Other Salaries and Wages		175,054	
In-service Training		1,750	
Social Security		23,899	
State Retirement		12,988	
Life Insurance		624	
Medical Insurance		68,948	
Dental Insurance		2,278	
Disability Insurance		1,183	
Unemployment Compensation		890	
Employer Medicare		5,589	
Audit Services		14,179	
Communication		403	
Data Processing Services		20,924	
Dues and Memberships		2,610	
Maintenance Agreements		1,176	
Maintenance and Repair Services - Vehicles		2,121	
Postal Charges		3,761	
Printing, Stationery, and Forms		490	
Travel		2,456	
Data Processing Supplies		3,449	
Gasoline		2,671	
Office Supplies		1,927	
In Service/Staff Development		250	
Other Charges		293	
Data Processing Equipment		999	
Motor Vehicles		26,927	
Other Equipment		163	
Total Property Assessor's Office			\$ 595,654

Reappraisal Program

Clerical Personnel	\$	30,885
Temporary Personnel		5,364
Longevity Pay		1,500
Overtime Pay		373
Other Salaries and Wages		66,250
Social Security		6,459
State Retirement		4,574
Life Insurance		190
Medical Insurance		18,801
Dental Insurance		621
Disability Insurance		298
Unemployment Compensation		324
Employer Medicare		1,511
Communication		46
Data Processing Services		9,966
Maintenance Agreements		529

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

Reappraisal Program (Cont.)

Maintenance and Repair Services - Vehicles	\$	375	
Postal Charges		980	
Printing, Stationery, and Forms		15	
Travel		15	
Gasoline		1,169	
Total Reappraisal Program			\$ 150,245

County Trustee's Office

County Official/Administrative Officer	\$	79,352	
Clerical Personnel		138,291	
Temporary Personnel		12,987	
Longevity Pay		2,300	
Overtime Pay		265	
Social Security		14,245	
State Retirement		10,092	
Life Insurance		316	
Medical Insurance		32,216	
Dental Insurance		1,064	
Disability Insurance		667	
Unemployment Compensation		493	
Employer Medicare		3,332	
Data Processing Services		4,039	
Dues and Memberships		696	
Legal Notices, Recording, and Court Costs		46	
Maintenance Agreements		529	
Postal Charges		2,438	
Travel		1,091	
Other Contracted Services		15,236	
Office Supplies		1,587	
Office Equipment		499	
Total County Trustee's Office			321,781

County Clerk's Office

County Official/Administrative Officer	\$	57,988	
Longevity Pay		8,150	
Other Salaries and Wages		317,813	
Social Security		22,925	
State Retirement		22,791	
Life Insurance		847	
Medical Insurance		89,147	
Dental Insurance		2,945	
Disability Insurance		1,439	
Unemployment Compensation		1,170	
Employer Medicare		5,361	
Data Processing Services		16,195	
Dues and Memberships		746	
Legal Notices, Recording, and Court Costs		587	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Maintenance Agreements	\$	2,074	
Maintenance and Repair Services - Equipment		74	
Postal Charges		19,811	
Printing, Stationery, and Forms		1,314	
Travel		1,267	
Data Processing Supplies		6,984	
Office Supplies		9,200	
Data Processing Equipment		8,320	
Furniture and Fixtures		1,352	
Office Equipment		1,589	
Total County Clerk's Office			\$ 600,089

Data Processing

County Official/Administrative Officer	\$	80,912	
Data Processing Personnel		117,819	
Longevity Pay		2,050	
Social Security		12,337	
State Retirement		9,276	
Life Insurance		190	
Medical Insurance		19,329	
Dental Insurance		639	
Disability Insurance		612	
Unemployment Compensation		270	
Employer Medicare		2,885	
Communication		70,501	
Data Processing Services		10,567	
Maintenance Agreements		10,576	
Postal Charges		86	
Data Processing Supplies		6,897	
Office Supplies		437	
Small Tools		106	
Data Processing Equipment		170,265	
Furniture and Fixtures		194	
Total Data Processing			515,948

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	79,352	
Clerical Personnel		514,103	
Part-time Personnel		42,585	
Longevity Pay		8,000	
Overtime Pay		3,097	
Jury and Witness Expense		37,717	
Other Per Diem and Fees		12,175	
Social Security		40,724	
State Retirement		24,414	
Life Insurance		1,038	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Medical Insurance	\$	107,110	
Dental Insurance		3,358	
Disability Insurance		1,824	
Unemployment Compensation		2,045	
Employer Medicare		9,524	
Data Processing Services		69,736	
Dues and Memberships		666	
Legal Notices, Recording, and Court Costs		383	
Postal Charges		14,333	
Printing, Stationery, and Forms		11,083	
Remittance of Revenue Collected		4,523	
Office Supplies		7,189	
Periodicals		468	
Other Charges		6,658	
Office Equipment		565	
Total Circuit Court			\$ 1,002,670

General Sessions Court

Judge(s)	\$	476,463
Clerical Personnel		135,040
Temporary Personnel		49,083
Part-time Personnel		4,981
Longevity Pay		2,300
Overtime Pay		1,868
Other Salaries and Wages		113,821
Social Security		40,877
State Retirement		32,820
Life Insurance		570
Medical Insurance		57,534
Dental Insurance		1,879
Disability Insurance		2,111
Unemployment Compensation		892
Employer Medicare		11,210
Communication		6,087
Data Processing Services		32,607
Dues and Memberships		1,315
Licenses		1,200
Maintenance Agreements		1,799
Pest Control		391
Printing, Stationery, and Forms		737
Travel		2,333
Remittance of Revenue Collected		14,891
Electricity		8,529
Office Supplies		2,460
Periodicals		922
Surcharge		438
In Service/Staff Development		165

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Other Charges	\$	500	
Office Equipment		516	
Total General Sessions Court			\$ 1,006,339

Chancery Court

County Official/Administrative Officer	\$	79,352	
Longevity Pay		2,600	
Overtime Pay		3,330	
Other Salaries and Wages		197,142	
Social Security		17,091	
State Retirement		13,048	
Life Insurance		443	
Medical Insurance		45,102	
Dental Insurance		1,490	
Disability Insurance		851	
Unemployment Compensation		630	
Employer Medicare		3,997	
Accounting Services		225	
Data Processing Services		12,052	
Dues and Memberships		1,342	
Maintenance Agreements		1,590	
Postal Charges		5,184	
Printing, Stationery, and Forms		680	
Travel		1,216	
Office Supplies		2,193	
Periodicals		547	
Premiums on Corporate Surety Bonds		171	
Other Charges		25	
Office Equipment		914	
Total Chancery Court			391,215

Victim Assistance Programs

Contributions	\$	58,328	
Total Victim Assistance Programs			58,328

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	87,295	
Deputy(ies)		2,078,392	
Investigator(s)		527,767	
Captain(s)		146,518	
Lieutenant(s)		244,901	
Sergeant(s)		495,244	
Dispatchers/Radio Operators		223,501	
Clerical Personnel		184,222	
Part-time Personnel		8,045	
Longevity Pay		47,650	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Overtime Pay	\$	152,534	
In-service Training		48,800	
Social Security		258,528	
State Retirement		187,756	
Life Insurance		5,571	
Medical Insurance		559,308	
Dental Insurance		18,481	
Disability Insurance		11,844	
Unemployment Compensation		8,531	
Employer Medicare		60,462	
Communication		27,047	
Data Processing Services		56,263	
Dues and Memberships		2,500	
Evaluation and Testing		14,350	
Legal Notices, Recording, and Court Costs		521	
Maintenance Agreements		16,472	
Maintenance and Repair Services - Equipment		1,240	
Maintenance and Repair Services - Vehicles		32,778	
Postal Charges		2,574	
Printing, Stationery, and Forms		2,218	
Travel		25,425	
Veterinary Services		1,027	
Other Contracted Services		2,598	
Animal Food and Supplies		276	
Data Processing Supplies		5,802	
Diesel Fuel		780	
Food Supplies		54	
Gasoline		213,606	
Law Enforcement Supplies		23,962	
Lubricants		6,246	
Office Supplies		8,036	
Periodicals		2,063	
Tires and Tubes		16,753	
Uniforms		31,408	
Vehicle Parts		53,580	
Workers' Compensation Insurance		9,590	
In Service/Staff Development		3,138	
Other Charges		1,619	
Communication Equipment		13,356	
Data Processing Equipment		1,676	
Furniture and Fixtures		673	
Heating and Air Conditioning Equipment		14,575	
Law Enforcement Equipment		33,236	
Motor Vehicles		3,105	
Office Equipment		286	
Total Sheriff's Department			\$ 5,984,183

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Administration of the Sexual Offender Registry

Contracts with Government Agencies	\$ 1,800	
Total Administration of the Sexual Offender Registry		\$ 1,800

Jail

County Official/Administrative Officer	\$ 3,029
Sergeant(s)	196,757
Maintenance Personnel	40,259
Longevity Pay	17,400
Overtime Pay	188,858
Other Salaries and Wages	1,743,938
In-service Training	2,400
Social Security	134,156
State Retirement	98,202
Life Insurance	3,544
Medical Insurance	362,548
Dental Insurance	11,971
Disability Insurance	6,006
Unemployment Compensation	6,064
Employer Medicare	31,375
Communication	3,500
Contracts with Government Agencies	351,224
Maintenance Agreements	19,437
Maintenance and Repair Services - Buildings	86,759
Maintenance and Repair Services - Equipment	1,224
Maintenance and Repair Services - Vehicles	3,919
Medical and Dental Services	578,927
Pest Control	2,397
Postal Charges	2,750
Printing, Stationery, and Forms	5,523
Travel	8,038
Disposal Fees	5,675
Other Contracted Services	835
Custodial Supplies	43,366
Diesel Fuel	1,072
Drugs and Medical Supplies	394,786
Electricity	219,852
Food Supplies	330,788
Gasoline	27,119
Law Enforcement Supplies	5,938
Lubricants	788
Natural Gas	52,875
Periodicals	738
Prisoners Clothing	15,094
Tires and Tubes	1,775
Uniforms	11,276
Vehicle Parts	6,326
Other Supplies and Materials	393

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Other Charges	\$	2,855	
Communication Equipment		1,854	
Data Processing Equipment		844	
Food Service Equipment		3,442	
Law Enforcement Equipment		105	
Office Equipment		120	
Total Jail			\$ 5,038,121

Juvenile Services

Assistant(s)	\$	29,448	
Probation Officer(s)		32,906	
Youth Service Officer(s)		45,011	
Longevity Pay		1,150	
Overtime Pay		2,816	
Social Security		6,836	
State Retirement		5,144	
Life Insurance		190	
Medical Insurance		19,329	
Dental Insurance		639	
Disability Insurance		330	
Unemployment Compensation		270	
Employer Medicare		1,599	
Communication		1,274	
Consultants		5,750	
Dues and Memberships		210	
Travel		7,026	
Other Contracted Services		105,567	
Instructional Supplies and Materials		7,114	
Office Supplies		605	
In Service/Staff Development		420	
Furniture and Fixtures		391	
Office Equipment		669	
Total Juvenile Services			274,694

Civil Defense

Contributions	\$	194,200	
Building and Contents Insurance		768	
Vehicle and Equipment Insurance		28,243	
Total Civil Defense			223,211

Other Emergency Management

Clerical Personnel	\$	59,083	
Part-time Personnel		6,777	
Longevity Pay		300	
Overtime Pay		1,703	
Social Security		4,160	
State Retirement		2,938	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

Life Insurance	\$	105	
Medical Insurance		6,443	
Dental Insurance		213	
Disability Insurance		165	
Unemployment Compensation		180	
Employer Medicare		973	
Communication		6,900	
Consultants		1,500	
Dues and Memberships		330	
Maintenance Agreements		2,557	
Maintenance and Repair Services - Equipment		945	
Maintenance and Repair Services - Vehicles		2,997	
Postal Charges		1	
Printing, Stationery, and Forms		363	
Travel		1,454	
Other Contracted Services		38,262	
Diesel Fuel		1,283	
Electricity		5,737	
Gasoline		6,191	
Natural Gas		2,474	
Office Supplies		1,026	
Small Tools		1,346	
Tires and Tubes		800	
Uniforms		2,209	
Vehicle Parts		314	
Other Supplies and Materials		9,113	
Vehicle and Equipment Insurance		11,086	
Other Charges		118,374	
Other Equipment		<u>1,174,584</u>	
Total Other Emergency Management			\$ 1,472,886

Public Safety Grants Program

Law Enforcement Supplies	\$	2,603	
Uniforms		2,036	
Law Enforcement Equipment		<u>41,184</u>	
Total Public Safety Grants Program			45,823

Public Health and Welfare

Local Health Center

Medical Personnel	\$	342,324	
Clerical Personnel		126,072	
Part-time Personnel		53,569	
Longevity Pay		3,900	
Overtime Pay		2	
Social Security		31,801	
State Retirement		21,383	
Life Insurance		962	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Medical Insurance	\$	96,577	
Dental Insurance		3,081	
Disability Insurance		1,358	
Unemployment Compensation		2,157	
Employer Medicare		7,437	
Communication		9,941	
Dues and Memberships		580	
Janitorial Services		31,637	
Maintenance Agreements		7,531	
Maintenance and Repair Services - Buildings		9,117	
Maintenance and Repair Services - Equipment		679	
Pest Control		561	
Printing, Stationery, and Forms		100	
Travel		10,215	
Electricity		41,936	
Instructional Supplies and Materials		49,202	
Natural Gas		17,735	
Office Supplies		2,905	
Periodicals		141	
Other Supplies and Materials		7,206	
Liability Insurance		164	
Workers' Compensation Insurance		3,668	
Building Improvements		7,815	
Furniture and Fixtures		3,591	
Total Local Health Center			\$ 895,347

Rabies and Animal Control

County Official/Administrative Officer	\$	46,280
Part-time Personnel		63,960
Longevity Pay		2,000
Other Salaries and Wages		228,677
Social Security		20,684
State Retirement		10,663
Life Insurance		517
Medical Insurance		54,818
Dental Insurance		1,811
Disability Insurance		756
Unemployment Compensation		1,572
Employer Medicare		4,837
Advertising		335
Data Processing Services		2,017
Licenses		200
Maintenance Agreements		3,127
Maintenance and Repair Services - Buildings		9,845
Maintenance and Repair Services - Equipment		2,720
Maintenance and Repair Services - Vehicles		1,475
Medical and Dental Services		423

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Postal Charges	\$	147	
Printing, Stationery, and Forms		235	
Travel		650	
Veterinary Services		29,428	
Disposal Fees		3,158	
Custodial Supplies		3,931	
Drugs and Medical Supplies		26,529	
Electricity		26,943	
Gasoline		6,924	
Natural Gas		12,737	
Office Supplies		1,833	
Uniforms		268	
Other Supplies and Materials		16,374	
Building and Contents Insurance		384	
Refunds		1,625	
Other Charges		101	
Office Equipment		5,961	
Other Equipment		734	
Total Rabies and Animal Control			\$ 594,679

Appropriation to State

Contracts with Government Agencies	\$	69,900	
Total Appropriation to State			69,900

Other Public Health and Welfare

Other Contracted Services	\$	32,782	
Total Other Public Health and Welfare			32,782

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	34,500	
Total Senior Citizens Assistance			34,500

Libraries

County Official/Administrative Officer	\$	54,428	
Librarians		227,179	
Part-time Personnel		70,965	
Longevity Pay		4,250	
Overtime Pay		137	
Social Security		22,017	
State Retirement		13,001	
Life Insurance		507	
Medical Insurance		50,462	
Dental Insurance		1,667	
Disability Insurance		814	
Unemployment Compensation		1,384	
Employer Medicare		5,149	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Communication	\$	2,900	
Dues and Memberships		606	
Janitorial Services		6,600	
Licenses		588	
Maintenance Agreements		14,322	
Maintenance and Repair Services - Buildings		12,426	
Pest Control		646	
Postal Charges		480	
Other Contracted Services		1,930	
Custodial Supplies		1,273	
Electricity		26,051	
Library Books/Media		64,018	
Natural Gas		4,920	
Office Supplies		7,071	
Periodicals		5,943	
Office Equipment		679	
Total Libraries			\$ 602,413

Parks and Fair Boards

County Official/Administrative Officer	\$	68,776
Assistant(s)		82,095
Laborers		161,035
Clerical Personnel		24,017
Temporary Personnel		19,154
Longevity Pay		4,700
Overtime Pay		1,700
Social Security		22,209
State Retirement		15,314
Life Insurance		570
Medical Insurance		57,988
Dental Insurance		1,916
Disability Insurance		1,005
Unemployment Compensation		1,097
Employer Medicare		5,194
Communication		1,221
Dues and Memberships		70
Laundry Service		3,224
Maintenance Agreements		576
Maintenance and Repair Services - Buildings		6,000
Maintenance and Repair Services - Equipment		1,772
Maintenance and Repair Services - Vehicles		609
Pest Control		646
Postal Charges		69
Printing, Stationery, and Forms		145
Rentals		1,089
Travel		274
Other Contracted Services		50,546

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

Custodial Supplies	\$	8,207	
Diesel Fuel		4,072	
Electricity		57,444	
Equipment Parts - Light		1,646	
Fertilizer, Lime, and Seed		4,107	
Gasoline		13,357	
Lubricants		750	
Natural Gas		7,051	
Office Supplies		839	
Uniforms		786	
Other Supplies and Materials		60,686	
Building Improvements		1,341	
Furniture and Fixtures		1,716	
Maintenance Equipment		65,000	
Site Development		1,062	
Other Capital Outlay		264,365	
Total Parks and Fair Boards			\$ 1,025,440

Agriculture and Natural Resources

Agricultural Extension Service

Board and Committee Members Fees	\$	450	
Social Security		28	
Employer Medicare		7	
Contracts with Government Agencies		122,407	
Dues and Memberships		330	
Maintenance Agreements		2,728	
Postal Charges		220	
Office Supplies		2,664	
Total Agricultural Extension Service			128,834

Forest Service

Contributions	\$	2,000	
Total Forest Service			2,000

Soil Conservation

Other Salaries and Wages	\$	32,032	
Social Security		1,980	
State Retirement		1,480	
Life Insurance		63	
Medical Insurance		6,443	
Dental Insurance		213	
Disability Insurance		99	
Unemployment Compensation		90	
Employer Medicare		463	
Total Soil Conservation			42,863

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations

Tourism

County Official/Administrative Officer	\$	47,176	
Part-time Personnel		18,342	
Longevity Pay		700	
Overtime Pay		100	
Other Salaries and Wages		58,956	
Social Security		7,764	
State Retirement		4,855	
Life Insurance		156	
Medical Insurance		7,383	
Dental Insurance		314	
Disability Insurance		305	
Unemployment Compensation		434	
Employer Medicare		1,816	
Advertising		129,696	
Communication		505	
Dues and Memberships		4,824	
Maintenance Agreements		513	
Postal Charges		909	
Printing, Stationery, and Forms		3,064	
Rentals		300	
Travel		3,802	
Other Contracted Services		70,765	
Electricity		1,936	
Gasoline		234	
Office Supplies		1,241	
Periodicals		144	
Other Supplies and Materials		9,499	
Other Charges		6,352	
Furniture and Fixtures		280	
Total Tourism			\$ 382,365

Industrial Development

Contributions	\$	600,000	
Other Contracted Services		500	
Electricity		1,228	
Total Industrial Development			601,728

Other Economic and Community Development

Other Contracted Services	\$	195	
Other Charges		18	
Total Other Economic and Community Development			213

Airport

Contributions	\$	40,000	
Total Airport			40,000

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services

County Official/Administrative Officer	\$	24,738	
Clerical Personnel		32,414	
Part-time Personnel		4,879	
Longevity Pay		1,000	
Social Security		3,876	
State Retirement		2,682	
Life Insurance		83	
Medical Insurance		11,301	
Dental Insurance		373	
Disability Insurance		153	
Unemployment Compensation		180	
Employer Medicare		906	
Dues and Memberships		25	
Maintenance Agreements		764	
Postal Charges		677	
Printing, Stationery, and Forms		102	
Travel		378	
Office Supplies		688	
Periodicals		399	
		<u>399</u>	

Total Veterans' Services \$ 85,618

Contributions to Other Agencies

Contributions	\$	85,500	
		<u>85,500</u>	

Total Contributions to Other Agencies 85,500

Employee Benefits

Medical and Dental Services	\$	19,420	
Other Supplies and Materials		9,267	
		<u>9,267</u>	

Total Employee Benefits 28,687

Payments to Cities

Contracts with Government Agencies	\$	250,000	
		<u>250,000</u>	

Total Payments to Cities 250,000

Miscellaneous

Medical and Dental Services	\$	95,340	
Other Contracted Services		50,026	
Trustee's Commission		322,437	
Tax Relief Program		154,071	
		<u>154,071</u>	

Total Miscellaneous 621,874

Capital Projects

Public Safety Projects

Other Contracted Services	\$	4,625	
		<u>4,625</u>	

Total Public Safety Projects 4,625

Total General Fund \$ 27,507,311

(Continued)

Exhibit K-8

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

Drug Control Fund

Public Safety

Drug Enforcement

Social Security	\$	85	
Employer Medicare		20	
Communication		4,708	
Contributions		21,953	
Data Processing Services		750	
Confidential Drug Enforcement Payments		6,000	
Maintenance Agreements		7,033	
Maintenance and Repair Services - Vehicles		1,307	
Pest Control		357	
Printing, Stationery, and Forms		424	
Travel		3,604	
Electricity		3,308	
Gasoline		16,339	
Instructional Supplies and Materials		8,493	
Lubricants		409	
Tires and Tubes		1,770	
Uniforms		1,375	
Vehicle Parts		1,936	
Trustee's Commission		1,031	
Other Charges		6,976	
Law Enforcement Equipment		5,017	
Total Drug Enforcement			\$ 92,895

Total Drug Control Fund \$ 92,895

Adequate Facilities/ Development Tax Fund

Capital Projects

General Administration Projects

Refunds	\$	353	
Building Construction		33,685	
Total General Administration Projects			\$ 34,038

Public Safety Projects

Contributions	\$	75,000	
Building Construction		113,052	
Law Enforcement Equipment		159,188	
Total Public Safety Projects			347,240

Highway and Street Capital Projects

Highway Construction	\$	733,145	
Total Highway and Street Capital Projects			733,145

Total Adequate Facilities/ Development Tax Fund 1,114,423

(Continued)

Exhibit K-8

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

Constitutional Officers - Fees Fund

Finance

County Clerk's Office

Constitutional Officers' Operating Expenses	\$ 125,046	
Total County Clerk's Office		\$ 125,046

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 26,695	
Total Chancery Court		26,695

Public Safety

Sheriff's Department

Constitutional Officers' Operating Expenses	\$ 50	
Total Sheriff's Department		50

Total Constitutional Officers - Fees Fund		\$ 151,791
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Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 87,295	
Purchasing Personnel	38,126	
Longevity Pay	1,400	
Other Salaries and Wages	52,083	
Social Security	11,086	
State Retirement	8,266	
Life Insurance	168	
Medical Insurance	19,329	
Dental Insurance	639	
Disability Insurance	548	
Unemployment Compensation	180	
Employer Medicare	2,593	
Dues and Memberships	4,038	
Maintenance Agreements	1,100	
Maintenance and Repair Services - Office Equipment	388	
Postal Charges	457	
Printing, Stationery, and Forms	105	
Travel	1,147	
Office Supplies	3,143	
Other Charges	48	
Total Administration		\$ 232,139

Highway and Bridge Maintenance

Foremen	\$ 68,770
Mechanic(s)	235,147
Equipment Operators - Heavy	328,524
Equipment Operators - Light	304,953
Truck Drivers	328,515
Laborers	62,487

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Guards	\$	71,688	
Temporary Personnel		32,114	
Longevity Pay		22,150	
Overtime Pay		29,945	
Other Salaries and Wages		132,739	
Social Security		98,748	
State Retirement		72,449	
Life Insurance		2,627	
Medical Insurance		276,609	
Dental Insurance		9,100	
Disability Insurance		4,624	
Unemployment Compensation		4,816	
Employer Medicare		23,094	
Advertising		104	
Rentals		268	
Travel		686	
Permits		500	
Other Contracted Services		440	
Asphalt		271,172	
Concrete		25,574	
Crushed Stone		368,874	
Fertilizer, Lime, and Seed		1,199	
Other Road Materials		24,609	
Pipe		45,049	
Road Signs		28,838	
Salt		13,508	
Wood Products		1,505	
Total Highway and Bridge Maintenance			\$ 2,891,425

Operation and Maintenance of Equipment

Communication	\$	2,206
Freight Expenses		335
Maintenance and Repair Services - Buildings		4,537
Maintenance and Repair Services - Equipment		20,628
Maintenance and Repair Services - Vehicles		12,054
Other Contracted Services		2,102
Concrete		46
Custodial Supplies		1,249
Diesel Fuel		284,880
Drugs and Medical Supplies		1,711
Equipment and Machinery Parts		127,214
Garage Supplies		8,880
Gasoline		59,828
Lubricants		31,678
Small Tools		12,357
Tires and Tubes		83,925
Vehicle Parts		104,642

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Other Supplies and Materials	\$	29,042	
Office Equipment		1,495	
Total Operation and Maintenance of Equipment			\$ 788,809

Other Charges

Laundry Service	\$	12,390	
Pest Control		459	
Electricity		13,976	
Natural Gas		2,586	
Uniforms		760	
Building and Contents Insurance		2,303	
Liability Insurance		41,722	
Trustee's Commission		80,037	
Vehicle and Equipment Insurance		33,257	
Workers' Compensation Insurance		207,541	
Other Charges		5,429	
Total Other Charges			400,460

Capital Outlay

Bridge Construction	\$	349,916	
Highway Construction		254,598	
Highway Equipment		108,770	
Total Capital Outlay			713,284

Capital Projects

Highway and Street Capital Projects

Other Capital Outlay	\$	856,315	
Total Highway and Street Capital Projects			856,315

Total Highway/Public Works Fund \$ 5,882,432

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	434,128	
Principal on Notes		1,234,526	
Total General Government			\$ 1,668,654

Education

Principal on Bonds	\$	3,730,872	
Principal on Notes		880,474	
Principal on Other Loans		275,052	
Total Education			4,886,398

Interest on Debt

General Government

Interest on Bonds	\$	370,251	
Interest on Notes		155,848	
Total General Government			526,099

(Continued)

Exhibit K-8

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

General Debt Service Fund (Cont.)

Interest on Debt (Cont.)

Education

Interest on Bonds	\$ 1,499,849	
Interest on Notes	111,152	
Interest on Other Loans	213,700	
Total Education		\$ 1,824,701

Other Debt Service

General Government

Bank Charges	\$ 2,005	
Trustee's Commission	157,189	
Total General Government		159,194

Education

Underwriter's Discount	\$ 450,120	
Other Debt Issuance Charges	244,040	
Other Debt Service	3,526	
Total Education		697,686

Capital Projects

Education Capital Projects

Contributions	\$ 59,121,840	
Total Education Capital Projects		59,121,840

Total General Debt Service Fund \$ 68,884,572

General Capital Projects Fund

Capital Projects

General Administration Projects

Heating and Air Conditioning Equipment	\$ 140,000	
Total General Administration Projects		\$ 140,000

Administration of Justice Projects

Architects	\$ 48,217	
Total Administration of Justice Projects		48,217

Total General Capital Projects Fund 188,217

Highway Capital Projects Fund

Other Operations

Miscellaneous

Trustee's Commission	\$ 5,706	
Total Miscellaneous		\$ 5,706

Capital Projects

Highway and Street Capital Projects

Asphalt	\$ 696,552	
Crushed Stone	97,010	
Total Highway and Street Capital Projects		793,562

Total Highway Capital Projects Fund 799,268

(Continued)

Exhibit K-8

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

<u>Other Capital Projects Fund</u>		
<u>Public Safety</u>		
<u>Sheriff's Department</u>		
Motor Vehicles	\$ 296,221	
Total Sheriff's Department		\$ 296,221
<u>Other Operations</u>		
<u>Other Charges</u>		
Other Charges	\$ 691	
Total Other Charges		691
<u>Miscellaneous</u>		
Trustee's Commission	\$ 19,609	
Total Miscellaneous		19,609
<u>Capital Projects</u>		
<u>Highway and Street Capital Projects</u>		
Other Charges	\$ 2,594	
Total Highway and Street Capital Projects		2,594
<u>Capital Projects - Donated</u>		
<u>Capital Projects Donated to School Department</u>		
Motor Vehicles	\$ 565,500	
Total Capital Projects Donated to School Department		<u>565,500</u>
Total Other Capital Projects Fund		<u>\$ 884,615</u>
Total Governmental Funds - Primary Government		<u><u>\$ 105,505,524</u></u>

Exhibit K-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 27,582,857	
Career Ladder Program	173,044	
Career Ladder Extended Contracts	52,512	
Homebound Teachers	49,196	
Salary Supplements	562,708	
Educational Assistants	694,442	
Educational Incentive - Other County Employees	149,947	
Other Salaries and Wages	76,771	
Certified Substitute Teachers	59,754	
Non-certified Substitute Teachers	417,237	
Social Security	1,773,114	
State Retirement	2,620,388	
Life Insurance	47,365	
Medical Insurance	5,187,213	
Dental Insurance	171,816	
Employer Medicare	413,571	
Other Contracted Services	368,910	
Instructional Supplies and Materials	401,609	
Textbooks	180,743	
Other Supplies and Materials	22,642	
Fee Waivers	51,205	
Regular Instruction Equipment	262,589	
Total Regular Instruction Program		\$ 41,319,633

Alternative Instruction Program

Teachers	\$ 327,001	
Career Ladder Program	1,000	
Educational Assistants	69,823	
Certified Substitute Teachers	1,782	
Non-certified Substitute Teachers	6,270	
Social Security	24,257	
State Retirement	32,850	
Life Insurance	824	
Medical Insurance	88,579	
Dental Insurance	3,066	
Employer Medicare	5,673	
Other Contracted Services	5,441	
Instructional Supplies and Materials	1,782	
Total Alternative Instruction Program		568,348

Special Education Program

Teachers	\$ 4,010,900
Career Ladder Program	30,096
Homebound Teachers	39,558
Educational Assistants	751,350
Speech Pathologist	570,345

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Other Salaries and Wages	\$ 75,247	
Certified Substitute Teachers	1,941	
Non-certified Substitute Teachers	23,225	
Social Security	322,270	
State Retirement	455,995	
Life Insurance	10,784	
Medical Insurance	1,174,685	
Dental Insurance	39,463	
Employer Medicare	75,376	
Contracts with Private Agencies	140,179	
Maintenance and Repair Services - Equipment	4,300	
Other Contracted Services	204,863	
Instructional Supplies and Materials	75,036	
Other Supplies and Materials	18,205	
Special Education Equipment	35,715	
Total Special Education Program		\$ 8,059,533

Vocational Education Program

Teachers	\$ 1,817,791	
Career Ladder Program	11,899	
Certified Substitute Teachers	1,252	
Non-certified Substitute Teachers	9,603	
Social Security	108,562	
State Retirement	164,690	
Life Insurance	2,592	
Medical Insurance	292,805	
Dental Insurance	9,538	
Employer Medicare	25,389	
Maintenance and Repair Services - Equipment	4,302	
Other Contracted Services	38,075	
Instructional Supplies and Materials	53,098	
T&I Construction Materials	11,715	
Textbooks	7,362	
Other Supplies and Materials	7,588	
Other Charges	805	
Vocational Instruction Equipment	49,829	
Total Vocational Education Program		2,616,895

Other

Supervisor/Director	\$ 66,449
Teachers	125,351
Social Security	11,720
State Retirement	16,970
Life Insurance	228
Medical Insurance	21,328
Dental Insurance	811

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Other (Cont.)

Employer Medicare	\$	2,741	
Operating Lease Payments		605	
Instructional Supplies and Materials		1,314	
Office Supplies		114	
Regular Instruction Equipment		401	
Total Other			\$ 248,032

Support Services

Attendance

Supervisor/Director	\$	78,731	
Career Ladder Program		1,000	
Social Workers		31,390	
Clerical Personnel		104,805	
Other Salaries and Wages		188,375	
Social Security		24,496	
State Retirement		24,105	
Life Insurance		820	
Medical Insurance		73,274	
Dental Insurance		2,873	
Employer Medicare		5,729	
Communication		927	
Postal Charges		1,603	
Travel		4,409	
Other Contracted Services		1,983	
Other Supplies and Materials		17,063	
In Service/Staff Development		1,615	
Other Charges		250	
Attendance Equipment		4,120	
Total Attendance			567,568

Health Services

Medical Personnel	\$	360,421	
Secretary(ies)		22,331	
Other Salaries and Wages		59,631	
Social Security		26,676	
State Retirement		22,058	
Life Insurance		846	
Medical Insurance		75,235	
Dental Insurance		2,615	
Employer Medicare		6,239	
Communication		1,333	
Maintenance and Repair Services - Equipment		494	
Travel		20,752	
Drugs and Medical Supplies		3,406	
Other Supplies and Materials		5,340	
In Service/Staff Development		3,194	
Health Equipment		518	
Total Health Services			611,089

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Career Ladder Program	\$ 9,000	
Guidance Personnel	1,409,122	
Social Security	84,290	
State Retirement	127,617	
Life Insurance	1,932	
Medical Insurance	209,250	
Dental Insurance	6,856	
Employer Medicare	19,713	
Evaluation and Testing	44,578	
Other Supplies and Materials	5,800	
Total Other Student Support		\$ 1,918,158

Regular Instruction Program

Supervisor/Director	\$ 357,591	
Career Ladder Program	18,000	
Career Ladder Extended Contracts	2,600	
Librarians	975,135	
Secretary(ies)	32,030	
Clerical Personnel	41,227	
Other Salaries and Wages	221,290	
Certified Substitute Teachers	18,872	
Social Security	98,197	
State Retirement	139,509	
Life Insurance	2,058	
Medical Insurance	241,310	
Dental Insurance	7,516	
Employer Medicare	22,966	
Communication	7,622	
Operating Lease Payments	30,162	
Postal Charges	458	
Travel	87,572	
Other Contracted Services	254,883	
Library Books/Media	39,598	
Periodicals	53,825	
Other Supplies and Materials	5,560	
In Service/Staff Development	57,982	
Other Charges	13,575	
Other Equipment	3,952	
Total Regular Instruction Program		2,733,490

Alternative Instruction Program

Supervisor/Director	\$ 64,362
Guidance Personnel	29,150
Clerical Personnel	20,234
Social Security	6,536
State Retirement	8,100

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program (Cont.)

Life Insurance	\$	216	
Medical Insurance		25,127	
Dental Insurance		766	
Employer Medicare		1,529	
Communication		1,698	
Travel		1,826	
Other Contracted Services		1,470	
Other Supplies and Materials		2,329	
Total Alternative Instruction Program			\$ 163,343

Special Education Program

Supervisor/Director	\$	77,520	
Career Ladder Program		5,955	
Psychological Personnel		345,468	
Assessment Personnel		158,908	
Secretary(ies)		32,080	
Clerical Personnel		18,340	
Other Salaries and Wages		66,449	
Social Security		42,421	
State Retirement		61,526	
Life Insurance		930	
Medical Insurance		99,246	
Dental Insurance		3,342	
Employer Medicare		9,921	
Communication		1,594	
Postal Charges		322	
Travel		37,203	
Other Supplies and Materials		10,800	
In Service/Staff Development		6,115	
Other Charges		2,810	
Other Equipment		25,815	
Total Special Education Program			1,006,765

Vocational Education Program

Supervisor/Director	\$	73,170
Career Ladder Program		3,000
Career Ladder Extended Contracts		1,000
Clerical Personnel		31,480
Social Security		6,677
State Retirement		8,475
Life Insurance		144
Medical Insurance		13,217
Dental Insurance		511
Employer Medicare		1,562
Communication		529
Postal Charges		46

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Vocational Education Program (Cont.)

Travel	\$	13,577	
Other Supplies and Materials		1,608	
In Service/Staff Development		990	
Other Charges		443	
Other Equipment		1,198	
Total Vocational Education Program			\$ 157,627

Other Programs

On-behalf Payments to OPEB	\$	457,347	
Total Other Programs			457,347

Board of Education

Secretary to Board	\$	3,512	
Board and Committee Members Fees		18,300	
Social Security		19,444	
State Retirement		13,908	
Unemployment Compensation		145,596	
Employer Medicare		5,489	
Other Fringe Benefits		920,791	
Audit Services		20,000	
Dues and Memberships		12,726	
Legal Services		44,155	
Postal Charges		2	
Travel		2,531	
Other Contracted Services		11,333	
Judgments		10,000	
Liability Insurance		19,862	
Trustee's Commission		675,595	
Workers' Compensation Insurance		430,212	
In Service/Staff Development		14,094	
Other Charges		4,749	
Total Board of Education			2,372,299

Director of Schools

County Official/Administrative Officer	\$	276,493	
Secretary(ies)		31,604	
Other Salaries and Wages		53,991	
Social Security		12,497	
State Retirement		12,622	
Life Insurance		216	
Medical Insurance		26,410	
Dental Insurance		994	
Employer Medicare		3,014	
Communication		1,043	
Dues and Memberships		5,715	
Postal Charges		740	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Director of Schools (Cont.)

Travel	\$	5,706	
Other Contracted Services		3,000	
Office Supplies		1,726	
Other Supplies and Materials		435	
In Service/Staff Development		1,675	
Other Charges		927	
Administration Equipment		26	
Total Director of Schools			\$ 438,834

Office of the Principal

Principals	\$	1,628,063	
Career Ladder Program		23,167	
Career Ladder Extended Contracts		1,825	
Assistant Principals		1,768,913	
Secretary(ies)		608,172	
Clerical Personnel		661,799	
Social Security		280,591	
State Retirement		366,690	
Life Insurance		6,851	
Medical Insurance		738,878	
Dental Insurance		25,442	
Employer Medicare		65,623	
Communication		61,103	
Other Contracted Services		104,111	
Office Supplies		24,275	
Other Charges		5,351	
Total Office of the Principal			6,370,854

Fiscal Services

Supervisor/Director	\$	78,000	
Accountants/Bookkeepers		219,970	
Clerical Personnel		32,703	
Social Security		20,244	
State Retirement		15,743	
Life Insurance		560	
Medical Insurance		56,516	
Dental Insurance		2,214	
Employer Medicare		4,735	
Communication		316	
Maintenance and Repair Services - Equipment		300	
Postal Charges		4,351	
Travel		2,587	
Other Contracted Services		14,566	
Office Supplies		17,098	
In Service/Staff Development		600	
Other Charges		2,501	
Administration Equipment		1,325	
Total Fiscal Services			474,329

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Human Services/Personnel

Supervisor/Director	\$	73,600	
Clerical Personnel		90,082	
Social Security		10,016	
State Retirement		7,801	
Life Insurance		288	
Medical Insurance		26,303	
Dental Insurance		1,022	
Employer Medicare		2,343	
Advertising		1,160	
Communication		210	
Operating Lease Payments		1,556	
Postal Charges		587	
Travel		1,492	
Other Contracted Services		27,353	
Office Supplies		2,726	
In Service/Staff Development		1,190	
Other Charges		17,686	
Administration Equipment		3,208	
Total Human Services/Personnel			\$ 268,623

Operation of Plant

Supervisor/Director	\$	151,014	
Custodial Personnel		229,030	
Other Salaries and Wages		33,850	
Social Security		25,390	
State Retirement		19,271	
Life Insurance		1,000	
Medical Insurance		92,712	
Dental Insurance		3,683	
Employer Medicare		5,937	
Communication		1,030	
Janitorial Services		1,868,877	
Postal Charges		171	
Travel		1,847	
Disposal Fees		56,225	
Other Contracted Services		221,941	
Electricity		2,342,564	
Natural Gas		450,953	
Water and Sewer		312,656	
Other Supplies and Materials		2,878	
Building and Contents Insurance		348,765	
In Service/Staff Development		1,381	
Other Charges		3,781	
Total Operation of Plant			6,174,956

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

Secretary(ies)	\$	31,530	
Maintenance Personnel		672,626	
Social Security		43,238	
State Retirement		33,473	
Life Insurance		1,549	
Medical Insurance		154,100	
Dental Insurance		5,836	
Employer Medicare		10,112	
Communication		4,146	
Laundry Service		10,582	
Maintenance and Repair Services - Buildings		17,415	
Maintenance and Repair Services - Equipment		92,320	
Maintenance and Repair Services - Vehicles		7,547	
Other Contracted Services		21,731	
Other Supplies and Materials		309,639	
Other Charges		7,548	
Maintenance Equipment		19,197	
Total Maintenance of Plant			\$ 1,442,589

Transportation

Supervisor/Director	\$	83,031	
Bus Drivers		1,547,336	
Clerical Personnel		106,337	
Social Security		105,789	
State Retirement		75,551	
Life Insurance		7,521	
Medical Insurance		810,380	
Dental Insurance		30,708	
Employer Medicare		24,741	
Communication		3,103	
Operating Lease Payments		1,416	
Postal Charges		8	
Travel		147	
Other Contracted Services		312,963	
Diesel Fuel		551,778	
Tires and Tubes		82,807	
Vehicle Parts		193,228	
Other Supplies and Materials		1,252	
Vehicle and Equipment Insurance		76,557	
In Service/Staff Development		2,014	
Other Charges		34,238	
Transportation Equipment		13,702	
Total Transportation			4,064,607

Central and Other

Supervisor/Director	\$	72,971	
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(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Central and Other (Cont.)

Other Salaries and Wages	\$	443,790	
Social Security		31,308	
State Retirement		24,625	
Life Insurance		732	
Medical Insurance		78,003	
Dental Insurance		2,939	
Employer Medicare		7,322	
Communication		6,381	
Maintenance and Repair Services - Equipment		8,857	
Postal Charges		91	
Travel		5,022	
Other Contracted Services		71,674	
Office Supplies		100	
Other Supplies and Materials		48,097	
In Service/Staff Development		250	
Administration Equipment		4,944	
Data Processing Equipment		181,639	
Total Central and Other			\$ 988,745

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	14,819	
Teachers		46,425	
Educational Assistants		10,966	
Non-certified Substitute Teachers		462	
Social Security		4,506	
State Retirement		6,003	
Employer Medicare		1,054	
Travel		19,830	
Instructional Supplies and Materials		438	
Total Community Services			104,503

Early Childhood Education

Teachers	\$	544,502	
Educational Assistants		219,504	
Certified Substitute Teachers		3,366	
Social Security		45,875	
State Retirement		58,219	
Life Insurance		1,912	
Medical Insurance		185,482	
Dental Insurance		6,747	
Employer Medicare		10,729	
Travel		208	
Instructional Supplies and Materials		5,792	
Other Supplies and Materials		904	
In Service/Staff Development		4,545	
Other Equipment		731	
Total Early Childhood Education			1,088,516

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Capital Outlay

Regular Capital Outlay

Building Improvements	\$ 1,971,601	
Total Regular Capital Outlay		\$ 1,971,601

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$ 276,075	
Total Education		<u>276,075</u>

Total General Purpose School Fund		\$ 86,464,359
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School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 842,300	
Educational Assistants	172,581	
Other Salaries and Wages	607,153	
Certified Substitute Teachers	1,122	
Social Security	96,893	
State Retirement	124,545	
Life Insurance	1,566	
Medical Insurance	170,694	
Dental Insurance	5,536	
Unemployment Compensation	6,628	
Employer Medicare	22,661	
Other Contracted Services	200	
Instructional Supplies and Materials	233,382	
Other Supplies and Materials	21,976	
Regular Instruction Equipment	<u>170,831</u>	
Total Regular Instruction Program		\$ 2,478,068

Special Education Program

Teachers	\$ 95,787	
Educational Assistants	611,179	
Certified Substitute Teachers	66	
Non-certified Substitute Teachers	5,841	
Social Security	42,281	
State Retirement	36,347	
Life Insurance	3,302	
Medical Insurance	311,524	
Dental Insurance	11,770	
Unemployment Compensation	4,331	
Employer Medicare	9,888	
Maintenance and Repair Services - Equipment	287	
Instructional Supplies and Materials	5,718	
Other Supplies and Materials	5,299	
Special Education Equipment	<u>58,218</u>	
Total Special Education Program		1,201,838

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Vocational Education Program

Other Salaries and Wages	\$	7,965	
Social Security		494	
State Retirement		368	
Life Insurance		36	
Medical Insurance		3,935	
Dental Insurance		150	
Unemployment Compensation		80	
Employer Medicare		116	
Instructional Supplies and Materials		67,890	
Vocational Instruction Equipment		49,419	
Total Vocational Education Program			\$ 130,453

Support Services

Health Services

Medical Personnel	\$	17,400	
Other Salaries and Wages		150,592	
Social Security		10,406	
State Retirement		7,737	
Life Insurance		210	
Medical Insurance		20,079	
Dental Insurance		718	
Unemployment Compensation		593	
Employer Medicare		2,434	
Total Health Services			210,169

Other Student Support

Other Salaries and Wages	\$	26,300	
Social Security		1,629	
State Retirement		2,376	
Unemployment Compensation		263	
Employer Medicare		381	
Travel		28,776	
Other Contracted Services		17,700	
Other Supplies and Materials		34,553	
Other Charges		69,794	
Total Other Student Support			181,772

Regular Instruction Program

Supervisor/Director	\$	84,342
Secretary(ies)		28,690
Other Salaries and Wages		445,422
Certified Substitute Teachers		48,076
In-service Training		97,312
Social Security		41,131
State Retirement		57,951
Life Insurance		677

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Medical Insurance	\$	85,562	
Dental Insurance		2,449	
Unemployment Compensation		2,730	
Employer Medicare		9,624	
Consultants		140,976	
Operating Lease Payments		4,925	
Travel		22,228	
Other Contracted Services		478	
Library Books/Media		125,489	
Other Supplies and Materials		29,660	
In Service/Staff Development		131,026	
Other Equipment		70,212	
Total Regular Instruction Program			\$ 1,428,960

Special Education Program

Psychological Personnel	\$	116,054	
Assessment Personnel		119,561	
Clerical Personnel		32,080	
Other Salaries and Wages		66,494	
Social Security		20,139	
State Retirement		28,841	
Life Insurance		344	
Medical Insurance		44,225	
Dental Insurance		1,533	
Unemployment Compensation		513	
Employer Medicare		4,710	
Travel		7,221	
In Service/Staff Development		6,632	
Total Special Education Program			448,347

Vocational Education Program

Supervisor/Director	\$	6,561	
Social Security		407	
State Retirement		593	
Unemployment Compensation		66	
Employer Medicare		95	
Total Vocational Education Program			7,722

Operation of Plant

Maintenance and Repair Services - Equipment	\$	315	
Total Operation of Plant			315

Transportation

Other Salaries and Wages	\$	245,673	
Social Security		14,998	
State Retirement		10,883	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Life Insurance	\$	1,058	
Medical Insurance		144,122	
Dental Insurance		5,472	
Unemployment Compensation		1,988	
Employer Medicare		3,508	
Other Contracted Services		4,264	
Total Transportation			<u>\$ 431,966</u>

Total School Federal Projects Fund \$ 6,519,610

Central Cafeteria Fund

Support Services

Board of Education

Workers' Compensation Insurance	\$	60,969	
Total Board of Education			<u>\$ 60,969</u>

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	65,819	
Accountants/Bookkeepers		119,726	
Cafeteria Personnel		898,091	
Temporary Personnel		5,378	
Longevity Pay		35,950	
Other Salaries and Wages		710,362	
Social Security		110,947	
State Retirement		63,411	
Life Insurance		5,839	
Medical Insurance		566,152	
Dental Insurance		21,083	
Unemployment Compensation		12,633	
Employer Medicare		25,947	
Other Fringe Benefits		900	
Maintenance and Repair Services - Equipment		38,012	
Postal Charges		2,249	
Travel		14,762	
Other Contracted Services		42,948	
Food Preparation Supplies		204,155	
Food Supplies		2,603,590	
Office Supplies		9,087	
USDA - Commodities		257,962	
In Service/Staff Development		14,337	
Food Service Equipment		215,065	
Total Food Service			<u>6,044,405</u>

Total Central Cafeteria Fund 6,105,374

(Continued)

Exhibit K-9

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

<u>Education Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Education Capital Projects</u>			
Other Capital Outlay	\$ 4,988,046		
Total Education Capital Projects		\$ 4,988,046	
Total Education Capital Projects Fund			\$ 4,988,046
<u>Other Capital Projects Fund</u>			
<u>Capital Outlay</u>			
<u>Regular Capital Outlay</u>			
Building Improvements	\$ 3,311,354		
Total Regular Capital Outlay		\$ 3,311,354	
Total Other Capital Projects Fund			<u>3,311,354</u>
Total Governmental Funds - Maury County School Department			<u>\$ 107,388,743</u>

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2015

	Governmental Activities - Internal Service Fund <u>Central Maintenance Garage Fund</u>
<u>Revenues</u>	
<u>Charges for Current Services</u>	
<u>General Service Charges</u>	
Other General Service Charges	\$ 2,068,311
Total Charges for Current Services	<u>\$ 2,068,311</u>
 <u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Sale of Materials and Supplies	\$ 11,110
Total Other Local Revenues	<u>\$ 11,110</u>
 Total Revenues	 <u><u>\$ 2,079,421</u></u>
 <u>Expenses</u>	
<u>General Government</u>	
<u>Other General Administration</u>	
County Official/Administrative Office	\$ 70,064
Mechanic(s)	203,184
Clerical Personnel	47,190
Longevity Pay	6,300
Overtime Pay	2,196
Social Security	19,534
State Retirement	82
Life Insurance	440
Medical Insurance	44,838
Dental Insurance	1,481
Disability Insurance	970
Unemployment Compensation	683
Employer Medicare	4,568
Communication	192
Laundry Service	3,169
Maintenance Agreements	3,764
Maintenance and Repair Services - Building	381
Maintenance and Repair Services - Equipment	527

(Continued)

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Governmental Activities - Internal <u>Service Fund</u> Central Maintenance Garage <u>Fund</u>
<u>Expenses (Cont.)</u>	
<u>General Government (Cont.)</u>	
<u>Other General Administration (Cont.)</u>	
Postal Charges	\$ 226
Printing, Stationery, and Forms	174
Travel	1,977
Disposal Fees	492
Other Contracted Services	149,366
Custodial Supplies	102
Diesel Fuel	743,850
Electricity	25,294
Equipment and Machinery Parts	159,630
Garage Supplies	1,095
Gasoline	360,952
Lubricants	22,354
Natural Gas	8,468
Office Supplies	649
Tires and Tubes	77,575
Depreciation	6,112
In-Service/Staff Development	141
Other Capital Outlay	825
	<hr/>
Total Expenses	<u>\$ 1,968,845</u>

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2015

	Business-type Activities - Enterprise Fund <hr/> Solid Waste Disposal Fund
<u>Revenues</u>	
<u>Operating Revenues</u>	
<u>Charges for Current Services</u>	
<u>General Service Charges</u>	
Residential Waste Collection Charge	\$ 402
Transfer Waste Stations Collection Charge	315
Tipping Fees	1,075,172
Other General Service Charges	347,431
Service Charges	10,140
Total Charges for Current Services	<u>\$ 1,433,460</u>
<u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Sale of Recycled Materials	\$ 217,989
Total Other Local Revenues	<u>\$ 217,989</u>
Total Operating Revenues	<u>\$ 1,651,449</u>
<u>Nonoperating Revenues</u>	
<u>Local Taxes</u>	
<u>County Property Taxes</u>	
Current Property Tax	\$ 1,764,928
Trustee's Collections - Prior Year	51,017
Trustee's Collections - Bankruptcy	868
Circuit/Clerk and Master Collections - Prior Years	35,977
Interest and Penalty	9,579
Pick-up Taxes	3,115
<u>State of Tennessee</u>	
<u>General Government Grants</u>	
Solid Waste Grants	6,077
<u>Public Works Grants</u>	
Litter Program	52,030
<u>Other State Revenues</u>	
Other State Revenues	34,308
<u>Other Sources:</u>	
Insurance Recovery	60,237
Total Nonoperating Revenues	<u>\$ 2,018,136</u>
Total Revenues	<u>\$ 3,669,585</u>

(Continued)

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Business-type Activities - Enterprise Fund <hr/> Solid Waste <hr/> Disposal Fund
<u>Expenses</u>	
<u>Operating Expenses</u>	
<u>Waste Pickup</u>	
Foremen	\$ 25,487
Social Security	1,533
Life Insurance	63
Medical Insurance	6,443
Dental Insurance	213
Disability Insurance	76
Unemployment Compensation	90
Employer Medicare	359
Contributions	6,000
Other Supplies and Materials	14,339
Total Waste Pickup	<hr/> \$ 54,603 <hr/>
<u>Convenience Centers</u>	
Equipment Operators	\$ 192,083
Laborers	371,123
Longevity Pay	3,000
Overtime Pay	19
Social Security	34,283
State Retirement	0
Life Insurance	364
Medical Insurance	37,611
Dental Insurance	1,030
Disability Insurance	679
Unemployment Compensation	3,497
Employer Medicare	8,018
Communication	4,208
Maintenance and Repair Services - Equipment	20,197
Maintenance and Repair Services - Vehicles	1,244
Pest Control	1,377
Postal Charges	588
Rentals	2,751
Other Contracted Services	1,090
Crushed Stone	1,942
Diesel Fuel	62,141
Electricity	16,235

(Continued)

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Business-type Activities - Enterprise Fund Solid Waste Disposal Fund
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Convenience Centers (Cont.)</u>	
Equipment and Machinery Parts	\$ 7,995
Gasoline	3,376
Lubricants	3,293
Tires and Tubes	26,475
Vehicle Parts	389
Other Supplies and Materials	53,245
Depreciation	7,077
Total Convenience Centers	<u>\$ 865,330</u>
 <u>Landfill Operation and Maintenance</u>	
County Official/Administrative Officer	\$ 67,875
Equipment Operators	125,467
Laborers	104,472
Clerical Personnel	61,721
Longevity Pay	5,000
Overtime Pay	506
Social Security	22,533
State Retirement	164
Life Insurance	554
Medical Insurance	56,659
Dental Insurance	1,872
Disability Insurance	899
Unemployment Compensation	1,042
Employer Medicare	5,270
Communication	8,780
Dues and Memberships	350
Laundry Service	5,841
Licenses	432
Maintenance Agreements	1,176
Maintenance and Repair Services - Buildings	4,088
Maintenance and Repair Services - Equipment	49,887
Matching Share	2,700
Pest Control	255
Postal Charges	604
Printing, Stationery, and Forms	232
Travel	240

(Continued)

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Business-type Activities - Enterprise Fund <u>Solid Waste Disposal Fund</u>
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Landfill Operation and Maintenance (Cont.)</u>	
Disposal Fees	\$ 1,169,520
Permits	13,577
Other Contracted Services	9,290
Crushed Stone	190
Data Processing Supplies	745
Diesel Fuel	59,602
Electricity	22,955
Equipment and Machinery Parts	24,651
Gasoline	3,780
Lubricants	7,216
Natural Gas	12,488
Office Supplies	820
Tires and Tubes	4,727
Vehicle Parts	1,339
Other Supplies and Materials	33,791
Building and Contents Insurance	3,839
Liability Insurance	11,890
Refunds	6,735
Trustee's Commission	46,494
Vehicle and Equipment Insurance	13,549
Workers' Compensation Insurance	98,435
Depreciation	252,331
Other Charges	504
Furniture and Fixtures	879
Other Capital Outlay	1,699
Total Landfill Operation and Maintenance	<u>\$ 2,329,665</u>
Total Operating Expenses	<u>\$ 3,249,598</u>
Total Expenses	<u><u>\$ 3,249,598</u></u>

Exhibit K-12

Maury 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	\$ 11,610,690
Total Cash Receipts	<u>\$ 11,610,690</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 11,494,583
Trustee's Commission	<u>116,107</u>
Total Cash Disbursements	<u>\$ 11,610,690</u>
 Excess of Cash Receipts Over (Under) Cash Disbursements	 \$ 0
Cash Balance, July 1, 2014	<u>0</u>
 Cash Balance, June 30, 2015	 <u><u>\$ 0</u></u>

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
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**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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Maury County's basic financial statements, and have issued our report thereon dated December 22, 2015. Our report includes a reference to other auditors who audited the financial statements of Maury Regional Hospital (major proprietary fund) and the discretely presented Maury County Board of Public Utilities Water System, as described in our report on Maury County's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Maury 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 Maury County's internal control. Accordingly, we do not express an opinion on the effectiveness of Maury 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. We consider three deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses: 2015-002, 2015-005, and 2015-006.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies: 2015-001, 2015-003, 2015-004(A), and 2015-007.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Maury County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item 2015-004(B).

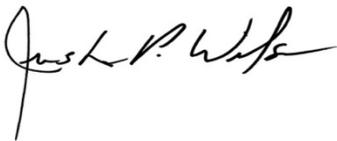
Maury County's Responses to Findings

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

Purpose of this Report

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

December 22, 2015

JPW/yu



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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Maury County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Maury County's major federal programs for the year ended

June 30, 2015. Maury 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 Maury 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 Maury 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 Maury County's compliance.

Opinion on Each Major Federal Program

In our opinion, Maury 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 Maury 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 Maury 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 Maury 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.

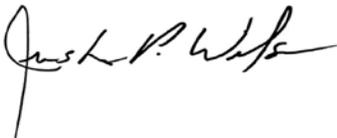
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any 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 Maury County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Maury County's basic financial statements. We issued our report thereon dated December 22, 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 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 22, 2015

JPW/yu

Maury County, Tennessee
Schedule of Expenditures of Federal Awards and State Grants (1)
For the Year Ended June 30, 2015

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Agriculture:			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(2)	\$ 257,962 (3)
Passed-through State Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	(2)	1,115,187
National School Lunch Program	10.555	(2)	3,324,265 (3)
Summer Food Service Program for Children	10.559	(2)	58,409
Total U.S. Department of Agriculture			<u>\$ 4,755,823</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	(2)	\$ 45,750
Total U.S. Department of Housing and Urban Development			<u>\$ 45,750</u>
U.S. Department of Justice:			
Direct Programs:			
Bulletproof Vest Partnership Program	16.607	(2)	\$ 2,036
Equitable Sharing Program	16.922	(2)	8,525
Passed-through State Commission on Children and Youth:			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	(2)	4,130
Passed-through City of Columbia:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(2)	23,442
Total U.S. Department of Justice			<u>\$ 38,133</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Alcohol Open Container Requirements	20.607	Z15GHS222	\$ 31,221
Passed-through State Department of Military:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	34101-18614	6,500
Total U.S. Department of Transportation			<u>\$ 37,721</u>
U.S. Department of Education:			
Direct Program:			
Fund for the Improvement of Education	84.215	(2)	\$ 331,179
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	3,161,599
Special Education Cluster:			
Special Education - Grants to States	84.027	(2)	2,278,478
Special Education - Preschool Grants	84.173	(2)	102,213
Career and Technical Education - Basis Grants to States	84.048	N/A	280,598
Twenty-first Century Community Learning Centers	84.287	N/A	120,030
English Language Acquisition Grants	84.365	N/A	34,707
Improving Teacher Quality State Grants	84.367	N/A	456,371
State Fiscal Stabilization Fund, Race-to-the-Top Incentive Grants, Recovery Act	84.395	(2)	380,542
Total U.S. Department of Education			<u>\$ 7,145,717</u>

(Continued)

Maury County, Tennessee

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
National Archives and Records Administration: Passed-through State Library and Archives: National Historical Publications and Records Grants	89.003	(2)	\$ 2,197
Total National Archives and Records Administration			\$ 2,197
U.S. Department of Health and Human Services: Passed-through State Department of Human Services: Child Support Enforcement	93.563	(2)	\$ 50,739
Total U.S. Department of Health and Human Services			\$ 50,739
U.S. Department of Homeland Security: Passed-through State Department of Military: Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4189-DR-TN	\$ 84,391
Hazard Mitigation Grant	97.039	34101-39512	871,061
Emergency Management Performance Grants	97.042	34101-08015	44,350
Homeland Security Grant Program	97.067	34101-16014	21,008
Total U.S. Department of Homeland Security			\$ 1,020,810
Total Expenditures of Federal Awards			\$ 13,096,890

State Grants		Contract Number	
State Reappraisal Program - Comptroller of the Treasury	N/A	N/A	\$ 1,750
Juvenile Justice State Supplement - State Commission on Children and Youth	N/A	(2)	13,500
Coordinated School Health Initiative - State Department of Education	N/A	(2)	100,000
Early Childhood Education - State Department of Education	N/A	(2)	981,333
Safe Schools - State Department of Education	N/A	(2)	55,641
Family Resource Center - State Department of Education	N/A	(2)	88,835
Student Industry Certifications - State Department of Education	N/A	(2)	1,980
Tennessee Arts Commission Grant - State Department of Education	N/A	(2)	5,351
Optional Waste Tire Grant - State Department of Environment and Conservation	N/A	(2)	6,077
Health Department Program - State Department of Health	N/A	(2)	706,938
Litter Program - State Department of Transportation	N/A	(2)	52,030
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - State Department of Military	N/A	(2)	14,065
Hazard Mitigation Grant - State Department of Military	N/A	34101-39512	145,177
Local Parks and Recreation Funds Grant - State Department of Environment and Conservation	N/A	(2)	4,704
Total State Grants			\$ 2,177,381

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 \$3,582,227.

SUBRECIPIENTS Program Title	Federal CFDA Number	Amount Provided to Subrecipient	Subrecipient
Community Development Block Grant	14.228	\$ 45,750	City of Columbia

Maury 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 for Maury County, Tennessee, for the year ended June 30, 2014, which have not been corrected.

OFFICE OF COUNTY MAYOR

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2014-001	221	The receipting software used by the office of Zoning and Building Inspections did not have adequate application controls

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

<u>Finding Number</u>	<u>Page Number</u>	<u>Subject</u>
2014-003	222	Material audit adjustments were required for proper financial statement presentation
2014-004	223	Deficiencies were noted in budget operations

MAURY 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 Maury County is unmodified.
2. The audit of the financial statements of Maury County disclosed significant deficiencies in internal control. Three of these deficiencies were considered to be material weaknesses.
3. The audit disclosed no instances of noncompliance that are material to the financial statements of Maury 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 were required to be reported under Section 510(a) of OMB Circular A-133.
7. The Child Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children (CFDA Nos. 10.553, 10.555, and 10.559); the Special Education Cluster: Special Education – Grants to States and Special Education – Preschool Grants (CFDA Nos. 84.027 and 84.173); the Improving Teacher Quality State Grants (CFDA No. 84.367); the State Fiscal Stabilization Funds – Race-to-the-Top Incentive Grants, Recovery Act (CFDA No. 84.395); and the Hazard Mitigation Grant (CFDA No. 97.039) were determined to be major programs.
8. A \$392,907 threshold was used to distinguish between Type A and Type B federal programs.
9. Maury County did not qualify as a low-risk auditee.

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

Findings and recommendations, as a result of our examination, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. The written responses of the director of accounts and budgets, director of schools, and county clerk are paraphrased in this report. Other management officials did not provide responses for inclusion in this report.

OFFICE OF COUNTY MAYOR

FINDING 2015-001

THE RECEIPTING SOFTWARE USED BY THE OFFICE OF ZONING AND BUILDING INSPECTIONS DID NOT HAVE ADEQUATE APPLICATION CONTROLS

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

We noted the following internal control weaknesses in the building permits software application:

- A. The application allowed users to print permits without issuing a receipt; however, a report listing these permits was not available.
- B. The application allowed users to alter receipts and charges. While the application recorded these alterations on each permit record, a report displaying all changes for a date range was not available.
- C. Users could receipt collections to a previous or future date. Because the application did not assign receipt numbers to collections and because these collections did not display on the current day's collection report, there was no method for easily accounting for these receipts.
- D. The application did not provide a formal process for voiding receipts.

Sound business practices dictate that proper application controls be implemented. These controls would help ensure the reliability and integrity of the information maintained by the system. Since the vendor did not design the system with these controls, inappropriate system activity could occur. The office implemented a new software application in February 2015. The deficiencies noted above do not exist in the new application; therefore, this finding has been corrected.

OFFICE OF DIRECTOR OF ACCOUNTS AND BUDGETS

FINDING 2015-002

MATERIAL AUDIT ADJUSTMENTS WERE REQUIRED FOR PROPER FINANCIAL STATEMENT PRESENTATION
(Internal Control – Material Weakness Under *Government Auditing Standards*)

At June 30, 2015, certain general ledger account balances in the General, Highway/Public Works, and General Debt Service funds were not materially correct, and audit adjustments were required for the financial statements to be materially correct at year-end. Audit adjustments were required to increase property taxes receivable and deferred revenues by \$176,883 and \$170,957, respectively, in the General Fund; to increase receivables and deferred revenues by \$432,980 and \$222,929, respectively, in the Highway/Public Works Fund; and to increase property taxes receivable, other receivables, and deferred revenues by \$117,669, \$130,750, and \$113,728, respectively, in the General Debt Service Fund. Sound business practices dictate that Maury County have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the county's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the county has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency is the result of a lack of management oversight and the failure of management to correct the finding noted in the prior-year audit report. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

Maury County should have appropriate processes in place to ensure its general ledgers are materially correct.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

I have asked the auditors to review our method of calculations for determining current property taxes receivable, deferred revenues, and delinquent property taxes receivable during their interim audit work to ensure the methods are correct. Also, I will verify that the report I use from the Trustee's Office is the final report for each of the funds associated with the calculations.

FINDING 2015-003

THE OFFICE HAD WEAKNESSES IN POSTING FINANCIAL TRANSACTIONS

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

During our examination, we noted the office had the following weaknesses in posting financial transactions:

- A. We observed numerous journal entries in various funds that were posted to correct or reverse previously posted journal entries. Sound business practices dictate that financial transactions should be accurately posted in accordance with generally accepted accounting principles. The significant number of general journal entries indicates weaknesses in internal controls related to recording financial transactions.
- B. We noted numerous entries in accounts in the General Fund, which were misclassified or otherwise improperly recorded. Federal and state grant revenues were misclassified. Revenues and expenditures for several data entry fee reserves were improperly written off, a QSCB interest subsidy was not properly recorded, encumbrances did not agree between the statement of net position and the statement of operations by \$108,305, and several revenues and expenditures in other funds were similarly misclassified or improperly recorded.
- C. Numerous receipts and disbursements were posted directly to fund equity accounts rather than to the proper revenue and expenditure accounts. This practice has the effect of understating revenues and expenditures.
- D. The accounting records for the fiscal year ended June 30, 2015, were not closed in a timely manner. After discussions with the director of accounts and budgets, it was determined that several year-end closing entries were not posted until October 22, 2015. Accounting records should be closed within 60 days after year-end. This delay prevented the current presentation of the financial statements to the County Commission, citizens, and other interested parties.

RECOMMENDATION

Internal controls over the accounting process should be strengthened to correctly classify and accurately post transactions by nature, account, and fund when the transactions are initiated. After posting year-end accruals and closing entries, the office should close its accounting records within 60 days following the end of the accounting period to provide interested parties with current financial information.

MANAGEMENT'S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

- A. I am reviewing the revenue and expenditure accounts each month and approving any journal entries to properly categorize said revenues and expenditures. I will

discuss this audit finding with the department heads and emphasize the need for the proper classification of revenues and expenditures. I will ask the Purchasing Department to verify the account codes before preparation of purchase orders and will discuss verifying account codes with the Accounts Payable Department before entering invoices for payment. Also, I will advise all personnel to contact the Department of Accounts and Budgets for assistance if they are unsure of the proper coding of a revenue or expenditure item.

- B. I am aware that I need to watch for the differences between the federal and/or state portions of grant revenues. I will read the grant documents to ensure I have the proper amounts of federal and state grant revenues identified.
- C. When I originally asked about the proper procedures for dealing with the restricted accounts, I misunderstood when and how the process worked. I now know, not to clear the revenue and expenditure accounts applicable to those restricted accounts and post them directly to the restricted accounts at year-end, but to post the net of the revenue and expenditure restricted accounts first to unassigned fund balance. When the books are closed for the year, we will adjust the restricted accounts for the applicable net amounts previously posted to unassigned fund balance.
- D. The accounting records will be closed by June 30 of each year.

FINDING 2015-004

THE OFFICE HAD DEFICIENCIES IN BUDGET OPERATIONS

(A. – Internal Control – Significant Deficiency Under *Government Auditing Standards*; B. – Noncompliance Under *Government Auditing Standards*)

We noted the following deficiencies in the budget operations of the office:

- A. A budget amendment posted to the general ledger of the General Debt Service Fund was not approved by the County Commission; therefore we did not recognize this amendment in the financial statements of this report. We presented audit adjustments to management that they approved and posted to properly present the budget in the financial statements in this report.
- B. Expenditures exceeded appropriations approved by the County Commission in the following major appropriation categories (the legal level of control) of the General Fund:

<u>Major Appropriation Category</u>	<u>Amount Overspent</u>
Victim's Assistance Programs	\$ 9,329
Jail	12,013
Public Safety Grants Program	15,019
Parks and Fair Boards	355
Miscellaneous	7,737

Section 5-9-401, *Tennessee Code Annotated*, states that “All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies.”

These deficiencies exist because management failed to hold spending to the limits authorized by the County Commission, which resulted in unauthorized expenditures and management’s failure to correct the finding noted in the prior-year audit report.

RECOMMENDATION

Only the budget amendments properly approved by the County Commission should be posted to the county’s general ledgers. Expenditures should be held within appropriations approved by the County Commission.

MANAGEMENT’S RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

- A. The Department of Accounts and Budgets prepared and posted a budget amendment for a QSCB interest payment. The entry was reversed then presented to the County Commission for approval. I now know that QSCB interest payments received from the investment account must be deposited to the General Fund and be presented to the County Commission for approval to remain in the General Fund or be transferred to the General Debt Service Fund.

- B. Next fiscal year when preparing the final budget amendments for each fund, we will leave a cushion amount in the function in case we go over the budgeted amount due to unforeseen expenditures that may occur between the time purchase orders are no longer accepted for the fiscal year ended June 30. The Department of Accounts and Budgets is currently preparing budget amendments for line-items that are over budget prior to year-end, which should lessen the need for larger budget amendments at year-end and help us have a better idea of amounts needed for year-end budget amendments.

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2015-005

MATERIAL AUDIT ADJUSTMENTS WERE REQUIRED FOR PROPER FINANCIAL STATEMENT PRESENTATION

(Internal Control – Material Weakness Under *Government Auditing Standards*)

At June 30, 2015, certain general ledger account balances in the Education Capital Projects and Other Capital Projects funds were not materially correct, and audit adjustments were required for the financial statements to be materially correct at year-end. Audit adjustments were required to increase contracts payable and retainage payable by \$1,761,216 and \$82,962, respectively, in the Education Capital Projects Fund; and to increase contracts payable by \$318,414 in the Other Capital Projects Fund. Sound business practices dictate that the School Department have adequate internal controls over the maintenance of its accounting records. Material audit adjustments were required because the department's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records. It is a strong indicator of a material weakness in internal controls if the department has ineffective controls over the maintenance of its accounting records, which are used to prepare the financial statements, including the related notes to the financial statements. This deficiency is the result of a lack of management oversight. We presented audit adjustments to management that they approved and posted to properly present the financial statements in this report.

RECOMMENDATION

The School Department should have appropriate processes in place to ensure its general ledgers are materially correct.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

We are in the process of establishing policies and procedures that will ensure proper control over accounting for capital projects.

FINDING 2015-006

THE ACTUAL BEGINNING FUND BALANCE OF THE GENERAL PURPOSE SCHOOL FUND EXCEEDED THE ESTIMATED BEGINNING FUND BALANCE BY A MATERIAL AMOUNT

(Internal Control – Material Weakness Under *Government Auditing Standards*)

The General Purpose School Fund's actual beginning fund balance (\$8,078,821) at July 1, 2014, exceeded the estimated fund balance (\$3,536,597) presented to the County Commission by \$4,542,224. Sound business practices dictate that realistic estimates of beginning fund balances should be presented to the County Commission during the budget process. This deficiency is due to management's failure to properly estimate the actual ending fund balance for June 30, 2014, which resulted in materially understating the estimated beginning fund balance.

RECOMMENDATION

Estimates of the beginning fund balance should be made on a more realistic basis to provide county officials with accurate information to base funding decisions. The estimated beginning fund balance should be amended during the year when it becomes apparent that the original estimate varies from the actual by a material amount.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

Management will take great care to ensure oversight of the balances of all budgeted accounts to provide accurate and timely data, which can be used to make informed decisions in the budget process.

OFFICE OF COUNTY CLERK

FINDING 2015-007

SOME BANK STATEMENTS WERE NOT RECONCILED WITH THE OFFICIAL CASH JOURNAL

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

Bank statements were not reconciled with the cash journal from October 2014 through March 2015, until auditors arrived in April 2015. We noted numerous posting errors, including deposits totaling \$25,404, which had not been posted to the cash journal. Auditors assisted in identifying errors and needed adjustments, which management approved and posted to properly reconcile the bank statements with the cash journal. Sound business practices require the reconciliation of bank statements with the cash journal on a current basis to ensure all transactions are recorded in the accounting records accurately. This finding resulted from a lack of management oversight.

RECOMMENDATION

Bank statements should be reconciled with the cash journal timely, and any errors discovered should be corrected promptly.

MANAGEMENT'S RESPONSE – COUNTY CLERK

The three employees in the office who are trained in bookkeeping may not do the job exactly the same way, but all three employees will be trained to reconcile the cash journal in a timely manner.

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

There were no findings and questioned costs for federal awards.

BEST PRACTICE

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Maury County.

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

Maury County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the County Commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Maury County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.

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

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

Finance Director – Summary Schedule of Prior-year's Findings

FINDING 2014-009

Maury County executed a written agreement with the subrecipient, reviewed the subrecipient's audit, and monitored the subrecipient's use of federal funds to ensure that compliance requirements were met for the Community Development Block Grant.