



**Shelby County, Tennessee**  
Comprehensive Annual Financial Report  
for the fiscal year ended June 30, 2015

**Comprehensive  
Annual Financial Report  
Of  
Shelby County, Tennessee  
For The Year Ended  
June 30, 2015**

*Prepared by the Department of Finance*

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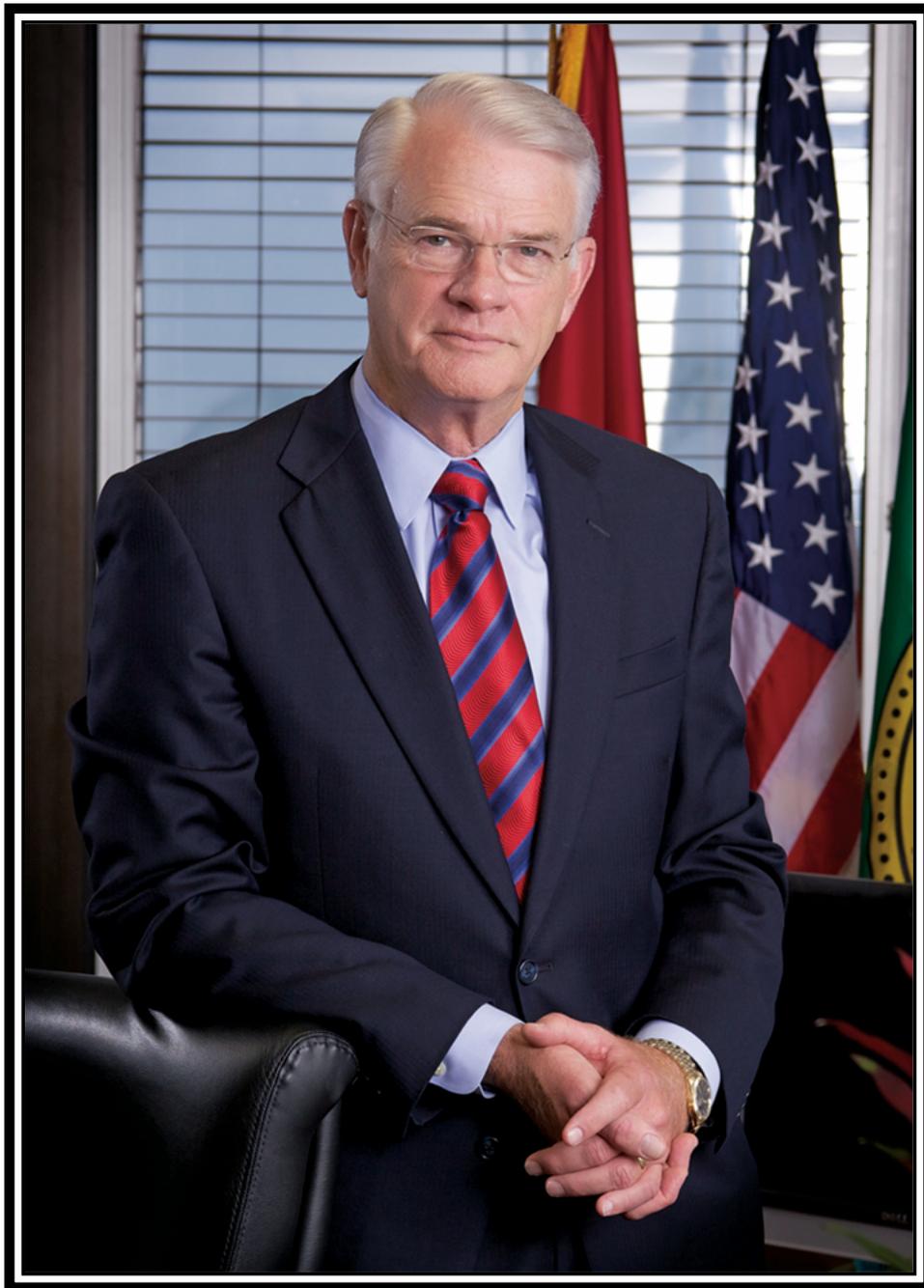
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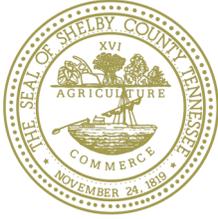
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**Shelby County Mayor Mark Luttrell**



# Shelby County Government

MARK H. LUTTRELL, JR.  
MAYOR

November 25, 2015

To the Members of the Board of County Commissioners and the Citizens of Shelby County, Tennessee:

The comprehensive annual financial report of Shelby County, Tennessee (hereafter, Shelby County) for the year ended June 30, 2015 is hereby submitted as required by both local ordinances and state statutes. These require that Shelby County publish each fiscal year a complete set of financial statements as required by Generally Accepted Accounting Principles (GAAP) and audited by a firm of licensed certified public accountants.

Management assumes full responsibility for the completeness and reliability of all of the information presented in this report based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free from any material misstatement.

Watkins Uiberall PLLC and Banks Finley White and Company, certified public accountants, have issued an unqualified opinion on Shelby County's financial statements for the fiscal year ended June 30, 2015. The independent auditors' report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides an analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of Shelby County, Tennessee**

Shelby County, established in 1819, is the largest county in the State of Tennessee with Memphis as the County seat. The County is located in the extreme southwest corner of Tennessee on the east bank of the Mississippi River and is the hub of the 105 county Mid-South region. Contained within the County's 783 square miles are the seven incorporated municipalities of Arlington, Bartlett, Collierville, Germantown, Lakeland, Memphis and Millington. The population of the County is 938,803. The County is empowered to levy, without limit, a property tax on both real and personal property located within its boundaries.

The County operates under the Mayor-Commission form of government. The Mayor, as the County's chief executive officer, oversees the operations of the County's seven divisions. The thirteen members of the Shelby County Board of Commissioners (the Commission), the legislative branch of the government, review and approve the County's programs and budgets.

The Mayor and each Commissioner serve a four year term. The Sheriff, County Clerk, Assessor, Register, Trustee, Circuit Court Clerk, Criminal Court Clerk, General Sessions Court Clerk, Juvenile Court Clerk and Probate Court Clerk are also elected to four year terms.

Shelby County provides a full range of services, including law enforcement, judicial system, jail and corrections facilities, health services, community services, fire protection and recreational activities. Shelby County also is financially accountable for a legally separate school district, public hospital, agricultural center and emergency communications district, which are reported separately within the Shelby County financial statements. Additional information on these entities can be found in Note I. A. in the notes to the financial statements.

The annual budget serves as the foundation for Shelby County's financial planning and control. All departments and elected officials submit their requested budget to the County Mayor by late February. After a series of reviews, the County Mayor presents a proposed consolidated budget to the County Commission. The County Commission holds budget hearings and then adopts a final budget. This process is generally completed by July 1, the start of the fiscal year. However, the County Commission has the authority to adopt a continuing budget until a final budget can be adopted. The appropriated budget is prepared by fund, division (function such as public works), and department (e.g., parks). The Mayor may make transfers of appropriations within personnel or non-personnel categories within a department or between departments within a division. Any other transfers require approval of the County Commission.

### **Local economy**

Shelby County experienced improvement in the local economy this past year as did most of the country. The decline in the housing market has ended and we are seeing some increase in values. In recent years, the economy of the County has experienced notable success attracting new businesses along with the continued growth of existing businesses.

The County is the major wholesale and retail center for western Tennessee, eastern Arkansas and northern Mississippi. The Memphis MSA is considered one of the top 100 suburban markets and ranks in the top fifty in total effective buying income according to Sales & Marketing magazine. The industrial economy of the County encompasses not one, but many industries. Twenty major industrial groups, as classified by the Bureau of the Budget, are listed in the Directory of Memphis Manufacturers. Major industries include chemicals, electronics, foods and beverages, paper products, hardwood lumber products, pharmaceuticals, soybean and cotton oil derivatives and fertilizers.

The major areas of employment in Shelby County are the services, government, and wholesale and retail trade. Comparatively, both the Southeast Region and the United States overall show a heavier concentration in manufacturing than does the County, but they also display lower employment in transportation and public utilities. According to the Tennessee Department of Labor, the unemployment rate for Shelby County as of September 30, 2015 was 6.7%, as compared to the state's rate of 5.7% and the national rate of 5.1%.

### **Long-term financial planning**

Long-term planning includes both our operations and capital needs. We look at our historical data and project our future requirements. Close cooperation exists between the Administration and the Commission, including an open, thorough and timely budgeting process, which focuses on a clear understanding of debt funding, in addition to funding for operations.

During the past ten years, governmental total revenue has increased 6.2% with all revenue sources being fairly consistent except Federal and local revenue decreased from \$51.6 million to \$28.0 million, a decrease of \$23.6 million or 45.7% of this revenue category. This decrease is primarily the result of Head Start program moving to another entity. For this period, local taxes have increased as a percent of total revenue from 75.0% to 81.6% because the areas of relative increase in expenditures are primarily supported by local taxes. Property taxes have increased from 65.5% to 71.7% of total revenue. Property taxes in 2015 increased 1.8% compared to 2014 due to primarily to an increase in collection of delinquent taxes. State, Federal and Other Local revenue decreased from 15.5% to 10.5% as a percent of total revenue over the past ten years due to a decrease in federal grants for Head Start. Fines, fees and permits have decreased from 6.8% to 6.7% of total revenue. All other revenues decreased from 2.7% to 1.2% of total revenue, primarily due to a decrease in investment income. Most fees and fines as well as many other revenues are set by the State and are not regularly increased to provide for inflationary cost increases.

During this same ten year period, excluding capital projects, the County's governmental expenditures related to our core functions of education, law enforcement, judicial and health plus debt service have increased as a percent of total expenditures from 80.9% to 81.8%. As a result of the Head Start program moving to another entity community service expenditures have decreased from 4.7% to 3.6% of total expenditures. In total governmental expenditures have changed less than 1%, which is less than the increase in revenue primarily because capital projects have decreased from \$105.7 million in 2006 to \$26.5 million in 2015, and interest expense has decreased from \$79.0 million in 2006 to \$66.6 million in 2015.

As part of our annual budget process, operating revenue and expenditures are projected for the next five years. This provides a basis to consider the longer term implications of decisions regarding items such as new programs, program level changes, raises, benefits and the property tax rate. We have also considered the need to plan for cash flow requirements. Our property taxes become delinquent on March 1 and most payments are received in December (for individual income tax purposes) and February. With our fiscal year starting July 1, we will always have negative cash flow from July 1 through late December. For many years we utilized short term borrowing for these cash flow needs. In 2009, as a result of increasing fund balances the County ended the use of short term borrowing for cash flow purposes. In 2014 the County adopted a policy of maintaining the General Fund unassigned fund balance as a percent of General Fund revenue between 20% and 30% with the intent to stay above 25%. This percentage has increased for ten consecutive years and is 26.2% as of June 30, 2015.

Annually, as part of the budget process the County adopts a five year capital improvements plan. Several years ago we recognized the need to stop the growth in both our debt outstanding and our annual debt service payments. We have aggressively reduced the local funding of our capital plan from \$106 million in 2006 to an average of \$44 million annually since 2009 to stop the growth of debt. In December 2006, our general obligation debt, excluding accretion, peaked at \$1.85 billion and it has declined to \$1.14 billion as of June 30, 2015. By policy we keep our annual local capital funding under \$75 million which will continue a slow steady decline in outstanding debt balances in future years. In addition, debt service expenditures peaked in 2011 at \$183 million, has decreased to \$162 million in 2015.

## **Major initiatives**

The Administration has identified a number of priorities designed to strengthen the long-term financial position of the County as addressed above in long-term financial planning. We have established the following initiatives that focus on structural changes in areas that are important to our future prosperity.

- 1. Economic Development and Smart Growth** – Shelby County is committed to providing programs and policies that ensure aggressive growth and to promote high quality long-term job opportunities. Smarter development regulations have been adopted that will curtail suburban sprawl and facilitate development. In addition, a joint entity with the City of Memphis has been created called the Economic Development Growth Engine (EDGE) to provide one entity to focus on economic development and to provide companies one entity that can deal with all governmental issues.
- 2. Support Quality Public Education** – Shelby County increased school funding by \$20 million in fiscal 2014 and an additional \$10 million in 2016. In fiscal 2015, the County provided \$3 million for at least 20 new pre-kindergarten classes for low income children pursuant to the Voluntary Pre-K Tennessee Act of 2005. This Pre-k funding has been continued in 2016 and an additional \$10 million of Pre-k funding has been obtained in Federal through State grants.
- 3. Focus on Budget and Financial Stability** – Preparation of the budget of this Administration is focused on shrinking County Government as much as practical while maintaining those services that are important to our citizens. All programs and services have been thoroughly evaluated to consider the need for those functions that are not mandated and to provide programs and services more efficiently. We are working with each elected official to enhance efficiency through elimination of duplications particularly of information technologies. In addition, we engaged a consultant that provided an Efficiency Review dated July 30, 2013 and most of the initiatives recommended have been implemented.
- 4. Provide and Promote Community and Environmental Health** – We are committed to provide and support integrated healthcare services that focus on wellness, early intervention and prevention in order to ensure a high quality of life and a safe environment for our citizens. We have had an outside review of our Health Services Division to focus our efforts on integrated healthcare services that focus our efforts in these areas. Our “Office of Sustainability” develops green initiatives and aspects of community and environmental health.
- 5. Provide Efficient and Responsive Government Operations** – A training office has been established to enhance the capabilities and foster professionalism of the employee workforce through improved training programs and succession planning. Trust and confidence in government are being built through transparent, accessible and responsive interactions with all internal and external customers.

## **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Shelby County, Tennessee for its comprehensive annual financial report (CAFR) for the year ended June 30, 2014. This was the thirtieth consecutive year

that Shelby County has received this prestigious award. In order to be awarded the Certificate of Achievement, a government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. The County also received GFOA's Distinguished Budget Presentation Award for the fiscal year ended June 30, 2014 which is the fifth consecutive year receiving this award.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Due credit also is given to all County Commissioners for their interest and support in planning and conducting the operations of Shelby County in a responsible and progressive manner.

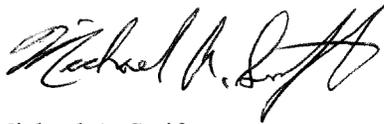
Sincerely,



Mark H. Luttrell, Jr.  
County Mayor



Harvey Kennedy  
Chief administrative Officer



Michael A. Swift  
Director, Division of Administration and Finance

**Shelby County, Tennessee  
County Officials  
As of June 30, 2015**

**Shelby County Board of Commissioners**

**Justin J. Ford, Chairman  
Terry Roland, Chairman Pro Tempore**

**Walter L. Bailey, Jr.  
Steve Basar  
Mark Billingsley  
Willie F. Brooks, Jr.**

**Melvin Burgess, Jr.  
George B. Chism, Sr.  
Eddie S. Jones, Jr.  
Reginald Milton**

**David Reaves  
Heidi Shafer  
Van D. Turner**

**Publicly Elected Officials**

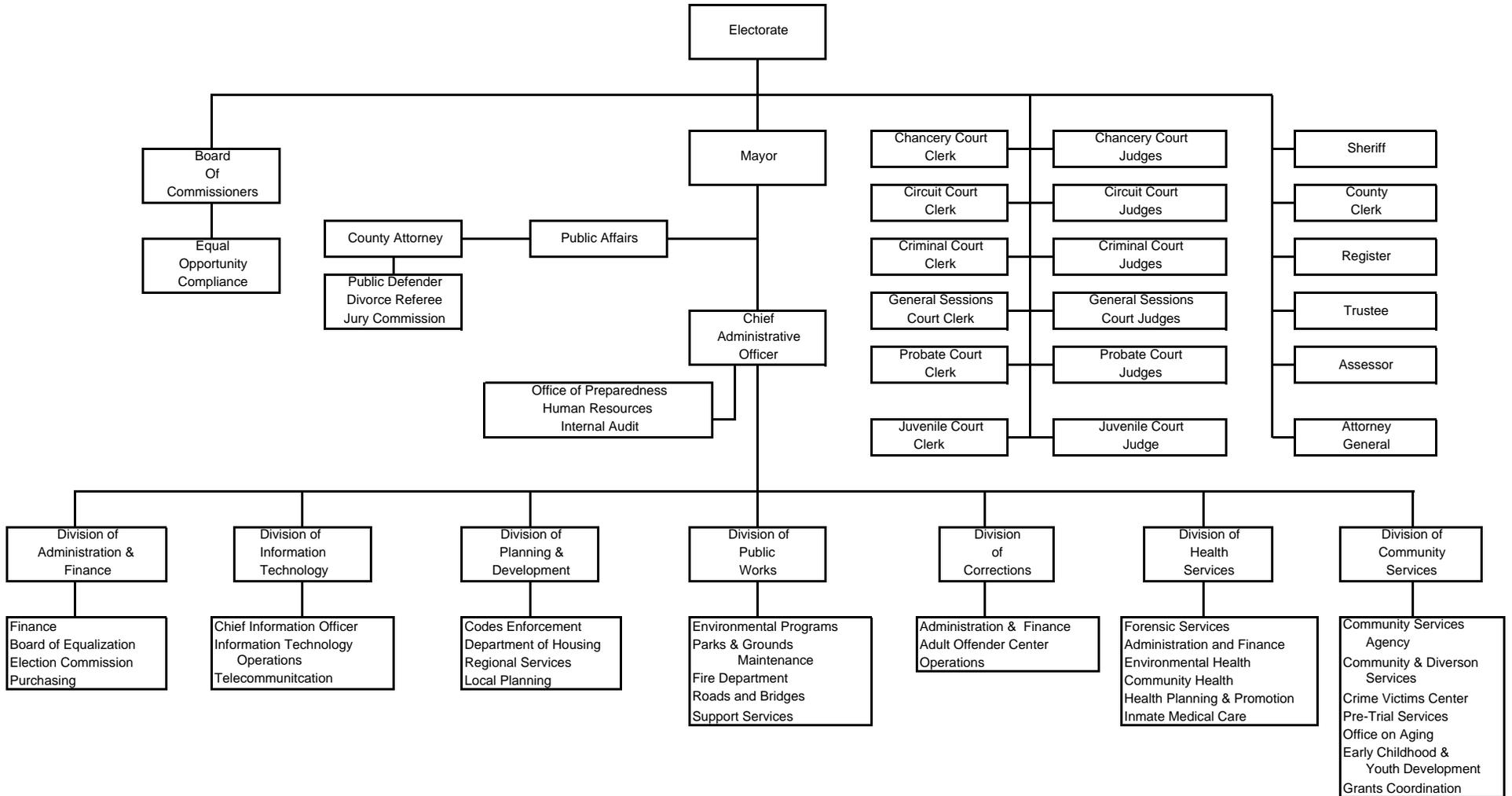
**Assessor of Property – Cheyenne Johnson  
Attorney General – Amy P. Weirich  
County Clerk – Wayne Mashburn  
County Mayor – Mark H. Luttrell, Jr.  
County Register – Tom Leatherwood  
County Trustee – David Lenoir  
Juvenile Court Clerk – Joy Touliatos  
Chancery Court Clerk and Master – Donna L. Russell  
Circuit Court Clerk – Jimmy Moore  
Criminal Court Clerk – Richard DeSaussure  
General Sessions Court Clerk – Edward L. Stanton, Jr.  
Probate Court Clerk – Paul C. Boyd  
Sheriff – William Oldham**

**Shelby County Administrative Officials**

**Mark H. Luttrell, Jr. – Mayor  
Harvey Kennedy - Chief Administrative Officer  
Michael A. Swift - Director of Administration and Finance  
John Halbert - Chief Information Officer  
Richard S. Copeland - Director of Planning and Development  
Tom Needham - Director of Public Works  
William Gupton - Director of Corrections  
Yvonne Smith-Madlock - Director of Health Services  
Martha Lott - Director of Community Services  
J. Ross Dyer - County Attorney**

# Shelby County Government Organizational Chart

## As of June 30, 2015





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Shelby County  
Tennessee**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

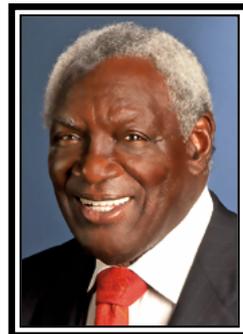
Executive Director/CEO



**Justin Ford**



**Terry Roland**



**Walter Bailey**



**Melvin Burgess**



**David Reaves**



**Steve Basar**



**George B. Chism, Sr.**



**Heidi Shafer**



**Mark Billingsley**



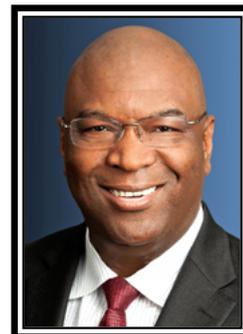
**Eddie S. Jones, Jr.**



**Van D. Turner**



**Willie F. Brooks, Jr.**



**Reginald Milton**

# COMMISSIONERS



Watkins Uiberall, PLLC  
Certified Public Accountants & Financial Advisors  
Independent Member of BKR International



## INDEPENDENT AUDITORS' REPORT

To the Chairman and Members  
Shelby County Board of Commissioners and  
the Mayor of Shelby County, Tennessee  
Memphis, Tennessee

### Report of 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, the statements of budgetary comparison for the general fund, education fund, and grants fund, and the aggregate remaining fund information of Shelby County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Shelby County, Tennessee's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Shelby County Health Care Corporation, Agricenter International, Inc., and Emergency Communications District of Shelby County, Tennessee which represents \$385,145,417, \$298,960,152, and \$424,356,271, respectively of the assets, net position, and revenues of the component units, and Shelby County Retirement System, which represents \$1,117,946,561, \$1,115,133,799, and \$55,775,681 of the assets, total net position, and net additions of the fiduciary funds. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for those component units and Shelby County Retirement System, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to

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

An audit involves performing procedures to obtain audit evidence amount 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 polices used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the statements of budgetary comparison for the general fund, education fund, and grants fund, and the aggregate remaining fund information of Shelby County, Tennessee, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Change in Accounting Principle**

Shelby County, Tennessee has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

## **Emphasis of Matter**

We draw attention to Note IV(Q) to the financial statements, which describes a restatement decreasing the beginning Governmental Activities net position by \$271,926,374 and the beginning Business-Type Activities net position by \$53,843,317 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*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages B-5 – B-20, the budgetary comparison information on pages C-11 – C-13, and the other required supplementary information on pages D-45 – D-48 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 and other auditors 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Shelby County, Tennessee's basic financial statements. The introductory section, combining and other statements and schedules, other budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and other statements and schedules, other budgetary comparison schedules, and the schedule of expenditures of federal and state awards 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, the procedures performed as described above, and the report of the other auditors, the combining and other statements and schedules, other budgetary comparison schedules, and the schedule of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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 them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2015, on our consideration of Shelby County, Tennessee'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 Shelby County, Tennessee's internal control over financial reporting and compliance.

*Watkins Mikusall, PLLC*

*Banks, Jolley, White & Co.*

Memphis, Tennessee  
November 25, 2015

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### Management's Discussion and Analysis

The management of Shelby County Government (County) presents this narrative overview and analysis of the County's financial activities for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with information in the transmittal letter found at the front of this report and the basic financial statements, which follow in this section.

Accounting principles generally accepted in the United States of America for governmental entities are established by the Governmental Accounting Standards Board (GASB). This annual financial report uses the standards established by the GASB's Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Shelby County follows all GASB standards in addition to Statement No. 34 as well as other authoritative literature known collectively within the accounting profession as "generally accepted accounting principles."

Effective for the fiscal year ending June 30, 2015, Shelby County Government implemented GASB Statement Numbers 68 and 71 related to pension accounting. See Note IV(Q) for more information. For purposes of providing comparative information, the FY 2014 financial information used in this discussion and analysis has also been restated.

#### Financial Highlights

- At June 30, 2015 the unassigned fund balance for the General Fund was \$107.8 million, 28.2% of total General Fund revenue, an increase of \$5.3 million during the year. The unassigned fund balance at the end of the previous year was \$102.5 million, or 26.9% of General Fund revenue.
- Fund balance for the Debt Service Fund increased \$4.1 million to \$91.4 million, which is 48.6% of total revenue of the Debt Service Fund. The balance is consistent with our debt plan to provide for future debt service requirements.
- Grant fund revenues decreased from \$104.5 million to \$73.8 million and expenditures decreased from \$106.6 million to \$76.9 million, primarily due to the shift of the Head Start program from Shelby County Government to another entity. Fund balance decreased slightly from \$16.5 million to \$16.2 million.
- The change in net position for Business-type activities was an increase of \$7.7 million during the year, reducing the net position to a negative \$3.9 million. The negative position results from the implementation of GASB Statement No. 68 requiring the recording of an unfunded pension obligation of \$43.7 million as of June 30, 2015.
- Total government-wide net position increased \$143.6 million as a result of activity for the fiscal year, with an increase of \$135.8 million from governmental activities and an increase of \$7.8 million from business-type activities.
- Total long-term liabilities of governmental activities decreased \$184.1 million to \$1,476.8 million. The decrease is due to the County's continuing effort to pay off more long-term debt than new debt issued each year and to reductions in the unfunded pension obligation.

More details on these highlights and other information are in the remainder of this discussion and analysis.

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## Overview of the Financial Report

The Comprehensive Annual Financial Report includes three major sections – Introductory Section, Financial Section, and Statistical Section. The Introductory Section includes a transmittal letter and general information about the County. The Statistical Section includes financial and non-financial data, some from sources other than financial records and often covering up to ten years. The Financial Section is the major part of the financial report. The Independent Auditor's Report applies only to the Financial Section. This discussion and analysis applies only to the Financial Section.

The Financial Section includes the following statements and schedules:

- Basic Financial Statements
  - Government-wide financial statements
  - Fund financial statements
  - Notes to financial statements
- Required Supplementary Information
- Combining and Other Statements and Schedules
- Other Budgetary Comparison Schedules

### BASIC FINANCIAL STATEMENTS

**Differences between government-wide and fund financial statements.** The government-wide financial statements are much more aggregated and summarized than the fund financial statements. The government-wide Statement of Net Position includes capital assets and long-term debt, whereas the fund Balance Sheet includes neither. The government-wide Statement of Activities does not report the issuance or repayment of long-term debt during the year and reports depreciation expense but not amounts expended for capital assets during the year. The fund Statement of Revenues, Expenditures and Changes in Fund Balances includes as other financing sources the amount of long-term debt incurred during the year and as expenditures the amount of principal repaid. This statement also includes amounts expended for capital assets but not depreciation. These are some of the most common, significant differences but there are others. Following the fund Balance Sheet and the Fund Statement of Revenues, Expenditures and Changes in Fund Balances is a reconciliation of those statements to the government-wide Statement of Net Position and the Statement of Activities.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide a broad overview of Shelby County's finances in a manner similar to a private-sector business. The two government-wide financial statements present highly summarized information for all of County government.

The *Statement of Net Position* presents information on all of Shelby County's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of changes in the financial position of Shelby County. The County has in prior years issued substantial amounts of debt for capital assets of others, such as the Shelby County Schools. This debt is a liability of the County but the buildings constructed with the funds are not assets of the

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County; thus the County has a deficit net position. In some years the County may issue enough similar debt that an annual decrease in net position occurs.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying economic event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Shelby County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Shelby County include general government, hospital, planning & development, public works, corrections, health services, community services, law enforcement, judicial, other elected officials, education and interest on debt. The business-type activities of Shelby County consist of codes enforcement, fire services and corrections center.

The government-wide financial statements include not only Shelby County itself - known as the *primary government* - but also four legally separate entities for which Shelby County is financially accountable. These entities are the Shelby County Board of Education, Shelby County Health Care Corporation (Regional One), Agricenter International, and the Emergency Communications District (9-1-1). Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. This discussion and analysis is devoted to Shelby County Government rather than the component units.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Shelby County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Shelby County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for governmental activities in the government-wide financial statements. By doing so readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund

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Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Shelby County maintains fourteen individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Debt Service Fund, Capital Projects Fund, Education Fund, and Grants Fund, all of which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the nonmajor governmental funds *combining statements* elsewhere in this report.

*Proprietary funds.* Shelby County maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Shelby County uses enterprise funds to account for Consolidated Codes Enforcement, Fire Services and Correction Center. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among Shelby County's various functions. Shelby County uses internal service funds to account for its Central Services, Group Health, Tort Liability and Employer Insurance funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements. The Corrections Center is reported as a major enterprise fund and all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds and internal service funds are provided in the form of *combining statements* elsewhere in this report.

*Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Shelby County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Fiduciary Funds statements report the Agency Fund and the combined Shelby County Retirement System and the Shelby County OPEB Trust, which are reported separately in a *combining statement* elsewhere in this report.

*Component units combining statement.* Component units are not "funds" of Shelby County as the primary government. However, the government-wide financial statements include one column for all component units as discussed above. In order to provide details on each component unit, a *Combining Statement of Net Position* and a *Combining Statement of Activities* are included in the fund financial statements section of the basic financial statements.

*Budgetary Comparison Statements.* Within this section are budgetary comparison statements for the general fund and other "major" special revenue funds (the Education Fund and the Grants Fund) to demonstrate compliance with their budget. Other budgetary comparison schedules not fitting the

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criteria defined for this section are presented under “Combining and Other Statements and Schedules” and “Other Budgetary Comparison Schedules.”

**Notes to Financial Statements.** The Notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. “Notes” is the traditional term applied to this information; however the term is misleading in that the Notes can vary in length from one paragraph to several pages.

#### **REQUIRED SUPPLEMENTARY INFORMATION**

This section contains other information that financial reporting standards specify should be included under this caption. Supplementary information is presented for the Shelby County Retirement System and the Shelby County OPEB Trust.

#### **COMBINING AND OTHER STATEMENTS AND SCHEDULES**

Combining fund statements for the non-major enterprise funds, non-major special revenue funds, and internal service funds are included in this section of the report. Supplemental schedules include budgetary comparisons, detail of county charter officers' activities and schedules of debt by debt issue.

### **Government-wide Financial Analysis (Reporting the County as a Whole)**

#### **FINANCIAL POSITION**

Table 1 shows a condensed version of the Statement of Net Position (see the government-wide financial statements for the full version as of June 30, 2015). This statement shows the financial position of the County as a whole at specific points in time – in this case as of June 30, 2015 and as of June 30, 2014.

Property taxes receivable is by far the largest portion of Shelby County's assets and deferred outflows (43.6% at June 30, 2015 and 43.9% at June 30, 2014). The June 30, 2015 property taxes receivable includes \$763.5 million, offset by an equal unavailable revenue amount in deferred inflows of resources, which became a property lien on January 1, 2015 but are levied for next fiscal year's operations. The similar amount at June 30, 2014 was \$754.7 million. Total assets and deferred outflows of resources increased by \$19.5 million. This includes a decrease in deferred outflows of \$1.1 million and increases in property taxes receivable of \$3.4 million, capital assets of \$1.6 million and current and other assets of \$15.6 million.

Liabilities and deferred inflows decreased by \$127.1 million during the year. Significant changes included a decrease of \$198.7 million in long-term liabilities and an increase of \$63.5 million in deferred inflows of resources.

Table 1  
Condensed Statement of Net Position  
As of June 30, 2015 and June 30, 2014

	June 30, 2015	June 30, 2014	Change
<u>Governmental Activities</u>			
Property taxes receivable	\$ 810,261,727	\$ 806,833,994	\$ 3,427,733
Current and other assets	371,226,452	358,913,774	12,312,678
Capital assets	542,433,908	540,176,170	2,257,738
Deferred outflows of resources	76,707,887	83,262,023	(6,554,136)
Total assets and deferred outflows	<u>1,800,629,974</u>	<u>1,789,185,961</u>	<u>11,444,013</u>
Long-term liabilities	1,476,836,312	1,660,897,365	(184,061,053)
Other liabilities	99,307,714	92,857,983	6,449,731
Deferred inflows of resources	864,513,715	811,280,033	53,233,682
Total liabilities and deferred inflows	<u>2,440,657,741</u>	<u>2,565,035,381</u>	<u>(124,377,640)</u>
Net investment in capital assets	328,439,765	382,836,247	(54,396,482)
Restricted	42,020,008	42,862,828	(842,820)
Unrestricted	(1,010,487,540)	(1,201,548,495)	191,060,955
Total net position	<u>(640,027,767)</u>	<u>(775,849,420)</u>	<u>135,821,653</u>
<u>Business-Type Activities</u>			
Current and other assets	28,168,003	24,863,645	3,304,358
Capital assets	23,652,254	24,304,435	(652,181)
Deferred outflows of resources	5,406,725	5,347,778	58,947
Total assets and deferred outflows	<u>57,226,982</u>	<u>54,515,858</u>	<u>2,711,124</u>
Long-term liabilities	49,171,366	63,861,193	(14,689,827)
Other liabilities	1,663,863	2,315,724	(651,861)
Deferred inflows of resources	10,306,883	0	10,306,883
Total liabilities and deferred inflows	<u>61,142,112</u>	<u>66,176,917</u>	<u>(5,034,805)</u>
Net investment in capital assets	23,583,102	24,169,229	(586,127)
Unrestricted	(27,498,232)	(35,830,288)	8,332,056
Total net position	<u>(3,915,130)</u>	<u>(11,661,059)</u>	<u>7,745,929</u>
<u>Total Primary Government</u>			
Property taxes receivable	810,261,727	806,833,994	3,427,733
Current and other assets	399,394,455	383,777,419	15,617,036
Capital assets	566,086,162	564,480,605	1,605,557
Deferred outflows of resources	82,114,612	83,262,023	(1,147,411)
Total assets and deferred outflows	<u>1,857,856,956</u>	<u>1,838,354,041</u>	<u>19,502,915</u>
Long-term liabilities	1,526,007,678	1,724,758,558	(198,750,880)
Other liabilities	100,971,577	92,857,983	8,113,594
Deferred inflows of resources	874,820,598	811,280,033	63,540,565
Total liabilities and deferred inflows	<u>2,501,799,853</u>	<u>2,628,896,574</u>	<u>(127,096,721)</u>
Net investment in capital assets	352,022,867	407,005,476	(54,982,609)
Restricted	42,020,008	42,862,828	(842,820)
Unrestricted	(1,037,985,772)	(1,237,378,783)	199,393,011
Total net position	<u>\$ (643,942,897)</u>	<u>\$ (787,510,479)</u>	<u>\$ 143,567,582</u>

“Net Position” is the difference between assets plus deferred outflows and liabilities plus deferred inflows and, in a general sense, may be considered the recorded financial “net worth” of the County. The most obvious concern that can be noted about net position is the large negative net position amount. The major factor causing this negative net position amount relates to debt issued for capital assets (buildings, roads, etc.) where the capital asset values are *not* recorded in the County’s financial records but the debt *is* on the County’s records. Some of this debt has been issued to provide capital assets to component units of the County, including the Shelby County Board of Education and the Shelby County Health Care Corporation (Regional One). These component units report the capital assets but not the debt. Other debt is issued for entities not a part of the County reporting entity, including the municipal school districts within Shelby County. As a result of reporting the debt liabilities without reporting the assets acquired with the proceeds of the debt, a negative net position amount is reported in the County’s Statement of Net Position. If the related capital assets were reported by the County or the debt were reported by the benefiting entities, the County would have a significant, positive net position.

The following long-term debt and notes payable are reported by the County for which related capital assets are not recorded by Shelby County:

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Shelby County and Municipal Public School Systems	\$ 941,290,513	\$ 1,017,631,941
Shelby County Health Care Corp. (Regional One)	37,264,353	44,864,869
Memphis and Shelby County Port Commission	18,542,500	19,082,500
Other	<u>23,856,567</u>	<u>26,454,898</u>
Total	<u>\$ 1,020,953,933</u>	<u>\$ 1,108,034,208</u>

Shelby County, the component units, and other entities use these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Shelby County’s investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The County’s total net position for governmental activities increased by \$135.8 million. The decrease in restricted net position is primarily reflected in the increase in unrestricted assets as long-term debt was paid down without a matching increase in borrowing. The significant reasons for these changes can be generally understood from information in the sections below about “Changes in Net Position” and the “Financial Analysis of the Government’s Funds.” Changes in net position are discussed below.

**CHANGES IN NET POSITION – REVENUES, EXPENSES AND TRANSFERS**

Table 2 summarizes the financial activity for the County as a whole for the fiscal year ended June 30, 2015, with comparative amounts for the fiscal year ended June 30, 2014.

Table 2  
Shelby County Change in Net Position  
Fiscal Years Ended June 30, 2015 and 2014

	FY 2015	FY 2014	Change
Governmental activities:			
<u>Revenues:</u>			
Program revenues:			
Charges for services	\$ 117,498,955	\$ 117,881,890	\$ (382,935)
Operating grants and contributions	62,656,592	97,596,210	(34,939,618)
Capital grants and contributions	10,340,712	5,126,100	5,214,612
Total program revenues	<u>190,496,259</u>	<u>220,604,200</u>	<u>(30,107,941)</u>
General revenues:			
Property taxes	790,149,240	784,897,520	5,251,720
Other taxes	93,386,259	89,006,378	4,379,881
Other	2,117,748	1,929,552	188,196
Total general revenues	<u>885,653,247</u>	<u>875,833,450</u>	<u>9,819,797</u>
Total revenues-governmental activities	<u>1,076,149,506</u>	<u>1,096,437,650</u>	<u>(20,288,144)</u>
<u>Expenses:</u>			
General government	43,713,313	49,990,734	(6,277,421)
Hospital	26,816,000	26,815,406	594
Planning and development	7,907,742	8,218,651	(310,909)
Public works	43,737,574	42,763,697	973,877
Corrections	1,058,422	1,041,443	16,979
Health services	50,765,349	53,411,088	(2,645,739)
Community services	40,742,530	69,437,121	(28,694,591)
Law enforcement	156,314,046	162,063,175	(5,749,129)
Judicial	69,221,549	72,191,634	(2,970,085)
Other elected officials	28,753,179	25,886,210	2,866,969
Education	385,396,412	387,263,290	(1,866,878)
Debt interest	76,735,064	66,185,593	10,549,471
Total expenses-governmental activities	<u>931,161,180</u>	<u>965,268,042</u>	<u>(34,106,862)</u>
Increase (decrease) in net position before transfers	144,988,326	131,169,608	13,818,718
Transfers	<u>(9,166,673)</u>	<u>(7,273,785)</u>	<u>(1,892,888)</u>
Increase (decrease) in net position	135,821,653	123,895,823	11,925,830
Net position - beginning of year	<u>(775,849,420)</u>	<u>(899,745,243)</u>	<u>123,895,823</u>
Net position - end of year	<u>\$ (640,027,767)</u>	<u>\$ (775,849,420)</u>	<u>\$ 135,821,653</u>

For governmental activities, program revenues are those generated by the department or program as a result of the activities engaged in by the department or program. General revenues are those revenues not generated through activities of the County; property taxes are the primary source of general revenue. Program revenues decreased by 13.6% or \$30.1 million, primarily due to lower funding levels from grants and especially the move of the local Head Start program to another entity. The County considers grant and reimbursement revenues from other governments associated with the current fiscal year to be available if collected within one year of the end of the current fiscal year. Total general revenues increased \$9.8 million. Property taxes increased \$5.3 million (0.7%) and other taxes increased \$4.4 million (4.9%), with relatively small increases and decreases in the various taxes.

Total expenses for the year in governmental activities decreased \$34.1 million (3.5%). Community Services grants decreased \$28.7 million, primarily due to the movement of the Head Start program to another entity. Significant decreases occurred in general government (\$6.3 million or 12.6%) and law enforcement (\$5.7 million or 3.5%), with increases and decreases in other programs. Debt expenses increased \$10.5 million.

Table 2 Continued

Business-type activities:	FY 2015	FY 2014	Change
<u>Revenues:</u>			
Operating revenues:			
Charges for services	\$ 81,119,037	\$ 80,713,882	\$ 405,155
Operating grants and contributions	1,414,323	871,967	542,356
Capital grants and contributions	0	0	0
Total operating revenues	82,533,360	81,585,849	947,511
Non-operating revenues	39,976	48,675	(8,699)
Total revenues	82,573,336	81,634,524	938,812
<u>Expenses:</u>			
Operating expenses	83,994,080	86,696,132	(2,702,052)
Total expenses	83,994,080	86,696,132	(2,702,052)
Increase (decrease) in net position before transfers	(1,420,744)	(5,061,608)	3,640,864
Transfers	9,166,673	7,273,785	1,892,888
Increase (decrease) in net position	7,745,929	2,212,177	5,533,752
Net position - beginning of year	(11,661,059)	(13,873,236)	2,212,177
Net position - end of year	(3,915,130)	(11,661,059)	7,745,929
Total primary government:			
Increase (decrease) in net position	143,567,582	126,108,000	17,459,582
Net position - beginning of year	(787,510,479)	(913,618,479)	126,108,000
Net position - end of year	\$ (643,942,897)	\$ (787,510,479)	\$ 143,567,582

In business-type activities, operating revenues increased slightly by \$947,511 or 1.2%. This was due to an increase of \$1,007,699 in Code Enforcement’s charges for services and operating grants. There was a small increase of \$48,609 in Fire Services and a small decrease of \$108,797 in the Corrections Center. The operating grant of \$1,366,844 in Codes Enforcement is an operating subsidy from the City of Memphis. Operating expenses decreased \$2,702,052 overall, or 3.2%; decreases were \$156,889 in Fire Services, \$729,654 in Codes Enforcement and \$1,815,509 in the Corrections Center. Transfers increased \$1.9 million, almost all in the Corrections Center.

**CHANGE IN FINANCIAL POSITION DURING YEAR**

The overall change in the financial position of Shelby County during the current fiscal year was an increase in net position of \$143.6 million. The County’s governmental activities operated with an increase in net position of \$135.8 million. The business-type activities had a net increase of \$7.8 million. This resulted in the County’s overall net position improving from a deficit balance of \$787.5 million to a deficit balance of \$643.9 million.

**Financial Analysis of the Government's Funds**

As noted earlier, Shelby County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of Shelby County’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing Shelby County’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Governmental accounting standards prescribe fund balance categories in a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. The categories, in order of the constraints, are nonspendable, restricted, committed, assigned and unassigned. More details on these classifications are presented in the Notes to Financial Statements I(E) under “Net Position and Fund Balance.”

As of the end of the current fiscal year, Shelby County’s governmental funds reported a combined ending fund balance of \$278,611,345. The components of the balances are:

	<u>June 30, 2015</u>	<u>June 30, 2014</u>
General Fund	\$ 108,743,411	\$ 103,387,753
Debt Service Fund	91,413,446	87,271,602
Special Revenue Funds	<u>39,743,999</u>	<u>38,301,618</u>
Total, except Capital Projects Fund	239,900,856	228,960,973
Capital Projects Fund	<u>38,710,489</u>	<u>34,183,061</u>
Total all governmental funds	<u>\$ 278,611,345</u>	<u>\$ 263,144,034</u>

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There was a \$10.9 million net increase in fund balance, excluding capital projects. There were increases of \$5.4 million in the General Fund, \$4.1 million in the Debt Service Fund and \$1.4 million in all special revenue funds. There was also an increase of \$4.5 million in the Capital Projects Fund. Each of these changes is discussed below.

The *General Fund* is the chief operating fund of Shelby County and operated with a net increase in fund balance of \$5.4 million, compared to an increase of \$7.6 million in the previous year. The General Fund Revenue in total increased \$1.4 million over the prior year. Property taxes increased \$5.6 million (2.3%). Other local taxes were \$1.7 million lower (5.0%) and federal and local revenue were \$4.0 million lower (35.6%). Other revenues had smaller dollar increases and decreases. Total revenues in FY 2015 exceed expenditures by \$22.2 million compared to revenues over expenditures of \$25.1 million in FY 2014. General Fund expenditures and net other financing sources/uses increased \$3.7 million. One significant increase was \$4.1 million in Other Elected Officials, mostly related to the reclassification of the Election Commission into this category. Another significant increase was \$1.5 million in Judicial, mostly related to increased costs in Juvenile Court and the Public Defender related to juvenile cases. A significant decrease was \$2.3 million in general government due to the shift of the Election Commission. Net transfers out decreased by \$1.3 million. The General Fund unassigned fund balance increased \$5.3 million to \$107.8 million; this amount is available for spending at the government's discretion.

As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance to total fund revenue. Unassigned fund balance represents 28.2% of total General Fund revenue. Management is committed to maintaining an unassigned fund balance in the General Fund between 25% and 30% of General Fund revenue.

The *Debt Service Fund* total fund balance increased \$4.1 million during the year to \$91.4 million, all restricted or committed for the payment of debt service. Tax revenue increased \$11.5 million during the year and other revenue did not change significantly, but a transfer out of \$6.5 was made. Debt Service expenditures decreased by \$5.9 million.

The fund balance of the *Capital Projects Fund* fluctuates significantly as funds are borrowed or transferred in for capital project purposes and are then expended for the projects. This fund balance increased \$4.5 million during the year, from \$34.2 million to \$38.7 million. Expenditures for various capital projects were \$26.7 million and net transfers in of \$8.6 million were received. Short term debt of \$20 million was issued during the year; see Note IV(H) to the financial statements. All fund balances of the Capital Projects Fund are restricted, committed or assigned.

The *Education Fund* is used to provide local funding to the Shelby County Board of Education and six municipal school districts that opened this fiscal year. A portion of the County property tax is specifically assessed for the schools. To the extent the property tax revenues are less than the expenditure amount appropriated, wheel tax revenues are allocated to the education fund to provide the total funding appropriated. There is usually no net change in fund balance and no fund balance in the Education Fund; the fund balance at June 30, 2015 was zero.

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The *Grants Fund* fund balance decreased slightly from \$16.5 at June 30, 2014 to \$16.2 million at the end of the current year. Total revenue decreased \$30.7 million to \$73.8 million. The major decrease was the result of the local Head Start program being moved to another entity. Total expenditures decreased \$29.7 million during the year, also primarily due to the Head Start program moving to another entity.

All the *Nonmajor Governmental Funds* are special revenue funds. All these special revenue fund balances are used for the specific purposes designated by the provider of the funds or the legislation establishing the fees and charges that generate the revenue. These funds in total had a net increase of \$1.7 million in fund balances during the year. Significant changes in individual fund balances were a \$0.9 million increase in the Roads and Bridges Fund and a \$1.1 million increase in the Hotel Motel Tax Fund.

**Proprietary funds.** Shelby County's proprietary funds report financial information on the same basis as the government-wide financial statements (full accrual accounting based on the economic substance of transactions), but in more detail. Proprietary funds consist of two types of funds: business-type activities - enterprise funds and governmental activities - internal service funds.

The County has three business-type activities; these are essentially self-supporting activities. In total these funds had an increase of \$7.7 million in net position during the year. Total net position balances at year-end are a \$2.0 million deficit, of which a negative \$25.6 million is unrestricted and \$23.6 is net investment in capital assets. The net deficit balances are the result of recent financial reporting standards that requires proprietary funds to record unfunded net pension liabilities; this liability amount at June 30, 2015 is \$43.7 million.

*Corrections Center Fund.* The Corrections Center receives reimbursement from the State of Tennessee for housing State prisoners, which accounts for approximately 85% of the prison population. The General Fund provides the remaining cost, excluding depreciation. Operating revenues decreased \$108,797 to \$53.5 million and operating expenses decreased \$1.5 million from \$59.0 million to \$57.5 million. Net transfers to cover the cost of non-State prisoners were \$8.1 million. The overall net position increased \$4.1 million from \$1.6 million to \$5.7 million.

*Consolidated Codes Enforcement Fund.* Operating revenue increased \$0.4 million to \$8.4 million and operating expenses decreased \$0.5 million to \$8.7 million. The County's general fund and the City of Memphis contributed \$1.4 million each to support operations, an increase of \$0.6 million each from the previous year. The change in net position increased from a negative \$5.5 million to a negative \$3.3 million at June 30, 2015. The net negative position at June 30, 2015 of \$3.3 million consists of a positive \$1.7 million investment in capital assets and a negative unrestricted balance of \$5.0 million.

*Fire Services Fund.* This fund operates primarily on user fees collected from residents and businesses in the unincorporated areas of the County served by the department. In the current year revenue from fees was \$18.2 million and other operating revenue was \$1.0 million, an increase of \$35,609. A small transfer of \$9,501 was also recorded. Operating expenses decreased from \$17.9

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million to \$17.8 million. The change in net position for the year was \$1.5 million. Total net position improved from a negative \$5.9 at June 30, 2014 to a negative \$4.4 million at June 30, 2015.

The County has four internal service funds. These funds are reported using full accrual accounting. *For the government-wide financial statements, these funds are combined with governmental activities.* Internal service funds provide goods or services to other funds or departments on a cost-reimbursement basis. At June 30, 2015, these funds combined had net position of \$24.2 million, a decrease of \$0.4 million. The Group Health Insurance Fund had a decrease of \$1.8 million to a total net position of \$5.2 million. The Employer Insurance Fund had a decrease of \$0.2 million to a net position of \$6.8 million. The Tort Liability Fund had an increase of \$0.9 million to a net position of \$5.8 million. The Central Services Fund had a net increase of \$0.7 million to a net position of \$6.4 million.

**Fiduciary funds.** Shelby County reports three fiduciary funds. The largest is the Shelby County Retirement System. The funds in this trust are available only for retirement benefits of current and retired County employees. The actuarial value of accumulated funds in the Retirement System at June 30, 2015 was 79.0% of the currently calculated actuarial accrued liability. The County provides funding as required each year for the increased liability for benefits being earned by current employees. At June 30, 2015 the Retirement System had net position held in trust of \$1,115 million, a decrease of \$22.5 million, primarily due to decreased market value of investments.

The Shelby County OPEB Trust was created as of July 1, 2007 to accumulate funds and pay other post-employment benefits to terminated County employees. At June 30, 2015 the Trust had net position held in trust of \$197.9 million, an increase of \$20.3 million for the year. Investment income for the year was \$1.4 million compared to \$21.2 million in the prior year. The ratio of current funding to the actuarial liability was 56.8% at the latest actuarial valuation (June 30, 2014).

The County also maintains agency funds for a number of the County's county charter officers. These funds do not belong to the County, but are funds held for others. There are no "fund balances" for agency funds.

### **Governmental Fund Budgetary Highlights**

Differences between the original budget and the final amended budget and between the final budget and actual results for the General Fund can be briefly summarized as follows:

- The overall increase in the revenue budget from original to amended was insignificant in total - less than \$100,000 (.02%).
- The original budget for expenditures was increased by about \$1 million (0.3%) in total, primarily due to amounts carried forward from prior year for open encumbrances. An increase in the amended budget for "Transfers Out" includes a transfer of \$1.8 million to the Education Fund for a school facilities study approved by the County Commission.

- 
- Budget amendments to Planned Change in Fund Balance reflect two non-recurring education items approved by the County Commission: \$3.0 million for Pre-Kindergarten programs and \$1.8 million for a facilities study of the schools.
  - Actual revenues exceeded the amended budget by \$9.4 million, which is 2.5% more than the budgeted level. Property tax collections contributed \$7.3 million to that amount. Additional revenue collected in the "Other Local Taxes" category primarily reflects continued strong Business Tax collections.
  - Actual total expenditures were \$.8 million (0.2%) less than the amended budget. Favorable division variances resulted from personnel savings related to vacancies and attrition. These savings were largely offset by the salary restriction budgeted in the Central Operations section of Administration & Finance. Use of fund balance was not necessary to make the payments authorized by the Commission for pre-kindergarten programs and the school facilities study.

### Capital Asset and Debt Administration

**Capital Assets.** Shelby County Government's investment in capital assets for its governmental and business type activities as of June 30, 2015 amounts to \$566.1 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads and other infrastructure. Additions for the year were \$34.2 million and depreciation was \$27.2 million. Construction in progress as of the end of the current fiscal year was \$35.1 million. Additional information on Shelby County Government's capital assets can be found in Note IV (E) of the Notes to Financial Statements of this report.

Major capital asset events during the current fiscal year included the following:

- Expenditures of \$3.1 million were made for the replacement system for the Criminal Justice computer systems.
- Expenditures of \$1.3 million were made for the Sheriff's Office Range Operations Building project.
- Appropriations of \$13.9 million were approved in the previous year for a new ERP system for the Shelby County Schools. Expenditures for obtaining and implementing this system were approximately \$2.0 million in the fiscal year.
- Renovation work continued on the Shelby County Office Building at 160 North Main. Expenditures on these renovations for the fiscal year were approximately \$8.8 million.

**Long-term debt.** At June 30, 2015 Shelby County's general obligation bonded debt (bonds payable) totaled \$1,153 million, which represented approximately 6.4% of assessed value of taxable property. The County's bonds, loans and notes payable decreased by approximately \$132 million (10.3%) during the year. Debt, generally, may be issued without regard to any limit on indebtedness. The ad valorem tax levy is also without legal limit.

Annually the County adopts a five-year capital projects plan. Based on this plan for the current year and capital projects cash flow projections, a notes payable program may be established with a maximum borrowing amount. Borrowing occurs as needed for up to two years. After completion of

each program, the notes payable are converted to bonds payable to be repaid within 25 years. In December 2014 the Shelby County Board of Commissioners authorized the issuance of Capital Outlay Extendible Municipal Commercial Paper (EMCP) Notes, 2015 Series A Program. The aggregate outstanding principal amount may not exceed \$120 million at any time. The amount of \$20 million was outstanding at June 30, 2015 and was reported as short-term debt.

During FY 2013, as part of a capital lease agreement, the State of Tennessee issued Tax Exempt revenue bonds for the construction of a Regional Forensic Center. The County has agreed to provide the State the funds, as they become due, to make principal and interest payments over the next twenty (20) years on \$8 million of the bonds, which had a balance of \$6,131,862 at June 30, 2015. In September 2011 the County and the City of Memphis agreed to provide the funds necessary to pay the principal and interest on \$20 million each of bonds issued by the Memphis and Shelby County Port Commission for a specific economic development project. At June 30, 2015 the County’s principal obligation was \$18.5 million. The Port Commission debt is reported with bonds and other long-term debt as detailed in Note IV(H) of the financial report.

The County maintains ratings from Moody’s Investors Service (“Moody’s”), Standard & Poor’s Corporation (“Standard & Poor’s”) and Fitch IBCA, Inc. (“Fitch”) on its previously issued general obligation bonds not secured by letter of credit as follows:

Moody’s	Standard & Poor’s	Fitch IBCA, Inc.
Aa1	AA+	AA+

Moody’s issues ratings from Aaa to C to designate the relative investment qualities of bonds. The Aa rating is in the second highest of the rating categories. The modifier 1 indicates that the bonds are in the top range of the Aa category. Moody’s describes its Aa ratings as “Bonds which are rated Aa are judged to be a high quality by all standards. They are rated lower than the best bond because margins of protection may not be as large as in Aaa or fluctuation of protection elements may be of greater amplitude or there may be other elements present which make the long term risk appear somewhat larger than Aaa securities.”

Standard & Poor’s and Fitch issue ratings from AAA to D to designate the relative investment qualities of bonds. The AA rating is the second highest of the ten such ratings. Standard & Poor’s and Fitch describe their rating as “Debt rate AA+ has a very strong capacity to pay interest and repay principal and differs from the highest rated issues only in small degree. Plus or minus signs are used to show relative standing within the major rating categories.”

Additional information on Shelby County Government’s long-term debt can be found in Note IV(H) of the Notes to Financial Statements of this report.

### **Economic Factors and Next Year's Budgets and Rates**

*Economic Factors.* According to the Tennessee Department of Labor, the unemployment rate for Shelby County as of September 30, 2015 was 6.7%, as compared to the state's rate of 5.7% and the national rate of 5.1%. (All rates are seasonally adjusted.)

*Next Year's Budgets and Rates.*

- The property tax rate for the FY 2016 budget has been maintained at \$4.37 for FY 2016, with the same allocations to Education, Debt and the General Fund. The budget includes estimated growth of 1% in property taxes over prior year actual collections.
- Total general fund revenue is budgeted at \$8.1 million (2%) more than the prior year level. In addition to property tax growth, the budget reflects a favorable elections cycle of 100% federal and local reimbursable elections.
- Total general fund expenditures for FY 2016 are budgeted at \$6.6 million more than the prior year, including a 1.7% cost of living salary increase and longevity pay for employees. The County Commission also approved increases of \$3 million to support criminal justice programs – largely related to Juvenile Court detention and security functions, \$1 million for health and blight control programs, and \$1.3 million for grants to community non-profit agencies.
- An additional \$10 million was allocated to Education for FY 2016 as a result of funds available from property tax collections and declining debt service obligations. The Shelby County Schools face significant budgetary challenges ahead as the issues of OPEB liability and declining enrollment are addressed.
- No planned use of fund balance has been included in the FY 2016 budget.

### **Requests for Information**

This financial report is designed to provide a general overview of Shelby County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Administrator, Department of Finance, Shelby County Government, 160 North Main Street, Suite 800, Memphis, Tennessee 38103.



Statement of Net Position  
June 30, 2015

	Governmental Activities	Business-type Activities	Total	Component Units
<b>Assets:</b>				
Cash and cash equivalents	\$ 246,609,775	\$ 15,843,782	\$ 262,453,557	\$ 211,172,064
Investments	73,033,966	---	73,033,966	204,775,533
Accrued interest receivable	717,551	---	717,551	49,068
Property taxes receivable, net of allowance for uncollectibles	810,261,727	---	810,261,727	---
Accounts receivable and accrued revenues	2,362,364	1,685,117	4,047,481	115,476,711
Internal balances	1,872,630	(1,872,630)	---	---
Due from other governmental entities	33,005,782	12,425,809	45,431,591	63,744,353
Due from primary government	---	---	---	20,140,769
Inventories	561,774	---	561,774	15,823,577
Prepays	248,113	28,557	276,670	3,783,342
Deposits held by others	1,289,007	---	1,289,007	---
Notes receivable	5,507,279	---	5,507,279	19,221,600
Net OPEB asset	6,018,211	57,368	6,075,579	---
Net pension asset	---	---	---	58,119,485
Restricted and other assets	---	---	---	7,416,098
Land	25,979,649	---	25,979,649	51,672,312
Construction in progress	35,121,043	---	35,121,043	6,631,882
Depreciable capital assets, net	481,333,216	23,652,254	504,985,470	1,078,730,033
<b>Total assets</b>	<b>1,723,922,087</b>	<b>51,820,257</b>	<b>1,775,742,344</b>	<b>1,856,756,827</b>
<b>Deferred outflows of resources</b>				
Pension related deferred outflows	27,119,458	5,406,725	32,526,183	62,285,917
Deferred derivative outflows	49,588,429	---	49,588,429	---
<b>Total deferred outflows of resources</b>	<b>76,707,887</b>	<b>5,406,725</b>	<b>82,114,612</b>	<b>62,285,917</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	27,097,151	996,502	28,093,653	141,328,679
Accrued interest payable	10,535,145	1,622	10,536,767	---
Due to other governmental entities	6,906,081	100,586	7,006,667	---
Due to component units	20,140,769	---	20,140,769	---
Claims payable	3,663,623	---	3,663,623	13,752,984
Unearned revenue	6,596,051	166,933	6,762,984	3,522,252
Deposits held for others	4,368,894	398,220	4,767,114	38,630
Notes payable	20,000,000	---	20,000,000	---
<b>Long-term liabilities</b>				
Due within one year	130,839,521	3,675,536	134,515,057	2,360,347
Net post employment benefit obligation	---	158,959	158,959	348,554,874
Net unfunded pension obligation	217,376,646	43,655,905	261,032,551	85,325
Due in more than one year	1,128,620,145	1,680,966	1,130,301,111	35,997,690
<b>Total liabilities</b>	<b>1,576,144,026</b>	<b>50,835,229</b>	<b>1,626,979,255</b>	<b>545,640,781</b>
<b>Deferred inflows of resources</b>				
Next year property tax assessment	763,553,168	---	763,553,168	---
Pension related deferred inflows	51,372,118	10,306,883	61,679,001	306,757,136
Derivative instruments fair value	49,588,429	---	49,588,429	---
<b>Total deferred inflows of resources</b>	<b>864,513,715</b>	<b>10,306,883</b>	<b>874,820,598</b>	<b>306,757,136</b>
<b>Net position:</b>				
Net investment in capital assets	328,439,765	23,583,102	352,022,867	1,109,189,160
<b>Restricted for:</b>				
Debt service	8,410,624	---	8,410,624	---
Capital improvement projects	84,001	---	84,001	15,343,416
Roads and bridges	7,678,919	---	7,678,919	---
Law enforcement	1,776,940	---	1,776,940	---
Other purposes	24,069,524	---	24,069,524	70,030,641
Unrestricted	(1,010,487,540)	(27,498,232)	(1,037,985,772)	(127,918,390)
<b>Total net position</b>	<b>\$ (640,027,767)</b>	<b>\$ (3,915,130)</b>	<b>\$ (643,942,897)</b>	<b>\$ 1,066,644,827</b>

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

**Statement of Activities  
For the Year Ended June 30, 2015**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental activities				
General Government	\$ 43,713,313	\$ 24,726,512	\$ 581,110	\$ 32,518
Hospital	26,816,000	---	---	---
Planning and Development	7,907,742	175,276	7,989,775	---
Public Works	43,737,574	6,720,849	398,809	8,851,893
Corrections	1,058,422	---	517,393	379,345
Health Services	50,765,349	10,017,842	20,703,217	146,345
Community Services	40,742,530	935,270	27,975,946	---
Law Enforcement	156,314,046	8,135,797	511,589	930,611
Judicial	69,221,549	27,986,043	3,959,289	---
Other Elected Officials	28,753,179	38,801,366	19,464	---
Education	385,396,412	---	---	---
Interest on Debt	76,735,064	---	---	---
Total governmental activities	<u>931,161,180</u>	<u>117,498,955</u>	<u>62,656,592</u>	<u>10,340,712</u>
Business-type activities:				
Codes Enforcement	8,729,775	8,404,486	1,399,844	---
Fire Services	17,783,763	19,243,880	14,479	---
Corrections Center	57,480,542	53,470,671	---	---
Total business-type activities	<u>83,994,080</u>	<u>81,119,037</u>	<u>1,414,323</u>	<u>---</u>
Total primary government	<u>\$ 1,015,155,260</u>	<u>\$ 198,617,992</u>	<u>\$ 64,070,915</u>	<u>\$ 10,340,712</u>
<b>Component units:</b>				
Board of Education	\$ 1,273,645,077	\$ 1,355,785	\$ 752,732,906	\$ 5,066,684
Shelby County Health Care Corporation	403,957,104	305,987,878	67,387,000	---
Agricenter International	3,581,414	3,762,166	32,087	---
Emergency Communications District	7,747,569	6,005,320	1,746,274	---
Total component units	<u>\$ 1,688,931,164</u>	<u>\$ 317,111,149</u>	<u>\$ 821,898,267</u>	<u>\$ 5,066,684</u>

General revenues:

- Property taxes - levied for education
- Property taxes - levied for debt service
- Property taxes - levied for general government
- Sales taxes
- Business taxes
- Hotel/Motel/Car Rental taxes
- Wheel taxes
- Litigation taxes
- Beverage taxes
- Severance, Income, and Privilege taxes
- Gasoline taxes

Grants and contributions not restricted for specific programs

- Payments from Shelby County

Other local sources

- Unrestricted investment earnings
- Transfers, net
- Special item
  - Loss of final settlement

Total revenues and transfers

Change in net position

Net position - June 30, 2014, restated

Net position - June 30, 2015

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

Net (Expenses) Revenues and  
Changes in Net Position

Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (18,373,173)	\$ ---	\$ (18,373,173)	\$ ---
(26,816,000)	---	(26,816,000)	---
257,309	---	257,309	---
(27,766,023)	---	(27,766,023)	---
(161,684)	---	(161,684)	---
(19,897,945)	---	(19,897,945)	---
(11,831,314)	---	(11,831,314)	---
(146,736,049)	---	(146,736,049)	---
(37,276,217)	---	(37,276,217)	---
10,067,651	---	10,067,651	---
(385,396,412)	---	(385,396,412)	---
(76,735,064)	---	(76,735,064)	---
(740,664,921)	---	(740,664,921)	---
---	1,074,555	1,074,555	---
---	1,474,596	1,474,596	---
---	(4,009,871)	(4,009,871)	---
---	(1,460,720)	(1,460,720)	---
(740,664,921)	(1,460,720)	(742,125,641)	---
\$ ---	\$ ---	\$ ---	\$ (514,489,702)
---	---	---	(30,582,226)
---	---	---	212,839
---	---	---	4,025
---	---	---	(544,855,064)
377,687,750	---	377,687,750	---
146,471,279	---	146,471,279	---
265,990,211	---	265,990,211	---
12,462,086	---	12,462,086	118,473,827
15,484,672	---	15,484,672	---
17,008,151	---	17,008,151	---
32,269,372	---	32,269,372	---
3,258,901	---	3,258,901	---
1,807,122	---	1,807,122	---
1,705,815	---	1,705,815	---
9,390,140	---	9,390,140	---
---	---	---	333,341,759
---	---	---	18,131,433
2,117,748	39,976	2,157,724	4,301,337
(9,166,673)	9,166,673	---	---
---	---	---	(29,806,789)
876,486,574	9,206,649	885,693,223	444,441,567
135,821,653	7,745,929	143,567,582	(100,413,497)
(775,849,420)	(11,661,059)	(787,510,479)	1,167,058,324
\$ (640,027,767)	\$ (3,915,130)	\$ (643,942,897)	\$ 1,066,644,827

**Governmental Funds  
Balance Sheet  
June 30, 2015**

	General Fund	Debt Service Fund	Capital Projects Fund
<b>Assets:</b>			
Cash and cash equivalents	\$ 85,166,019	\$ 64,015,624	\$ 27,185,529
Investments	29,963,554	24,173,763	18,896,649
Accrued interest receivable	695,045	17,039	---
Property taxes receivable, net of allowance for uncollectibles	279,667,663	141,759,862	---
Accounts receivable and accrued revenues	1,144,517	30,001	---
Due from other funds	---	1,922,096	---
Due from other governmental entities	5,804,975	876,299	635,360
Deposits held by others	38,808	---	---
Notes receivable	22,244	2,452,067	---
Total assets	<u>\$ 402,502,825</u>	<u>\$ 235,246,751</u>	<u>\$ 46,717,538</u>
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ 6,927,203	\$ 152,742	\$ 3,228,560
Accrued interest payable	---	18,499	---
Due to other funds	4,842,034	---	---
Due to other governmental entities	82,872	32,657	108,540
Due to component units	73,160	---	1,369,841
Claims payable	74,179	---	---
Unearned revenue	---	---	80,657
Deposits held for others	368,832	---	2,893,739
Total liabilities	<u>12,368,280</u>	<u>203,898</u>	<u>7,681,337</u>
<b>Deferred inflows of resources:</b>			
Unavailable revenue	281,391,134	143,629,407	325,712
Total deferred inflows of resources	<u>281,391,134</u>	<u>143,629,407</u>	<u>325,712</u>
<b>Fund balances:</b>			
Restricted	32,508	8,359,523	85,001
Committed	61,811	83,053,923	38,625,488
Assigned	876,297	---	---
Unassigned	107,772,795	---	---
Total fund balances	<u>108,743,411</u>	<u>91,413,446</u>	<u>38,710,489</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 402,502,825</u>	<u>\$ 235,246,751</u>	<u>\$ 46,717,538</u>

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

Education Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ ---	\$ 5,269,300	\$ 28,215,065	\$ 209,851,537
---	---	---	73,033,966
---	---	---	712,084
388,834,202	---	---	810,261,727
---	602,945	467,914	2,245,377
1,177,175	---	1,742,763	4,842,034
---	20,489,272	3,812,521	31,618,427
---	4,139	1,096,060	1,139,007
---	3,032,968	---	5,507,279
<u>\$ 390,011,377</u>	<u>\$ 29,398,624</u>	<u>\$ 35,334,323</u>	<u>\$ 1,139,211,438</u>
\$ ---	\$ 5,992,885	\$ 10,147,702	\$ 26,449,092
---	---	---	18,499
---	---	---	4,842,034
554,912	1,733,164	70,869	2,583,014
2,186,778	---	---	3,629,779
---	---	---	74,179
---	2,478,332	---	2,558,989
---	10,263	1,096,060	4,368,894
<u>2,741,690</u>	<u>10,214,644</u>	<u>11,314,631</u>	<u>44,524,480</u>
<u>387,269,687</u>	<u>3,003,374</u>	<u>456,299</u>	<u>816,075,613</u>
<u>387,269,687</u>	<u>3,003,374</u>	<u>456,299</u>	<u>816,075,613</u>
---	16,180,606	17,914,849	42,572,487
---	---	5,648,544	127,389,766
---	---	---	876,297
---	---	---	107,772,795
<u>---</u>	<u>16,180,606</u>	<u>23,563,393</u>	<u>278,611,345</u>
<u>\$ 390,011,377</u>	<u>\$ 29,398,624</u>	<u>\$ 35,334,323</u>	<u>\$ 1,139,211,438</u>



**Reconciliation of Fund Balances of Governmental  
Funds to the Statement of Net Position  
June 30, 2015**

Fund balance - total governmental funds (page C-5)	\$	278,611,345
Amounts reported for the governmental activities in the Statement of Net Position (page C-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		540,766,755
Receivables not available to pay for current expenditures are reported as deferred inflows of resources in the funds.		52,522,445
Accrued interest receivables in the Statement of Activities that do not provide current financial resources are not reported in the funds.		5,467
Other receivables not available to pay for current expenditures are not recorded in the funds		1,384,017
Certain types of services paid for in advance and reported as prepaid are reported as expenditures in the funds under the purchases method		247,672
Excess contributions to the OPEB trust fund are not reported in the funds. Internal service funds have an underpayment of \$4,938 which is not included in this amount.		6,023,149
Amounts payable to schools from receivables not available to pay current expenditures are reported as deferred inflows of resources in the funds.		(20,834,057)
Interest on long-term debt is not payable with current financial resources and therefore is not reported in the funds.		(10,516,646)
Short term notes payable are reported as other financing sources in the funds.		(20,000,000)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. See Note II (A).		(1,253,751,175)
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. See Note II (A).		(24,133,721)
Net pension liability is not payable with current financial resources and therefore is not reported in the funds.		(216,467,288)
Internal service funds are used by management to charge the costs of central services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. This includes \$1,872,630 related to "look-back" adjustments for internal service funds.		26,114,270
Net position of governmental activities (page C-1)	\$	(640,027,767)

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

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

	General Fund	Debt Service Fund	Capital Projects Fund
<b>Revenues:</b>			
Property taxes	\$ 252,568,769	\$ 136,836,915	\$ ---
Other local taxes	32,350,888	47,942,527	---
State revenue	20,557,390	---	2,510,660
Federal and local revenue	7,258,449	1,115,919	---
Charges for services	3,753,188	225,750	---
Fines, fees and permits	64,200,149	---	---
Other revenue	815,236	614,370	---
Investment income	382,755	1,306,293	106,854
Total revenues	<u>381,886,824</u>	<u>188,041,774</u>	<u>2,617,514</u>
<b>Expenditures:</b>			
Current			
General Government	27,044,572	---	---
Hospital	26,816,000	---	---
Planning and Development	342,510	---	---
Public Works	19,280,451	---	---
Corrections	---	---	---
Health Services	25,050,299	---	---
Community Services	8,148,112	267,565	---
Law Enforcement	156,278,726	---	---
Judicial	67,435,886	---	---
Other Elected Officials	29,320,545	---	---
Education	---	---	---
Debt service and related costs	---	161,545,109	182,648
Capital outlay: capital projects	---	---	26,545,178
Total expenditures	<u>359,717,101</u>	<u>161,812,674</u>	<u>26,727,826</u>
Excess (deficiency) of revenues over (under) expenditures	<u>22,169,723</u>	<u>26,229,100</u>	<u>(24,110,312)</u>
<b>Other financing sources (uses):</b>			
Transfers in	1,761,343	2,248,502	8,952,745
Transfers out	(19,375,573)	(6,508,000)	(315,005)
Short term debt issued	---	---	20,000,000
Refunding bonds issued	---	171,830,000	---
Premium on bonds issued	---	27,093,527	---
Payment to advance refunding escrow agent	---	(216,751,285)	---
Sale of capital assets	703,900	---	---
Insurance recoveries	96,265	---	---
Total other financing sources (uses)	<u>(16,814,065)</u>	<u>(22,087,256)</u>	<u>28,637,740</u>
Net change in fund balances	5,355,658	4,141,844	4,527,428
<b>Fund balances:</b>			
June 30, 2014	<u>103,387,753</u>	<u>87,271,602</u>	<u>34,183,061</u>
June 30, 2015	<u>\$ 108,743,411</u>	<u>\$ 91,413,446</u>	<u>\$ 38,710,489</u>

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

Education Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 372,756,577	\$ ---	\$ ---	\$ 762,162,261
8,531,423	---	17,140,139	105,964,977
---	51,420,829	9,396,715	83,885,594
---	19,576,613	53,310	28,004,291
---	1,267,181	609,322	5,855,441
---	215,423	6,315,096	70,730,668
---	1,258,938	2,057,746	4,746,290
---	100,514	65,816	1,962,232
<u>381,288,000</u>	<u>73,839,498</u>	<u>35,638,144</u>	<u>1,063,311,754</u>
---	735,438	15,964,261	43,744,271
---	---	---	26,816,000
---	7,377,356	---	7,719,866
---	10,751,880	9,281,535	39,313,866
---	1,380,175	---	1,380,175
---	22,938,233	4,447,082	52,435,614
---	28,212,617	---	36,628,294
---	1,419,665	2,491,210	160,189,601
---	4,093,716	1,044,370	72,573,972
---	---	136,904	29,457,449
383,088,000	---	---	383,088,000
---	---	---	161,727,757
---	---	---	26,545,178
<u>383,088,000</u>	<u>76,909,080</u>	<u>33,365,362</u>	<u>1,041,620,043</u>
<u>(1,800,000)</u>	<u>(3,069,582)</u>	<u>2,272,782</u>	<u>21,691,711</u>
1,800,000	4,374,384	9,011	19,145,985
---	(1,583,924)	(565,790)	(28,348,292)
---	---	---	20,000,000
---	---	---	171,830,000
---	---	---	27,093,527
---	---	---	(216,751,285)
---	---	5,500	709,400
---	---	---	96,265
<u>1,800,000</u>	<u>2,790,460</u>	<u>(551,279)</u>	<u>(6,224,400)</u>
---	(279,122)	1,721,503	15,467,311
---	16,459,728	21,841,890	263,144,034
<u>\$ ---</u>	<u>\$ 16,180,606</u>	<u>\$ 23,563,393</u>	<u>\$ 278,611,345</u>

**Reconciliation of Changes in Fund Balances of Governmental  
Funds to the Statement of Activities  
For the Year Ended June 30, 2015**

Net change in fund balance - total governmental funds (page C-9)	\$	15,467,311
<p>Amounts reported for the governmental activities in the Statement of Activities (page C-3) are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and net gains and losses on retirements were more than capital outlays in the current period. See Note II (B).</p>		2,073,585
<p>Revenues in the Statement of Activities that do not provide current financial resources are reported as deferred inflows of resources in the funds.</p>		(4,299,994)
<p>Decrease in accrued interest receivable.</p>		(8,572)
<p>Revenues in the Statement of Activities from other long-term receivables that do not provide current resources are not reported in the funds.</p>		682,712
<p>Expenditures recorded under the purchases method that apply to a future period are reported as prepaid expenses in the Statement of Net Position. The change in prepaid is an adjustment to expenses in the current period.</p>		(13,154)
<p>Excess contributions to the OPEB trust fund are reported as increases to the net OPEB asset in the Statement of Net Position</p>		13,214,913
<p>Changes in amounts payable to schools from receivables not available in the funds.</p>		2,377,375
<p>Decrease in interest payable on long-term debt.</p>		706,876
<p>Short-term debt provides current financial resources to governmental funds, while repayment of the principal of that debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on the net position.</p>		(20,000,000)
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. See Note II (B).</p>		119,090,335
<p>Changes in other long-term liabilities other than in internal service funds. See Note II (B).</p>		(2,309,631)
<p>Change in net unfunded pension obligation</p>		9,264,032
<p>Internal service funds are used by management to charge the costs of central services to individual funds. The net income of certain activities of internal service funds is reported with governmental activities.</p>		(424,135)
Change in net position of governmental activities (page C-3)	<u>\$</u>	<u>135,821,653</u>

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

**Budgetary Comparison Statement  
General Fund  
For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 245,255,000	\$ 245,255,000	\$ 252,568,769	\$ 7,313,769
Other local taxes	30,950,000	30,950,000	32,350,888	1,400,888
State revenue	20,091,254	20,091,254	20,557,390	466,136
Federal and local revenue	7,592,607	7,642,607	7,258,449	(384,158)
Charges for services	3,653,876	3,694,536	3,753,188	58,652
Fines, fees and permits	64,085,814	64,085,814	64,200,149	114,335
Other revenue	336,271	336,271	815,236	478,965
Investment income	386,200	386,200	382,755	(3,445)
Total revenues	<u>372,351,022</u>	<u>372,441,682</u>	<u>381,886,824</u>	<u>9,445,142</u>
<b>Expenditures:</b>				
General Government	19,232,581	19,915,733	27,044,572	(7,128,839)
Hospital	26,816,000	26,816,000	26,816,000	---
Planning and Development	351,787	351,787	342,510	9,277
Public Works	19,605,875	19,472,692	19,280,451	192,241
Health Services	25,950,332	25,958,142	25,050,299	907,843
Community Services	8,607,208	8,697,017	8,148,112	548,905
Law Enforcement	156,404,149	156,642,446	156,278,726	363,720
Judicial	70,471,557	70,777,957	67,435,886	3,342,071
Other Elected Officials	31,994,224	31,854,901	29,320,545	2,534,356
Total expenditures	<u>359,433,713</u>	<u>360,486,675</u>	<u>359,717,101</u>	<u>769,574</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,917,309</u>	<u>11,955,007</u>	<u>22,169,723</u>	<u>10,214,716</u>
<b>Other financing sources (uses):</b>				
Transfers in	2,268,044	2,256,044	1,761,343	(494,701)
Transfers out	(15,880,353)	(19,873,024)	(19,375,573)	497,451
Sale of capital assets	600,000	600,000	703,900	103,900
Insurance recoveries	25,000	25,000	96,265	71,265
Planned change in fund balance	70,000	5,036,973	---	(5,036,973)
Total other financing sources (uses)	<u>(12,917,309)</u>	<u>(11,955,007)</u>	<u>(16,814,065)</u>	<u>(4,859,058)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 5,355,658</u>	<u>\$ 5,355,658</u>

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

**Budgetary Comparison Statement  
Education Fund  
For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Property taxes	\$ 361,890,000	\$ 361,890,000	\$ 372,756,577	\$ 10,866,577
Other local taxes	19,398,000	19,398,000	8,531,423	(10,866,577)
Total revenues	381,288,000	381,288,000	381,288,000	---
Expenditures:				
Arlington Public Schools	---	12,910,066	12,910,066	---
Bartlett Public Schools	---	21,567,854	21,567,854	---
Collierville Public Schools	---	20,456,899	20,456,899	---
Germantown Public Schools	---	15,285,211	15,285,211	---
Lakeland Public Schools	---	2,145,293	2,145,293	---
Millington Public Schools	---	7,125,437	7,125,437	---
Shelby County Public Schools	381,288,000	303,597,240	303,597,240	---
Total expenditures	381,288,000	383,088,000	383,088,000	---
Excess (deficiency) of revenues over (under) expenditures	---	(1,800,000)	(1,800,000)	---
Other financing sources (uses):				
Transfers in	---	1,800,000	1,800,000	---
Total other financing sources (uses)	---	1,800,000	1,800,000	---
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

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

**Budgetary Comparison Statement  
Grants Fund  
For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 78,205,191	\$ 81,314,335	\$ 51,420,829	\$ (29,893,506)
Federal and local revenue	32,340,729	44,881,600	19,576,613	(25,304,987)
Charges for services	1,625,617	1,625,617	1,267,181	(358,436)
Fines, fees and permits	543,833	543,833	215,423	(328,410)
Other revenue	1,612,846	2,443,413	1,258,938	(1,184,475)
Investment income	40,000	40,000	100,514	60,514
Total revenues	<u>114,368,216</u>	<u>130,848,798</u>	<u>73,839,498</u>	<u>(57,009,300)</u>
<b>Expenditures:</b>				
General Government	2,039,439	2,039,439	735,438	1,304,001
Planning and Development	18,050,639	19,935,316	7,377,356	12,557,960
Public Works	28,046,794	31,028,984	10,751,880	20,277,104
Corrections	541,696	1,809,273	1,380,175	429,098
Health Services	28,643,901	29,656,628	22,938,233	6,718,395
Community Services	35,558,477	38,102,423	28,212,617	9,889,806
Law Enforcement	331,713	8,108,131	1,419,665	6,688,466
Judicial	4,684,540	5,026,145	4,093,716	932,429
Total expenditures	<u>117,897,199</u>	<u>135,706,339</u>	<u>76,909,080</u>	<u>58,797,259</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,528,983)</u>	<u>(4,857,541)</u>	<u>(3,069,582)</u>	<u>1,787,959</u>
<b>Other financing sources (uses):</b>				
Transfers in	9,734,719	11,961,875	4,374,384	(7,587,491)
Transfers out	(7,139,493)	(8,064,566)	(1,583,924)	6,480,642
Sale of capital assets	280,000	280,000	---	(280,000)
Insurance recoveries	35,320	35,320	---	(35,320)
Planned change in fund balance	618,437	644,912	---	(644,912)
Total other financing sources (uses)	<u>3,528,983</u>	<u>4,857,541</u>	<u>2,790,460</u>	<u>(2,067,081)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (279,122)</u>	<u>\$ (279,122)</u>

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

**Proprietary Funds  
Statement of Net Position  
June 30, 2015**

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Corrections Center Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
<b>Assets:</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 10,809,380	\$ 5,034,402	\$ 15,843,782	\$ 36,758,238
Accounts receivable and accrued revenues	55,789	1,629,328	1,685,117	116,987
Due from other governmental entities	12,345,598	80,211	12,425,809	3,338
Inventories	---	---	---	561,774
Prepays	27,580	977	28,557	441
Deposits held by others	---	---	---	150,000
Total current assets	<u>23,238,347</u>	<u>6,744,918</u>	<u>29,983,265</u>	<u>37,590,778</u>
<b>Noncurrent assets</b>				
Net OPEB asset	---	57,368	57,368	---
Depreciable capital assets, net	17,263,802	6,388,452	23,652,254	1,667,153
Deferred derivative outflows	---	---	---	---
Total noncurrent assets	<u>17,263,802</u>	<u>6,445,820</u>	<u>23,709,622</u>	<u>1,667,153</u>
Total assets	<u>40,502,149</u>	<u>13,190,738</u>	<u>53,692,887</u>	<u>39,257,931</u>
<b>Deferred outflows of resources:</b>				
Pension related deferred outflows	3,398,784	2,007,941	5,406,725	95,751
Total deferred outflows of resources	<u>3,398,784</u>	<u>2,007,941</u>	<u>5,406,725</u>	<u>95,751</u>
<b>Liabilities:</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities	736,657	259,845	996,502	648,059
Accrued interest payable	---	1,622	1,622	---
Due to other governmental entities	---	100,586	100,586	---
Claims payable	175,000	250,000	425,000	5,915,492
Compensated absences payable	2,024,126	1,157,258	3,181,384	55,142
Capital lease obligations	---	69,152	69,152	---
Unearned revenue	---	166,933	166,933	4,037,062
Deposits held for others	390,720	7,500	398,220	---
Total current liabilities	<u>3,326,503</u>	<u>2,012,896</u>	<u>5,339,399</u>	<u>10,655,755</u>
<b>Noncurrent liabilities</b>				
Claims payable, long-term	---	---	---	3,300,357
Accrued sick leave payable	1,075,593	605,373	1,680,966	26,944
Net other postemployment benefit obligations	41,743	117,216	158,959	4,938
Unfunded net pension obligation	27,335,033	16,320,872	43,655,905	909,358
Total noncurrent liabilities	<u>28,452,369</u>	<u>17,043,461</u>	<u>45,495,830</u>	<u>4,241,597</u>
Total liabilities	<u>31,778,872</u>	<u>19,056,357</u>	<u>50,835,229</u>	<u>14,897,352</u>
<b>Deferred inflows of resources:</b>				
Pension related deferred inflows	6,453,629	3,853,254	10,306,883	214,690
Total deferred inflows of resources	<u>6,453,629</u>	<u>3,853,254</u>	<u>10,306,883</u>	<u>214,690</u>
<b>Net position:</b>				
Net investment in capital assets	17,263,802	6,319,300	23,583,102	1,667,153
Unrestricted	(11,595,370)	(14,030,232)	(25,625,602)	22,574,487
Total net position	<u>\$ 5,668,432</u>	<u>\$ (7,710,932)</u>	<u>\$ (2,042,500)</u>	<u>\$ 24,241,640</u>
Total net position	<u>\$ 5,668,432</u>	<u>\$ (7,710,932)</u>	<u>\$ (2,042,500)</u>	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>(1,186,261)</u>	<u>(686,369)</u>	<u>(1,872,630)</u>	
Net position of business-type activities on Statement of Net Position (page C-1)	<u>\$ 4,482,171</u>	<u>\$ (8,397,301)</u>	<u>\$ (3,915,130)</u>	

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

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

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Corrections Center Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
	Operating revenues:			
State revenue	\$ 51,947,141	\$ 75,434	\$ 52,022,575	\$ ---
Federal and local revenue	13,200	822,761	835,961	---
Charges for services	1,409,648	92,795	1,502,443	9,335,538
Fines, fees and permits	82,444	26,584,558	26,667,002	---
Other revenue	18,238	67,047	85,285	193,537
Premium revenue	---	---	---	49,782,201
Total operating revenues	<u>53,470,671</u>	<u>27,642,595</u>	<u>81,113,266</u>	<u>59,311,276</u>
Operating expenses:				
Salaries	25,830,668	14,927,044	40,757,712	1,181,828
Other compensation	4,267,208	1,467,616	5,734,824	20,273
Fringe benefits	8,044,284	4,447,344	12,491,628	(237,801)
Supplies and materials	4,897,364	486,963	5,384,327	2,898,049
Services and other expenses	350,423	178,193	528,616	2,205,006
Professional and contracted services	6,818,190	2,598,023	9,416,213	3,233,557
Rent, utilities and maintenance	2,701,394	333,564	3,034,958	3,068,569
Interfund services	3,271,413	1,690,656	4,962,069	46,493
Depreciation	1,133,278	380,184	1,513,462	181,509
Claims incurred	183,000	434	183,434	47,148,965
Total operating expenses	<u>57,497,222</u>	<u>26,510,021</u>	<u>84,007,243</u>	<u>59,746,448</u>
Operating income (loss)	<u>(4,026,551)</u>	<u>1,132,574</u>	<u>(2,893,977)</u>	<u>(435,172)</u>
Nonoperating revenues (expenses):				
Intergovernmental	---	1,399,844	1,399,844	---
Investment income	30,606	9,370	39,976	36,665
Interest expense	---	(4,792)	(4,792)	---
Gain (loss) on asset disposal	(36,230)	20,250	(15,980)	(20,388)
Net nonoperating revenues (expenses)	<u>(5,624)</u>	<u>1,424,672</u>	<u>1,419,048</u>	<u>16,277</u>
Income (loss) before capital contributions and transfers	<u>(4,032,175)</u>	<u>2,557,246</u>	<u>(1,474,929)</u>	<u>(418,895)</u>
Capital contributions	---	---	---	13,311
Transfers:				
Transfers in	8,918,435	1,409,345	10,327,780	250,000
Transfers out	(829,182)	(331,925)	(1,161,107)	(214,366)
Net transfers	<u>8,089,253</u>	<u>1,077,420</u>	<u>9,166,673</u>	<u>35,634</u>
Change in net position	4,057,078	3,634,666	7,691,744	(369,950)
Net position:				
June 30, 2014, restated	<u>1,611,354</u>	<u>(11,345,598)</u>	<u>(9,734,244)</u>	<u>24,611,590</u>
June 30, 2015	<u>\$ 5,668,432</u>	<u>\$ (7,710,932)</u>	<u>\$ (2,042,500)</u>	<u>\$ 24,241,640</u>
Change in net position	\$ 4,057,078	\$ 3,634,666	\$ 7,691,744	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>52,910</u>	<u>1,275</u>	<u>54,185</u>	
Change in net position of business-type activities on Statement of Activities (page C-3)	<u>\$ 4,109,988</u>	<u>\$ 3,635,941</u>	<u>\$ 7,745,929</u>	

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

**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2015**

	Business-type Activities - Enterprise Funds			Governmental
	Corrections Center Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
<b>Cash flows from operating activities:</b>				
Receipts from customers	\$ 51,638,258	\$ 27,525,114	\$ 79,163,372	\$ 260,864
Receipts for special programs	---	74,400	74,400	---
Receipts from interfund services provided	179,597	78,486	258,083	9,069,843
Premiums received	---	---	---	49,613,591
Refunds received from suppliers	2,187	---	2,187	236,663
Refunds paid to customers	(2,776,892)	(111,713)	(2,888,605)	(578)
Cash payments to suppliers	(15,496,652)	(3,558,948)	(19,055,600)	(10,820,465)
Cash payments to employees	(40,935,283)	(22,436,220)	(63,371,503)	(1,778,901)
Claims paid	(183,000)	(434)	(183,434)	(48,562,126)
Payments for interfund services	(3,271,413)	(1,690,657)	(4,962,070)	(46,491)
Net cash provided by (used in) operating activities	<u>(10,843,198)</u>	<u>(119,972)</u>	<u>(10,963,170)</u>	<u>(2,027,600)</u>
<b>Cash flows from noncapital financing activities:</b>				
Transfers from other funds	8,918,436	1,409,345	10,327,781	250,000
Transfers to other funds	(829,182)	(331,925)	(1,161,107)	(214,366)
Payments from City of Memphis	---	1,399,844	1,399,844	---
Net cash provided by (used in) noncapital financing activities	<u>8,089,254</u>	<u>2,477,264</u>	<u>10,566,518</u>	<u>35,634</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets	(504,393)	(393,119)	(897,512)	(311,769)
Proceeds from the sale of capital assets	---	20,250	20,250	---
Capital lease obligation payments	---	(66,054)	(66,054)	---
Interest paid	---	(6,341)	(6,341)	---
Net cash provided by (used in) capital and related financing activities	<u>(504,393)</u>	<u>(445,264)</u>	<u>(949,657)</u>	<u>(311,769)</u>
<b>Cash flows from investing activities:</b>				
Interest and investment earnings	30,606	9,370	39,976	36,665
Net cash provided by (used in) investing activities	<u>30,606</u>	<u>9,370</u>	<u>39,976</u>	<u>36,665</u>
Net increase (decrease) in cash and cash equivalents	(3,227,731)	1,921,398	(1,306,333)	(2,267,070)
Cash and cash equivalents, June 30, 2014	<u>14,037,111</u>	<u>3,113,004</u>	<u>17,150,115</u>	<u>39,025,308</u>
Cash and cash equivalents, June 30, 2015	<u>\$ 10,809,380</u>	<u>\$ 5,034,402</u>	<u>\$ 15,843,782</u>	<u>\$ 36,758,238</u>

(continued)

**Proprietary Funds**  
**Statement of Cash Flows (continued)**  
**For the Year Ended June 30, 2015**

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Corrections Center Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (4,026,551)	\$ 1,132,574	\$ (2,893,977)	\$ (435,172)
Adjustments:				
Depreciation	1,133,278	380,184	1,513,462	181,509
Changes in assets and liabilities				
Accounts receivable and accrued revenues	9,173	(20,345)	(11,172)	17,992
Due from other funds	---	239	239	---
Due from other governmental entities	(4,455,089)	(32,964)	(4,488,053)	1,943
Inventories	---	---	---	389,649
Prepays	(132)	(19)	(151)	502,693
Deposits held by others	---	---	---	(50,000)
Net pension asset	---	---	---	---
Deferred outflows	(3,398,784)	(2,007,941)	(5,406,725)	(95,751)
Accounts payable and accrued liabilities	(706,083)	115,674	(590,409)	115,279
Due to other governmental entities	---	(52,875)	(52,875)	---
Claims payable	(9,950)	---	(9,950)	(1,377,162)
Compensated absences payable	94,506	77,394	171,900	(81,990)
Unearned revenue	---	7,062	7,062	(194,846)
Deposits held for others	16,209	(30,300)	(14,091)	---
Net postemployment benefit obligations	2,113,632	(3,541,909)	(1,428,277)	(1,085,196)
Deferred inflows	(1,613,407)	3,853,254	2,239,847	83,452
Total adjustments	(6,816,647)	(1,252,546)	(8,069,193)	(1,592,428)
Net cash provided by (used in) operating activities	\$ (10,843,198)	\$ (119,972)	\$ (10,963,170)	\$ (2,027,600)
Noncash investing, capital and financing activities:				
Capital assets accrued, not reflected in capital financing activities				\$ 60,970

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

**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**June 30, 2015**

	Postemployment Benefits Trust Fund	County Charter Officers Agency Fund
<b>Assets:</b>		
Cash and cash equivalents	\$ 49,748,936	\$ 355,828,160
Investments		
Domestic equity	380,886,000	---
International equity	225,530,212	---
Fixed income	232,168,174	---
Global low-volatility equity	50,448,450	---
Hedge funds	137,597,523	---
Private real estate and infrastructure	27,786,526	---
Alternative investments	20,741,918	---
Limited partnership interests	93,342,030	---
Master limited partnerships	86,293,784	---
Short-term investments	6,415,979	---
Certificates of deposit	---	6,400,000
Accounts receivable	63,059	971,211
Accrued interest and dividends receivable	4,143,120	---
Due from brokers - investment sales	1,807,702	---
Total assets	1,316,973,413	\$ 363,199,371
<b>Deferred outflows of resources:</b>		
Fair value of hedging derivatives	304,048	
Total deferred inflows of resources	304,048	
<b>Liabilities:</b>		
Accounts payable	2,001,834	\$ 18,581
Funds held for others	---	89,156,312
Due to brokers and others	2,284,701	---
Due to other governmental entities	---	9,700,275
Due to component units	---	264,324,203
Total liabilities	4,286,535	\$ 363,199,371
Net position held in trust for pension and other postemployment benefits	\$ 1,312,990,926	

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

**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2015**

	Postemployment Benefits Trust Fund
Additions:	
Contributions	
Employer contributions	\$ 65,658,034
Member contributions	20,219,504
Total contributions	85,877,538
Investment income	
Net change in fair value of investments	(14,623,519)
Interest income	12,093,347
Dividend income	14,562,596
Other income	636,768
Total investment income	12,669,192
Less investment management expenses	(4,964,232)
Net investment income (loss)	7,704,960
Net additions	93,582,498
Deductions:	
Benefit payments	86,882,700
Administrative expenses	2,155,534
Refund of member contributions	6,773,851
Total deductions	95,812,085
Change in net position	(2,229,587)
Net position held in trust for benefits:	
June 30, 2014	1,315,220,513
June 30, 2015	\$ 1,312,990,926

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

**Component Units**  
**Combining Statement of Net Position**  
**June 30, 2015**

	Shelby County Board of Education	Shelby County Health Care Corporation	Agricenter International	Emergency Communications District	Total Component Units
<b>Assets:</b>					
Cash and cash equivalents	\$ 195,625,948	\$ 9,764,159	\$ 606,165	\$ 5,175,792	\$ 211,172,064
Investments	50,145,718	120,959,515	---	33,670,300	204,775,533
Accrued interest receivable	---	---	---	49,068	49,068
Accounts receivable and accrued revenues	39,150,548	75,894,062	432,101	---	115,476,711
Due from other governmental entities	60,113,444	3,630,909	---	---	63,744,353
Due from primary government	20,069,569	71,200	---	---	20,140,769
Inventories	12,492,877	3,280,696	50,004	---	15,823,577
Prepays	---	3,755,023	12,136	16,183	3,783,342
Notes receivable	---	19,221,600	---	---	19,221,600
Net pension asset	58,119,485	---	---	---	58,119,485
Restricted and other assets	---	7,416,098	---	---	7,416,098
Land	45,335,576	4,313,278	2,023,458	---	51,672,312
Construction in progress	3,760,469	2,871,413	---	---	6,631,882
Depreciable capital assets, net	986,797,776	88,822,774	---	3,109,483	1,078,730,033
<b>Total assets</b>	<b>1,471,611,410</b>	<b>340,000,727</b>	<b>3,123,864</b>	<b>42,020,826</b>	<b>1,856,756,827</b>
<b>Deferred outflows of resources</b>					
Pension related deferred outflows	62,172,428	---	---	113,489	62,285,917
<b>Total deferred outflows of resources</b>	<b>62,172,428</b>	<b>---</b>	<b>---</b>	<b>113,489</b>	<b>62,285,917</b>
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	86,344,098	54,061,066	289,036	634,479	141,328,679
Claims payable	11,037,984	2,715,000	---	---	13,752,984
Unearned revenue	2,942,368	164,375	415,509	---	3,522,252
Deposits held for others	---	---	38,630	---	38,630
<b>Long-term liabilities</b>					
Due within one year	2,207,421	---	152,926	---	2,360,347
Net post employment benefit obligation	347,804,874	750,000	---	---	348,554,874
Net unfunded pension obligation	---	---	---	85,325	85,325
Other due in more than one year	9,069,733	26,550,000	377,957	---	35,997,690
<b>Total liabilities</b>	<b>459,406,478</b>	<b>84,240,441</b>	<b>1,274,058</b>	<b>719,804</b>	<b>545,640,781</b>
<b>Deferred inflows of resources</b>					
Pension related deferred inflows	306,692,685	---	---	64,451	306,757,136
<b>Total deferred inflows of resources</b>	<b>306,692,685</b>	<b>---</b>	<b>---</b>	<b>64,451</b>	<b>306,757,136</b>
<b>Net position:</b>					
Net investment in capital assets	1,035,129,637	69,457,465	1,492,575	3,109,483	1,109,189,160
<b>Restricted for:</b>					
Building construction	12,488,134	2,855,282	---	---	15,343,416
Indigent care	---	834,684	---	---	834,684
Notes payable	---	514,785	---	---	514,785
Other programs	34,238,947	---	---	---	34,238,947
Education	34,442,225	---	---	---	34,442,225
Unrestricted	(348,614,268)	182,098,070	357,231	38,240,577	(127,918,390)
<b>Total net position</b>	<b>\$ 767,684,675</b>	<b>\$ 255,760,286</b>	<b>\$ 1,849,806</b>	<b>\$ 41,350,060</b>	<b>\$ 1,066,644,827</b>

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



**Component Units  
Combining Statement of Activities  
For the Year Ended June 30, 2015**

	Expenses	Charges for Services	Program Revenues	
			Operating Grants and Contributions	Capital Grants and Contributions
Shelby County Board of Education	\$ 1,273,645,077	\$ 1,355,785	\$ 752,732,906	\$ 5,066,684
Shelby County Health Care Corporation	403,957,104	305,987,878	67,387,000	---
Agricenter International	3,581,414	3,762,166	32,087	---
Emergency Communications District	7,747,569	6,005,320	1,746,274	---
<b>Total Component Units</b>	<b>\$ 1,688,931,164</b>	<b>\$ 317,111,149</b>	<b>\$ 821,898,267</b>	<b>\$ 5,066,684</b>

General revenues:  
 Local option and state sales taxes  
 Payments from Shelby County  
 Other local sources  
 Unrestricted investment earnings  
 Special items:  
 Loss of final settlement  
 Total general revenues and special items  
 Change in net position  
 Net position - June 30, 2014  
 Net position - June 30, 2015

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

Net (Expenses) Revenues and Changes in Net Position				
Shelby County Board of Education	Shelby County Health Care Corporation	Agricenter International	Emergency Communications District	Total Component Units
\$ (514,489,702)	\$ ---	\$ ---	\$ ---	\$ (514,489,702)
---	(30,582,226)	---	---	(30,582,226)
---	---	212,839	---	212,839
---	---	---	4,025	4,025
<u>(514,489,702)</u>	<u>(30,582,226)</u>	<u>212,839</u>	<u>4,025</u>	<u>(544,855,064)</u>
118,473,827	---	---	---	118,473,827
306,525,759	26,816,000	---	---	333,341,759
9,401,274	8,730,159	---	---	18,131,433
411,950	3,578,035	4,351	307,001	4,301,337
<u>(29,806,789)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>(29,806,789)</u>
<u>405,006,021</u>	<u>39,124,194</u>	<u>4,351</u>	<u>307,001</u>	<u>444,441,567</u>
(109,483,681)	8,541,968	217,190	311,026	(100,413,497)
877,168,356	247,218,318	1,632,616	41,039,034	1,167,058,324
<u>\$ 767,684,675</u>	<u>\$ 255,760,286</u>	<u>\$ 1,849,806</u>	<u>\$ 41,350,060</u>	<u>\$ 1,066,644,827</u>





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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(A) Reporting Entity**

Shelby County, Tennessee (the County) is governed by an elected mayor and a thirteen member Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the County (the primary government) and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of a government's operations. The County has no blended component units. Each discretely presented component unit (see notes below for descriptions) is reported in a separate column in government-wide financial statements to emphasize that they are legally separate from the government. Each discretely presented component unit has a June 30 year-end and their separate financial statements are available as indicated below. The significant accounting policies followed by component units are generally the same as those followed by the primary government.

***Discretely Presented Component Units:***

*Shelby County Board of Education (the Board of Education)* – The Board of Education is a legally separate organization that includes all the public schools within the Memphis City limits and the unincorporated areas of Shelby County. The Board of Education has a separately elected governing board but is fiscally dependent on the County. The County levies taxes for the Board's operation, approves its operating budget and issues debt for its capital projects. The operations of the Shelby County Board of Education are reported as a governmental component unit. Financial statements for the Board can be obtained from Shelby County Board of Education, 160 South Hollywood, Memphis, Tennessee 38112, (901) 321-2500.

*Shelby County Health Care Corporation, d/b/a Regional One Health* – Regional One Health (previously The Med) provides both inpatient and outpatient hospital services to residents of Shelby County and the surrounding area. The Regional One Health Board of Directors is appointed by the County Mayor and confirmed by the County Board of Commissioners. Substantial funding is provided by the County. Regional One Health is reported as a proprietary component unit. Financial statements for Regional One Health can be obtained from Shelby County Health Care Corporation, C/O Regional One, 877 Jefferson Avenue, Memphis, Tennessee 38103, (901) 545-7100.

*Agricenter International, Inc. (the Agricenter)* – Agricenter International is a component unit of the Agricenter Commission. The Agricenter Commission has no separate assets, liabilities, revenues or expenditures; therefore, the summary information provided only relates to Agricenter International. The purpose of the Agricenter is to promote educational and applied research endeavors intended for the improvement of agriculture by the establishment of one convenient location for exhibition, demonstration, research, education and meetings by agribusiness industry, related organizations, and government agencies. The five Agricenter Commission members are appointed by the County Mayor and confirmed by the County Board of Commissioners. There are also two ex-officio voting members. Some funding is provided by the County and the land and buildings used by the Agricenter are property of the County. Agricenter International, Inc. is reported as a proprietary component unit. Financial statements for the Agricenter can be obtained from Agricenter International, Inc., Suite 9, 7777 Walnut Grove Road, Memphis, Tennessee 38120, (901) 757-7777.

*Emergency Communications District of Shelby County, Tennessee, d/b/a Shelby County 9-1-1 District (The District)* – The District was established in 1984, pursuant to provisions of T.C.A. Title 7, Chapter 86 of the State of Tennessee. The District is responsible for establishing local emergency telephone service and a primary emergency telephone number for the residents of Shelby County. The District is governed by a nine-member board of directors, appointed by the County Mayor and approved by the County Board of

Commissioners. The District's board has the authority to levy an emergency telephone service charge to be used to fund the operation of the District. The District must obtain County Commission approval before the issuance of most debt and the County Commission has the ability to adjust the District's service charges. The District is reported as a proprietary component unit. Financial statements for the District can be obtained from Shelby County 9-1-1 District, 3150 Lenox Park #108, Memphis, Tennessee 38115, (901) 380-3911.

### **(B) Governmental Accounting Standards**

The financial statements of the County have been prepared in accordance with *generally accepted accounting principles* (GAAP) followed in the United States of America. In the United States the Governmental Accounting Standards Board (GASB) is the established and recognized standard-setting body for governmental accounting and financial reporting. The GASB periodically issues new or revised standards that are implemented by the County.

### **(C) Government-wide and Fund Financial Statements**

The government-wide financial statements - the *Statement of Net Position* and the *Statement of Activities* - report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Similarly, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The *Statement of Activities* demonstrates the degree to which the direct expenses of the given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

### **(D) Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except that agency funds 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.

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 are 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, long-term debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

In determining availability, the government considers property taxes associated with the current fiscal year to be available if they are collected within one month of the end of the current fiscal year. The government considers sales taxes, hotel taxes, car rental taxes, and Hall income taxes to be available if collected within two months of the end of the current fiscal year. The government considers grant and reimbursement revenues from other governments associated with the current fiscal year to be available if collected within one year of the end of the current fiscal year. Revenues from fines, fees, permits and other imposed non-exchange transactions are considered available if collected within one month. Other revenues are either not measurable until collected or they are not collected soon enough after the current period to pay liabilities of the current period.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. In consolidating internal activities in the government-wide financial statements, direct expenses are not eliminated from the various functional categories, whereas indirect expenses are eliminated. The net effect of the interfund services provided by internal service funds is reported as an adjustment to the expenses of the functional categories using those services.

***The County reports the following major governmental funds:***

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

The *Debt Service Fund* accounts for the accumulation of resources for and the payment of principal, interest and related costs on long-term general obligation debt of governmental funds.

The *Capital Projects Fund* accounts for the acquisition and construction of major capital facilities and equipment.

The *Education Fund* accounts for tax collections allocated for school operations. Taxes are collected and allocated to the Shelby County Board of Education as well as to the other six municipal school districts within the County. Taxes are allocated based on the average daily attendance.

The *Grants Fund* accounts for the receipt and expenditure of federal, state, and local government grants and designated contributions to be used for approved programs.

The *Nonmajor Governmental Funds* are other funds with revenue raised for a specific purpose. The County reports the following funds as Special Revenue Funds:

- Roads and Bridges Fund accounts for the proceeds received from the County's share of State Gasoline taxes and State Gas Inspection taxes. These revenues are used for the maintenance of public roads and bridges in the unincorporated areas of the County.
- Hotel Motel Taxes Fund accounts for the proceeds received from the hotel/motel tax levied by the County on hotel/motel occupancy within the County. Hotel/Motel tax is used to first provide debt service requirements for the Sports Authority on the FedEx Forum and then funding for the Convention and Visitors Bureau as provided in State law.
- Sheriff Forfeitures Fund accounts for the proceeds from seizure and forfeiture of properties related to certain drug cases and property acquired and accumulated as a result of other criminal offenses. These funds are used to support law enforcement efforts, drug investigation enforcement, and certain non-recurring purposes.
- Data Processing Fund accounts for a separate computerization fee charged by the Courts and the County Register restricted by State statute. The funds are to be used for the purchase of computer equipment, upgrades, imaging systems, and other related supplies and maintenance to support their data processing needs.

- Car Rental Tax Fund accounts for the tax proceeds on car rentals levied by the County. The proceeds are used only to help retire debt on bonds issued by the Memphis and Shelby County Sports Authority, Inc. for construction of the FedExForum.
- Health Services Restricted Fees Fund accounts for proceeds received from pollution control permits and fees for specific industries. There are also fees received for vector control services as a component of the fees collected through the City and County's utility services. These proceeds are used, respectively, to control pollution and control rodents, mosquitoes and other pests in the County.
- Storm Water Fees Fund accounts for fees collected from unincorporated portions of the County for storm water expenses as specified in the Shelby County Code of Ordinances.
- Economic Development Fund accounts for resources received that can be used only for economic development activities supported by the County.
- Restricted Court Fees Fund accounts for separate fees collected in DUI and drug related cases that are restricted by State statute for use in funding offender rehabilitation programs.

Additionally, the County reports the following fund types:

*Proprietary Funds/Enterprise Funds* are funds that report an activity for which a fee is charged to external users for goods or services. The County reports the following funds:

Major funds:

- Corrections Center Fund accounts for the operation of the Shelby County Corrections Center. The center incarcerates individuals serving sentences for both misdemeanors and felonies, with typical sentences between two and three years.

Nonmajor funds:

- Consolidated Codes Enforcement Fund accounts for activities of the Consolidated Codes Enforcement Office and Division of Planning and Development.
- Fire Services Fund accounts for the activities of the Shelby County Fire Department. Fire protection services are provided to the unincorporated areas of the County and to the City of Lakeland. Ambulance services are provided to unincorporated areas of the County, City of Lakeland, City of Millington, and the Town of Arlington.

*Proprietary Funds/Internal Service Funds* are a separate category of proprietary funds (all are nonmajor). These funds account for fleet services, telecommunications, mail services, printing, group health insurance, other employer insurance, and tort liability insurance provided to other departments and agencies of the County, or to other governments on a cost reimbursement basis.

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

*Fiduciary Funds* include the Other Postemployment Benefits (OPEB) Trust and the Shelby County Retirement System. The Shelby County Retirement System accounts for the activities of the County's retirement plan, which accumulates resources for pension payments to employees. The OPEB Trust accounts for the fund used to

accumulate and provide health and life insurance to retirees. Agency Funds account for assets held by the County's charter officers and other elected officials in an agent capacity for governments, litigants, heirs and others. Agency funds are custodial in nature and do not involve measurement of results of operations.

**(E) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances**

*Deposits and Investments*

Cash and cash equivalents include cash on hand, demand deposits, savings accounts and short-term investments with maturities of three months or less at the time of purchase. The County pools substantially all of its cash and cash equivalents. Each fund participating owns a pro rata share in the pool. Investment earnings of the pool are allocated monthly to each fund based upon the average balance.

Deposits with the State Treasurer's Local Government Investment Pool (LGIP) that may be withdrawn with a maximum of one day's notice are classified as cash equivalents and are valued at cost. The LGIP is not registered with the SEC as an investment company. However the LGIP has a policy that it will – and does – operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. Rule 2a-7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met. State statutes require the State Treasurer to administer the LGIP under the same terms and conditions, including collateral requirements, as required for other funds invested by the Treasurer. The reported value of the pool is the same as the fair value of the pool shares.

Investments of the government as well as its component units are generally stated at fair value. Fair value is based on quoted market prices, if available, or estimated using quoted market prices for similar securities. The County uses amortized cost on all investments that mature within a year or less of the date of purchase. State statutes authorize the County to make direct investments in obligations of the U.S. Treasury, obligations issued or guaranteed by any U.S. Government agency, LGIP, bonds of any state or political subdivision, repurchase agreements, prime banker's acceptances and prime commercial paper. The maximum maturity is two years. By policy investments in commercial paper must be rated A1/P1 by at least two rating services.

The OPEB Trust and the Shelby County Retirement System are authorized to invest in common and preferred stocks, corporate bonds rated B3 or better, commercial paper rated A2/P2 or better, real estate, venture capital investments, co-mingled investment funds, and call option writing programs. Investment parameters require that no more than 70% of total investments be in stock, no more than 5% in real estate, and no more than 12% in international equities. The Shelby County Retirement System is also authorized to invest in limited partnerships.

*Receivables and Payables*

Property taxes are recorded as revenues in the fiscal year for which levied. Property taxes based on property values during the current fiscal year but levied for the next fiscal year are recorded as receivables and deferred inflows of resources. Allowances for doubtful accounts are maintained for receivables which historically experience uncollectible accounts.

*Inventories and Prepaid Items*

Inventories are valued at cost on a first-in/first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and proprietary fund financial statements. In governmental funds, prepaid items are accounted for using the purchases method. As of June 30, 2015, the County had net overpayments for the OPEB obligation. These overpayments are reported in the assets section.

*Capital Assets*

Capital assets, which include land, land improvements, buildings, building improvements, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure includes roads, bridges, sidewalks, and similar items. Equipment includes software and communications systems. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. Land is included regardless of cost. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land improvements, buildings, building improvements, equipment and infrastructure of the primary government, as well as the component units, are depreciated using the straight line method. The following estimated useful lives are used:

<u>Assets</u>	<u>Years</u>
Land improvement	10-30
Building	30-40
Building improvements	10-30
Equipment	3-20
Infrastructure	10-50

*Deferred Outflows of Resources*

In addition to assets, the *Statement of Net Position* includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so is not recognized as an outflow of resources (expense/expenditure) until then.

*Claims and Judgments*

Claims and judgments which can be reasonably estimated and could result in probable material losses to the County have been given proper recognition under U.S. generally accepted accounting principles. For governmental funds and similar fund types, the liability is recognized within the applicable fund if it is expected to be liquidated with expendable, available financial resources. All other material unpaid claims and judgments are recorded as a liability in the governmental activities of the primary government. In proprietary and similar fund types, probable and measurable loss contingencies are recorded as incurred within the applicable fund.

*Landfill Postclosure Care Costs*

State and federal laws and regulations require the County to perform certain maintenance and monitoring functions for thirty years after closure of its landfill sites. The amount reported as postclosure care liability at year-end represents the estimated postclosure care costs that have not been paid for the Walnut Grove and Shake Rag Road landfills. The estimate is based on what it would cost to perform all postclosure care as of the year-end. Actual future costs may differ due to inflation, changes in technology, or changes in regulations. The landfills have been closed and the County has no landfills currently in operation. No County assets are restricted for landfill postclosure costs. However, the County has entered into a surety contract in lieu of a performance bond as a commitment to comply with the terms set forth in its 30 year postclosure maintenance plan for the Shake Rag Road landfill. This surety contract is with the State of Tennessee under the State's cooperative agreement with the Environmental Protection Agency (EPA). There is no surety contract pertaining to the Walnut Grove landfill.

*Compensated Absences*

County employees are granted sick and annual leave in varying amounts in accordance with administrative policies and union memorandums of understanding. Accumulated vacation days are required to be used annually, with a maximum accumulation of one and one-half times the amount of leave an employee can earn in a year. In the event of termination or retirement, the employees are paid for accumulated vacation days. Generally, employees are paid for accumulated sick leave, not to exceed the lesser of 75 days or \$5,772, only upon retirement. Certain exceptions to this policy occur in accordance with the terms of various union agreements.

All sick and annual pay is accrued when earned in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

*Long-term Obligations*

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond 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.

*Deferred Inflows of Resources*

In addition to liabilities, the *Statement of Net Position* and the *Governmental Funds Balance Sheet* report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an increase to net position or fund balance that applies to a future period and is not recognized as an inflow of resources (revenue) until that time.

*Net Position and Fund Balance*

Government-wide and proprietary fund net position is classified into three components. "Net investment in capital assets" consists of capital assets net of accumulated depreciation and reduced by outstanding debt used to finance purchase or construction of those assets. "Restricted" net position is noncapital net assets that must be used for a particular purpose as specified by creditors, grantors, or contributors external to the County. "Unrestricted" net position is remaining net assets that do not meet the definition of the other two categories.

In the governmental fund financial statements, fund balance is reported as either Nonspendable, Restricted, Committed, Assigned and/or Unassigned fund balances.

- Nonspendable fund balance reflects amounts not in spendable form or amounts that legally or contractually must be maintained intact.
- Restricted fund balance reflects amounts subject to external enforceable legal restrictions that are either 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance reflects amounts whose use is constrained by limitations that the County imposes upon itself by the Shelby County Commission through resolution and shall remain binding unless removed in the same manner. The County Commission is the County's highest level of decision-making authority.

- Assigned fund balance reflects the County's intended use of resources. It allows decision making authority to be delegated to some other body or official, such as division directors or department administrators. This authority is delegated by approved County Commission resolution. No formal action is required to remove this authority.
- Unassigned fund balance is the residual net resources.

#### *Use of Net Position and Use of Fund Balance*

When both restricted and unrestricted net position is available for use, it is the county's policy to use restricted net position or resources first. When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balance amounts are available, it shall be the policy of the County to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the County that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts. In both instances when a proposed expenditure is made with specific net position or fund balances identified as the source of the funding, that specific net position or fund balance will be used.

#### *Minimum Fund Balance Policy*

The County Board of Commissioners, the County's legislative body, has by resolution adopted a formal fund balance policy. The policy specifies a minimum fund balance of between 20-30% of revenues for the General Fund and 20-30% of revenues for the Debt Service Fund.

#### *Interest Rate Swaps*

Shelby County has entered into several interest rate swap agreements to modify interest rates on outstanding debt. Amounts received to enter swap agreements are recorded as revenue in the Debt Service Fund. In the government-wide financial statements, such amounts are amortized over the life of the swap agreement. These agreements provide for net interest payments to or from the County which are also recorded in the Debt Service Fund.

#### *Estimates*

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

## **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**

The governmental fund Balance Sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." Internal service funds include \$(5,708,491) of long-term liabilities and are not part of this reconciling amount.

The details of this \$(1,253,751,175) are as follows:

Bonds and loans payable	\$ (1,143,350,051)
Accreted value on bonds	(9,909,006)
Net premium on bonds issued	(70,491,453)
Compensated absences	(21,026,303)
Landfill postclosure	(2,551,514)
Claims and judgments	(290,986)
Capital lease obligation	<u>(6,131,862)</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (1,253,751,175)</u>

Another element of that reconciliation states that “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.” Internal service funds include \$95,751 of deferred outflows of resources and \$(214,690) of deferred inflows of resources and are not part of this reconciling amount. The details of this \$(24,133,721) are as follows:

Deferred outflows of resources:	
Current year pension contributions	\$ 27,023,707
Deferred inflows of resources:	
Difference between projected and actual earnings on investments of the plan	<u>(51,157,428)</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (24,133,721)</u>

**(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**

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes a reconciliation between *net change in fund balance – total governmental funds* and *change in net position of governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.”

The details of this \$2,073,585 difference are as follows:

Capital outlay	\$ 32,982,742
Loss on asset disposals	(5,449,788)
Depreciation expense	<u>(25,459,369)</u>
Net adjustment to increase <i>net change in fund balance – total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	<u>\$ 2,073,585</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.”

The details of this \$119,090,335 difference are as follows:

Debt issued or incurred:	
Issuance of refunding bonds	\$ (171,830,000)
Premium on bonds issued	(27,093,527)
Refunding of prior debt	216,751,285
Swap termination fees	(13,801,284)
Amortization of bond premiums	14,012,589
Accretion of zero coupon bonds	5,956,385
Principal repayments on debt	95,094,887
Net adjustment to increase <i>net change in fund balance – total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	\$ 119,090,335

Another element of that reconciliation is “changes in other long-term liabilities other than in internal service funds.”

The details of this \$(2,309,631) difference are as follows:

Landfill post closure costs	\$ 174,462
Claims and judgements	14,299
Sick and annual leave	(2,498,392)
Net adjustment to decrease <i>net change in fund balance – total governmental funds</i> to arrive at <i>change in net position of governmental activities</i>	\$ (2,309,631)

**III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**(A) Budgetary Information**

The revenues and expenditures accounted for in each of the General Fund, Special Revenue Funds, Debt Service Fund and Enterprise Funds have legally adopted budgets and are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements that govern County operations. The County Board of Commissioners approves and appropriates the budgets for these funds annually.

Expenditures may not exceed appropriations by line item at the department level. The County Mayor is authorized to transfer budgeted amounts between line items of the same category (i.e. revenue, personnel related expenditures or other expenditures) of the same division (group of departments). Any adjustments that increase the total budget, or require transfers between divisions, categories or funds must be approved by the County Board of Commissioners. The reported budgetary data has been revised for amendments authorized during the year.

All funds requiring legally adopted budgets have budgets which are adopted on a basis consistent with U.S. generally accepted accounting principles. This is also the basis for the budgetary comparison statements. All annual appropriations lapse at fiscal year-end. Project-length financial plans are adopted for all Capital Projects Funds.

Encumbrances represent significant commitments related to unperformed purchase orders, contracts, or other commitments for goods or services. Encumbrance accounting - under which purchase orders, contracts, and other commitments for future expenditures of funds are recorded in order to reserve that portion of the applicable appropriation - is utilized in the governmental funds during the year to facilitate effective budgetary control. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

**(B) Excess Expenditures over Appropriations**

A negative variance appears in the General Fund Budgetary Comparison Statement for the General Government due to salary restrictions. Salary restrictions are planned reductions to budgeted salaries that allow for the savings from vacancies and normal attrition expected to occur throughout the year. These restrictions are partially allocated by department based on historical trends, with the remainder allocated to Central Operations within the division of General Government. The salary restriction as a management tool adjusts the budget to a more realistic expenditure level to prevent "over budgeting" of salaries and the budget surplus that would otherwise occur. Actual salaries are monitored on a monthly basis to ensure that the restriction is met. Total General Fund salaries were within the total salaries budget net of the salary restriction.

**(C) Deficit Net Position**

The deficits in non-major enterprise funds, \$(3,337,338) in the Consolidated Codes Enforcement Fund and \$(4,373,594) in the Fire Service Fund are the result of the implementation of GASB 68 and restatement of beginning net position. See also note IV(Q) for more information on restatement of net position.

**IV. DETAILED NOTES ON ALL FUNDS****(A) Deposits and Investments***Shelby County Government, except for the Retirement System and OPEB Trust:*

The County, including agency funds but excluding the Retirement System and the OPEB Trust, had the following investments at June 30, 2015; of the total investments per financial reports, \$73,033,966 is reported on the Statement of Net Position and \$6,400,000 is reported on the Combined Schedule of Changes in Assets and Liabilities for the county charter officers' agency funds.

Not included in the investments amounts are the funds on deposit with the State Treasurer's Local Government Investment Pool (LGIP). The County's pro rata share of LGIP as of June 30, 2015 was \$21,066,452 which is included in the cash and cash equivalents on the Statement of Net Position. All other investments are valued at cost, amortized cost, or fair value as disclosed in Note I(E) above.

Custodial credit risk. Bank deposits and certificates of deposit of the County, consistent with State statutes, are covered by federal depository insurance (FDIC) or are collateralized by a multiple financial institution collateral pool administered by the Treasurer of the State of Tennessee. On limited occasions the County may have deposits with financial institutions that do not participate in the State collateral pool; in these instances separate collateral equal to at least 105% of the uninsured deposit is collateralized and held in the County's name by a third party. These provisions covered all County deposits at year-end.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Both State statutes and the County's investment policy limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. All investments mature in two years or less.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Both State statutes and the County's investment policy limit permissible investments or impose collateral and custody provisions as specified above or in Note I(E) to significantly limit credit risk. By policy, investments in commercial paper must be rated A1/P1 by at least two rating services. Although the LGIP itself is unrated, its types of investments and maturities provide a similar level of credit risk.

The County Trustee handles Shelby County Board of Education's investments with the LGIP. Those investments are not included above but are reported in the component units' figures within this report and are disclosed in the separately issued financial report of the Shelby County Board of Education.

Shelby County Retirement System (Fiduciary Fund):

At June 30, 2015 the Retirement System had deposits of \$43,084,763 in money-market mutual funds that were not insured and were uncollateralized. At June 30, 2015 the Retirement System reported the following investments with carrying amounts as shown:

Domestic equity	\$ 311,766,857
Fixed income	194,813,488
International equity	194,682,808
Hedge funds	137,597,523
Limited partnership interest	93,342,030
Private real estate and infrastructure	22,815,492
Global low-volatility equity	42,865,626
Master limited partnership	69,636,987
Total investments	<u><u>\$ 1,067,520,811</u></u>

The fair values of fixed income investments grouped by maturity at June 30, 2015 were as follows:

Current to one year	\$ 2,312,036
One to two years	13,246,872
Two to three years	9,061,674
Three to four years	11,846,753
Four to five years	6,112,541
Five years or more	152,233,612
Total	<u><u>\$ 194,813,488</u></u>

At June 30, 2015 the Retirement System had \$127,031,802 of investments with exposure to foreign currency risk.

The above information was taken from the publicly available financial report of the Retirement System for the year ended June 30, 2015. The report includes more information on the credit quality of investments in fixed income debt securities and the investments with foreign currency risk. The report may be obtained from the Shelby County Retirement System, Suite 701, 160 N. Main Street, Memphis, Tennessee 38103.

*Shelby County OPEB Trust (Fiduciary Fund):*

At June 30, 2015 the OPEB Trust had no deposits that were not insured and were uncollateralized. At June 30, 2015 the OPEB Trust reported the following investments with carrying amounts as shown:

Domestic equity	\$ 69,119,143
Fixed income	37,354,686
International equity	30,847,404
Private real estate	4,971,034
Alternative investments	20,741,918
Short-term investments	6,415,979
Global low-volatility equity	7,582,824
Master limited partnership	16,656,797
Total investments	<u>\$ 193,689,785</u>

**(B) Property Taxes Receivable**

Property taxes attach an enforceable lien on property on January 1 of each year. The levy is made July 1. The various types of property are assessed at a percentage of market value as follows:

Farm and residential real property	25%
Commercial/industrial real property	40%
Commercial/industrial tangible personal property	30%
Commercial/industrial intangible personal property	40%
Public utilities real/personal property	55%

The assessed value on which the fiscal 2015 tax bills were based was \$17,966,889,260. The estimated market value was \$59,884,233,964, making the overall assessed value 30.00% of the estimated market value. Taxes are due October 1 and delinquent March 1 of the following year. Current tax collections for the year were 95.74% of the original tax levy and 96.33% of the adjusted tax levy. The property tax levy has no legal limit. The rate, as permitted by Tennessee state law and County charter, is set annually on or after July 1 by the County Board of Commissioners and collected by the County Trustee.

The County allocated the property tax per \$100 of the assessed value as follows:

General Fund	\$ 1.45
Debt Service Funds	.78
Education Fund	<u>2.14</u>
Countywide tax rate	<u>\$ 4.37</u>

Property taxes receivable as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service Fund	Education Fund	Total
Property taxes receivable	\$ 297,039,822	\$ 150,825,296	\$ 413,657,097	\$ 861,522,215
Less allowance for uncollectibles	(17,372,160)	(9,065,433)	(24,822,895)	(51,260,488)
	<u>\$ 279,667,662</u>	<u>\$ 141,759,863</u>	<u>\$ 388,834,202</u>	<u>\$ 810,261,727</u>

Note IV(G) includes detail of deferred inflows of resources relating to property taxes.

**(C) Notes Receivable**

Notes receivable consist of the following:

	Amount	Collateral
<i>General Fund</i>		
Property loans receivable due in various installments at 6.5% interest	<u>\$ 22,244</u>	Land & Building
<i>Debt Service Fund</i>		
Mortgage loans receivable due in various monthly installments at interest rates ranging from 3.125% to 8.125% through 2020	<u>\$ 2,452,067</u>	Land & Building
<i>Grants Fund</i>		
Mortgage loans receivable due in various installments at 0% to 5% interest through 2021	<u>\$ 3,032,968</u>	Land & Building

Note IV(G) includes details of deferred inflows of resources relating to notes receivable.

**(D) Leases Receivable**

The County leases certain real property described as Butcher Shop, LLC for the sum of \$225,750 annually. The term of the lease commenced on May 1, 2013. There are two additional option terms of five years each available. The option term currently in effect will expire in 2018. The rental income is recognized as revenue in the Debt Service Fund.

The County leases certain real property described as 150 Washington Avenue to the Shelby County Federal Credit Union for the sum of \$30,000 annually over a period of five years. The term of the lease commenced on October 1, 2014 and will end September 30, 2019. There is one additional option term of five years. The rental income is recognized as revenue in the General Fund.

The County leases certain real property with improvements described as Fire Station #65 to the City of Memphis, Tennessee through June 30, 2016. There are no lease fees or charges. All charges for gas, water, sewer, electricity, light, heat, power, telephone, and other utilities and services used, rendered or supplied to or in connection with the leased premises will be paid for by the City of Memphis.

The Tennessee Department of Health maintains office space as a regional office at the Memphis and Shelby County Health Department, described as 814 Jefferson, to carry out various State activities. The County agrees to lease the space for a sum of \$112,716 annually for five years; commencing on January 1, 2012, and ending December 31,

2016. This lease may be cancelled by the leasee at any time prior to the termination date. The rental income is recognized as revenue in the General Fund.

The County leases certain real property located at 4921 Hickory Hill Road to Yardworks, a privately owned business. The term of the lease commenced on September 22, 2011 for an annual rental amount of \$14,400. This is for a five year term ending September 21, 2016 with an option to renew for one additional five year term. The rental income is recognized as revenue in the Grants Fund.

The following is a schedule by years of future minimum rentals required under operating leases that have initial or remaining non-cancellable lease terms in excess of one year as of June 30, 2015:

<u>Fiscal Year</u>	<u>Minimun Rental</u>
2016	\$ 268,650
2017	259,350
2018	218,125
2019	7,500
2020	---
Total	<u>\$ 753,625</u>

### (E) Capital Assets

Capital asset activity of the primary government for the year ended June 30, 2015 is detailed below.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<i>Governmental activities:</i>					
Capital assets not being depreciated:					
Land	\$ 26,561,532	\$ 1,167	\$ (583,050)	\$ ---	\$ 25,979,649
Construction in progress	35,913,211	22,845,140	---	(23,637,308)	35,121,043
Total not being depreciated	<u>62,474,743</u>	<u>22,846,307</u>	<u>(583,050)</u>	<u>(23,637,308)</u>	<u>61,100,692</u>
Capital assets being depreciated:					
Land improvements	18,550,206	5,318	---	2,730,157	21,285,681
Buildings	263,465,233	1,875,070	(5,139,174)	20,907,151	281,108,280
Equipment	108,357,973	5,819,557	(4,384,469)	178,086	109,971,147
Infrastructure	529,734,677	2,786,683	(7,114,170)	---	525,407,190
Total being depreciated	<u>920,108,089</u>	<u>10,486,628</u>	<u>(16,637,813)</u>	<u>23,815,394</u>	<u>937,772,298</u>
Less accumulated depreciation:					
Land improvements	7,345,904	519,587	---	---	7,865,491
Buildings	136,060,844	7,492,081	(1,900,080)	---	141,652,845
Equipment	67,522,772	6,435,817	(3,027,682)	162,616	71,093,523
Infrastructure	231,477,142	11,193,393	(6,843,312)	---	235,827,223
Total accumulated depreciation	<u>442,406,662</u>	<u>25,640,878</u>	<u>(11,771,074)</u>	<u>162,616</u>	<u>456,439,082</u>
Total capital assets being depreciated, net	<u>477,701,427</u>	<u>(15,154,250)</u>	<u>(4,866,739)</u>	<u>23,652,778</u>	<u>481,333,216</u>
Governmental activities capital assets, net	<u>\$ 540,176,170</u>	<u>\$ 7,692,057</u>	<u>\$ (5,449,789)</u>	<u>\$ 15,470</u>	<u>\$ 542,433,908</u>

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<i>Business-type activities:</i>					
Capital assets being depreciated:					
Land improvements	\$ 100,611	\$ 20,000	\$ ---	\$ ---	\$ 120,611
Buildings	49,682,479	157,783	---	---	49,840,262
Equipment	10,870,305	719,728	(531,491)	(178,086)	10,880,456
Total being depreciated	<u>60,653,395</u>	<u>897,511</u>	<u>(531,491)</u>	<u>(178,086)</u>	<u>60,841,329</u>
Less accumulated depreciation:					
Land improvements	12,198	10,156	---	---	22,354
Buildings	29,622,610	1,150,152	---	---	30,772,762
Equipment	6,714,152	353,154	(510,731)	(162,616)	6,393,959
Total accumulated depreciation	<u>36,348,960</u>	<u>1,513,462</u>	<u>(510,731)</u>	<u>(162,616)</u>	<u>37,189,075</u>
Total capital assets being depreciated, net	<u>24,304,435</u>	<u>(615,951)</u>	<u>(20,760)</u>	<u>(15,470)</u>	<u>23,652,254</u>
Business-type activities capital assets, net	<u>\$ 24,304,435</u>	<u>\$ (615,951)</u>	<u>\$ (20,760)</u>	<u>\$ (15,470)</u>	<u>\$ 23,652,254</u>

Depreciable land improvements consist of renovations to public park lands and parking lots.

A summary of governmental capital assets, net and depreciation expense by function follows:

	Capital Assets Net	Depreciation Expense
Depreciable assets:		
General Government	\$ 9,123,061	\$ 2,652,890
Planning and Development	22,663	21,949
Public Works	379,264,472	13,242,154
Corrections	1,539,669	88,306
Health Services	16,158,011	755,738
Community Services	195,018	198,546
Law Enforcement	57,568,271	5,571,983
Judicial	16,168,108	2,302,920
Other Elected Officials	1,293,943	806,392
Depreciable assets total	<u>481,333,216</u>	<u>25,640,878</u>
Non-depreciable assets:		
Land	25,979,649	---
Construction in progress	35,121,043	---
Non-depreciable assets total	<u>61,100,692</u>	<u>---</u>
Governmental activities total	<u>\$ 542,433,908</u>	<u>\$ 25,640,878</u>

## (F) Lease Obligations

### Operating Leases

The County leases office space and other equipment under operating leases expiring during the next five years. Rent expense for the year ended June 30, 2015 was \$2,693,810 for the primary government.

*Capital Leases*

The County has a capital lease related to the acquisition of a Ferrara Inferno Aerial Ladder truck for the Fire Services Fund, a business-type activity. The Ferrara truck was purchased for a total cost of \$584,925. The net book value of the Ferrara Inferno Aerial Ladder truck is \$346,080. The amortization of this leased asset is included as part of depreciation expense. The total remaining balance on the capital lease is \$69,152.

The County has entered into a capital lease agreement with the State of Tennessee for a new Regional Forensic Center. The State issued bonds in March 2013 for the long term funding of construction costs. The lease agreement provides that the County’s lease payments will be the amount required to fund debt service requirements for \$8 million of the bonds issued by the State. The remaining amount owed for this lease is included with long term debts. The estimated annual capital lease cost, including interest, will be approximately \$400,000 to \$515,000 per year. The remaining balance on this lease is \$6,131,862.

The following is a schedule by years of future minimum rental payments required under operating leases and capital leases that have initial or remaining non-cancellable lease terms in excess of one year as of June 30, 2015:

Fiscal Year	Operating Leases	Capital Leases
2016	\$ 1,157,223	\$ 575,832
2017	384,195	487,581
2018	129,153	471,723
2019	25,012	455,868
2020	---	440,011
2021-2025	---	2,027,224
2026-2030	---	1,837,345
2031-2036	---	994,189
Total minimum lease payments	1,695,583	7,289,773
Less: amount representing interest	---	(1,088,759)
Present value of minimum lease payments	<u>\$ 1,695,583</u>	<u>\$ 6,201,014</u>

**(G) Deferred Inflows of Resources**

Deferred inflows of resources shown on the Balance Sheet as unavailable revenue consist of the following:

	General Fund	Debt Service Fund	Capital Projects Fund	Education Fund	Grants Fund	Nonmajor Governmental Fund	Totals
Fiscal year 2016 property tax assessment	\$ 263,556,888	\$ 133,560,650	\$ ---	\$ 366,435,630	\$ ---	\$ ---	\$ 763,553,168
Current and prior years' property taxes receivable	15,083,518	7,616,690	---	20,834,057	---	---	43,534,265
Due from Federal Government	45,685	---	---	---	---	419,387	465,072
Due from State	1,852,219	---	325,712	---	---	---	2,177,931
Due from City of Memphis	439,324	---	---	---	---	---	439,324
Due from other local governments	9,760	---	---	---	---	---	9,760
Notes receivable	22,244	2,452,067	---	---	3,003,374	---	5,477,685
Other receivables	381,496	---	---	---	---	36,912	418,408
	<u>\$ 281,391,134</u>	<u>\$ 143,629,407</u>	<u>\$ 325,712</u>	<u>\$ 387,269,687</u>	<u>\$ 3,003,374</u>	<u>\$ 456,299</u>	<u>\$ 816,075,613</u>

Refer to Note I(D) regarding revenue recognition policy on deferred inflows of resources.

**(H) Debt and Long-term Liabilities**

Changes in short-term debt:

In December 2014, the Shelby County Board of Commissioners authorized the issuance of up to \$120,000,000 in Capital Outlay Extendible Municipal Commercial Paper (EMCP) Notes, 2015 Series A Program. The aggregate outstanding principal amount may not exceed \$120,000,000 at any time. The notes were issued in anticipation of the County's issuance of certain general obligation bonds and general obligation school bonds in the aggregate principal amount not exceeding \$120,000,000 for the purpose of funding various public works and school projects. The general obligation bonds are expected to retire the notes within two years of the initial issuance of the notes. The original maturity date will range from 1 to 90 days from the original issue date of each note. At June 30, 2015, \$20,000,000 of the \$120,000,000 2015A EMCP notes has been issued.

Changes in short-term debt for the year were:

	Balance June 30, 2014	Additions	Reductions	Balance June 30, 2015
2015A EMCP	\$ ---	\$ 20,000,000	\$ ---	\$ 20,000,000
Total	\$ ---	\$ 20,000,000	\$ ---	\$ 20,000,000

Changes in long-term liabilities:

Changes in long-term liabilities for the year were:

	Balance June 30, 2014	Additions	Reductions	Balance June 30, 2015	Due Within One Year
Governmental activities:					
Bonds and loans payable	\$ 1,285,056,456	\$ 171,830,000	\$ (303,627,399)	\$ 1,153,259,057	\$ 97,076,940
Capital lease obligations	6,505,735	---	(373,873)	6,131,862	369,422
Net premium of bonds issued	57,410,515	27,093,527	(14,012,589)	70,491,453	16,540,658
Claims and judgments	4,581,162	3,885,238	(2,549,009)	5,917,391	2,341,080
Landfill postclosure care costs	2,725,976	---	(174,462)	2,551,514	192,781
Sick and annual leave	18,691,987	16,424,165	(14,007,763)	21,108,389	14,318,640
Net postemployment benefit obligations	7,178,094	10,639,786	(17,817,880)	---	---
Net unfunded pension obligation	278,296,470	107,887,857	(168,807,681)	217,376,646	---
Total governmental activities	\$ 1,660,446,395	\$ 337,760,573	\$ (521,370,656)	\$ 1,476,836,312	\$ 130,839,521
Business-type activities:					
Capitalized lease obligations	\$ 135,206	\$ ---	\$ (66,054)	\$ 69,152	\$ 69,152
Claims payable	434,950	183,434	(193,384)	425,000	425,000
Sick and annual leave	4,690,450	3,170,850	(2,998,950)	4,862,350	3,181,384
Net postemployment benefit obligations	2,734,396	2,155,122	(4,730,559)	158,959	---
Net unfunded pension obligation	55,852,112	21,660,288	(33,856,495)	43,655,905	---
Total business-type activities	\$ 63,847,114	\$ 27,169,694	\$ (41,845,442)	\$ 49,171,366	\$ 3,675,536

Bonds and loans payable reductions include \$5,956,385 accretion of zero bonds.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$82,086 of sick and annual leave payable, and \$5,626,405 of claims and judgments payable, which includes the current portion in the Tort Liability Fund and current claims payable in the Employer Insurance Fund, from the internal service funds are included in the above amounts. All other long-term liabilities of governmental activities other than debt are liquidated by the general fund.

Bonds and other long-term debt:

In January 2015, \$171,830,000 in General Obligation Refunding Bonds, 2015 Series A were issued, together with other available funds from the County, to refund \$142,980,000 of the 2005 Series A and \$59,970,000 of the 2006 Series C General Obligation bonds previously issued by the County and to pay the costs of termination fees payable with respect to the termination of the interest rate swap related to the County's 2006 Series C General Obligation bonds.

These are all obligations of the County, and those noted below as direct general obligations are backed by its full faith and credit and the unlimited taxing power of the County. QSCB debt were bonds issued by the State of Tennessee whereas the Port Commission bonds were issued by the Memphis and Shelby County Port Commission at the request of the County. In each of these cases the County has agreed to provide funds for the payment of principal and interest. The following bonds issued and loans payable were outstanding:

Description	Date Issued	Interest Rates	Principal Balance	Last Maturity Date
1996B Refunding Issue (b)	11/01/1996	5.00 - 6.00	\$ 3,367,464	12/01/2016
1997B Refunding Issue (b)	11/01/1997	4.50 - 5.75	2,498,412	08/01/2016
2004B Public Imp/Schools (a), (b)	04/15/2004	Variable	118,885,000	04/01/2030
2005A Refunding Issue (b)	03/10/2005	3.0 - 5.0	39,460,000	04/01/2016
2006A Public Imp/Schools (b)	02/22/2006	5.00	8,975,000	03/01/2016
2006B Public Imp/Schools (a), (b)	02/22/2006	Variable	159,590,000	03/01/2031
2009A Refunding Issue (b)	04/02/2009	2.75 - 5.0	100,640,000	04/01/2022
2009B Public Imp/Schools (b)	09/30/2009	2.25-5.0	41,760,000	04/01/2024
2009C Public Imp/Schools (b)	09/30/2009	5.625 - 5.75	60,000,000	04/01/2034
2009 Qualified School Construction Loans	12/01/2009	1.515	38,209,607	09/01/2026
2010 Qualified School Construction Loans	10/01/2010	1.515	50,822,068	09/15/2027
2011A Refunding Bonds (b)	03/30/2011	4.00-5.00	73,795,000	03/01/2025
2011 Port Commission Loan	09/07/2011	2.00 - 5.00	18,542,500	04/01/2036
2012A Refunding Bonds (b)	03/01/2012	3.00-5.00	247,895,000	03/01/2028
2012B GO Refunding (Rural Schools) (b)	03/01/2012	2.00-4.00	8,110,000	03/01/2019
2015A Refunding Bonds (b)	01/28/2015	2.00-5.00	170,800,000	04/01/2027
			<u>1,143,350,051</u>	
	Accreted value of bonds		<u>9,909,006</u>	
	Total bonds and loans payable		<u>\$ 1,153,259,057</u>	

(a) Interest rate swap agreements are in place related to these bond issues, as explained below in this note.

(b) Direct general obligation bonds of the County

This debt represents borrowings for the following:

General government	\$ 202,059,538
Education	941,290,513
	<u>1,143,350,051</u>
Accreted value of bonds	9,909,006
	<u>\$ 1,153,259,057</u>

Interest expense in the governmental funds during the fiscal year ended June 30, 2015 was \$63,640,655 (current financial resources measurement focus and modified accrual basis of accounting). Entity wide interest was \$76,735,064 (economic resources measurement focus and accrual basis of accounting) which includes interest paid for the Debt Service Fund and interest paid on the loans.

The County is indebted for serial bonds and capital appreciation bonds and notes and variable bonds with interest rates varying from 1.515% to 6.00%. In the Debt Service Fund the County accrued interest on the variable rate bonds only; all fixed rate unmatured interest is recognized as an expenditure when due.

All unmatured interest which is due in future years is disclosed in the table below. The County has no legal debt limit. Debt service requirements for principal and interest in future years, using the actual rate on fixed rate bonds and variable rate bond notes are 4.66% for the 2004 Series B General Obligation Variable Rate Demand Public Improvement and School Bonds, 3.503% for the 2006 Series B General Obligation Weekly Adjustable/Fixed Rate Bonds to 3/1/2016 and a rate of 4.430% from 3/1/2016 to 3/1/2031 are as follows:

Years Ended June 30	Principal	Interest	Total
2016	\$ 96,514,439	\$ 55,668,795	\$ 152,183,234
2017	89,254,078	57,048,297	146,302,375
2018	93,476,322	45,741,389	139,217,711
2019	89,631,321	41,690,350	131,321,671
2020	87,576,321	37,749,954	125,326,275
2021-2025	404,119,105	134,196,575	538,315,680
2026-2030	229,443,465	47,603,580	277,047,045
2031-2035	51,995,000	5,781,191	57,776,191
2036	1,340,000	58,625	1,398,625
	1,143,350,051	425,538,756	1,568,888,807
Accreted value of bonds	9,909,006	(9,909,006)	---
Total long-term debt	\$ 1,153,259,057	\$ 415,629,750	\$ 1,568,888,807

Interest rate swap agreements:

As of June 30, 2015 Shelby County has three (3) interest rate swap agreements shown below. Interest rate swap agreements are accounted for at fair value in accordance with GASB Statement No. 53 *Accounting and Financial Reporting for Derivative Instruments*.

	Changes in Fair Value		Fair Value at June 30, 2015		Notional Amount
	Classification	Amount	Classification	Amount	
Governmental activities					
Investment derivatives:					
Pay-fixed interest rate swap	Deferred outflow	\$ 2,713,998	Derivative instruments	\$ (11,881,090)	\$ 86,920,000
Cash flow hedges:					
Pay-fixed interest rate swap	Deferred outflow	(1,222,338)	Derivative instruments	(9,451,082)	40,000,000
Pay-fixed interest rate swap	Deferred outflow	(3,654,200)	Derivative instruments	(28,256,257)	119,590,000
		\$ (2,162,540)		\$ (49,588,429)	\$ 246,510,000

**Swap One:** In April 2009, the 2008 Series A General Obligation Refunding Bonds and the 2008 Series B General Obligation Variable Rate Demand Refunding Bonds were refunded and the related swaps were transferred to the 2004B General Obligation Bonds and a swap related to the 2004B General Obligation Bonds was cancelled. One transferred swap was executed with Goldman Sachs Mitsui Marines Derivative Products (Goldman) on 1/15/1999 in connection with the 1999 Series A General Obligation Variable Rate Demand and subsequently kept in place for the 2008 Series B Bonds (which refunded the 1999 issue) and the second transferred swap was executed with Loop Financial Products (LFP) on 6/23/2005 in connection with the 2008 Series A General Obligation Refunding Bonds (which refunded a portion of the 1998 issue). The Goldman Sachs Mitsui Marines swap in the amount of \$68,050,000 was terminated in March 2012.

**Swap Objective:** This swap was issued to (i) lower borrowing costs by entering into a swap in connection with its 1998 Series A General Obligation Variable Rate Demand Refunding Bonds and (ii) to take advantage of 40 year lows in interest rates to refund high coupon debt and to receive an upfront cash payment for capital expenditures to reduce debt issuance in the future.

**Swap Terms:**

Trade Date	Swap Effective Date	Swap Maturity Date	Notional Amount	Fixed Payer Rate	Underlying Index	Upfront Cash Payment
6/23/2005	03/01/2008	03/01/2022	\$ 86,920,000	4.66%	SIFMA	\$ 8,571,000

On 3/1/2008 the County received a payment of \$8,571,000 from the counterparty, Loop Financial Products (LFP), for granting LFP the right to enter into a swap on 6/23/2005. The swap was exercised and the County refunded a portion of its 1998 Series A General Obligation Refunding Bonds with variable rate bonds and entered into a fixed payer swap in which the County will pay a fixed rate of 4.66% and receive SIFMA. The swap had the same amortization and maturity as the underlying bond issue. The fixed swap rate of 4.66% was set at a rate that, when added to the assumed ongoing expenses for the variable rate bonds and the costs of issuance for the underlying variable rate bonds, would equal the average coupon on the outstanding 1998 Series A General Obligation Refunding Bonds.

**Fair Value of Swap and Option:** The swap as of 6/30/2015 has a net value of (\$10,558,651). The total mark-to-market was (\$11,881,090) and (\$1,322,439) is accrued interest from 6/01/2015 to the valuation date, 6/30/2015. This fair value was measured by a swap pricing system in which the future net swap settlement payments were calculated and discounted to the valuation date using future spot interest rates. The future spot rates are zero-coupon bonds due on the future settlement dates implied from the current yield curve.

**Associated Debt and Swap Payments:** This swap is in conjunction with the 2004B General Obligation Bonds which have a principal balance at 6/30/2015 of \$118,885,000. The swap has a current notional amount of \$86,920,000 and has a more rapid maturity than the bonds. The cash flows below assume that for the LFP swap SIFMA equals its current level, as of 6/30/2015 of 0.07%. Interest and net swap payments will fluctuate as SIFMA changes.

Fiscal Year Ended June 30	Variable Rate Bonds		Net Swap	Total
	Principal	Interest	Payments	
2016	\$ ---	\$ 83,220	\$ 3,893,547	\$ 3,976,767
2017	---	83,220	3,267,068	3,350,288
2018	---	83,220	2,644,783	2,728,003
2019	---	83,220	2,016,382	2,099,602
2020	---	83,220	1,356,002	1,439,222
2021	---	83,220	688,865	772,085
2022	---	83,220	175,100	258,320
2023	---	83,220	---	83,220
2024	13,295,000	83,220	---	13,378,220
2025	21,500,000	73,913	---	21,573,913
2026	13,775,000	58,863	---	13,833,863
2027	15,150,000	49,221	---	15,199,221
2028	16,665,000	38,616	---	16,703,616
2029	18,335,000	26,950	---	18,361,950
2030	20,165,000	14,116	---	20,179,116
Total	\$ 118,885,000	\$ 1,010,659	\$ 14,041,747	\$ 133,937,406

**Credit Risk:** The County has credit exposure to LFP equivalent to the fair value of the swaps. If LFP fails to perform under the terms of the swap contract, the County could have a loss equal to that mark-to-market value. The current ratings of LFP are AA-/Aa1/A+ by Fitch, Moody's and Standard & Poor's, respectively. The County could also be exposed to credit risk depending on the fair value of the swap at any given time. To mitigate credit risk, if Standard & Poor's and Moody's rates the credit worthiness of LFP's (or the Credit Support Provider's) senior, unsecured, unenhanced debt below a rating of "A2" in the case Moody's or "A" in the case of Standard & Poor's, treasuries or cash will be pledged.

**Termination Risk:** If the swap has an unanticipated termination or the County exercises its option to terminate, the County may owe a termination payment to LFP equal to the fair value of the swap at that time, if the fair value is negative to the County. As of 6/30/2015, LFP has a credit guarantee from Deutsche Bank AG, rated Aa1/AA by Moody's and Standard & Poor's, respectively.

**Interest Rate Risk:** Currently, the County does not have interest rate risk because it is paying a fixed rate on the swap. However, if for some unforeseen reason the swap is terminated prior to maturity, the County will have interest rate risk associated with the outstanding variable rate bonds until maturity in 2030.

**Basis Risk:** As long as there is not a direct relationship between the floating rate received from LFP and the rate at which the variable rate bonds remarket, the County is exposed to basis risk. The basis risk will arise from the difference between the actual interest rate paid on the variable rate bonds and the receipt from LFP of SIFMA. This basis differential could cause the expected savings to not be achieved.

**Tax Risk:** Changes or proposed changes to the tax laws relating to the tax-exempt status of municipal bonds will have no tax risk on the LFP swap.

**Swap Two and Three:** Executed with Goldman Sachs Mitsui Marines Derivative Products (Goldman) and Morgan Keegan Financial Products, Inc. (MKFP) on 2/14/06 in connection with 2006 Series B General Obligation Variable Rate Demand Public Improvement and School Bonds.

*Swap Objective:* The County entered into this fixed payer swap in order to hedge variable rate exposure on the underlying bonds.

*Swap Terms:*

Executed Date	Swap Effective Date	Swap Maturity Date	Notional Amount	Fixed Payer Rate	Floating Rate Index
2/14/2006	2/22/2006	3/1/2031	\$159,590,000	3.503% until 3/1/2016 4.43% thereafter	SIFMA

On 2/14/2006, the County entered into a fixed payer swap with an effective date of 2/22/2006. Under the terms of the swap, the County pays a fixed rate of 3.503% until 3/1/2016 and 4.43% thereafter to the counterparties, Goldman and MKFP. In return, the County receives the SIFMA index. Goldman's portion of the swap is \$119,590,000 and MKFP's portion is \$40,000,000. As of 6/30/2015 the notional amounts of the 2006B Goldnan swap and the 2006B MKFP swap are \$119,590,000 and \$40,000,000 respectively.

*Fair Value of Swap:* The swaps, as of 6/30/2015 have a net value of (\$35,883,618). The total mark-to-market was (\$37,707,339) of which approximately (\$1,823,721) is accrued interest from 6/01/2015 to the valuation date, 6/30/2015. This fair value was measured by a swap pricing system in which the future net settlement swap payments were calculated and discounted to the valuation date using future spot interest rates.

*Associated Debt and Swap Payments:* This swap is in conjunction with 2006 Series B General Obligation Variable Rate Demand Public Improvement and School Bonds. This analysis assumes both swaps stay in place until maturity in 2031. The cash flows below assume that for both swaps SIFMA equals its current level, as of 6/30/2015 of 0.07%. Interest and net swap payments will fluctuate as SIFMA changes.

Fiscal Year Ended June 30	Variable Rate Bonds		Net Swap Payments	Total
	Principal	Interest		
2016	\$ ---	\$ 427,600	\$ 5,478,419	\$ 5,906,019
2017	7,425,000	427,600	6,958,124	14,810,724
2018	2,020,000	407,717	6,634,394	9,062,111
2019	---	402,308	6,546,322	6,948,630
2020	2,705,000	402,308	6,546,034	9,653,342
2021	8,505,000	395,024	6,428,384	15,328,408
2022	9,575,000	372,250	6,057,566	16,004,816
2023	7,130,000	346,610	5,640,096	13,116,706
2024	7,450,000	327,517	5,328,994	13,106,511
2025	23,900,000	307,457	5,004,408	29,211,865
2026	26,130,000	243,457	3,962,368	30,335,825
2027	20,110,000	173,486	2,823,100	23,106,586
2028	6,625,000	119,635	1,946,218	8,690,853
2029	12,680,000	101,797	1,657,454	14,439,251
2030	6,055,000	67,842	1,104,606	7,227,448
2031	19,280,000	51,628	840,608	20,172,236
Total	\$ 159,590,000	\$ 4,574,236	\$ 72,957,095	\$ 237,121,331

*Credit Risk:* Because the swap has a negative value on 6/30/2015, the County does not have credit risk. However, if swap rates increase and the fair value of the swap moves in favor of the County, credit risk would be present.

*Termination Risk:* Goldman and MKFP have the right to terminate the swap on 3/1/2016. If the swap is terminated on the optional termination date, neither party is liable for a termination payment. Also, if the swap is terminated, the County will be exposed to interest rate risk because the variable rate bonds will no longer carry a synthetic fixed rate.

*Interest Rate Risk:* Currently, the County does not have interest rate risk because it is paying a fixed rate on the swap. However, if for some unforeseen reason the swap is terminated prior to maturity, the County will have interest rate risk associated with the outstanding variable rate bonds until maturity in 2031.

*Basis Risk:* As long as there is not a direct relationship between the floating rate received from the counterparties, Goldman or MKFP, and the rate at which the variable rate bonds remarket, the County is exposed to basis risk. Basis risk exists if the County’s bonds remarket higher than SIFMA, which is the rate received from the counterparties. Thus, the expected cost savings may not be achieved.

Claims and Judgments

The County has recognized long-term liabilities for claims and judgments of \$5,917,391 in accordance with its accounting policy explained in Note I(E). The liabilities are based on property damage and personal injury lawsuits arising in the course of operations. The County believes this is a reasonable measure of the ultimate settlement of these matters.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

**(I) Fund Balances by Purpose**

Following is more detailed information on the governmental fund balances:

	General Fund	Debt Service Fund	Capital Projects Fund	Grants Fund	Nonmajor Governmental Funds	Total
Fund balances:						
Restricted for:						
Grants and sponsored projects	\$ ---	\$ ---	\$ ---	\$ 16,180,606	\$ ---	\$ 16,180,606
Special revenue activities	32,508	---	---	---	17,914,849	17,947,357
Educational projects and funding	---	8,359,523	1,000	---	---	8,360,523
Conservation projects	---	---	84,001	---	---	84,001
Committed to:						
Approved carryforward appropriations	---	---	38,625,488	---	---	38,625,488
Special revenue activities	---	---	---	---	5,648,544	5,648,544
Public improvement and educational projects	61,811	83,053,923	---	---	---	83,115,734
Assigned to:						
Purchase order encumbrances	876,297	---	---	---	---	876,297
Unassigned	107,772,795	---	---	---	---	107,772,795
Total fund balances	<u>\$108,743,411</u>	<u>\$ 91,413,446</u>	<u>\$ 38,710,489</u>	<u>\$ 16,180,606</u>	<u>\$ 23,563,393</u>	<u>\$ 278,611,345</u>

For flow assumption policy regarding use of fund balance types refer to Note I(E).

**(J) Interfund Receivables, Payables and Transfers**

Interfund receivables and payables consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Debt Service Fund	General Fund	\$ 1,922,096
Education Fund	General Fund	1,177,175
Nonmajor Governmental Funds	General Fund	1,742,763
Total		<u>\$ 4,842,034</u>

Due to/From Component Units consists of the following:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
Board of Education (component unit)	Education Fund	\$ 2,186,778
	Capital Projects Fund	1,369,841
	General Fund	1,960
Regional One Health (component unit)	General Fund	71,200
Total		<u>\$ 3,629,779</u>

The interfund amounts payable by the General Fund result from collection of fees and taxes by a designated elected official that are revenue of the receivable funds; however the custody of the funds at year-end was with the collecting official and funds were not yet available to the receiving funds.

The amount payable to the Board of Education (component unit) from the Education Fund represents property and wheel taxes accrued at year-end but not yet paid to the Shelby County Board of Education. The amount payable to Regional One Health (component unit) represents expenses accrued at year-end, but not yet disbursed by Shelby County Government.

The total due to component units disclosed here, \$3,629,779, is less than the amount disclosed on the Statement of Net Position due to \$16,510,990 of deferred inflows of resources in the funds that are earned but unavailable and are payable to the component unit when they become available.

Transfers during the year were as follows:

Transfers Out:	Transfers In:	Amounts
General Fund	Debt Service	\$ 2,248,502
	Capital Projects Fund	2,099,000
	Education Fund	1,800,000
	Grants Fund	2,678,227
	Enterprise Funds	10,299,844
	Internal Service Funds	250,000
Debt Service Fund	Capital Projects Fund	6,508,000
Capital Projects Fund	Grants Fund	315,005
Grants Fund	General Fund	1,546,977
	Nonmajor Governmental Funds	9,011
	Enterprise Funds	27,936
Nonmajor Governmental Funds	Grants Fund	565,790
		28,348,292
Enterprise Funds	Capital Projects Fund	345,745
	Grants Fund	815,362
Internal Service Funds	General Fund	214,366
		1,375,473
		\$ 29,723,765

Transfers are used to (1) move revenue from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

### **(K) Other Revenue**

The other revenue classification is used in the combined, combining and individual fund financial statements and in the supplemental schedules and statistical section of the comprehensive annual financial report. This category is one of the revenue line items included in the legally adopted budget approved annually by the Board of Commissioners. Certain revenue accounts which are not accurately described by any of the other revenue classifications included in the budget (property taxes, other local taxes, state revenue, federal and local revenue, charges for services, fines, fees and permits, investment income) are classified as other revenue.

Other revenue for the year ended June 30, 2015 is detailed below:

	General Fund	Debt Service Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
Private donor grants	\$ 73,142	\$ ---	\$ 1,052,303	\$ 1,900	\$ 1,127,345
Miscellaneous income	742,094	---	79,322	72,368	893,784
Forfeitures and seizures	---	---	---	1,983,478	1,983,478
Housing principal & interest	---	614,370	127,313	---	741,683
Total other revenue	<u>\$ 815,236</u>	<u>\$ 614,370</u>	<u>\$ 1,258,938</u>	<u>\$ 2,057,746</u>	<u>\$ 4,746,290</u>

Miscellaneous income includes refunds and recoveries of prior year expenditures, unclaimed property, and various other small payments received for which there is no other suitable category.

**(L) Risk Financing and Related Insurance Issues**

Shelby County maintains a self-insured Group Health Insurance Fund for its active employees and their dependents, funded by participation of both the County and its employees. Claims liabilities for the Group Health Insurance Fund were estimated based on prior years' claims expense and the current year's actual claims incurred. The schedule below presents the changes in claims liabilities for the past two years for the Group Health Insurance Fund:

	2015	2014
Insurance claims liabilities at the beginning of the fiscal year	\$ 4,279,974	\$ 4,764,839
Incurred claims and claim adjustment expenses	45,298,775	50,192,942
Payment of claims and claim adjustment expenses	(45,989,305)	(50,677,807)
Claims and claim adjustment liabilities at the end of the fiscal year	<u>\$ 3,589,444</u>	<u>\$ 4,279,974</u>

The County maintains a self-insured Tort Liability Fund funded by premiums paid by departments using County vehicles and by transfers from the General Fund. Claims liabilities of the Tort Liability Fund were estimated based on prior years' claims expense, current year's actual claims, and a review of pending litigation through the County Attorney. The schedule below presents the changes in claims liabilities for the past two years for the Tort Liability Fund:

	2015	2014
Claims and claim adjustment liabilities at the beginning of the fiscal year	\$ 1,815,797	\$ 1,997,077
Incurred claims and claim adjustment expenses	(82,262)	617,472
Payment of claims and claim adjustment expenses	(586,423)	(798,752)
Claims and claim adjustment liabilities at the end of the fiscal year	<u>\$ 1,147,112</u>	<u>\$ 1,815,797</u>

Prior year information for the Tort Liability Fund has been restated. See note IV(Q).

The County maintains a self-insured Employer Insurance Fund for on-the-job injuries and unemployment compensation, funded by premiums paid by County departments based on a percentage of salary costs. Claims liabilities of the Employer Insurance Fund were estimated based on prior year’s claims expense and current year’s actual claims incurred. The schedule below presents the changes in claims liabilities for the past two years for the Employer Insurance Fund:

	2015	2014
Claims and claim adjustment liabilities at the beginning of the fiscal year	\$ 4,495,128	\$ 5,104,549
Incurred claims and claim adjustment expenses	1,932,452	1,146,903
Payment of claims and claim adjustment expenses	(1,948,287)	(1,756,324)
Claims and claim adjustment liabilities at the end of the fiscal year	<u>\$ 4,479,293</u>	<u>\$ 4,495,128</u>

The total of claims liability disclosed here, \$9,215,849, differs from the sum of claims reported on the Statement of Net Position and the long-term claims disclosed in Note IV(H) due to claims that are solely short term in nature and a \$290,986 long term liability to be paid by the General Fund.

**(M) Contingencies and Commitments**

The County’s governmental funds have obligations at fiscal year-end, contingent upon contractors’ and vendors’ performance, for outstanding purchase orders and outstanding contracts. These obligations are included in the restricted, committed, or assigned fund balances in the governmental funds.

The amounts of these encumbrances are as follows:

General Fund	Capital Projects Fund	Grants Fund	Nonmajor Governmental Funds	Total
\$ 876,297	\$ 23,980,943	\$ 25,429,580	\$ 398,497	\$ 50,685,317

The Capital Projects Fund had additional commitments specific to capital projects of \$62,935,992 as of June 30, 2015.

The Memphis and Shelby County Sports Authority, Inc. is a joint venture organization that has issued revenue bonds for construction of a sports and entertainment facility. Although the City of Memphis and Shelby County are not legally liable for the debt, they have agreed to share equally in the payment of the debt if the Authority is unable to pay. See further explanations in Note IV(N).

**(N) Joint Ventures, Jointly Governed Organizations and Related Organizations**

**Joint Ventures:**

Joint ventures are defined in generally accepted accounting principles as organizations owned, operated or governed by two or more participants where no single participant has the ability to unilaterally control the financial or operating policies of the joint venture. Participants must maintain an ongoing financial responsibility for, or financial interest in, the joint venture. The following organizations qualify as joint ventures of Shelby County. References to the appointment of members of boards or commissions include both those appointed and those serving ex officio. Appointment usually includes confirmation by the appropriate legislative body.

*Memphis and Shelby County Sports Authority, Inc. (the Authority)*

The Authority was chartered in 1997 under a State statute that permits sports authorities to receive certain sales taxes generated by major league sports franchises. In 2001 the City of Memphis and Shelby County entered into the "Memphis Arena Project Agreement" to bring a NBA professional team to Memphis. A major part of that agreement required the construction of a new multipurpose sports and entertainment facility. Financing for construction of this facility (now known as FedExForum) has been done through the Authority. The Authority has issued long-term debt with principal balance of \$194,165,381, net of discounted bond issuance, owed as of December 31, 2014, plus \$1,667,392 accrued swap liabilities. Title to the facility is held by the New Memphis Arena Public Building Authority of Memphis and Shelby County, a joint venture; see below for more information on that entity. The Authority's revenue bonds are payable from seat rental fees, certain state sales taxes generated by the professional basketball team, car rental taxes, City and County-wide hotel/motel taxes, and in lieu of tax payments by the Memphis Light Gas and Water Division.

The Authority is a joint venture between the City of Memphis and the County and has a board whose members are jointly appointed by the City and the County. Although the bond indentures state that the City and County are not legally liable for the indebtedness of the Authority, under agreement the City and County have agreed to pay, in equal amounts, the debt if the Authority is unable to pay. During the year ended June 30, 2015 the County transferred to the Sports Authority for debt service purposes the amount of \$1,882,369 from car rental taxes and \$8,155,563 from hotel/motel taxes. Financial statements for the Memphis and Shelby County Sports Authority, Inc. may be obtained from the Administrator of Finance, Shelby County Government, 160 N. Main Street, Suite 800, Memphis, Tennessee 38103.

The following is a summary of the financial information of the Authority as of the most recent financial statements available:

	Memphis and Shelby County Sports Authority, Inc. (December 31, 2014)
Assets	\$ 57,194,806
Liabilities	202,006,234
Net position	(144,811,428)
Operating expenses	12,093,182
General revenues	17,440,886
Change in net position	5,347,704

*New Memphis Arena Public Building Authority of Memphis and Shelby County (New PBA)*

The New PBA was created in August 2001 by Shelby County and the City of Memphis. It is a nonprofit corporation established under statutes of the State of Tennessee. In June 2001 the City of Memphis, Shelby County, and HOOPS, L.P. (the NBA franchise ownership entity) entered into the "Memphis Arena Project Agreement." Under this agreement a new arena would be constructed and leased to HOOPS, L.P. as part of the agreement to bring a professional basketball (NBA) team to Memphis. The primary purpose of the New PBA was to construct and hold title to this new multi-purpose sports and entertainment facility (now known as FedExForum). Construction of the facility is complete and the facility has been leased to and is being operated by HOOPS, L.P. as noted above.

Funding for construction of the facility was provided primarily through the Memphis and Shelby County Sports Authority, Inc., a separate joint venture as explained above. However, the New PBA holds title to the building.

The New PBA is a joint venture between the City of Memphis and the County. It is governed by a Board of Directors whose members are jointly appointed by the City of Memphis and Shelby County. The City and County maintain an ongoing financial responsibility for subsidies to finance the New PBA's capital expenditures and operations. The County also paid \$145,712 for insurance on the facility. Since the PBA's only assets are the ownership rights to the FedExForum Arena, and since there has been no financial activity for the fiscal year, the Tennessee Comptroller of the Treasury has granted approval for an exemption from the annual audit requirement. As of December 31, 2007 - the most recent financial statements available - the PBA reported assets of \$209,123,653 and net assets of \$209,123,653.

***Jointly Governed Organizations:***

The County in conjunction with the City of Memphis has joint control of the following organizations through the appointment of their boards. They are not considered joint ventures because the County and the City retain no ongoing financial responsibility or financial interest.

*Memphis and Shelby County Community Redevelopment Agency (CRA)* is jointly governed by the City of Memphis and the County. The CRA is empowered to do all things necessary to plan, finance and implement development and redevelopment activities in blighted areas of Memphis and Shelby County. The CRA monitors trusts established to fund debt issued with repayment to be provided by tax increment financing for the Uptown Redevelopment project and the Highland Row project. Three board members are appointed by the City mayor with approval of the City Council, three members are appointed by the County mayor with approval of the County Commission and one member is jointly appointed by the City and County mayors with joint approval by the City Council and County Commission. All board member terms are for four years. Financial Statements for the Community Redevelopment Agency may be obtained from the City of Memphis Division of Planning and Development, 125 N. Main, Suite 468, Memphis, Tennessee 38103.

*Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee (EDGE)* was created in 2011 by joint resolutions of the City of Memphis and Shelby County Government to have a single entity perform economic development activities on behalf of the governments. EDGE has its own nine-member Board of Directors and Certificate of Incorporation; board members are jointly appointed by the City and the County. EDGE replaced the Industrial Development Board of Memphis and Shelby County, the Depot Redevelopment Corporation of Memphis and Shelby County, Foreign Trade Zone 77, the Memphis and Shelby County Port Commission and the Office of Economic Development of Memphis and Shelby County; inasmuch as all these entities could not immediately be terminated for various reasons, all the entities now have a common governing board so they all essentially operate as one entity. Memphis and Shelby County have no ongoing financial responsibility for EDGE or the related entities now operated under the EDGE umbrella, but may voluntarily agree to such. During FY 2012, at the request of Shelby County, EDGE agreed to issue through the Port Commission their bonds in the amount of \$20,397,500; these funds were loaned to the County to partially finance a new manufacturing facility for a newly recruited business. The County agreed to provide to EDGE/Port Commission the funds necessary to repay the debt. This obligation is reported as long-term debt in the County's Statement of Net Position (see also Note IV(H)).

The *Memphis and Shelby County Center City Commission* is responsible for promotion and redevelopment of the Memphis Center City area. The mayors of the City and County appoint the twenty board members for three-year terms, with approval by the City Council and the County Commission.

The *Memphis and Shelby County Center City Downtown Parking Authority* manages five downtown parking garages and establishes and coordinates uniform parking policies and parking management in the downtown Memphis area. The mayors of the City and County appoint the seven-member board.

The *Memphis Center City Revenue Finance Corporation (Finance Corporation)* is a nonprofit corporation established jointly by the City and the County under the laws of the State of Tennessee. The Finance Corporation provides various forms of financial assistance to development projects. The City appoints four board members, the County appoints four members and one is jointly appointed by the City and County for six-year terms, with approval by the City Council and the County Commission.

The *Memphis and Shelby County Music Commission* was jointly established by the City of Memphis and Shelby County Government with the responsibility of promoting and preserving all phases of our musical heritage, economy and industry. The City and County each appoint ten (10) members of the board and each government has one *ex officio* board member.

The *Memphis and Shelby County Film and Television Commission* was jointly established by the City of Memphis and Shelby County Government to initiate, recommend and/or support policies, programs, projects and events that support the film and television production industry. The City and the County each appoint eleven (11) members of the Commission board.

***Related Organizations:***

The County appoints a voting majority of the *Health, Housing and Education Facilities Board* but is not financially accountable for the organization.

The *Memphis and Shelby County Airport Authority* owns and operates Memphis International Airport and two general aviation airports. Six of the seven board members are appointed by the City of Memphis mayor and one by the County mayor, all for seven-year terms, subject to confirmation by the Memphis City Council. The Airport Authority is a component unit of the City of Memphis.

**(O) Other Postemployment Benefits**

Retired employees of the County and former employees receiving long-term disability benefits through the County's program may participate in postemployment benefits (health and life insurance) through the Shelby County OPEB Trust (Trust). The Trust is a single-employer defined benefit plan. The benefits provided are health insurance and life insurance. Audited GAAP financial statements for the Trust can be obtained from Administrator of Finance, Shelby County Government, 160 N. Main Street, Suite 800, Memphis, Tennessee 38103.

*Annual OPEB Cost and Net OPEB Obligations*

The County's OPEB cost and net OPEB obligations to the Trust for the current year were as follows:

Annual Required Contribution (ARC)	\$ 15,810,652
Interest on Net OPEB Obligation	520,406
Adjustment to ARC	(714,769)
Annual OPEB Cost	<u>15,616,289</u>
Contributions made	<u>(31,445,399)</u>
Decrease in net OPEB Obligation	(15,829,110)
Net OPEB Obligation beginning of year	<u>9,912,490</u>
Net OPEB Obligation end of year	<u><u>\$ (5,916,620)</u></u>

The OPEB Trust has been in existence for only eight years. Limited trend information may be seen from the table that follows. Note that a special, one-time employer contribution of \$23,892,191 was made in FY 2008.

Fiscal Year Ended	Annual OPEB Costs (AOC)	Actual Contributions	Percentage of AOC Contributed	Net OPEB Obligation/(Asset)
June 30, 2015	\$ 15,616,829	\$ 31,445,399	201.4%	\$ (5,916,620)
June 30, 2014	28,942,589	36,731,249	126.9%	9,912,490
June 30, 2013	32,983,377	29,265,521	88.7%	17,667,548
June 30, 2012	26,928,000	31,914,109	118.5%	13,950,693
June 30, 2011	30,122,000	24,850,458	82.5%	18,936,802
June 30, 2010	29,007,000	20,611,575	71.1%	13,665,260
June 30, 2009	31,600,000	18,329,123	58.0%	5,269,835
June 30, 2008	34,227,000	42,228,042	123.4%	(8,001,042)

For government-wide and proprietary funds, the County reports OPEB expenses and net OPEB obligation using the economic resources measurement focus and the accrual basis of accounting. In governmental funds, expenses are reported at amounts paid or payable to the Trust in the current year.

*Funded Status and Funding Progress:*

As of June 30, 2014, the most recent actuarial valuation date, the plan was 56.8% funded. The actuarial accrued liability for benefits was \$313 million, and the actuarial value of assets was \$178 million, resulting in an unfunded actuarial accrued liability; (UAAL) of \$135 million. The covered payroll (annual payroll of active employees covered by the plan) was \$239 million and the ratio of the UAAL to the covered payroll was 56.4%.

Actuarial calculations of the OPEB plan reflect a long-term perspective. These calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplemental information (RSI) following the notes to the financial statements, presents multiyear 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 Valuation, Method and Assumptions*

Valuation date	June 30, 2014
Actuarial cost method	Entry age normal
Amortization method	Level dollar closed
Remaining amortization period	23 years
Asset valuation method	Market value
Rate of inflation	4.00%
Rate of investment return	5.25%
Projected salary increases	4.00%
Healthcare cost trend rate	7.75% to 5.75% graded to 5.0% over 5 years

**(P) Pensions****Shelby County Retirement System***Plan Description*

The Shelby County Retirement System (the System) is a single employer defined benefit public employee retirement system (PERS) established by Shelby County, Tennessee. The system is administered by a board, the majority of whose members are nominated by the Shelby County Mayor, subject to approval by the Shelby County Board of Commissioners. The system issues a publicly available financial report that includes financial statements and required supplemental information. Audited GAAP financial statements may be obtained by writing to the Shelby County Retirement System, Suite 701, 160 N. Main, Memphis, TN 38103 or calling (901) 222-1950.

Substantially all full-time and permanent part-time employees of the county are required, as a condition of employment, to participate in the System. Once becoming a participant, a person will continue to participate as long as he or she is an employee of the County.

*Benefits Provided*

The System consists of four plans (Plans A, B, C and D) which are legally one reporting entity. All System plans are contributory. All plans provide retirement as well as survivor and disability defined benefits.

Plan A is for employees hired between December 1, 1978 and February 28, 2005, and those employees that elected to transfer to Plan A from Plan B before January 1, 1981. Retirement benefits are calculated based upon number of years of credited service, age at the time pension payments begin, and final average earnings as defined in the plan as an average of the earnings in the 36 consecutive month period of employment in which the earnings were highest. Survivor benefits generally are payable to the employee's spouse in an amount equal to 75% of the calculated pension due the employee once the spouse attains age 65. Other options and restrictions apply to pensions and survivor benefits as detailed in the plan. Disability pension benefits are generally provided through a separate insurance contract maintained by the County. Plan A does not provide any disability benefits for participants who were active employees on January 1, 2002 except in certain circumstances as outlined in the plan.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance beginning the calendar year after a pensioned participant attains age 65. The adjustment is the lesser of the percentage increase in the federally-calculated Consumer Price Index – All Urban for the 12-month period ending on the previous September 30 or 4%.

Plan B is for employees hired prior to December 1, 1978. Retirement benefits are calculated based upon 2.7% of final average earnings multiplied by the lesser of years of credited service or 25 years, plus 1% of final average earnings multiplied by years of credited service in excess of 25 but no more than 35. Survivor benefits are generally payable to the employee's spouse or in the absence of a spouse, the employee's eligible children as defined in the plan, an amount equal to 100% of the benefits payable to the employee. Other options and restrictions apply to pensions and survivor benefits as detailed in the plan. Disability pension benefits are only available to those employees who incur line-of-duty disability.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance beginning the calendar year after a pensioned participant attains age 65. The adjustment is the lesser of the percentage increase in the federally-calculated Consumer Price Index – All Urban for the 12-month period ending on the previous September 30 or 1%.

Plan C became effective September 1, 2005 for all employees hired after February 28, 2005 but before July 1, 2011 and includes all full-time, part-time and elected employees, and employees of all joint City/County agencies administrated by Shelby County, and members of Plan A electing to transfer to Plan C. CETA employees, Board of Education employees, employees electing Social Security coverage, and Joint City/County agencies not administered by Shelby County cannot participate. Retirement benefits are calculated in one of two ways, whichever produces the highest benefit to the employee; (1) based upon number of years of credited service, final average earnings as defined in the plan as an average of the earnings in the 36 consecutive month period of employment in which the earnings were highest, and a percentage determined by options detailed in the plan – maximum of 2.35%, (2) the "Life Annuity Equivalent" based upon the employee's age when payments begin, using actuarial factors contained in the plan document, applied to the employee's benefit accrual account under the plan. Survivor benefits are generally payable as follows: (1) any dependent children as defined in the plan receive 50% of final average earnings to be divided equally for as long as they remain dependent, (2) a spouse, as defined in the plan, will receive the greater of 75% of the amount calculated based on credited years of service, average final earnings, and 2.35% or the "Life Annuity Equivalent" based upon the spouse's age and actuarial factors contained in the plan. Other options and restrictions apply to pensions and survivor benefits as detailed in the plan. Disability pension benefits are generally provided through a separate insurance contract maintained by the County. Plan C does not provide any disability benefits for participants except under a single exception applicable only to former employees who transferred to City of Memphis employment as outlined in the plan.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance beginning the calendar year after a pensioned participant attains age 65. The adjustment is the lesser of the percentage increase in the federally-calculated Consumer Price Index – All Urban for the 12-month period ending on the previous September 30 or 4%.

Plan D includes all employees hired on or after July 1, 2011. Retirement benefits are calculated using the average over the 5 highest consecutive years of earnings and are eligible for early retirement at age 62 (at age 50 with the last 20 years of credited service in a public safety classification) and normal retirement at age 67 (at age 55 with the last 7.5 years of credited service in a public safety classification). Survivor benefits for the eligible beneficiary will be based on years of credited service and determination of in line-of-duty or not in line-of-duty death. A surviving spouse, as defined in the plan, will receive 75% of the participant's pension at age 67, if participant dies after completion of 15 years of credited service. Disability pension benefits are generally provided through a separate insurance contract maintained by the County, except for transfers as outlined in the plan.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance beginning the calendar year after a pensioned participant attains age 67. The adjustment is the lesser of the percentage increase in the federally-calculated Consumer Price Index – All Urban for the 12-month period ending on the previous September 30 with a maximum of 2%.

*Employees covered by benefit terms*

The following table summarizes the membership of the System as of June 30, 2014, the valuation and measurement date:

	<u>Plan A</u>	<u>Plan B</u>	<u>Plan C</u>	<u>Plan D</u>	<u>Total</u>
Inactive employees and beneficiaries currently receiving benefits	1,799	1,065	605	---	3,469
Inactive employees and beneficiaries entitled to but not yet receiving benefits	179	---	56	---	235
Inactive participants entitled to a refund of contributions	20	---	72	58	150
County to City Transfers	161	---	16	---	177
Active Participants	<u>1,657</u>	<u>18</u>	<u>2,729</u>	<u>898</u>	<u>5,302</u>
Total	<u><u>3,816</u></u>	<u><u>1,083</u></u>	<u><u>3,478</u></u>	<u><u>956</u></u>	<u><u>9,333</u></u>

*Contributions*

Contributions for participants in the System are established by the Board of Administration of the Shelby County, Tennessee Retirement System (the Board) based on actuarial valuations. Contribution requirements for the employer are based on the same actuarial valuations used by the Board and are established by the Shelby County Board of Commissioners in the fiscal year budget appropriations which can be amended by resolution. The County does not receive the actuarial report until several months into the fiscal year to which the report relates. Due to budgetary procedures the County makes contributions based on the latest actuarial report received at the date a new fiscal year's budget is being prepared. Contributions for fiscal year 2015 were based on the actuarial report as of June 30, 2013.

In accordance with the actuarial valuation as of June 30, 2013, the System employer rate required was 13.26% of covered payroll participants. Plan B, Plan C, and Plan D participants contribute 8% of their earnings, with some exceptions of employees of Plan B with more than 35 years of service. Plan A participants contribute 2.0%. This resulted in total contributions of \$47,706,188 (\$32,515,957 employer contributions and \$15,190,231 of employee contributions).

The net pension liability for all plans was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of that date.

*Actuarial assumptions*

## System:

Inflation	3.00	percent
Salary Increases	3.00-6.00	percent, including inflation
Investment rate of return	8.00	percent, net of pension plan investment expense, including inflation
Cost-of-Living Adjustment	1.00	percent per year, compounded for Plan B
	3.00	percent per year, compounded for Plan A and Plan C
	2.00	percent per year, compounded for Plan D

For the June 30, 2015 actuarial valuation, the investment rate of return has been changed to 7.50%.

Mortality rates for the System were based on the RP-2000 Combined Mortality Table set forward three years for males and set forward one year for females and using a Scale AA projection to 2025 for the period after service

retirement and for dependent beneficiaries as well as for deaths in active service. The RP-2000 Disability Mortality Table set forward six years for males and set forward nine years for females and using a Scale AA projection to 2015 is used for the period after disability retirement.

The System actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2007 – June 30, 2012.

The discount rate used to measure the total pension liability for the System at June 30, 2014 was the long term rate of return, 8.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that employer contributions will be made equal to the difference between the actuarially determined contribution and member contributions.

Based on those assumptions, the fiduciary net position for all plans was projected to be available to make all projected future benefit payments of current plan 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.

The System long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate expense 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. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
US Large Cap Equity	24.0 %	8.5 %
US Small Cap Equity	6.0	9.0
International Equity	11.8	8.3
US Core Fixed Income	6.5	1.2
High Yield / Private Debt	10.3	9.0
International Fixed Developed	6.7	1.7
Emerging Markets Fixed Income	5.7	5.3
Hedge Funds	11.9	7.3
Commodities	---	7.0
Timber	1.5	7.0
Infrastructure	1.0	8.0
Private Equity	4.1	15.0
Emerging Markets Equity	5.5	10.0
Public Real Estate	---	5.2
Private Real Estate	5.0	8.0
Total	100.0 %	

The following presents net pension liability, calculated using the above stated discount rates, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	7.00%	8.00%	9.00%
Net Pension liability (\$ thousands)	\$ 431,065	\$ 261,032	\$ 118,673

For the June 30, 2015 actuarial valuation, the investment rate of return has been changed to 7.50% for the System.

*Changes in the Net Pension Liability*

	(\$ in thousands)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2013	\$ 1,342,090	\$ 1,008,049	\$ 334,041
Changes for the year:			
Service Cost	23,641	---	23,641
Interest	104,504	---	104,504
Difference between expected and actual experience	---	---	---
Contributions - employer	---	31,976	(31,976)
Contributions - employee	---	13,917	(13,917)
Net investment income	---	156,598	(156,598)
Benefits payments, including refunds of employee contributions	(71,577)	(71,577)	---
Administrative expense	---	(1,337)	1,337
Net Changes	<u>56,568</u>	<u>129,577</u>	<u>(73,009)</u>
Balances at June 30, 2014	<u>\$ 1,398,658</u>	<u>\$ 1,137,626</u>	<u>\$ 261,032</u>

For the year ended June 30, 2015, Shelby County Government recognized pension expense of \$20,595,000 from the System.

*Pension Related Deferred Outflows and Inflows*

The table below provides a summary of the pension related deferred outflows and inflows as of June 30, 2014:

	(\$ in thousands)	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ ---	\$ ---
Changes in assumptions	---	---
Net difference between projected and actual earnings on Plan investments	---	61,628
Employer contributions subsequent to the measurement date	32,516	---
Total	<u>\$ 32,516</u>	<u>\$ 61,628</u>

Amounts reported as deferred inflows of resources related to pension will be recognized as follows:

	(\$ in thousands)
Year Ended June 30,	
2015	\$ (15,407)
2016	(15,407)
2017	(15,407)
2018	(15,407)
2019	---
Thereafter	---

**Tennessee Consolidated Retirement System***Plan Description*

Certain employees of Shelby County Government are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the Tennessee Consolidated Retirement System (TCRS). The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/tcrs](http://www.treasury.tn.gov/tcrs).

*Benefits Provided*

The TCRS includes only certain employees of Shelby County as permitted by state statutes. Members are eligible to retire at age 60 with 5 years of service credit or after 30 years of service credit. 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 are available for early retirement at age 55 and vested. Members vest with five years of service credit. Service related disability benefits are provided. Automatic cost of living adjustments are provided after retirement.

Shelby County membership in TCRS as of June 30, 2014, the valuation and measurement date, includes six inactive employees or beneficiaries currently receiving benefits, one inactive employee entitled to but not yet receiving benefits, and one currently active employee.

*Contributions*

Contributions under the TCRS plan are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5% of salary. Shelby County Government 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 Shelby County Government were \$10,225 based on 9.47% of covered payroll.

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of that date.

*Actuarial assumptions*

TCRS:

Inflation	3.00	percent
Salary Increases	3.71-8.97	percent based on age, including inflation, averaging 4.25 percent
Investment rate of return	7.50	percent, net of pension plan investment expense, including inflation
Cost-of-Living Adjustment	2.50	Percent

Mortality rates for TCRS 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 TCRS actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 – June 30, 2012. The TCRS discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that employer contributions will be made equal to the difference between the actuarially determined contribution and member contributions.

Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan 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.

The TCRS long-term rate of return was established by the TCRS Board of Trustees in conjunction with the June 30, 2012 actuarial experience study by considering several techniques for a blended capital market projection. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding inflation of 3 percent.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	33.0 %	6.5 %
Developed Market International Equity	17.0	6.3
Emerging Market International Equity	5.0	6.4
Private Equity and Strategic Lending	8.0	4.6
US Fixed Income	29.0	1.0
Real Estate	7.0	4.7
Short-term Securities	1.0	---
Total	100.0 %	

The following presents net pension liability, calculated using the above stated discount rates, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net Pension liability	\$ 74,957	\$ 551	\$ (64,174)

*Changes to the Net Pension Liability*

	<b>Total Pension Liability (a)</b>	<b>Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
Balances at June 30,2013	\$ 828,492	\$ 720,910	\$ 107,582
Changes for the year:			
Service Cost	5,465	---	5,465
Interest	60,595	---	60,595
Difference between expected and actual experience	(41,875)	---	(41,875)
Contributions - employer	---	9,480	(9,480)
Contributions - employee	---	5,399	(5,399)
Net investment income	---	116,422	(116,422)
Benefits payments, including refunds of employee contributions	(52,056)	(52,056)	---
Administrative expense	---	(85)	85
Net Changes	<u>(27,871)</u>	<u>79,160</u>	<u>(107,031)</u>
Balances at June 30,2014	<u>\$ 800,621</u>	<u>\$ 800,070</u>	<u>\$ 551</u>

For the year ended June 30, 2015, Shelby County Government recognized pension income of \$46,550 from TCRS.

*Pension Related Deferred Outflows and Inflows*

The table below provides a summary of the pension related deferred outflows and inflows as of June 30, 2014:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ ---	\$ ---
Changes in assumptions	---	---
Net difference between projected and actual earnings on Plan investments	---	51,001
Employer contributions subsequent to the measurement date	10,225	---
Total	<u>\$ 10,225</u>	<u>\$ 51,001</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized as follows:

Year Ended June 30,	
2016	\$ (12,750)
2017	(12,750)
2018	(12,750)
2019	(12,750)
Thereafter	---

**Pension plans of the component units:**

The primary government does not act in a trustee capacity for the assets of the pension plans of the component units.

*Shelby County Board of Education (the Board of Education)*

On behalf of its teachers, the Board of Education contributes to the State Employees, Teachers, and Higher Education Employees Pension Plan (SETHEEPP), a cost sharing multiple employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS). The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the SETHEEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10<sup>th</sup> Floor Andrew Jackson Building, Nashville, TN 37243-0203 or can be accessed at [www.treasury.state.tn.us](http://www.treasury.state.tn.us).

All non-teachers employed by the Board of Education are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by TCRS. The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for PSPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10<sup>th</sup> floor Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at [www.treasury.state.tn.us](http://www.treasury.state.tn.us).

*Shelby County Health Care Corporation (Regional One Health)*

Effective July 1, 1985 Regional One Health established the Regional Medical Center at Memphis Retirement Investment Plan, a defined contribution pension plan. In a defined contribution plan benefits depend solely on amounts contributed to the plan plus investment earnings. Financial statements of the Regional Medical Center at Memphis Retirement Investment Plan are available from Shelby County Health Care Corporation, 877 Jefferson Avenue, Memphis, Tennessee 38103.

More details about all plans of component units are available in the separately issued financial reports of the component units and in the separately issued financial reports of the retirement plans as noted above.

**(Q) Restatement of Net Position**

Effective for the fiscal year ending June 30, 2015, Shelby County Government implemented GASB Statement 68 for pension accounting. This has been accounted for as a change in accounting principle with prior year adjustments as determined by an actuary.

A prior period adjustment occurred related to claims payable being moved from an internal service fund, included in governmental activities, to the enterprise funds that are expected to liquidate the claims.

The adjustment below restates net position for the two events mentioned above.

*Countywide*

Net Position on the Statement of Activities as of June 30, 2014, has been restated as follows:

	Governmental Activities	Business-Type Activities
June 30, 2014, reported	\$ (504,357,996)	\$ 42,617,208
Cumulative effect of change in accounting principle (GASB 68)	(271,926,374)	(53,843,317)
Tort Claims	434,950	(434,950)
June 30,2014, restated	<u>\$ (775,849,420)</u>	<u>\$ (11,661,059)</u>

*Proprietary Funds*

Net Position for enterprise funds and internal service funds on the propriety funds Statement of Revenues, Expenses and Changes in Net Position as of June 30, 2014, has been restated as follows:

	Business-Type Activities- Enterprise Funds	Governmental Activities - Internal Service Funds
June 30, 2014, reported	\$ 42,617,208	\$ 25,975,227
Cumulative effect of change in accounting principle (GASB 68)	(53,843,317)	(1,798,585)
Tort Claims	(434,950)	434,950
June 30,2014, restated	<u>\$ (11,661,059)</u>	<u>\$ 24,611,592</u>

**Required Supplementary Information  
Other Postemployment (OPEB) Trust Fund  
For the Year Ended June 30, 2015**

Schedule of Funding Progress  
(amounts rounded to thousands)

Actuarial Valuation Date of June 30	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability/(Surplus)	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability/(Surplus) as a Percentage of Covered Payroll
2007	\$ ---	\$ 319,685	\$ 319,685	0.0%	\$ 218,583	146.3%
2008	36,770	310,527	273,757	11.8%	256,191	106.9%
2009	45,847	303,390	257,543	15.1%	248,298	103.7%
2010	61,592	322,954	261,362	19.1%	253,977	102.9%
2011	88,232	320,558	232,326	27.5%	252,878	91.9%
2012	105,472	410,938	305,466	25.7%	241,767	126.3%
2013	133,454	389,781	256,327	34.2%	249,504	102.7%
2014	177,595	312,692	135,097	56.8%	239,752	56.3%

Schedule of Employer Contributions  
(amounts rounded to thousands)

Fiscal Year Actuarial Valuation Applied	Actuarial Valuation Date of June 30	Annual Required Contribution (ARC)	Annual Required Contribution Percent	Contribution Made In Fiscal Year Applied	% of ARC Contributed In Year Applied
2009	2007	\$ 34,277	15.7%	\$ 18,329	53.4%
2010	2008	31,477	12.3%	20,612	65.5%
2011	2009	29,093	11.7%	24,850	85.4%
2012	2010	30,363	12.0%	31,914	105.1%
2013	2011	27,285	10.8%	29,233	107.1%
2014	2012	33,215	13.7%	36,731	110.6%
2015	2013	29,262	11.7%	31,445	107.5%

**Required Supplementary Information**  
**Shelby County Retirement System and Tennessee Consolidated Retirement System**  
**For the Year Ended June 30, 2015**

Schedule of Changes in Net Pension Liability

Fiscal year-end (measurement date)	Shelby County Retirement System (\$ in thousands)	Tennessee Consolidated Retirement System
	<u>2014</u>	<u>2014</u>
<b><u>Total Pension Liability</u></b>		
Service cost	\$ 23,641	\$ 5,465
Interest	104,504	60,595
Changes of benefit terms	---	---
Differences between expected and actual experience	---	(41,875)
Changes in assumptions	---	---
Benefit payments, including refunds of employee contributions	<u>(71,577)</u>	<u>(52,056)</u>
Net change in total pension liability	56,568	(27,871)
Total Pension Liability - beginning	<u>1,342,090</u>	<u>828,492</u>
Total Pension Liability - ending	<u>\$ 1,398,658</u>	<u>\$ 800,621</u>
<b><u>Plan Fiduciary Net Position</u></b>		
Contributions - employer	31,976	9,480
Contributions - employee	13,917	5,399
Net investment income	156,598	116,422
Benefit payments, including refunds of employee contributions	(71,577)	(52,056)
Administrative expenses	(1,337)	(85)
Other	---	---
Net change in Plan Fiduciary Net Position	<u>129,577</u>	<u>79,160</u>
Plan Fiduciary Net Position - beginning	<u>1,008,049</u>	<u>720,910</u>
Plan Fiduciary Net Position - ending	<u>\$ 1,137,626</u>	<u>\$ 800,070</u>
Net Pension Liability - ending	<u>\$ 261,032</u>	<u>\$ 551</u>
Plan Fiduciary Net Position as a percent of Total Pension Liability	81.34%	99.93%
Covered-employee Payroll	\$ 240,466	\$ 107,975
Net Pension Liability as a percent of Covered-employee Payroll	108.55%	0.51%

**Required Supplementary Information**  
**Shelby County Retirement System and Tennessee Consolidated Retirement System**  
**For the Years Ended June 30**

<b>Schedule of Employer Contributions</b>										
<u>Shelby County Retirement System</u> (\$ in thousands)										
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Actuarily determined employer contributions	\$ 10,323	\$ 11,038	\$ 12,956	\$ 15,261	\$ 16,652	\$ 18,571	\$ 23,402	\$ 31,826	\$ 32,983	\$ 33,220
Actual employer contributions	<u>18,806</u>	<u>18,759</u>	<u>18,744</u>	<u>18,733</u>	<u>19,390</u>	<u>18,788</u>	<u>23,402</u>	<u>30,170</u>	<u>31,976</u>	<u>32,516</u>
Annual contribution deficiency/(excess)	<u>\$ (8,483)</u>	<u>\$ (7,721)</u>	<u>\$ (5,788)</u>	<u>\$ (3,472)</u>	<u>\$ (2,738)</u>	<u>\$ (217)</u>	<u>\$ ---</u>	<u>\$ 1,656</u>	<u>\$ 1,007</u>	<u>\$ 704</u>
Covered-employee payroll	\$ 241,404	\$ 249,839	\$ 260,108	\$ 271,888	\$ 266,559	\$ 265,137	\$ 258,670	\$ 250,367	\$ 240,466	\$ 260,367
Actual contributions as a percent of covered-employee payroll	7.79%	7.51%	7.21%	6.89%	7.27%	7.09%	9.05%	12.05%	13.30%	12.49%
<u>Tennessee Consolidated Retirement System</u>										
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2014</u>	<u>2015</u>
Actuarily determined employer contributions									\$ 9,480	\$ 10,225
Actual employer contributions									<u>9,480</u>	<u>10,225</u>
Annual contribution deficiency/(excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	<u>\$ ---</u>	<u>\$ ---</u>
Covered-employee payroll									\$ 107,975	\$ 107,975
Actual contributions as a percent of covered-employee payroll									8.78%	9.47%

## I. OPEB Trust Fund

(A) The Trust was established July 1, 2007 and has been active for only eight fiscal years. Limited trend information may be discerned from the eight valuations made to date. The reason for the significant change in the funded ratio between the first two years is that in FY 2008 an initial, special, one-time employer contribution of \$23,892,191 was made.

(B) Actuarial valuations are performed as of the close of a fiscal year to determine the employer's "annual required contribution" (ARC) for the following fiscal year. Since budgets and appropriations by the County's legislative body must be completed before the beginning of each fiscal year, the County's annual OPEB contribution is budgeted at the ARC as a percent of payroll from the latest actuarial valuation available at the time the budget is prepared. From fiscal year 2012 to date the county has contributed at least 100% of the ARC being used for the year; continuing this funding level is the most significant factor affecting the trends shown above.

(C) The schedules presented are reported as historical trend information. The Schedule of Funding Progress is presented to measure the progress being made to accumulate sufficient assets to pay benefits when due. The Schedule of Employer Contributions is presented to show the responsibility of the County in meeting the actuarial requirements to maintain the Plan on a sound financial basis. The comparability of trend information may be affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the net postemployment benefit obligation as a factor.

## II. Shelby County Retirement System

*Changes of benefit terms:* None

*Changes of assumptions:* In 2013, rates of withdrawal, disability, retirement and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five year period ended June 30, 2012.

*Method and assumptions used in calculations of actuarially determined contributions:* The Actuarially determined contributions in the schedule of employer contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

The following actuarial methods and assumptions were used to determine the most recent contributions reported in the schedule:

Shelby County Retirement System

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed
Single equivalent amortization period	23 years
Asset valuation method	10 - year smoothed within a 20 percent corridor to market value
Inflation	3.00 percent
Salary increases	3.00 - 8.50 percent, including inflation
Investment rate of return	8.00 percent, net of investment related expense
Cost of living adjustments	1.00% per year, compounded for Plan B. 3.00% per year, compounded for Plan A and Plan C. 2.00% per year, compounded for Plan D.

For the June 30, 2015 actuarial valuation, the investment rate of return has been changed to 7.50.

### III. Tennessee Consolidated Retirement System

Employer contributions for the year ended June 30, 2015 are based on the results of the July 1, 2013 actuarial valuation.

The following actuarial methods and assumptions were used to determine the most recent contributions reported in the schedule:

Tennessee Consolidated Retirement System

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period	20 years
Asset valuation method	10 - year smoothed within a 20 percent corridor to market value
Inflation	3.0 percent
Salary increases	Graded salary ranges from 8.97 to 3.71 percent based on age, including inflation, averaging 4.25 percent
Investment rate of return	7.5 percent, net of 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 adjustments	2.5 percent, if provided



## Combining and Other Statements and Schedules

**Nonmajor Enterprise Funds:** Consolidated Codes Enforcement, and Fire Services

**Nonmajor Special Revenue Funds:** Roads and Bridges, Hotel Motel Taxes, Sheriff Forfeitures, Data Processing, Car Rental Tax, Health Services Restricted Fees, Storm Water Fees, Economic Development, and Restricted Court Fees

**Internal Services Funds:** Central Services, Group Health Insurance, Tort Liability, and Employer Insurance

**Postemployment Benefit Trust Funds** account for the activities of the retirement plan and postemployment benefits plan which accumulate resources for pension, health and life insurance payments for retired employees.

**County Charter Officers' Schedules** are used to account for the revenues and expenditures the elected officials collect and incur in the performance of their charter assigned duties.

**General Obligation Bonds Schedules** report for each bond issue outstanding, the issuance date, original principal amount, interest rate and outstanding principal payments by fiscal year.



**Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2015**

	Special Revenue Funds			
	Roads and Bridges Fund	Hotel Motel Taxes Fund	Sheriff Forfeitures Fund	Data Processing Fund
<b>Assets:</b>				
Cash and cash equivalents	\$ 6,624,741	\$ 10,113,687	\$ 1,932,339	\$ 1,006,131
Accounts receivable and accrued revenues	11,609	---	77,320	---
Due from other funds	---	1,564,593	153	---
Due from other governmental entities	2,128,249	1,515,714	---	---
Deposits held by others	---	---	1,096,060	---
Total assets	\$ 8,764,599	\$ 13,193,994	\$ 3,105,872	\$ 1,006,131
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 243,054	\$ 9,143,284	\$ 167,716	\$ 550
Due to other governmental entities	3,852	---	23,791	---
Deposits held for others	---	---	1,096,060	---
Total liabilities	246,906	9,143,284	1,287,567	550
<b>Deferred inflows of resources:</b>				
Unavailable revenue	419,387	---	36,912	---
Total deferred inflows of resources	419,387	---	36,912	---
<b>Fund balances:</b>				
Restricted	8,098,306	4,050,710	1,781,393	1,005,581
Committed	---	---	---	---
Total fund balances	8,098,306	4,050,710	1,781,393	1,005,581
Total liabilities, deferred inflows, and fund balances	\$ 8,764,599	\$ 13,193,994	\$ 3,105,872	\$ 1,006,131

Car Rental Tax Fund	Health Services Restricted Fees Fund	Storm Water Fees Fund	Economic Development Fund	Restricted Court Fees Fund	Total
\$ 142,974	\$ 1,548,445	\$ 1,246,728	\$ 4,335,734	\$ 1,264,286	\$ 28,215,065
---	295,946	60,011	---	23,028	467,914
168,646	---	---	---	9,371	1,742,763
167,181	---	---	---	1,377	3,812,521
---	---	---	---	---	1,096,060
<u>\$ 478,801</u>	<u>\$ 1,844,391</u>	<u>\$ 1,306,739</u>	<u>\$ 4,335,734</u>	<u>\$ 1,298,062</u>	<u>\$ 35,334,323</u>
\$ 478,801	\$ 51,847	\$ 48,620	\$ ---	\$ 13,830	\$ 10,147,702
---	34,851	8,375	---	---	70,869
---	---	---	---	---	1,096,060
<u>478,801</u>	<u>86,698</u>	<u>56,995</u>	<u>---</u>	<u>13,830</u>	<u>11,314,631</u>
---	---	---	---	---	456,299
---	---	---	---	---	456,299
---	444,883	1,249,744	---	1,284,232	17,914,849
---	1,312,810	---	4,335,734	---	5,648,544
---	<u>1,757,693</u>	<u>1,249,744</u>	<u>4,335,734</u>	<u>1,284,232</u>	<u>23,563,393</u>
<u>\$ 478,801</u>	<u>\$ 1,844,391</u>	<u>\$ 1,306,739</u>	<u>\$ 4,335,734</u>	<u>\$ 1,298,062</u>	<u>\$ 35,334,323</u>

**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For the Year Ended June 30, 2015**

	Special Revenue Funds			
	Roads and Bridges Fund	Hotel Motel Taxes Fund	Sheriff Forfeitures Fund	Data Processing Fund
<b>Revenues:</b>				
Other local taxes	\$ 131,988	\$ 15,125,782	\$ ---	\$ ---
State revenue	9,391,997	---	---	---
Federal and local revenue	---	---	39,879	---
Charges for services	479,852	---	125,302	4,047
Fines, fees and permits	20,515	---	16,234	554,733
Other revenue	7,597	---	2,012,831	35,418
Investment income	17,112	16,609	6,383	2,630
<b>Total revenues</b>	<b>10,049,061</b>	<b>15,142,391</b>	<b>2,200,629</b>	<b>596,828</b>
<b>Expenditures:</b>				
General Government	---	14,081,892	---	---
Public Works	8,621,968	---	---	---
Health Services	---	---	---	---
Law Enforcement	---	---	2,491,210	---
Judicial	---	---	---	682,649
Other Elected Officials	---	---	---	136,904
<b>Total expenditures</b>	<b>8,621,968</b>	<b>14,081,892</b>	<b>2,491,210</b>	<b>819,553</b>
Excess (deficiency) of revenues over (under) expenditures	1,427,093	1,060,499	(290,581)	(222,725)
<b>Other financing sources (uses):</b>				
Transfers in	9,011	---	---	---
Transfers out	(525,071)	---	---	---
Sale of capital assets	5,500	---	---	---
<b>Total other financing sources (uses)</b>	<b>(510,560)</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Net change in fund balances</b>	<b>916,533</b>	<b>1,060,499</b>	<b>(290,581)</b>	<b>(222,725)</b>
<b>Fund balances:</b>				
June 30, 2014	7,181,773	2,990,211	2,071,974	1,228,306
June 30, 2015	<u>\$ 8,098,306</u>	<u>\$ 4,050,710</u>	<u>\$ 1,781,393</u>	<u>\$ 1,005,581</u>

Car Rental Tax Fund	Health Services Restricted Fees Fund	Storm Water Fees Fund	Economic Development Fund	Restricted Court Fees Fund	Total
\$ 1,882,369	\$ ---	\$ ---	\$ ---	\$ ---	\$ 17,140,139
---	---	4,718	---	---	9,396,715
---	---	13,431	---	---	53,310
---	121	---	---	---	609,322
---	4,536,211	727,819	---	459,584	6,315,096
---	---	1,900	---	---	2,057,746
---	3,050	3,617	12,813	3,602	65,816
<u>1,882,369</u>	<u>4,539,382</u>	<u>751,485</u>	<u>12,813</u>	<u>463,186</u>	<u>35,638,144</u>
1,882,369	---	---	---	---	15,964,261
---	---	659,567	---	---	9,281,535
---	4,447,082	---	---	---	4,447,082
---	---	---	---	---	2,491,210
---	---	---	---	361,721	1,044,370
---	---	---	---	---	136,904
<u>1,882,369</u>	<u>4,447,082</u>	<u>659,567</u>	<u>---</u>	<u>361,721</u>	<u>33,365,362</u>
---	92,300	91,918	12,813	101,465	2,272,782
---	---	---	---	---	9,011
---	(40,719)	---	---	---	(565,790)
---	---	---	---	---	5,500
---	(40,719)	---	---	---	(551,279)
---	51,581	91,918	12,813	101,465	1,721,503
---	1,706,112	1,157,826	4,322,921	1,182,767	21,841,890
<u>\$ ---</u>	<u>\$ 1,757,693</u>	<u>\$ 1,249,744</u>	<u>\$ 4,335,734</u>	<u>\$ 1,284,232</u>	<u>\$ 23,563,393</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Roads and Bridges Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other local taxes	\$ 200,000	\$ 200,000	\$ 131,988	\$ (68,012)
State revenue	9,620,000	9,620,000	9,391,997	(228,003)
Federal and local revenue	25,000	25,000	---	(25,000)
Charges for services	639,238	658,771	479,852	(178,919)
Fines, fees and permits	45,000	45,000	20,515	(24,485)
Other revenue	---	---	7,597	7,597
Investment income	25,000	25,000	17,112	(7,888)
Total revenues	10,554,238	10,573,771	10,049,061	(524,710)
Expenditures:				
Salaries	3,935,136	3,873,612	3,759,543	114,069
Other compensation	125,300	202,878	74,582	128,296
Fringe benefits	1,559,146	1,543,091	1,456,810	86,281
Salary restriction	(93,067)	(93,067)	---	(93,067)
Supplies and materials	1,761,034	1,765,568	639,067	1,126,501
Services and other expenditures	154,089	147,184	120,738	26,446
Professional and contracted services	161,000	163,958	87,589	76,369
Rent, utilities, and maintenance	200,385	200,185	107,587	92,598
Interfund services	1,536,682	1,538,186	1,393,312	144,874
Asset acquisitions	1,605,843	2,460,781	982,740	1,478,041
Total expenditures	10,945,548	11,802,376	8,621,968	3,180,408
Excess (deficiency) of revenues over (under) expenditures	(391,310)	(1,228,605)	1,427,093	2,655,698
Other financing sources (uses):				
Transfers in	37,009	37,009	9,011	(27,998)
Transfers out	(544,660)	(999,625)	(525,071)	474,554
Sale of capital assets	20,000	20,000	5,500	(14,500)
Planned change in fund balance	878,961	2,171,221	---	(2,171,221)
Total other financing sources (uses)	391,310	1,228,605	(510,560)	(1,739,165)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 916,533	\$ 916,533

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Hotel Motel Taxes Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Other local taxes	\$ 14,100,000	\$ 14,100,000	\$ 15,125,782	\$ 1,025,782
Investment income	---	---	16,609	16,609
Total revenues	<u>14,100,000</u>	<u>14,100,000</u>	<u>15,142,391</u>	<u>1,042,391</u>
<b>Expenditures:</b>				
Affiliated organizations	14,081,892	14,081,892	14,081,892	---
Total expenditures	<u>14,081,892</u>	<u>14,081,892</u>	<u>14,081,892</u>	<u>---</u>
Excess (deficiency) of revenues over (under) expenditures	<u>18,108</u>	<u>18,108</u>	<u>1,060,499</u>	<u>1,042,391</u>
<b>Other financing sources (uses):</b>				
Planned change in fund balance	(18,108)	(18,108)	---	18,108
Total other financing sources (uses)	<u>(18,108)</u>	<u>(18,108)</u>	<u>---</u>	<u>18,108</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 1,060,499</u>	<u>\$ 1,060,499</u>

**Sheriff Forfeitures Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Federal and local revenue	\$ ---	\$ ---	\$ 39,879	\$ 39,879
Charges for services	175,000	175,000	125,302	(49,698)
Fines, fees and permits	35,000	35,000	16,234	(18,766)
Other revenue	1,850,000	1,850,000	2,012,831	162,831
Investment income	31,500	31,500	6,383	(25,117)
Total revenues	<u>2,091,500</u>	<u>2,091,500</u>	<u>2,200,629</u>	<u>109,129</u>
<b>Expenditures:</b>				
Other compensation	20,000	370,000	366,659	3,341
Supplies and materials	450,000	450,000	332,944	117,056
Services and other expenditures	463,800	463,800	415,828	47,972
Professional and contracted services	361,000	361,000	211,559	149,441
Rent, utilities, and maintenance	527,558	527,558	446,526	81,032
Interfund services	371,498	371,498	224,683	146,815
Asset acquisitions	1,610,000	1,139,563	493,011	646,552
Total expenditures	<u>3,803,856</u>	<u>3,683,419</u>	<u>2,491,210</u>	<u>1,192,209</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,712,356)</u>	<u>(1,591,919)</u>	<u>(290,581)</u>	<u>1,301,338</u>
<b>Other financing sources (uses):</b>				
Planned change in fund balance	1,712,356	1,591,919	---	(1,591,919)
Total other financing sources (uses)	<u>1,712,356</u>	<u>1,591,919</u>	<u>---</u>	<u>(1,591,919)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (290,581)</u>	<u>\$ (290,581)</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Data Processing Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 12,345	\$ 12,345	\$ 4,047	\$ (8,298)
Fines, fees and permits	538,417	538,417	554,733	16,316
Other revenue	---	---	35,418	35,418
Investment income	2,449	2,449	2,630	181
Total revenues	<u>553,211</u>	<u>553,211</u>	<u>596,828</u>	<u>43,617</u>
<b>Expenditures:</b>				
Supplies and materials	67,947	89,177	40,883	48,294
Services and other expenditures	405,393	564,251	496,072	68,179
Professional and contracted services	82,083	137,290	123,600	13,690
Rent, utilities, and maintenance	122,031	103,286	60,738	42,548
Interfund services	10,538	58,209	19,309	38,900
Asset acquisitions	106,728	153,833	78,951	74,882
Total expenditures	<u>794,720</u>	<u>1,106,046</u>	<u>819,553</u>	<u>286,493</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(241,509)</u>	<u>(552,835)</u>	<u>(222,725)</u>	<u>330,110</u>
<b>Other financing sources (uses):</b>				
Planned change in fund balance	241,509	552,835	---	(552,835)
Total other financing sources (uses)	<u>241,509</u>	<u>552,835</u>	<u>---</u>	<u>(552,835)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (222,725)</u>	<u>\$ (222,725)</u>

**Car Rental Tax Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Other local taxes	\$ 2,200,000	\$ 2,200,000	\$ 1,882,369	\$ (317,631)
Total revenues	<u>2,200,000</u>	<u>2,200,000</u>	<u>1,882,369</u>	<u>(317,631)</u>
<b>Expenditures:</b>				
Affiliated organizations	2,200,000	2,200,000	1,882,369	317,631
Total expenditures	<u>2,200,000</u>	<u>2,200,000</u>	<u>1,882,369</u>	<u>317,631</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Health Services Restricted Fees Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 750	\$ 750	\$ 121	\$ (629)
Fines, fees and permits	4,538,000	4,538,000	4,536,211	(1,789)
Investment income	7,500	7,500	3,050	(4,450)
Total revenues	<u>4,546,250</u>	<u>4,546,250</u>	<u>4,539,382</u>	<u>(6,868)</u>
<b>Expenditures:</b>				
Salaries	2,889,680	2,889,680	2,685,746	203,934
Other compensation	69,045	102,045	101,387	658
Fringe benefits	1,089,015	1,056,015	961,198	94,817
Salary restriction	(25,000)	(25,000)	---	(25,000)
Supplies and materials	274,834	275,690	191,104	84,586
Services and other expenditures	43,150	43,150	36,129	7,021
Professional and contracted services	76,500	75,800	34,851	40,949
Rent, utilities, and maintenance	48,538	48,538	25,637	22,901
Interfund services	395,800	396,500	373,034	23,466
Asset acquisitions	40,000	40,000	37,996	2,004
Total expenditures	<u>4,901,562</u>	<u>4,902,418</u>	<u>4,447,082</u>	<u>455,336</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(355,312)</u>	<u>(356,168)</u>	<u>92,300</u>	<u>448,468</u>
<b>Other financing sources (uses):</b>				
Transfers out	(246,242)	(246,242)	(40,719)	205,523
Planned change in fund balance	601,554	602,410	---	(602,410)
Total other financing sources (uses)	<u>355,312</u>	<u>356,168</u>	<u>(40,719)</u>	<u>(396,887)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 51,581</u>	<u>\$ 51,581</u>

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Storm Water Fees Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ ---	\$ ---	\$ 4,718	\$ 4,718
Federal and local revenue	---	---	13,431	13,431
Fines, fees and permits	720,000	720,000	727,819	7,819
Other revenue	---	---	1,900	1,900
Investment income	5,000	5,000	3,617	(1,383)
<b>Total revenues</b>	<b>725,000</b>	<b>725,000</b>	<b>751,485</b>	<b>26,485</b>
<b>Expenditures:</b>				
Salaries	136,657	136,823	124,807	12,016
Fringe benefits	43,575	43,409	43,334	75
Supplies and materials	41,929	41,929	2,293	39,636
Services and other expenditures	21,935	21,935	18,273	3,662
Professional and contracted services	259,350	408,350	407,683	667
Rent, utilities, and maintenance	17,800	17,800	4,404	13,396
Interfund services	230,200	230,200	44,641	185,559
Asset acquisitions	418,785	113,709	14,132	99,577
<b>Total expenditures</b>	<b>1,170,231</b>	<b>1,014,155</b>	<b>659,567</b>	<b>354,588</b>
Excess (deficiency) of revenues over (under) expenditures	(445,231)	(289,155)	91,918	381,073
<b>Other financing sources (uses):</b>				
Transfers out	(15,813)	(15,813)	---	15,813
Planned change in fund balance	461,044	304,968	---	(304,968)
<b>Total other financing sources (uses)</b>	<b>445,231</b>	<b>289,155</b>	<b>---</b>	<b>(289,155)</b>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 91,918	\$ 91,918

**Economic Development Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Federal and local revenue	\$ 3,000,000	\$ 3,000,000	\$ ---	\$ (3,000,000)
Investment income	---	---	12,813	12,813
<b>Total revenues</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>12,813</b>	<b>(2,987,187)</b>
<b>Expenditures:</b>				
Affiliated organizations	3,000,000	3,000,000	---	3,000,000
<b>Total expenditures</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>---</b>	<b>3,000,000</b>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 12,813	\$ 12,813

**Nonmajor Governmental Funds  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Restricted Court Fees Special Revenue Fund**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Fines, fees and permits	\$ 435,000	\$ 435,000	\$ 459,584	\$ 24,584
Investment income	---	---	3,602	3,602
Total revenues	<u>435,000</u>	<u>435,000</u>	<u>463,186</u>	<u>28,186</u>
<b>Expenditures:</b>				
Salaries	163,136	163,136	159,325	3,811
Other compensation	1,651	1,651	---	1,651
Fringe benefits	74,642	74,642	64,265	10,377
Supplies and materials	750	750	312	438
Services and other expenditures	56,500	56,500	---	56,500
Professional and contracted services	312,754	312,754	135,391	177,363
Rent, utilities, and maintenance	2,485	2,485	2,428	57
Interfund services	1,250	1,250	---	1,250
Total expenditures	<u>613,168</u>	<u>613,168</u>	<u>361,721</u>	<u>251,447</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(178,168)</u>	<u>(178,168)</u>	<u>101,465</u>	<u>279,633</u>
<b>Other financing sources (uses):</b>				
Planned change in fund balance	178,168	178,168	---	(178,168)
Total other financing sources (uses)	<u>178,168</u>	<u>178,168</u>	<u>---</u>	<u>(178,168)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 101,465</u>	<u>\$ 101,465</u>

**Nonmajor Enterprise Funds  
Combining Statement of Net Position  
June 30, 2015**

	Consolidated Codes		
	Enforcement Fund	Fire Services Fund	Total
<b>Assets:</b>			
Current assets			
Cash and cash equivalents	\$ 3,040,423	\$ 1,993,979	\$ 5,034,402
Accounts receivable and accrued revenues	26,130	1,603,198	1,629,328
Due from other governmental entities	136	80,075	80,211
Prepays	145	832	977
Total current assets	<u>3,066,834</u>	<u>3,678,084</u>	<u>6,744,918</u>
Noncurrent assets			
Net OPEB asset	---	57,368	57,368
Depreciable capital assets, net	1,673,500	4,714,952	6,388,452
Total noncurrent assets	<u>1,673,500</u>	<u>4,772,320</u>	<u>6,445,820</u>
Total assets	<u>4,740,334</u>	<u>8,450,404</u>	<u>13,190,738</u>
Deferred outflows of resources:			
Pension related deferred outflows	776,552	1,231,389	2,007,941
Total deferred outflows of resources	<u>776,552</u>	<u>1,231,389</u>	<u>2,007,941</u>
<b>Liabilities:</b>			
Current liabilities			
Accounts payable and accrued liabilities	20,878	238,967	259,845
Accrued interest payable	---	1,622	1,622
Due to other governmental entities	36,361	64,225	100,586
Claims payable	250,000	---	250,000
Compensated absences payable	405,003	752,255	1,157,258
Capital lease obligations	---	69,152	69,152
Unearned revenue	94,486	72,447	166,933
Deposits held for others	7,500	---	7,500
Total current liabilities	<u>814,228</u>	<u>1,198,668</u>	<u>2,012,896</u>
Noncurrent liabilities			
Accrued sick leave payable	213,327	392,046	605,373
Net other postemployment benefit obligations	117,216	---	117,216
Unfunded net pension obligation	6,236,949	10,083,923	16,320,872
Total noncurrent liabilities	<u>6,567,492</u>	<u>10,475,969</u>	<u>17,043,461</u>
Total liabilities	<u>7,381,720</u>	<u>11,674,637</u>	<u>19,056,357</u>
Deferred inflows of resources:			
Pension related deferred inflows	1,472,504	2,380,750	3,853,254
Total deferred inflows of resources	<u>1,472,504</u>	<u>2,380,750</u>	<u>3,853,254</u>
<b>Net position:</b>			
Net investment in capital assets	1,673,500	4,645,800	6,319,300
Unrestricted	(5,010,838)	(9,019,394)	(14,030,232)
Total net position	<u>\$ (3,337,338)</u>	<u>\$ (4,373,594)</u>	<u>\$ (7,710,932)</u>

**Nonmajor Enterprise Funds**  
**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended June 30, 2015**

	Consolidated Codes		Total
	Enforcement Fund	Fire Services Fund	
<b>Operating revenues:</b>			
State revenue	\$ ---	\$ 75,434	\$ 75,434
Federal and local revenue	---	822,761	822,761
Charges for services	14,309	78,486	92,795
Fines, fees and permits	8,333,789	18,250,769	26,584,558
Other revenue	56,388	10,659	67,047
Total operating revenues	<u>8,404,486</u>	<u>19,238,109</u>	<u>27,642,595</u>
<b>Operating expenses:</b>			
Salaries	5,956,005	8,971,039	14,927,044
Other compensation	17,313	1,450,303	1,467,616
Fringe benefits	1,690,772	2,756,572	4,447,344
Supplies and materials	95,609	391,354	486,963
Services and other expenses	70,446	107,747	178,193
Professional and contracted services	147,691	2,450,332	2,598,023
Rent, utilities, and maintenance	55,057	278,507	333,564
Interfund services	602,859	1,087,797	1,690,656
Depreciation	113,258	266,926	380,184
Claims incurred	---	434	434
Total operating expenses	<u>8,749,010</u>	<u>17,761,011</u>	<u>26,510,021</u>
Operating income (loss)	<u>(344,524)</u>	<u>1,477,098</u>	<u>1,132,574</u>
<b>Nonoperating revenues (expenses):</b>			
Intergovernmental	1,399,844	---	1,399,844
Investment income	5,076	4,294	9,370
Interest expense	---	(4,792)	(4,792)
Gain (loss) on asset disposal	---	20,250	20,250
Net nonoperating revenues (expenses)	<u>1,404,920</u>	<u>19,752</u>	<u>1,424,672</u>
Income (loss) before transfers	<u>1,060,396</u>	<u>1,496,850</u>	<u>2,557,246</u>
<b>Transfers:</b>			
Transfers in	1,399,844	9,501	1,409,345
Transfers out	(331,925)	---	(331,925)
Net transfers	<u>1,067,919</u>	<u>9,501</u>	<u>1,077,420</u>
Change in net position	2,128,315	1,506,351	3,634,666
<b>Net position:</b>			
June 30, 2014, restated	<u>(5,465,653)</u>	<u>(5,879,945)</u>	<u>(11,345,598)</u>
June 30, 2015	<u>\$ (3,337,338)</u>	<u>\$ (4,373,594)</u>	<u>\$ (7,710,932)</u>

# Shelby County, Tennessee

## Nonmajor Enterprise Funds Combining Statement of Cash Flows For the Year Ended June 30, 2015

	Consolidated Codes		Total
	Enforcement Fund	Fire Services Fund	
Cash flows from operating activities:			
Receipts from customers	\$ 8,528,319	\$ 18,996,795	\$ 27,525,114
Receipts for special programs	---	74,400	74,400
Receipts from interfund services provided	---	78,486	78,486
Refunds paid to customers	(111,713)	---	(111,713)
Cash payments to suppliers	(355,337)	(3,203,611)	(3,558,948)
Cash payments to employees	(8,316,059)	(14,120,161)	(22,436,220)
Claims paid	---	(434)	(434)
Payments for interfund services	(602,860)	(1,087,797)	(1,690,657)
Net cash provided by (used in) operating activities	<u>(857,650)</u>	<u>737,678</u>	<u>(119,972)</u>
Cash flows from noncapital financing activities:			
Transfers from other funds	1,399,844	9,501	1,409,345
Transfers to other funds	(331,925)	---	(331,925)
Payments from City of Memphis	1,399,844	---	1,399,844
Net cash provided by (used in) noncapital financing activities	<u>2,467,763</u>	<u>9,501</u>	<u>2,477,264</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(208,650)	(184,469)	(393,119)
Proceeds from the sale of capital assets	---	20,250	20,250
Capital lease obligation payments	---	(66,054)	(66,054)
Interest paid	---	(6,341)	(6,341)
Net cash provided by (used in) capital and related financing activities	<u>(208,650)</u>	<u>(236,614)</u>	<u>(445,264)</u>
Cash flows from investing activities:			
Interest and investment earnings	5,076	4,294	9,370
Net cash provided by (used in) investing activities	<u>5,076</u>	<u>4,294</u>	<u>9,370</u>
Net increase (decrease) in cash and cash equivalents	1,406,539	514,859	1,921,398
Cash and cash equivalents, June 30, 2014	1,633,884	1,479,120	3,113,004
Cash and cash equivalents, June 30, 2015	<u>\$ 3,040,423</u>	<u>\$ 1,993,979</u>	<u>\$ 5,034,402</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (344,524)	\$ 1,477,098	\$ 1,132,574
Adjustments:			
Depreciation	113,258	266,926	380,184
Changes in assets and liabilities			
Accounts receivable and accrued revenues	19,139	(39,484)	(20,345)
Due from other funds	239	---	239
Due from other governmental entities	45,837	(78,801)	(32,964)
Prepays	(21)	2	(19)
Deferred outflows	(776,552)	(1,231,389)	(2,007,941)
Accounts payable and accrued liabilities	3,371	112,303	115,674
Due to other governmental entities	9,626	(62,501)	(52,875)
Compensated absences payable	10,441	66,953	77,394
Unearned revenue	(22,795)	29,857	7,062
Deposits held for others	(30,300)	---	(30,300)
Net postemployment benefit obligations	(1,357,873)	(2,184,036)	(3,541,909)
Deferred inflows	1,472,504	2,380,750	3,853,254
Total adjustments	<u>(513,126)</u>	<u>(739,420)</u>	<u>(1,252,546)</u>
Net cash provided by (used in) operating activities	<u>\$ (857,650)</u>	<u>\$ 737,678</u>	<u>\$ (119,972)</u>

**Internal Service Funds  
Combining Statement of Net Position  
June 30, 2015**

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
<b>Assets:</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 5,800,575	\$ 12,830,096	\$ 6,943,766	\$ 11,183,801	\$ 36,758,238
Accounts receivable and accrued revenues	33,313	83,655	---	19	116,987
Due from other governmental entities	3,338	---	---	---	3,338
Inventories	561,774	---	---	---	561,774
Prepays	441	---	---	---	441
Deposits held by others	---	---	---	150,000	150,000
Total current assets	<u>6,399,441</u>	<u>12,913,751</u>	<u>6,943,766</u>	<u>11,333,820</u>	<u>37,590,778</u>
<b>Noncurrent assets</b>					
Depreciable capital assets, net	<u>1,667,153</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>1,667,153</u>
Total noncurrent assets	<u>1,667,153</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>1,667,153</u>
Total assets	<u>8,066,594</u>	<u>12,913,751</u>	<u>6,943,766</u>	<u>11,333,820</u>	<u>39,257,931</u>
<b>Deferred outflows of resources:</b>					
Pension related deferred outflows	<u>95,751</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>95,751</u>
Total deferred outflows of resources	<u>95,751</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>95,751</u>
<b>Liabilities:</b>					
<b>Current liabilities</b>					
Accounts payable and accrued liabilities	568,757	52,136	---	27,166	648,059
Claims payable	---	3,589,444	467,112	1,858,936	5,915,492
Compensated absences payable	55,142	---	---	---	55,142
Unearned revenue	---	4,037,062	---	---	4,037,062
Total current liabilities	<u>623,899</u>	<u>7,678,642</u>	<u>467,112</u>	<u>1,886,102</u>	<u>10,655,755</u>
<b>Noncurrent liabilities</b>					
Claims payable, long-term	---	---	680,000	2,620,357	3,300,357
Accrued sick leave payable	26,944	---	---	---	26,944
Net other postemployment benefit obligations	4,938	---	---	---	4,938
Unfunded net pension obligation	<u>909,358</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>909,358</u>
Total noncurrent liabilities	<u>941,240</u>	<u>---</u>	<u>680,000</u>	<u>2,620,357</u>	<u>4,241,597</u>
Total liabilities	<u>1,565,139</u>	<u>7,678,642</u>	<u>1,147,112</u>	<u>4,506,459</u>	<u>14,897,352</u>
<b>Deferred inflows of resources:</b>					
Pension related deferred inflows	<u>214,690</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>214,690</u>
Total deferred inflows of resources	<u>214,690</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>214,690</u>
<b>Net position:</b>					
Net investment in capital assets	1,667,153	---	---	---	1,667,153
Unrestricted	<u>4,715,363</u>	<u>5,235,109</u>	<u>5,796,654</u>	<u>6,827,361</u>	<u>22,574,487</u>
Total net position	<u>\$ 6,382,516</u>	<u>\$ 5,235,109</u>	<u>\$ 5,796,654</u>	<u>\$ 6,827,361</u>	<u>\$ 24,241,640</u>

**Internal Service Funds**

**Combining Statement of Revenues, Expenses and Changes in Net Position**

**For the Year Ended June 30, 2015**

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
<b>Operating revenues:</b>					
Charges for services	\$ 9,335,538	\$ ---	\$ ---	\$ ---	\$ 9,335,538
Other revenue	4,635	163,076	---	25,826	193,537
Premium revenue	---	47,234,740	598,454	1,949,007	49,782,201
Total operating revenues	<u>9,340,173</u>	<u>47,397,816</u>	<u>598,454</u>	<u>1,974,833</u>	<u>59,311,276</u>
<b>Operating expenses:</b>					
Salaries	1,181,828	---	---	---	1,181,828
Other compensation	20,273	---	---	---	20,273
Fringe benefits	(237,801)	---	---	---	(237,801)
Supplies and materials	2,898,049	---	---	---	2,898,049
Services and other expenses	1,442,866	762,140	---	---	2,205,006
Professional and contracted services	71,292	2,961,219	3,581	197,465	3,233,557
Rent, utilities, and maintenance	3,068,569	---	---	---	3,068,569
Interfund services	46,493	---	---	---	46,493
Depreciation	181,509	---	---	---	181,509
Claims incurred	---	45,298,775	(82,262)	1,932,452	47,148,965
Total operating expenses	<u>8,673,078</u>	<u>49,022,134</u>	<u>(78,681)</u>	<u>2,129,917</u>	<u>59,746,448</u>
Operating income (loss)	<u>667,095</u>	<u>(1,624,318)</u>	<u>677,135</u>	<u>(155,084)</u>	<u>(435,172)</u>
<b>Nonoperating revenues (expenses):</b>					
Investment income	---	36,665	---	---	36,665
Gain (loss) on asset disposal	(20,388)	---	---	---	(20,388)
Net nonoperating revenues (expenses)	<u>(20,388)</u>	<u>36,665</u>	<u>---</u>	<u>---</u>	<u>16,277</u>
Income (loss) before capital contributions and transfers	<u>646,707</u>	<u>(1,587,653)</u>	<u>677,135</u>	<u>(155,084)</u>	<u>(418,895)</u>
Capital Contributions	<u>13,311</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>13,311</u>
<b>Transfers:</b>					
Transfers in	---	---	250,000	---	250,000
Transfers out	---	(214,366)	---	---	(214,366)
Net transfers	<u>---</u>	<u>(214,366)</u>	<u>250,000</u>	<u>---</u>	<u>35,634</u>
Change in net position	660,018	(1,802,019)	927,135	(155,084)	(369,950)
<b>Net position:</b>					
June 30, 2014, restated	<u>5,722,498</u>	<u>7,037,128</u>	<u>4,869,519</u>	<u>6,982,445</u>	<u>24,611,590</u>
June 30, 2015	<u>\$ 6,382,516</u>	<u>\$ 5,235,109</u>	<u>\$ 5,796,654</u>	<u>\$ 6,827,361</u>	<u>\$ 24,241,640</u>

**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended June 30, 2015**

	Central Services Fund	Group Health Insurance Fund	Tort Liability Fund	Employer Insurance Fund	Total
<b>Cash flows from operating activities:</b>					
Receipts from customers	\$ 260,864	\$ ---	\$ ---	\$ ---	\$ 260,864
Receipts from interfund services provided	9,069,843	---	---	---	9,069,843
Premiums received	---	47,064,149	598,454	1,950,988	49,613,591
Refunds received from suppliers	3,745	207,092	---	25,826	236,663
Refunds paid to customers	(578)	---	---	---	(578)
Cash payments to suppliers	(7,032,951)	(3,525,754)	(3,582)	(258,178)	(10,820,465)
Cash payments to employees	(1,778,901)	---	---	---	(1,778,901)
Claims paid	---	(46,027,416)	(586,423)	(1,948,287)	(48,562,126)
Payments for interfund services	(46,491)	---	---	---	(46,491)
Net cash provided by (used in) operating activities	<u>475,531</u>	<u>(2,281,929)</u>	<u>8,449</u>	<u>(229,651)</u>	<u>(2,027,600)</u>
<b>Cash flows from noncapital financing activities:</b>					
Transfers from other funds	---	---	250,000	---	250,000
Transfers to other funds	---	(214,366)	---	---	(214,366)
Net cash provided by (used in) noncapital financing activities	---	<u>(214,366)</u>	<u>250,000</u>	<u>---</u>	<u>35,634</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition of capital assets	(311,769)	---	---	---	(311,769)
Net cash provided by (used in) capital and related financing activities	<u>(311,769)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>(311,769)</u>
<b>Cash flows from investing activities:</b>					
Interest and investment earnings	---	36,665	---	---	36,665
Net cash provided by (used in) investing activities	---	<u>36,665</u>	<u>---</u>	<u>---</u>	<u>36,665</u>
Net increase (decrease) in cash and cash equivalents	163,762	(2,459,630)	258,449	(229,651)	(2,267,070)
Cash and cash equivalents, June 30, 2014	<u>5,636,813</u>	<u>15,289,726</u>	<u>6,685,317</u>	<u>11,413,452</u>	<u>39,025,308</u>
Cash and cash equivalents, June 30, 2015	<u>\$ 5,800,575</u>	<u>\$ 12,830,096</u>	<u>\$ 6,943,766</u>	<u>\$ 11,183,801</u>	<u>\$ 36,758,238</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	<u>\$ 667,095</u>	<u>\$ (1,624,318)</u>	<u>\$ 677,135</u>	<u>\$ (155,084)</u>	<u>\$ (435,172)</u>
<b>Adjustments:</b>					
Depreciation	181,509	---	---	---	181,509
<b>Changes in assets and liabilities</b>					
Accounts receivable and accrued revenues	(8,242)	24,254	---	1,980	17,992
Due from other governmental entities	1,943	---	---	---	1,943
Inventories	389,649	---	---	---	389,649
Prepays	301,658	201,035	---	---	502,693
Deposits held by others	---	---	---	(50,000)	(50,000)
Deferred outflows	(95,751)	---	---	---	(95,751)
Accounts payable and accrued liabilities	121,404	2,476	2,112	(10,713)	115,279
Claims payable	---	(690,530)	(670,798)	(15,834)	(1,377,162)
Compensated absences payable	(81,990)	---	---	---	(81,990)
Unearned revenue	---	(194,846)	---	---	(194,846)
Net other postemployment benefit obligations	(1,085,196)	---	---	---	(1,085,196)
Deferred inflows	83,452	---	---	---	83,452
Total adjustments	<u>(191,564)</u>	<u>(657,611)</u>	<u>(668,686)</u>	<u>(74,567)</u>	<u>(1,592,428)</u>
Net cash provided by (used in) operating activities	<u>\$ 475,531</u>	<u>\$ (2,281,929)</u>	<u>\$ 8,449</u>	<u>\$ (229,651)</u>	<u>\$ (2,027,600)</u>
<b>Noncash investing, capital, and financing activities:</b>					
Capital assets accrued, not reflected in capital financing activities	\$ 60,970	---	---	---	\$ 60,970

**Fiduciary Funds**  
**Postemployment Benefit Trust Funds**  
**Combining Statement of Fiduciary Net Position**  
**June 30, 2015**

	Other Postemployment Benefits Trust Fund	Shelby County Retirement System	Total
<b>Assets:</b>			
Cash and cash equivalents	\$ 5,274,008	\$ 44,474,928	\$ 49,748,936
Investments			
Domestic equity	69,119,143	311,766,857	380,886,000
International equity	30,847,404	194,682,808	225,530,212
Fixed income	37,354,686	194,813,488	232,168,174
Global low-volatility equity	7,582,824	42,865,626	50,448,450
Hedge funds	---	137,597,523	137,597,523
Private real estate and infrastructure	4,971,034	22,815,492	27,786,526
Alternative investments	20,741,918	---	20,741,918
Limited partnership interests	---	93,342,030	93,342,030
Master limited partnerships	16,656,797	69,636,987	86,293,784
Short-term investments	6,415,979	---	6,415,979
Accounts receivable and accrued revenues	63,059	---	63,059
Accrued interest and dividends receivable	---	4,143,120	4,143,120
Due from brokers - investment sales	---	1,807,702	1,807,702
Total assets	<u>199,026,852</u>	<u>1,117,946,561</u>	<u>1,316,973,413</u>
<b>Deferred outflows of resources:</b>			
Fair value of hedging derivatives	---	304,048	304,048
Total deferred inflows of resources	<u>---</u>	<u>304,048</u>	<u>304,048</u>
<b>Liabilities:</b>			
Accounts payable	1,169,725	832,109	2,001,834
Due to brokers and others	---	2,284,701	2,284,701
Total liabilities	<u>1,169,725</u>	<u>3,116,810</u>	<u>4,286,535</u>
Net position held in trust for pension and other postemployment benefits	<u>\$ 197,857,127</u>	<u>\$ 1,115,133,799</u>	<u>\$ 1,312,990,926</u>

**Fiduciary Funds**  
**Postemployment Benefit Trust Funds**  
**Combining Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2015**

	Other Postemployment Benefits Trust Fund	Shelby County Retirement System	Total
<b>Additions:</b>			
Contributions			
Employer contributions	\$ 31,445,399	\$ 34,212,635	\$ 65,658,034
Member contributions	4,984,144	15,235,360	20,219,504
Total contributions	<u>36,429,543</u>	<u>49,447,995</u>	<u>85,877,538</u>
<b>Investment income</b>			
Net change in fair value of investments	(1,502,096)	(13,121,423)	(14,623,519)
Interest income	177,854	11,915,493	12,093,347
Dividend income	3,034,873	11,527,723	14,562,596
Other income	---	636,768	636,768
Total investment income	<u>1,710,631</u>	<u>10,958,561</u>	<u>12,669,192</u>
Less investment management expenses	<u>(333,357)</u>	<u>(4,630,875)</u>	<u>(4,964,232)</u>
Net investment income (loss)	<u>1,377,274</u>	<u>6,327,686</u>	<u>7,704,960</u>
Net additions	<u>37,806,817</u>	<u>55,775,681</u>	<u>93,582,498</u>
<b>Deductions:</b>			
Benefit payments	17,094,301	69,788,399	86,882,700
Administrative expenses	450,148	1,705,386	2,155,534
Refund of member contributions	---	6,773,851	6,773,851
Total deductions	<u>17,544,449</u>	<u>78,267,636</u>	<u>95,812,085</u>
Change in net position	20,262,368	(22,491,955)	(2,229,587)
<b>Net position held in trust for benefits:</b>			
June 30, 2014	<u>177,594,759</u>	<u>1,137,625,754</u>	<u>1,315,220,513</u>
June 30, 2015	<u>\$ 197,857,127</u>	<u>\$ 1,115,133,799</u>	<u>\$ 1,312,990,926</u>

**County Charter Officers - General and Agency Funds  
Combined Schedule of Changes in Assets and Liabilities  
For the Year Ended June 30, 2015**

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Chancery Court</b>				
Assets:				
Cash and cash equivalents	\$ 6,605,675	\$ 25,350,814	\$ (23,848,603)	\$ 8,107,886
Investments	2,000,000	2,000,000	(2,000,000)	2,000,000
Total assets	<u>\$ 8,605,675</u>	<u>\$ 27,350,814</u>	<u>\$ (25,848,603)</u>	<u>\$ 10,107,886</u>
Liabilities:				
Funds held for others	\$ 8,321,397	\$ 23,788,013	\$ (22,356,732)	\$ 9,752,678
Due to other funds and departments	284,278	4,985,538	(4,914,608)	355,208
Total liabilities	<u>\$ 8,605,675</u>	<u>\$ 28,773,551</u>	<u>\$ (27,271,340)</u>	<u>\$ 10,107,886</u>
<b>Circuit Court Clerk</b>				
Assets:				
Cash and cash equivalents	\$ 15,227,877	\$ 11,650,613	\$ (10,041,946)	\$ 16,836,544
Investments	1,000,000	1,000,000	(1,000,000)	1,000,000
Total assets	<u>\$ 16,227,877</u>	<u>\$ 12,650,613</u>	<u>\$ (11,041,946)</u>	<u>\$ 17,836,544</u>
Liabilities:				
Funds held for others	\$ 15,720,779	\$ 8,138,864	\$ (6,433,952)	\$ 17,425,691
Due to other governmental agencies	28,890	362,497	(359,505)	31,882
Due to other funds and departments	478,208	3,149,252	(3,248,489)	378,971
Total liabilities	<u>\$ 16,227,877</u>	<u>\$ 11,650,613</u>	<u>\$ (10,041,946)</u>	<u>\$ 17,836,544</u>
<b>Criminal Court Clerk</b>				
Assets:				
Cash and cash equivalents	\$ 3,542,603	\$ 12,237,152	\$ (11,419,199)	\$ 4,360,556
Accounts receivable	169,659	280,716	(169,659)	280,716
Total assets	<u>\$ 3,712,262</u>	<u>\$ 12,517,868</u>	<u>\$ (11,588,858)</u>	<u>\$ 4,641,272</u>
Liabilities:				
Funds held for others	\$ 3,097,212	\$ 931,222	\$ (320,131)	\$ 3,708,303
Due to other governmental agencies	88,134	6,477,719	(6,415,362)	150,491
Due to other funds and departments	526,916	709,511	(453,949)	782,478
Total liabilities	<u>\$ 3,712,262</u>	<u>\$ 8,118,452</u>	<u>\$ (7,189,442)</u>	<u>\$ 4,641,272</u>
<b>General Sessions Court Clerk</b>				
Assets:				
Cash and cash equivalents	\$ 8,412,507	\$ 41,959,436	\$ (40,952,899)	\$ 9,419,044
Investments	1,850,000	1,850,000	(1,850,000)	1,850,000
Total assets	<u>\$ 10,262,507</u>	<u>\$ 43,809,436</u>	<u>\$ (42,802,899)</u>	<u>\$ 11,269,044</u>
Liabilities:				
Funds held for others	\$ 8,812,081	\$ 36,734,272	\$ (35,775,469)	\$ 9,770,884
Due to other governmental agencies	271,466	3,711,806	(3,707,346)	275,926
Due to other funds and departments	1,178,960	16,503,505	(16,460,231)	1,222,234
Total liabilities	<u>\$ 10,262,507</u>	<u>\$ 56,949,583</u>	<u>\$ (55,943,046)</u>	<u>\$ 11,269,044</u>

**County Charter Officers - General and Agency Funds  
Combined Schedule of Changes in Assets and Liabilities  
For the Year Ended June 30, 2015**

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Probate Court Clerk</b>				
Assets:				
Cash and cash equivalents	\$ 26,405,304	\$ 9,128,127	\$ (10,584,099)	\$ 24,949,332
Total assets	<u>\$ 26,405,304</u>	<u>\$ 9,128,127</u>	<u>\$ (10,584,099)</u>	<u>\$ 24,949,332</u>
Liabilities:				
Funds held for others	\$ 26,322,667	\$ 8,239,315	\$ (9,693,318)	\$ 24,868,664
Due to other governmental agencies	2,551	28,050	(28,101)	2,500
Due to other funds and departments	59,272	638,641	(638,326)	59,587
Accounts payable and accrued expenses	20,814	222,121	(224,354)	18,581
Total liabilities	<u>\$ 26,405,304</u>	<u>\$ 9,128,127</u>	<u>\$ (10,584,099)</u>	<u>\$ 24,949,332</u>
<b>Juvenile Court Clerk</b>				
Assets:				
Cash and cash equivalents	\$ 5,177,002	\$ 7,590,915	\$ (7,702,536)	\$ 5,065,381
Accounts receivable	72,000	80,000	(72,000)	80,000
Total assets	<u>\$ 5,249,002</u>	<u>\$ 7,670,915</u>	<u>\$ (7,774,536)</u>	<u>\$ 5,145,381</u>
Liabilities:				
Funds held for others	\$ 5,054,097	\$ 1,329,633	\$ (1,443,084)	\$ 4,940,646
Due to other funds and departments	194,905	1,318,110	(1,308,280)	204,735
Total liabilities	<u>\$ 5,249,002</u>	<u>\$ 2,647,743</u>	<u>\$ (2,751,364)</u>	<u>\$ 5,145,381</u>
<b>County Clerk</b>				
Assets:				
Cash and cash equivalents	\$ 6,649,801	\$ 110,545,364	\$ (108,949,443)	\$ 8,245,722
Investments	1,250,000	1,250,000	(1,250,000)	1,250,000
Accounts receivable	423,749	234,873	(423,749)	234,873
Total assets	<u>\$ 8,323,550</u>	<u>\$ 112,030,237</u>	<u>\$ (110,623,192)</u>	<u>\$ 9,730,595</u>
Liabilities:				
Funds held for others	\$ 4,649	\$ 65,558	\$ (65,095)	\$ 5,112
Due to other governmental agencies	2,568,821	55,299,581	(54,428,836)	3,439,566
Due to other funds and departments	5,750,080	55,415,098	(54,879,261)	6,285,917
Total liabilities	<u>\$ 8,323,550</u>	<u>\$ 110,780,237</u>	<u>\$ (109,373,192)</u>	<u>\$ 9,730,595</u>
<b>Register</b>				
Assets:				
Cash and cash equivalents	\$ 2,001,005	\$ 24,687,366	\$ (23,650,378)	\$ 3,037,993
Total assets	<u>\$ 2,001,005</u>	<u>\$ 24,687,366</u>	<u>\$ (23,650,378)</u>	<u>\$ 3,037,993</u>
Liabilities:				
Due to other governmental agencies	\$ 1,670,115	\$ 21,260,303	\$ (20,221,710)	\$ 2,708,708
Due to other funds and departments	330,890	3,427,063	(3,428,668)	329,285
Total liabilities	<u>\$ 2,001,005</u>	<u>\$ 24,687,366</u>	<u>\$ (23,650,378)</u>	<u>\$ 3,037,993</u>

**County Charter Officers - General and Agency Funds  
Combined Schedule of Changes in Assets and Liabilities  
For the Year Ended June 30, 2015**

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Trustee</u>				
Assets:				
Cash and cash equivalents	\$ 654,838,802	\$ 3,733,740,386	\$ (3,725,649,247)	\$ 662,929,941
Investments	200,000	300,000	(200,000)	300,000
Accounts receivable	303,671	372,009	(300,058)	375,622
Total assets	<u>\$ 655,342,473</u>	<u>\$ 3,734,412,395</u>	<u>\$ (3,726,149,305)</u>	<u>\$ 663,605,563</u>
Liabilities:				
Funds held for others	\$ 18,331,424	\$ 12,334,222	\$ (11,981,312)	\$ 18,684,334
Due to other governmental agencies	87,157	375,976,435	(372,972,390)	3,091,202
Due to other funds and departments	370,347,331	1,599,601,619	(1,592,443,126)	377,505,824
Due to component units	266,576,561	1,746,500,119	(1,748,752,477)	264,324,203
Total liabilities	<u>\$ 655,342,473</u>	<u>\$ 3,734,412,395</u>	<u>\$ (3,726,149,305)</u>	<u>\$ 663,605,563</u>
<u>Elimination of Interdepartmental Activity</u>				
Assets:				
Cash and cash equivalents	\$ (379,150,840)	\$ (1,685,748,337)	\$ 1,677,774,938	\$ (387,124,239)
Total assets	<u>\$ (379,150,840)</u>	<u>\$ (1,685,748,337)</u>	<u>\$ 1,677,774,938</u>	<u>\$ (387,124,239)</u>
Liabilities:				
Due to other funds and departments	\$ (379,150,840)	\$ (1,685,748,337)	\$ 1,677,774,938	\$ (387,124,239)
Total liabilities	<u>\$ (379,150,840)</u>	<u>\$ (1,685,748,337)</u>	<u>\$ 1,677,774,938</u>	<u>\$ (387,124,239)</u>
<u>Total</u>				
Assets:				
Cash and cash equivalents	\$ 349,709,736	\$ 2,291,141,836	\$ (2,285,023,412)	\$ 355,828,160
Investments	6,300,000	6,400,000	(6,300,000)	6,400,000
Accounts receivable	969,079	967,598	(965,466)	971,211
Total assets	<u>\$ 356,978,815</u>	<u>\$ 2,298,509,434</u>	<u>\$ (2,292,288,878)</u>	<u>\$ 363,199,371</u>
Liabilities:				
Funds held for others	\$ 85,664,306	\$ 91,561,099	\$ (88,069,093)	\$ 89,156,312
Due to other governmental agencies	4,717,134	463,116,391	(458,133,250)	9,700,275
Due to component units	266,576,561	1,746,500,119	(1,748,752,477)	264,324,203
Accounts payable and accrued expenses	20,814	222,121	(224,354)	18,581
Total liabilities	<u>\$ 356,978,815</u>	<u>\$ 2,301,399,730</u>	<u>\$ (2,295,179,174)</u>	<u>\$ 363,199,371</u>



Shelby County, Tennessee

**Schedule of General Obligation Bonds and Loans-Except for School Purposes  
June 30, 2015**

	1996B General Obligation	1997B General Obligation	2004B General Obligation	2005A General Obligation	2009A General Obligation	2011A General Obligation
Date of Issuance	11/01/1996 <sup>c</sup> 11/14/1996	11/01/1997	04/15/2004	03/10/2005	04/02/2009	03/30/2011
Total Issue	\$ 43,640,742	\$ 34,019,243	\$ 60,754,734	\$ 165,792,000	\$ 131,252,597	\$ 32,938,707
Interest Rate %	5.00-6.00	4.50-5.75	Variable	3.00-5.00	2.75-5.0	4.0-5.0
Fiscal Year						
2016	\$ 797,641	\$ ---	\$ ---	\$ 11,959,000	\$ 4,286,938	\$ ---
2017	754,421	783,830	---	---	3,120,244	3,397,732
2018	---	---	---	---	966,048	3,754,415
2019	---	---	---	---	50,468	4,177,702
2020	---	---	---	---	1,733,135	4,611,716
2021	---	---	---	---	2,835,764	5,090,923
2022	---	---	---	---	4,205,000	5,646,423
2023	---	---	---	---	---	6,259,796
2024	---	---	5,258,172	---	---	---
2025	---	---	8,503,250	---	---	---
2026	---	---	---	---	---	---
2027	---	---	---	---	---	---
2028	---	---	---	---	---	---
2029	---	---	---	---	---	---
2030	---	---	---	---	---	---
2031	---	---	---	---	---	---
2032	---	---	---	---	---	---
2033	---	---	---	---	---	---
2034	---	---	---	---	---	---
2035	---	---	---	---	---	---
2036	---	---	---	---	---	---
<b>TOTAL</b>	<u>\$ 1,552,062</u>	<u>\$ 783,830</u>	<u>\$ 13,761,422</u>	<u>\$ 11,959,000</u>	<u>\$ 17,197,597</u>	<u>\$ 32,938,707</u>

(c) Capital Appreciation Bonds

Note: Certain bonds are treated as defeased and not included above. The specific series and maturities are shown following these schedules of general obligation bonds. See Note IV (H) in the Notes to the Financial Statements for more information about these bonds and loans.

<u>2011 Port Commission</u>	<u>2012A General Obligation</u>	<u>2015A General Obligation</u>	<u>Non-School Total</u>
09/07/2011	03/01/2012	01/28/2015	
\$ 20,397,500	\$ 80,978,085	\$ 28,950,000	
2.0-5.0	3.0-5.0	2.0-5.0	
\$ 562,500	\$ 3,781,309	\$ 1,200,000	\$ 22,587,388
572,500	4,109,168	4,720,000	17,457,895
600,000	4,480,741	5,610,000	15,411,204
615,000	5,870,240	4,630,000	15,343,410
645,000	6,385,447	4,460,000	17,835,298
677,500	11,239,324	1,220,000	21,063,511
705,000	12,104,247	910,000	23,570,670
740,000	12,958,242	1,100,000	21,058,038
780,000	9,801,427	1,090,000	16,929,599
820,000	---	1,890,000	11,213,250
865,000	1,982,767	1,010,000	3,857,767
897,500	2,215,391	80,000	3,192,891
935,000	2,476,117	---	3,411,117
972,500	---	---	972,500
1,010,000	---	---	1,010,000
1,050,000	---	---	1,050,000
1,102,500	---	---	1,102,500
1,157,500	---	---	1,157,500
1,217,500	---	---	1,217,500
1,277,500	---	---	1,277,500
<u>1,340,000</u>	<u>---</u>	<u>---</u>	<u>1,340,000</u>
<u>\$ 18,542,500</u>	<u>\$ 77,404,420</u>	<u>\$ 27,920,000</u>	<u>\$ 202,059,538</u>

Shelby County, Tennessee

**Schedule of General Obligation Bonds and Loans-School Purposes  
June 30, 2015**

	1996B General Obligation	1997B General Obligation	2004B General Obligation	2005A General Obligation	2006A General Obligation	2006B General Obligation
Date of Issuance	11/01/1996 11/14/1996	c 11/01/1997	04/15/2004	03/10/2005	02/22/2006	02/22/2006
Total Issue	\$ 51,045,323	\$ 74,415,173	\$ 176,950,269	\$ 241,373,000	\$ 42,161,627	\$ 159,590,000
Interest Rate %	5.00-6.00	4.50-5.75	Variable	3.00-5.00	5.00	Variable
Fiscal Year						
2016	\$ 932,978	\$ ---	\$ ---	\$ 27,501,000	\$ 8,975,000	\$ ---
2017	882,424	1,714,582	---	---	---	7,425,000
2018	---	---	---	---	---	2,020,000
2019	---	---	---	---	---	---
2020	---	---	---	---	---	2,705,000
2021	---	---	---	---	---	8,505,000
2022	---	---	---	---	---	9,575,000
2023	---	---	---	---	---	7,130,000
2024	---	---	8,036,828	---	---	7,450,000
2025	---	---	12,996,750	---	---	23,900,000
2026	---	---	13,775,000	---	---	26,130,000
2027	---	---	15,150,000	---	---	20,110,000
2028	---	---	16,665,000	---	---	6,625,000
2029	---	---	18,335,000	---	---	12,680,000
2030	---	---	20,165,000	---	---	6,055,000
2031	---	---	---	---	---	19,280,000
2032	---	---	---	---	---	---
2033	---	---	---	---	---	---
2034	---	---	---	---	---	---
2035	---	---	---	---	---	---
2036	---	---	---	---	---	---
<b>TOTAL</b>	<b>\$ 1,815,402</b>	<b>\$ 1,714,582</b>	<b>\$ 105,123,578</b>	<b>\$ 27,501,000</b>	<b>\$ 8,975,000</b>	<b>\$ 159,590,000</b>

(continued)

(c) Capital Appreciation Bonds

See Note IV (H) in the Notes to the Financial Statements for more information about these bonds and loans.

2009A General Obligation	2009B General Obligation	2009C General Obligation	2009 QSCB	2010 QSCB	2011A General Obligation
04/02/2009	09/30/2009	09/30/2009	12/01/2009	10/01/2010	03/30/2011
\$ 83,442,403	\$ 60,000,000	\$ 60,000,000	\$ 55,120,000	\$ 67,260,000	\$ 40,856,293
2.75-5.0	2.25-5.0	5.625-5.75	1.515	1.515	4.0-5.0
\$ 14,083,062	\$ 3,995,000	\$ ---	\$ 3,439,402	\$ 4,196,919	\$ ---
10,174,756	4,095,000	---	3,439,402	4,196,919	2,987,268
18,323,952	4,215,000	---	3,439,402	4,196,919	3,300,585
20,464,532	4,425,000	---	3,439,402	4,196,919	3,672,298
12,861,865	4,570,000	---	3,439,402	4,196,919	4,053,284
7,534,236	4,755,000	---	3,439,402	4,196,919	4,479,077
---	4,990,000	---	3,439,402	4,196,919	4,963,577
---	5,240,000	---	3,439,402	4,196,919	5,505,204
---	5,475,000	---	3,439,402	4,196,919	5,660,000
---	---	4,995,000	3,439,402	4,196,919	6,235,000
---	---	5,195,000	3,439,402	4,196,919	---
---	---	5,400,000	376,185	4,196,919	---
---	---	5,610,000	---	459,040	---
---	---	5,830,000	---	---	---
---	---	6,060,000	---	---	---
---	---	6,315,000	---	---	---
---	---	6,585,000	---	---	---
---	---	6,860,000	---	---	---
---	---	7,150,000	---	---	---
---	---	---	---	---	---
---	---	---	---	---	---
<u>\$ 83,442,403</u>	<u>\$ 41,760,000</u>	<u>\$ 60,000,000</u>	<u>\$ 38,209,607</u>	<u>\$ 50,822,068</u>	<u>\$ 40,856,293</u>

**Schedule of General Obligation Bonds and Loans-School Purposes (continued)**  
**June 30, 2015**

	2012A General Obligation	2012B GO Refunding (Rural Schools)	2015A General Obligation	School Total	G. O. Bonds Total
Date of Issuance	03/01/2012	03/01/2012	01/28/2015		
Total Issue	\$ 178,361,915	\$ 15,060,000	\$ 142,880,000		
Interest Rate %	3.0-5.0	2.0-4.0	2.0-5.0		
Fiscal Year					
2016	\$ 8,328,690	\$ 2,475,000	\$ ---	\$ 73,927,051	\$ 96,514,439
2017	9,050,832	2,570,000	25,260,000	71,796,183	89,254,078
2018	9,869,260	2,675,000	30,025,000	78,065,118	93,476,322
2019	12,929,760	390,000	24,770,000	74,287,911	89,631,321
2020	14,064,553	---	23,850,000	69,741,023	87,576,321
2021	24,755,676	---	6,525,000	64,190,310	85,253,821
2022	26,660,753	---	4,835,000	58,660,651	82,231,321
2023	28,541,758	---	5,870,000	59,923,283	80,981,321
2024	21,588,573	---	5,805,000	61,651,722	78,581,321
2025	---	---	10,095,000	65,858,071	77,071,321
2026	4,367,233	---	5,390,000	62,493,554	66,351,321
2027	4,879,609	---	455,000	50,567,713	53,760,604
2028	5,453,883	---	---	34,812,923	38,224,040
2029	---	---	---	36,845,000	37,817,500
2030	---	---	---	32,280,000	33,290,000
2031	---	---	---	25,595,000	26,645,000
2032	---	---	---	6,585,000	7,687,500
2033	---	---	---	6,860,000	8,017,500
2034	---	---	---	7,150,000	8,367,500
2035	---	---	---	---	1,277,500
2036	---	---	---	---	1,340,000
TOTAL	<u>\$ 170,490,580</u>	<u>\$ 8,110,000</u>	<u>\$ 142,880,000</u>	<u>\$ 941,290,513</u>	<u>\$ 1,143,350,511</u>

(continued)

See Note IV (H) in the Notes to the Financial Statements for more information about these bonds and loans.

**Schedule of Defeased Bonds  
June 30, 2015**

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Defeased Bonds: \*\*

Bond Series	Maturity Dates	Total Defeased Principal
2009A Refunding bonds	10/2012-04/2019	\$ 25,045,000
2005A Refunding Bonds	10/2012-04/2016	500,000
1997B Refunding Bonds	08/2012-08/2016	20,119
1996B Refunding Bonds	12/2012-12/2016	40,119
Total		\$ 25,605,238

\*\* All issues shown at original issue par value amounts. See Note IV (H) for an explanation of refundings and defeasance.



## **Other Budgetary Comparison Schedules**

**The Debt Service Fund** accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**The General Fund Schedules of Revenues and Expenditures-Budget and Actual-By Type and By Department**

**The Grants Fund Schedules of Revenues and Expenditures-Budget and Actual-By Type and By Department**

**Debt Service Fund**  
**Budgetary Comparison Schedule - Summary by Type**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 132,704,000	\$ 132,704,000	\$ 136,836,915	\$ 4,132,915
Other local taxes	28,579,000	28,579,000	47,942,527	19,363,527
Federal and local revenue	1,218,514	1,218,514	1,115,919	(102,595)
Charges for services	225,750	225,750	225,750	---
Other revenue	753,000	753,000	614,370	(138,630)
Investment income	293,300	293,300	1,306,293	1,012,993
Total revenues	<u>163,773,564</u>	<u>163,773,564</u>	<u>188,041,774</u>	<u>24,268,210</u>
<b>Expenditures:</b>				
Services and other expenditures	400,000	400,000	267,565	132,435
Professional and contracted services	283,823	283,823	134,579	149,244
Debt service	160,914,368	164,719,142	161,410,530	3,308,612
Total expenditures	<u>161,598,191</u>	<u>165,402,965</u>	<u>161,812,674</u>	<u>3,590,291</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,175,373</u>	<u>(1,629,401)</u>	<u>26,229,100</u>	<u>27,858,501</u>
<b>Other financing sources (uses):</b>				
Transfers in	2,248,502	2,248,502	2,248,502	---
Transfers out	(6,508,000)	(6,508,000)	(6,508,000)	---
Refunding bonds issued	---	171,830,000	171,830,000	---
Premium on bonds issued	---	27,093,527	27,093,527	---
Payment to advance refunding escrow agent	---	(216,751,285)	(216,751,285)	---
Planned change in fund balance	2,084,125	23,716,657	---	(23,716,657)
Total other financing sources (uses)	<u>(2,175,373)</u>	<u>1,629,401</u>	<u>(22,087,256)</u>	<u>(23,716,657)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 4,141,844</u>	<u>\$ 4,141,844</u>

**General Fund**  
**Budgetary Comparison Schedule - Summary by Type**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 245,255,000	\$ 245,255,000	\$ 252,568,769	\$ 7,313,769
Other local taxes	30,950,000	30,950,000	32,350,888	1,400,888
State revenue	20,091,254	20,091,254	20,557,390	466,136
Federal and local revenue	7,592,607	7,642,607	7,258,449	(384,158)
Charges for services	3,653,876	3,694,536	3,753,188	58,652
Fines, fees and permits	64,085,814	64,085,814	64,200,149	114,335
Other revenue	336,271	336,271	815,236	478,965
Investment income	386,200	386,200	382,755	(3,445)
Total revenues	372,351,022	372,441,682	381,886,824	9,445,142
<b>Expenditures:</b>				
Salaries	196,115,824	196,427,308	180,675,685	15,751,623
Other compensation	12,447,250	12,677,486	13,061,779	(384,293)
Fringe benefits	79,368,855	79,072,959	73,249,787	5,823,172
Salary restriction	(17,141,406)	(20,121,535)	---	(20,121,535)
Supplies and materials	9,489,233	9,882,286	8,642,819	1,239,467
Services and other expenditures	7,531,792	8,119,961	7,280,524	839,437
Professional and contracted services	33,059,704	32,228,138	30,412,379	1,815,759
Rent, utilities, and maintenance	13,751,056	13,936,754	13,231,481	705,273
Interfund services	948,912	677,957	300,526	377,431
Asset acquisitions	980,010	1,647,273	1,335,865	311,408
Affiliated organizations	28,451,848	28,476,256	28,476,256	---
Grants	---	3,050,000	3,050,000	---
Contingencies and restrictions	(5,569,365)	(5,588,168)	---	(5,588,168)
Total expenditures	359,433,713	360,486,675	359,717,101	769,574
Excess (deficiency) of revenues over (under) expenditures	12,917,309	11,955,007	22,169,723	10,214,716
<b>Other financing sources (uses):</b>				
Transfers in	2,268,044	2,256,044	1,761,343	(494,701)
Transfers out	(15,880,353)	(19,873,024)	(19,375,573)	497,451
Sale of capital assets	600,000	600,000	703,900	103,900
Insurance recoveries	25,000	25,000	96,265	71,265
Planned change in fund balance	70,000	5,036,973	---	(5,036,973)
Total other financing sources (uses)	(12,917,309)	(11,955,007)	(16,814,065)	(4,859,058)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 5,355,658	\$ 5,355,658

**General Fund**  
**Budgetary Comparison Schedule - Summary by Department**  
**For the Year Ended June 30, 2015**

	Final Budget	Actual Amounts	Variance
<b>Revenues:</b>			
<b>General Government</b>			
Chief Administrative Officer	\$ ---	\$ 3,201	\$ 3,201
County Attorney	---	484	484
Central Operations	289,340,990	301,105,480	11,764,490
Human Resources	679,282	624,245	(55,037)
Purchasing	500	28	(472)
Finance	---	3,070	3,070
Chief Information Officer	197,000	220,353	23,353
Information Technology Operations	1,600,000	1,663,124	63,124
	<u>291,817,772</u>	<u>303,619,985</u>	<u>11,802,213</u>
<b>Planning and Development</b>			
Housing	5,000	4,850	(150)
	<u>5,000</u>	<u>4,850</u>	<u>(150)</u>
<b>Public Works</b>			
Environmental Programs	400,000	375,427	(24,573)
Parks and Grounds Maintenance	631,000	395,397	(235,603)
Support Services	1,594,610	1,680,662	86,052
	<u>2,625,610</u>	<u>2,451,486</u>	<u>(174,124)</u>
<b>Health Services</b>			
Forensic Services	494,000	357,436	(136,564)
Health Services Administration and Finance	1,099,716	923,892	(175,824)
Environmental Health Services	1,886,054	1,686,579	(199,475)
Community Health	1,466,000	1,016,054	(449,946)
	<u>4,945,770</u>	<u>3,983,961</u>	<u>(961,809)</u>
<b>Community Services</b>			
Director of Community Services	---	2,271	2,271
Crime Victims Center	610,000	533,749	(76,251)
Pretrial Services	300,000	262,613	(37,387)
	<u>910,000</u>	<u>798,633</u>	<u>(111,367)</u>
<b>Law Enforcement</b>			
Sheriff's Office	6,036,512	5,584,601	(451,911)
	<u>6,036,512</u>	<u>5,584,601</u>	<u>(451,911)</u>
<b>Judicial</b>			
Chancery Court Clerk	3,425,000	3,479,843	54,843
Circuit Court Clerk	3,137,000	2,769,187	(367,813)
Criminal Court Clerk	4,102,000	4,241,425	139,425
General Sessions Court Clerk	10,549,168	9,759,847	(789,321)
Probate Court Clerk	575,000	581,976	6,976
Juvenile Court Judge	153,700	178,737	25,037
Juvenile Court Clerk	1,400,000	1,135,794	(264,206)
Public Defender	5,181,700	5,051,179	(130,521)
Divorce Referee	280,000	254,994	(25,006)
Attorney General	98,500	76,931	(21,569)
	<u>28,902,068</u>	<u>27,529,913</u>	<u>(1,372,155)</u>

**General Fund**  
**Budgetary Comparison Schedule - Summary by Department (continued)**  
**For the Year Ended June 30, 2015**

	Final Budget	Actual Amounts	Variance
Other Elected Officials			
Assessor	\$ 26,250	\$ 26,445	\$ 195
County Clerk	9,725,200	10,710,458	985,258
Register	3,852,000	3,427,063	(424,937)
Trustee	23,493,000	23,686,364	193,364
Election Commission	102,500	63,065	(39,435)
	<u>37,198,950</u>	<u>37,913,395</u>	<u>714,445</u>
 Total revenues	 <u>372,441,682</u>	 <u>381,886,824</u>	 <u>9,445,142</u>
Expenditures:			
General Government			
Mayor's Office	582,787	533,803	48,984
Public Affairs	481,919	449,997	31,922
Chief Administrative Officer	3,132,267	2,789,588	342,679
County Attorney	3,639,346	3,308,079	331,267
Director of Administration and Finance	810,818	745,507	65,311
Central Operations	19,065,054	28,054,973	(8,989,919)
County Grants	50,000	50,000	---
Human Resources	4,756,476	4,312,621	443,855
Purchasing	711,912	628,515	83,397
Finance	2,497,044	2,240,334	256,710
Board of Equalization	415,676	297,484	118,192
Chief Information Officer	368,342	357,798	10,544
Information Technology Operations	10,220,092	10,091,873	128,219
	<u>46,731,733</u>	<u>53,860,572</u>	<u>(7,128,839)</u>
 Planning and Development			
Housing	351,787	342,510	9,277
	<u>351,787</u>	<u>342,510</u>	<u>9,277</u>
 Public Works			
Director of Public Works	629,940	594,643	35,297
Environmental Programs	629,041	569,027	60,014
Parks and Grounds Maintenance	2,708,474	2,689,011	19,463
Support Services	15,505,237	15,427,770	77,467
	<u>19,472,692</u>	<u>19,280,451</u>	<u>192,241</u>
 Health Services			
Director of Health Services	428,720	423,517	5,203
Forensic Services	3,630,255	3,602,352	27,903
Health Services Administration and Finance	874,903	854,754	20,149
Environmental Health Services	2,597,719	2,361,660	236,059
Community Health	6,118,451	5,762,309	356,142
Health Planning and Promotion	528,992	429,818	99,174
Inmate Medical Care	11,779,102	11,615,889	163,213
	<u>25,958,142</u>	<u>25,050,299</u>	<u>907,843</u>
 Community Services			
Director of Community Services	939,622	699,400	240,222
Community and Diversion Services	2,189,638	2,145,900	43,738
Crime Victims Center	1,452,880	1,383,825	69,055
Pretrial Services	4,114,877	3,918,987	195,890
	<u>8,697,017</u>	<u>8,148,112</u>	<u>548,905</u>
 Law Enforcement			
Sheriff's Office	156,642,446	156,278,726	363,720
	<u>156,642,446</u>	<u>156,278,726</u>	<u>363,720</u>

**General Fund**  
**Budgetary Comparison Schedule - Summary by Department (continued)**  
**For the Year Ended June 30, 2015**

	Final Budget	Actual Amounts	Variance
Judicial			
Chancery Court Clerk	\$ 1,539,782	\$ 1,415,677	\$ 124,105
Circuit Court Clerk	2,809,140	2,622,092	187,048
Criminal Court Clerk	4,980,932	4,613,336	367,596
General Sessions Court Clerk	14,142,367	13,714,472	427,895
Probate Court Clerk	1,229,120	1,180,976	48,144
Juvenile Court Judge	16,774,095	16,295,897	478,198
Juvenile Court Clerk	5,089,091	4,797,598	291,493
Public Defender	12,782,776	11,602,227	1,180,549
Divorce Referee	596,773	591,559	5,214
Jury Commission	886,200	791,659	94,541
Attorney General	9,947,681	9,810,393	137,288
	<u>70,777,957</u>	<u>67,435,886</u>	<u>3,342,071</u>
Other Elected Officials			
Commissioner's Contingency	200,002	67,093	132,909
Legislative Operations	2,152,763	2,065,161	87,602
Equal Opportunity Compliance	763,351	667,363	95,988
Assessor	10,632,902	9,568,185	1,064,717
County Clerk	5,059,207	4,866,680	192,527
Register	1,766,994	1,719,297	47,697
Trustee	7,363,355	6,601,656	761,699
Election Commission	3,916,327	3,765,110	151,217
	<u>31,854,901</u>	<u>29,320,545</u>	<u>2,534,356</u>
Total expenditures	<u>360,486,675</u>	<u>359,717,101</u>	<u>769,574</u>
Excess (deficiency) of revenues over (under) expenditures	<u>11,955,007</u>	<u>22,169,723</u>	<u>10,214,716</u>
Transfers in:			
Chief Administrative Officer	144,000	283,142	139,142
Human Resources	325,927	28,981	(296,946)
Director of Public Works	35,170	35,170	---
Health Services Administration and Finance	917,800	917,800	---
Community Health	547,000	287,385	(259,615)
Director of Community Services	---	47,142	47,142
Community and Diversion Services	---	16,131	16,131
Sheriff's Office	184,497	73,538	(110,959)
Juvenile Court Judge	67,688	67,688	---
Juvenile Court Clerk	33,962	4,366	(29,596)
Total transfers in	<u>2,256,044</u>	<u>1,761,343</u>	<u>(494,701)</u>

**General Fund**  
**Budgetary Comparison Schedule - Summary by Department (continued)**  
**For the Year Ended June 30, 2015**

	Final Budget	Actual Amounts	Variance
Transfers out:			
Chief Administrative Officer	\$ (187,187)	\$ (187,187)	\$ ---
Central Operations	(16,897,502)	(16,697,346)	200,156
Housing	(64,361)	(64,150)	211
Director of Public Works	(72,000)	(50,000)	22,000
Environmental Health Services	(1,531,048)	(1,317,837)	213,211
Community Health	(563,850)	(563,850)	---
Health Planning and Promotion	(5,409)	(4,268)	1,141
Director of Community Services	---	(27,415)	(27,415)
Community and Diversion Services	(81,671)	(81,671)	---
Crime Victims Center	(128,676)	(125,063)	3,613
Sheriff's Office	(14,952)	(13,102)	1,850
Juvenile Court Judge	(2,019)	(2,568)	(549)
Juvenile Court Clerk	(322,303)	(239,685)	82,618
Attorney General	(2,046)	(1,431)	615
Total transfers out	<u>(19,873,024)</u>	<u>(19,375,573)</u>	<u>497,451</u>
Other financing sources (uses):			
Central Operations	5,036,973	---	(5,036,973)
Parks and Grounds Maintenance	100,000	---	(100,000)
Support Services	500,000	777,082	277,082
Sheriff's Office	25,000	23,083	(1,917)
Total other financing sources (uses)	<u>5,661,973</u>	<u>800,165</u>	<u>(4,861,808)</u>
Net Other Financing Sources and Uses	<u>(11,955,007)</u>	<u>(16,814,065)</u>	<u>(4,859,058)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ 5,355,658</u>	<u>\$ 5,355,658</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Mayor's Office**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 405,048	\$ 434,290	\$ 401,913	\$ 32,377
Fringe benefits	136,714	147,997	131,896	16,101
Services and other expenditures	---	500	(6)	506
Total expenditures	<u>541,762</u>	<u>582,787</u>	<u>533,803</u>	<u>48,984</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (541,762)</u>	<u>\$ (582,787)</u>	<u>\$ (533,803)</u>	<u>\$ 48,984</u>

**Public Affairs**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 326,637	\$ 330,917	\$ 318,613	\$ 12,304
Fringe benefits	110,839	112,050	110,456	1,594
Supplies and materials	4,250	4,250	1,596	2,654
Services and other expenditures	3,147	3,147	535	2,612
Interfund services	31,555	31,555	18,797	12,758
Total expenditures	<u>476,428</u>	<u>481,919</u>	<u>449,997</u>	<u>31,922</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (476,428)</u>	<u>\$ (481,919)</u>	<u>\$ (449,997)</u>	<u>\$ 31,922</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Chief Administrative Officer**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ ---	\$ ---	\$ 3,201	\$ 3,201
Total revenues	<u>---</u>	<u>---</u>	<u>3,201</u>	<u>3,201</u>
Expenditures:				
Salaries	1,974,947	1,412,316	1,258,408	153,908
Other compensation	10,150	34,555	27,339	7,216
Fringe benefits	705,779	510,607	444,456	66,151
Salary restriction	(60,000)	(9,159)	---	(9,159)
Supplies and materials	130,198	137,309	97,799	39,510
Services and other expenditures	176,166	178,310	102,437	75,873
Professional and contracted services	811,248	758,901	600,767	158,134
Rent, utilities, and maintenance	49,788	25,161	22,520	2,641
Interfund services	241,330	239,267	235,862	3,405
Contingencies and restrictions	---	(155,000)	---	(155,000)
Total expenditures	<u>4,039,606</u>	<u>3,132,267</u>	<u>2,789,588</u>	<u>342,679</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,039,606)</u>	<u>(3,132,267)</u>	<u>(2,786,387)</u>	<u>345,880</u>
Other financing sources (uses):				
Transfers in	144,000	144,000	283,142	139,142
Transfers out	(187,187)	(187,187)	(187,187)	---
Total other financing sources (uses)	<u>(43,187)</u>	<u>(43,187)</u>	<u>95,955</u>	<u>139,142</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (4,082,793)</u>	<u>\$ (3,175,454)</u>	<u>\$ (2,690,432)</u>	<u>\$ 485,022</u>

**County Attorney**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ ---	\$ ---	\$ 337	\$ 337
Other revenue	---	---	147	147
Total revenues	<u>---</u>	<u>---</u>	<u>484</u>	<u>484</u>
Expenditures:				
Salaries	2,384,054	2,384,054	2,134,734	249,320
Other compensation	5,000	5,000	2,800	2,200
Fringe benefits	909,114	909,114	802,605	106,509
Salary restriction	(100,000)	(100,000)	---	(100,000)
Supplies and materials	22,750	22,750	20,072	2,678
Services and other expenditures	168,800	168,800	116,174	52,626
Professional and contracted services	341,254	376,254	191,359	184,895
Interfund services	43,374	43,374	40,335	3,039
Contingencies and restrictions	---	(170,000)	---	(170,000)
Total expenditures	<u>3,774,346</u>	<u>3,639,346</u>	<u>3,308,079</u>	<u>331,267</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (3,774,346)</u>	<u>\$ (3,639,346)</u>	<u>\$ (3,307,595)</u>	<u>\$ 331,751</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Director of Administration and Finance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 178,683	\$ 547,100	\$ 521,758	\$ 25,342
Fringe benefits	69,889	201,898	189,637	12,261
Supplies and materials	5,500	7,754	972	6,782
Services and other expenditures	4,000	10,856	7,665	3,191
Professional and contracted services	220,000	207,000	17,884	189,116
Interfund services	8,000	11,210	7,591	3,619
Contingencies and restrictions	---	(175,000)	---	(175,000)
Total expenditures	<u>486,072</u>	<u>810,818</u>	<u>745,507</u>	<u>65,311</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (486,072)</u>	<u>\$ (810,818)</u>	<u>\$ (745,507)</u>	<u>\$ 65,311</u>

**Central Operations**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Property taxes	\$ 245,255,000	\$ 245,255,000	\$ 252,568,769	\$ 7,313,769
Other local taxes	30,490,000	30,490,000	31,939,800	1,449,800
State revenue	9,710,000	9,710,000	11,125,984	1,415,984
Federal and local revenue	3,025,990	3,025,990	3,024,359	(1,631)
Charges for services	5,000	5,000	731,838	726,838
Fines, fees and permits	455,000	455,000	932,345	477,345
Other revenue	100,000	100,000	499,917	399,917
Investment income	300,000	300,000	282,468	(17,532)
Total revenues	<u>289,340,990</u>	<u>289,340,990</u>	<u>301,105,480</u>	<u>11,764,490</u>
Expenditures:				
Other compensation	344,996	278,778	---	278,778
Salary restriction	(2,336,500)	(5,947,457)	---	(5,947,457)
Services and other expenditures	624,538	736,538	726,444	10,094
Professional and contracted services	548,462	524,066	513,225	10,841
Interfund services	(4,085,104)	(4,085,104)	(4,085,104)	---
Affiliated organizations	27,876,000	27,900,408	27,900,408	---
Grants	---	3,000,000	3,000,000	---
Contingencies and restrictions	(5,496,365)	(3,342,175)	---	(3,342,175)
Total expenditures	<u>17,476,027</u>	<u>19,065,054</u>	<u>28,054,973</u>	<u>(8,989,919)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>271,864,963</u>	<u>270,275,936</u>	<u>273,050,507</u>	<u>2,774,571</u>
Other financing sources (uses):				
Transfers out	(12,998,502)	(16,897,502)	(16,697,346)	200,156
Planned change in fund balance	70,000	5,036,973	---	(5,036,973)
Total other financing sources (uses)	<u>(12,928,502)</u>	<u>(11,860,529)</u>	<u>(16,697,346)</u>	<u>(4,836,817)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 258,936,461</u>	<u>\$ 258,415,407</u>	<u>\$ 256,353,161</u>	<u>\$ (2,062,246)</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**County Grants**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Grants	\$ ---	\$ 50,000	\$ 50,000	\$ ---
Total expenditures	---	50,000	50,000	---
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ (50,000)</u>	<u>\$ (50,000)</u>	<u>\$ ---</u>

**Human Resources**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 634,282	\$ 634,282	\$ 576,927	\$ (57,355)
Charges for services	---	---	126	126
Other revenue	45,000	45,000	47,192	2,192
Total revenues	<u>679,282</u>	<u>679,282</u>	<u>624,245</u>	<u>(55,037)</u>
Expenditures:				
Salaries	3,302,166	3,348,293	2,948,835	399,458
Other compensation	---	11,542	11,542	---
Fringe benefits	1,238,357	1,249,521	1,123,862	125,659
Salary restriction	(150,000)	(150,000)	---	(150,000)
Supplies and materials	32,039	32,039	20,061	11,978
Services and other expenditures	79,576	93,576	73,056	20,520
Professional and contracted services	74,004	58,404	33,618	24,786
Rent, utilities, and maintenance	16,944	16,944	15,667	1,277
Interfund services	94,557	96,157	85,980	10,177
Total expenditures	<u>4,687,643</u>	<u>4,756,476</u>	<u>4,312,621</u>	<u>443,855</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,008,361)</u>	<u>(4,077,194)</u>	<u>(3,688,376)</u>	<u>388,818</u>
Other financing sources (uses):				
Transfers in	325,927	325,927	28,981	(296,946)
Total other financing sources (uses)	<u>325,927</u>	<u>325,927</u>	<u>28,981</u>	<u>(296,946)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (3,682,434)</u>	<u>\$ (3,751,267)</u>	<u>\$ (3,659,395)</u>	<u>\$ 91,872</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Purchasing**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 500	\$ 500	\$ 28	\$ (472)
Total revenues	500	500	28	(472)
Expenditures:				
Salaries	414,547	451,237	420,948	30,289
Other compensation	---	5,771	5,771	---
Fringe benefits	169,838	184,104	163,871	20,233
Supplies and materials	8,000	8,000	5,289	2,711
Services and other expenditures	22,900	22,900	6,009	16,891
Professional and contracted services	2,000	2,000	---	2,000
Rent, utilities, and maintenance	10,000	10,000	7,811	2,189
Interfund services	27,900	27,900	18,816	9,084
Total expenditures	655,185	711,912	628,515	83,397
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (654,685)	\$ (711,412)	\$ (628,487)	\$ 82,925

**Finance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ ---	\$ ---	\$ 3,070	\$ 3,070
Total revenues	---	---	3,070	3,070
Expenditures:				
Salaries	1,767,045	1,767,045	1,532,666	234,379
Other compensation	10,000	19,097	19,096	1
Fringe benefits	666,224	657,127	576,692	80,435
Salary restriction	(77,625)	(77,625)	---	(77,625)
Supplies and materials	24,500	22,000	17,560	4,440
Services and other expenditures	64,000	66,500	64,923	1,577
Professional and contracted services	700	700	690	10
Rent, utilities, and maintenance	700	700	122	578
Interfund services	41,500	41,500	28,585	12,915
Total expenditures	2,497,044	2,497,044	2,240,334	256,710
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (2,497,044)	\$ (2,497,044)	\$ (2,237,264)	\$ 259,780

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Board of Equalization**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 443,446	\$ 281,623	\$ 226,732	\$ 54,891
Other compensation	---	5,771	5,771	---
Fringe benefits	149,700	52,382	45,708	6,674
Supplies and materials	9,200	9,200	579	8,621
Services and other expenditures	4,000	4,000	3,582	418
Professional and contracted services	40,000	40,000	---	40,000
Rent, utilities, and maintenance	2,700	2,700	---	2,700
Interfund services	20,000	20,000	15,112	4,888
Total expenditures	669,046	415,676	297,484	118,192
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (669,046)	\$ (415,676)	\$ (297,484)	\$ 118,192

**Chief Information Officer**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 126,840	\$ 126,840	\$ 153,787	\$ 26,947
Charges for services	70,160	70,160	66,566	(3,594)
Total revenues	197,000	197,000	220,353	23,353
Expenditures:				
Salaries	217,472	217,472	217,258	214
Fringe benefits	66,027	66,061	66,060	1
Supplies and materials	2,000	2,400	2,372	28
Services and other expenditures	205,676	205,276	197,975	7,301
Interfund services	(122,867)	(122,867)	(125,867)	3,000
Total expenditures	368,308	368,342	357,798	10,544
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (171,308)	\$ (171,342)	\$ (137,445)	\$ 33,897

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Information Technology Operations**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ ---	\$ ---	\$ 621	\$ 621
Fines, fees and permits	1,600,000	1,600,000	1,662,503	62,503
Total revenues	1,600,000	1,600,000	1,663,124	63,124
Expenditures:				
Salaries	5,451,845	5,547,335	5,115,703	431,632
Other compensation	110,753	110,753	44,258	66,495
Fringe benefits	2,081,554	2,120,239	1,939,493	180,746
Salary restriction	(665,000)	(555,000)	---	(555,000)
Supplies and materials	523,326	713,610	504,121	209,489
Services and other expenditures	1,109,507	1,450,744	1,305,597	145,147
Professional and contracted services	819,541	408,849	392,888	15,961
Rent, utilities, and maintenance	573,357	466,827	461,419	5,408
Interfund services	209,631	219,491	199,492	19,999
Asset acquisitions	162,600	157,244	128,902	28,342
Contingencies and restrictions	---	(420,000)	---	(420,000)
Total expenditures	10,377,114	10,220,092	10,091,873	128,219
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (8,777,114)	\$ (8,620,092)	\$ (8,428,749)	\$ 191,343

**Housing**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 5,000	\$ 5,000	\$ 4,850	\$ (150)
Total revenues	5,000	5,000	4,850	(150)
Expenditures:				
Salaries	217,022	217,022	216,974	48
Fringe benefits	88,751	88,751	85,086	3,665
Supplies and materials	7,700	7,700	6,358	1,342
Services and other expenditures	5,275	5,275	1,389	3,886
Interfund services	33,039	33,039	32,703	336
Total expenditures	351,787	351,787	342,510	9,277
Excess (deficiency) of revenues over (under) expenditures	(346,787)	(346,787)	(337,660)	9,127
Other financing sources (uses):				
Transfers out	(64,361)	(64,361)	(64,150)	211
Total other financing sources (uses)	(64,361)	(64,361)	(64,150)	211
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (411,148)	\$ (411,148)	\$ (401,810)	\$ 9,338

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Director of Public Works**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Expenditures:</b>				
Salaries	\$ 204,418	\$ 204,418	\$ 194,419	\$ 9,999
Fringe benefits	76,671	76,671	76,489	182
Salary restriction	(209,346)	(9,846)	---	(9,846)
Supplies and materials	2,350	4,550	3,299	1,251
Services and other expenditures	2,510	3,810	3,776	34
Professional and contracted services	26,500	26,500	25,676	824
Interfund services	338,700	273,700	246,106	27,594
Asset acquisitions	38,000	50,137	44,878	5,259
<b>Total expenditures</b>	<b>479,803</b>	<b>629,940</b>	<b>594,643</b>	<b>35,297</b>
Excess (deficiency) of revenues over (under) expenditures	(479,803)	(629,940)	(594,643)	35,297
<b>Other financing sources (uses):</b>				
Transfers in	35,170	35,170	35,170	---
Transfers out	(50,000)	(72,000)	(50,000)	22,000
<b>Total other financing sources (uses)</b>	<b>(14,830)</b>	<b>(36,830)</b>	<b>(14,830)</b>	<b>22,000</b>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (494,633)	\$ (666,770)	\$ (609,473)	\$ 57,297

**Environmental Programs**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Fines, fees and permits	\$ 400,000	\$ 400,000	\$ 375,427	\$ (24,573)
<b>Total revenues</b>	<b>400,000</b>	<b>400,000</b>	<b>375,427</b>	<b>(24,573)</b>
<b>Expenditures:</b>				
Salaries	160,071	160,071	149,277	10,794
Other compensation	70	299	299	---
Fringe benefits	57,470	57,470	51,573	5,897
Salary restriction	---	(16,400)	---	(16,400)
Supplies and materials	20,531	23,161	13,198	9,963
Services and other expenditures	9,624	11,264	9,152	2,112
Professional and contracted services	20,900	35,030	13,435	21,595
Rent, utilities, and maintenance	221,865	272,465	263,522	8,943
Interfund services	74,681	85,681	68,571	17,110
<b>Total expenditures</b>	<b>565,212</b>	<b>629,041</b>	<b>569,027</b>	<b>60,014</b>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (165,212)	\$ (229,041)	\$ (193,600)	\$ 35,441

**Parks and Grounds Maintenance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Charges for services	\$ 467,000	\$ 467,000	\$ 254,083	\$ (212,917)
Fines, fees and permits	39,000	39,000	17,479	(21,521)
Other revenue	125,000	125,000	123,656	(1,344)
Investment income	---	---	179	179
Total revenues	631,000	631,000	395,397	(235,603)
Expenditures:				
Salaries	741,101	746,427	658,647	87,780
Other compensation	1,138	6,874	110	6,764
Fringe benefits	252,214	247,985	214,344	33,641
Salary restriction	---	(128,000)	---	(128,000)
Supplies and materials	69,487	82,555	83,712	(1,157)
Services and other expenditures	60,529	50,607	44,179	6,428
Professional and contracted services	62,000	15,753	15,600	153
Rent, utilities, and maintenance	502,496	955,660	950,145	5,515
Interfund services	101,117	141,441	135,802	5,639
Asset acquisitions	44,190	13,324	10,624	2,700
Affiliated organizations	575,848	575,848	575,848	---
Total expenditures	2,410,120	2,708,474	2,689,011	19,463
Excess (deficiency) of revenues over (under) expenditures	(1,779,120)	(2,077,474)	(2,293,614)	(216,140)
Other financing sources (uses):				
Sale of capital assets	100,000	100,000	---	(100,000)
Total other financing sources (uses)	100,000	100,000	---	(100,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,679,120)	\$ (1,977,474)	\$ (2,293,614)	\$ (316,140)

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Support Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Federal and local revenue	\$ 1,400,000	\$ 1,400,000	\$ 1,369,570	\$ (30,430)
Charges for services	78,950	119,610	100,110	(19,500)
Fines, fees and permits	75,000	75,000	207,495	132,495
Other revenue	---	---	3,487	3,487
Total revenues	1,553,950	1,594,610	1,680,662	86,052
<b>Expenditures:</b>				
Salaries	5,699,541	5,674,115	5,436,853	237,262
Other compensation	66,387	66,387	60,789	5,598
Fringe benefits	2,346,284	2,344,776	2,248,707	96,069
Salary restriction	(302,814)	(338,043)	---	(338,043)
Supplies and materials	1,023,719	969,940	853,339	116,601
Services and other expenditures	47,175	92,620	86,681	5,939
Professional and contracted services	296,199	242,420	205,053	37,367
Rent, utilities, and maintenance	5,876,646	5,605,166	5,316,612	288,554
Interfund services	1,067,383	1,106,269	1,112,976	(6,707)
Asset acquisitions	30,220	365,587	106,760	258,827
Contingencies and restrictions	---	(624,000)	---	(624,000)
Total expenditures	16,150,740	15,505,237	15,427,770	77,467
Excess (deficiency) of revenues over (under) expenditures	(14,596,790)	(13,910,627)	(13,747,108)	163,519
<b>Other financing sources (uses):</b>				
Sale of capital assets	500,000	500,000	703,900	203,900
Insurance recoveries	---	---	73,182	73,182
Total other financing sources (uses)	500,000	500,000	777,082	277,082
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (14,096,790)	\$ (13,410,627)	\$ (12,970,026)	\$ 440,601

**Director of Health Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Expenditures:</b>				
Salaries	\$ 330,684	\$ 330,684	\$ 309,853	\$ 20,831
Other compensation	---	3,034	506	2,528
Fringe benefits	122,071	122,071	113,158	8,913
Salary restriction	(302,069)	(27,069)	---	(27,069)
Total expenditures	150,686	428,720	423,517	5,203
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (150,686)	\$ (428,720)	\$ (423,517)	\$ 5,203

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Forensic Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 174,000	\$ 174,000	\$ 124,364	\$ (49,636)
Fines, fees and permits	320,000	320,000	233,072	(86,928)
Total revenues	<u>494,000</u>	<u>494,000</u>	<u>357,436</u>	<u>(136,564)</u>
<b>Expenditures:</b>				
Supplies and materials	40,000	28,000	25,956	2,044
Services and other expenditures	8,400	188,400	178,361	10,039
Professional and contracted services	3,243,187	3,074,655	3,074,645	10
Rent, utilities, and maintenance	294,000	294,000	279,020	14,980
Interfund services	35,600	45,200	44,370	830
Total expenditures	<u>3,621,187</u>	<u>3,630,255</u>	<u>3,602,352</u>	<u>27,903</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (3,127,187)</u>	<u>\$ (3,136,255)</u>	<u>\$ (3,244,916)</u>	<u>\$ (108,661)</u>

**Health Services Administration and Finance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 12,000	\$ 12,000	\$ 8,188	\$ (3,812)
Charges for services	137,716	137,716	133,582	(4,134)
Fines, fees and permits	945,000	945,000	776,447	(168,553)
Other revenue	5,000	5,000	5,675	675
Total revenues	<u>1,099,716</u>	<u>1,099,716</u>	<u>923,892</u>	<u>(175,824)</u>
<b>Expenditures:</b>				
Salaries	1,093,848	1,097,992	1,051,786	46,206
Other compensation	10,305	7,771	7,555	216
Fringe benefits	475,997	477,170	443,644	33,526
Salary restriction	(61,000)	(61,000)	---	(61,000)
Supplies and materials	55,818	51,690	32,497	19,193
Services and other expenditures	88,415	85,215	85,535	(320)
Professional and contracted services	162,393	62,393	850	61,543
Rent, utilities, and maintenance	278,106	316,381	259,985	56,396
Interfund services	(1,020,731)	(1,139,709)	(1,027,098)	(112,611)
Contingencies and restrictions	(273,000)	(23,000)	---	(23,000)
Total expenditures	<u>810,151</u>	<u>874,903</u>	<u>854,754</u>	<u>20,149</u>
Excess (deficiency) of revenues over (under) expenditures	<u>289,565</u>	<u>224,813</u>	<u>69,138</u>	<u>(155,675)</u>
<b>Other financing sources (uses):</b>				
Transfers in	929,800	917,800	917,800	---
Total other financing sources (uses)	<u>929,800</u>	<u>917,800</u>	<u>917,800</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 1,219,365</u>	<u>\$ 1,142,613</u>	<u>\$ 986,938</u>	<u>\$ (155,675)</u>

**Environmental Health Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 1,035,704	\$ 1,035,704	\$ 979,778	\$ (55,926)
Charges for services	350	350	203	(147)
Fines, fees and permits	850,000	850,000	706,598	(143,402)
Total revenues	<u>1,886,054</u>	<u>1,886,054</u>	<u>1,686,579</u>	<u>(199,475)</u>
<b>Expenditures:</b>				
Salaries	1,768,867	1,768,867	1,537,944	230,923
Other compensation	22,330	22,930	22,811	119
Fringe benefits	720,880	720,880	624,447	96,433
Salary restriction	(160,754)	(160,754)	---	(160,754)
Supplies and materials	40,816	63,316	46,906	16,410
Services and other expenditures	78,540	72,540	56,448	16,092
Professional and contracted services	5,490	15,490	12,098	3,392
Rent, utilities, and maintenance	18,100	9,600	2,161	7,439
Interfund services	22,965	22,965	1,960	21,005
Asset acquisitions	5,000	61,885	56,885	5,000
Total expenditures	<u>2,522,234</u>	<u>2,597,719</u>	<u>2,361,660</u>	<u>236,059</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(636,180)</u>	<u>(711,665)</u>	<u>(675,081)</u>	<u>36,584</u>
<b>Other financing sources (uses):</b>				
Transfers out	<u>(1,541,048)</u>	<u>(1,531,048)</u>	<u>(1,317,837)</u>	<u>213,211</u>
Total other financing sources (uses)	<u>(1,541,048)</u>	<u>(1,531,048)</u>	<u>(1,317,837)</u>	<u>213,211</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (2,177,228)</u>	<u>\$ (2,242,713)</u>	<u>\$ (1,992,918)</u>	<u>\$ 249,795</u>

**Community Health**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 1,429,000	\$ 1,429,000	\$ 979,413	\$ (449,587)
Fines, fees and permits	22,000	22,000	20,423	(1,577)
Other revenue	15,000	15,000	16,218	1,218
Total revenues	1,466,000	1,466,000	1,016,054	(449,946)
<b>Expenditures:</b>				
Salaries	3,355,607	3,338,549	2,847,253	491,296
Other compensation	44,769	43,669	33,035	10,634
Fringe benefits	1,345,237	1,340,408	1,126,966	213,442
Salary restriction	(118,670)	(393,670)	---	(393,670)
Supplies and materials	582,224	761,237	684,222	77,015
Services and other expenditures	132,238	121,238	78,576	42,662
Professional and contracted services	559,830	476,130	371,522	104,608
Rent, utilities, and maintenance	460,567	439,712	397,484	42,228
Interfund services	208,673	241,178	223,251	17,927
Contingencies and restrictions	---	(250,000)	---	(250,000)
Total expenditures	6,570,475	6,118,451	5,762,309	356,142
Excess (deficiency) of revenues over (under) expenditures	(5,104,475)	(4,652,451)	(4,746,255)	(93,804)
<b>Other financing sources (uses):</b>				
Transfers in	547,000	547,000	287,385	(259,615)
Transfers out	(563,850)	(563,850)	(563,850)	---
Total other financing sources (uses)	(16,850)	(16,850)	(276,465)	(259,615)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (5,121,325)	\$ (4,669,301)	\$ (5,022,720)	\$ (353,419)

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Health Planning and Promotion**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 326,979	\$ 326,979	\$ 280,726	\$ 46,253
Fringe benefits	127,813	127,813	98,489	29,324
Supplies and materials	24,250	24,250	16,728	7,522
Services and other expenditures	44,850	23,850	9,312	14,538
Professional and contracted services	20,000	---	---	---
Rent, utilities, and maintenance	3,000	5,000	4,550	450
Interfund services	21,100	21,100	20,013	1,087
Total expenditures	<u>567,992</u>	<u>528,992</u>	<u>429,818</u>	<u>99,174</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(567,992)</u>	<u>(528,992)</u>	<u>(429,818)</u>	<u>99,174</u>
Other financing sources (uses):				
Transfers out	<u>(5,409)</u>	<u>(5,409)</u>	<u>(4,268)</u>	<u>1,141</u>
Total other financing sources (uses)	<u>(5,409)</u>	<u>(5,409)</u>	<u>(4,268)</u>	<u>1,141</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (573,401)</u>	<u>\$ (534,401)</u>	<u>\$ (434,086)</u>	<u>\$ 100,315</u>

**Inmate Medical Care**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 179,806	\$ 192,720	\$ 69,372	\$ 123,348
Fringe benefits	70,998	74,654	26,363	48,291
Salary restriction	(41,482)	(41,482)	---	(41,482)
Supplies and materials	6,800	7,300	2,390	4,910
Services and other expenditures	17,000	3,500	455	3,045
Professional and contracted services	11,456,885	11,523,810	11,499,880	23,930
Rent, utilities, and maintenance	2,600	10,600	9,577	1,023
Interfund services	15,000	8,000	7,852	148
Total expenditures	<u>11,707,607</u>	<u>11,779,102</u>	<u>11,615,889</u>	<u>163,213</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (11,707,607)</u>	<u>\$ (11,779,102)</u>	<u>\$ (11,615,889)</u>	<u>\$ 163,213</u>

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Director of Community Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Other revenue	\$ ---	\$ ---	\$ 2,271	\$ 2,271
Total revenues	---	---	2,271	2,271
<b>Expenditures:</b>				
Salaries	583,189	546,630	455,950	90,680
Other compensation	---	5,500	5,418	82
Fringe benefits	222,280	220,842	166,336	54,506
Salary restriction	(116,675)	(11,675)	---	(11,675)
Supplies and materials	17,700	17,700	6,408	11,292
Services and other expenditures	47,525	53,725	29,037	24,688
Professional and contracted services	182,500	109,400	48,750	60,650
Interfund services	53,100	(38,400)	(70,640)	32,240
Asset acquisitions	---	60,900	58,141	2,759
Contingencies and restrictions	---	(25,000)	---	(25,000)
Total expenditures	989,619	939,622	699,400	240,222
Excess (deficiency) of revenues over (under) expenditures	(989,619)	(939,622)	(697,129)	242,493
<b>Other financing sources (uses):</b>				
Transfers in	---	---	47,142	47,142
Transfers out	---	---	(27,415)	(27,415)
Total other financing sources (uses)	---	---	19,727	19,727
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (989,619)	\$ (939,622)	\$ (677,402)	\$ 262,220

**Community and Diversion Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Expenditures:</b>				
Services and other expenditures	\$ 20,000	\$ 600	\$ 500	\$ 100
Professional and contracted services	1,937,334	2,189,038	2,145,400	43,638
Total expenditures	1,957,334	2,189,638	2,145,900	43,738
Excess (deficiency) of revenues over (under) expenditures	(1,957,334)	(2,189,638)	(2,145,900)	43,738
<b>Other financing sources (uses):</b>				
Transfers in	---	---	16,131	16,131
Transfers out	---	(81,671)	(81,671)	---
Total other financing sources (uses)	---	(81,671)	(65,540)	16,131
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,957,334)	\$ (2,271,309)	\$ (2,211,440)	\$ 59,869

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Crime Victims Center**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 420,000	\$ 420,000	\$ 355,375	\$ (64,625)
Federal and local revenue	65,000	65,000	58,700	(6,300)
Fines, fees and permits	125,000	125,000	119,674	(5,326)
<b>Total revenues</b>	<b>610,000</b>	<b>610,000</b>	<b>533,749</b>	<b>(76,251)</b>
<b>Expenditures:</b>				
Salaries	671,840	709,840	707,047	2,793
Other compensation	44,975	38,745	36,880	1,865
Fringe benefits	216,461	216,461	206,484	9,977
Supplies and materials	41,588	39,388	28,756	10,632
Services and other expenditures	30,600	31,600	19,702	11,898
Professional and contracted services	248,200	249,400	233,993	15,407
Rent, utilities, and maintenance	126,110	126,110	119,796	6,314
Interfund services	41,336	41,336	31,167	10,169
<b>Total expenditures</b>	<b>1,421,110</b>	<b>1,452,880</b>	<b>1,383,825</b>	<b>69,055</b>
Excess (deficiency) of revenues over (under) expenditures	(811,110)	(842,880)	(850,076)	(7,196)
<b>Other financing sources (uses):</b>				
Transfers out	(128,676)	(128,676)	(125,063)	3,613
<b>Total other financing sources (uses)</b>	<b>(128,676)</b>	<b>(128,676)</b>	<b>(125,063)</b>	<b>3,613</b>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (939,786)	\$ (971,556)	\$ (975,139)	\$ (3,583)

**Pretrial Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 300,000	\$ 300,000	\$ 262,613	\$ (37,387)
<b>Total revenues</b>	<b>300,000</b>	<b>300,000</b>	<b>262,613</b>	<b>(37,387)</b>
<b>Expenditures:</b>				
Salaries	2,766,510	2,767,950	2,488,282	279,668
Other compensation	7,800	8,530	8,524	6
Fringe benefits	1,209,461	1,208,023	1,072,682	135,341
Salary restriction	(141,454)	(246,454)	---	(246,454)
Supplies and materials	72,178	72,178	49,079	23,099
Services and other expenditures	37,251	37,251	26,365	10,886
Professional and contracted services	207,000	207,000	207,000	---
Rent, utilities, and maintenance	5,000	5,000	2,301	2,699
Interfund services	75,399	75,399	64,754	10,645
Contingencies and restrictions	---	(20,000)	---	(20,000)
<b>Total expenditures</b>	<b>4,239,145</b>	<b>4,114,877</b>	<b>3,918,987</b>	<b>195,890</b>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (3,939,145)	\$ (3,814,877)	\$ (3,656,374)	\$ 158,503

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Sheriff's Office**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 2,757,600	\$ 2,757,600	\$ 2,250,557	\$ (507,043)
Federal and local revenue	727,995	727,995	545,865	(182,130)
Charges for services	1,153,000	1,153,000	1,207,422	54,422
Fines, fees and permits	1,367,646	1,367,646	1,522,124	154,478
Other revenue	30,271	30,271	58,633	28,362
Total revenues	<u>6,036,512</u>	<u>6,036,512</u>	<u>5,584,601</u>	<u>(451,911)</u>
<b>Expenditures:</b>				
Salaries	96,025,018	96,096,089	88,449,848	7,646,241
Other compensation	11,056,682	11,039,728	12,016,617	(976,889)
Fringe benefits	40,373,595	40,319,458	37,806,383	2,513,075
Salary restriction	(9,998,475)	(9,548,359)	---	(9,548,359)
Supplies and materials	5,196,077	5,088,911	4,738,735	350,176
Services and other expenditures	1,120,880	1,212,743	1,190,021	22,722
Professional and contracted services	7,701,179	7,508,503	7,266,630	241,873
Rent, utilities, and maintenance	3,459,918	3,404,713	3,300,657	104,056
Interfund services	769,275	858,026	855,647	2,379
Asset acquisitions	700,000	662,634	654,188	8,446
Total expenditures	<u>156,404,149</u>	<u>156,642,446</u>	<u>156,278,726</u>	<u>363,720</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(150,367,637)</u>	<u>(150,605,934)</u>	<u>(150,694,125)</u>	<u>(88,191)</u>
<b>Other financing sources (uses):</b>				
Transfers in	184,497	184,497	73,538	(110,959)
Transfers out	(14,952)	(14,952)	(13,102)	1,850
Insurance recoveries	25,000	25,000	23,083	(1,917)
Total other financing sources (uses)	<u>194,545</u>	<u>194,545</u>	<u>83,519</u>	<u>(111,026)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (150,173,092)</u>	<u>\$ (150,411,389)</u>	<u>\$ (150,610,606)</u>	<u>\$ (199,217)</u>

**General Fund  
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**Chancery Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Fines, fees and permits	\$ 3,400,000	\$ 3,400,000	\$ 3,451,764	\$ 51,764
Investment income	25,000	25,000	28,079	3,079
<b>Total revenues</b>	<b>3,425,000</b>	<b>3,425,000</b>	<b>3,479,843</b>	<b>54,843</b>
<b>Expenditures:</b>				
Salaries	1,020,381	1,020,381	902,930	117,451
Fringe benefits	406,318	406,318	348,080	58,238
Salary restriction	(56,720)	(56,720)	---	(56,720)
Supplies and materials	16,200	19,311	18,841	470
Services and other expenditures	113,500	101,886	100,406	1,480
Professional and contracted services	1,500	34	26	8
Rent, utilities, and maintenance	1,500	---	---	---
Interfund services	37,103	48,572	45,394	3,178
<b>Total expenditures</b>	<b>1,539,782</b>	<b>1,539,782</b>	<b>1,415,677</b>	<b>124,105</b>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>\$ 1,885,218</b>	<b>\$ 1,885,218</b>	<b>\$ 2,064,166</b>	<b>\$ 178,948</b>

**Circuit Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Fines, fees and permits	\$ 3,127,000	\$ 3,127,000	\$ 2,759,018	\$ (367,982)
Investment income	10,000	10,000	10,169	169
<b>Total revenues</b>	<b>3,137,000</b>	<b>3,137,000</b>	<b>2,769,187</b>	<b>(367,813)</b>
<b>Expenditures:</b>				
Salaries	1,962,157	1,902,157	1,709,436	192,721
Other compensation	5,771	5,771	2,331	3,440
Fringe benefits	718,501	696,808	655,177	41,631
Salary restriction	(83,170)	(83,170)	---	(83,170)
Supplies and materials	47,175	47,175	37,354	9,821
Services and other expenditures	117,600	117,600	107,212	10,388
Professional and contracted services	1,600	1,600	1,346	254
Rent, utilities, and maintenance	1,000	1,000	---	1,000
Interfund services	120,199	120,199	109,236	10,963
<b>Total expenditures</b>	<b>2,890,833</b>	<b>2,809,140</b>	<b>2,622,092</b>	<b>187,048</b>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>\$ 246,167</b>	<b>\$ 327,860</b>	<b>\$ 147,095</b>	<b>\$ (180,765)</b>

**General Fund  
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**Criminal Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Fines, fees and permits	\$ 4,090,000	\$ 4,090,000	\$ 4,238,315	\$ 148,315
Other revenue	10,000	10,000	---	(10,000)
Investment income	2,000	2,000	3,110	1,110
<b>Total revenues</b>	<b>4,102,000</b>	<b>4,102,000</b>	<b>4,241,425</b>	<b>139,425</b>
<b>Expenditures:</b>				
Salaries	3,471,678	3,471,678	3,115,571	356,107
Other compensation	5,000	24,208	24,208	---
Fringe benefits	1,412,579	1,393,371	1,253,101	140,270
Salary restriction	(205,249)	(205,249)	---	(205,249)
Supplies and materials	101,143	101,143	43,935	57,208
Services and other expenditures	33,685	33,685	29,498	4,187
Professional and contracted services	1,000	1,000	---	1,000
Rent, utilities, and maintenance	9,170	9,170	2,092	7,078
Interfund services	151,926	151,926	144,931	6,995
<b>Total expenditures</b>	<b>4,980,932</b>	<b>4,980,932</b>	<b>4,613,336</b>	<b>367,596</b>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>\$ (878,932)</b>	<b>\$ (878,932)</b>	<b>\$ (371,911)</b>	<b>\$ 507,021</b>

**General Sessions Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Other local taxes	\$ 460,000	\$ 460,000	\$ 411,088	\$ (48,912)
Fines, fees and permits	10,069,168	10,069,168	9,320,801	(748,367)
Investment income	20,000	20,000	27,958	7,958
<b>Total revenues</b>	<b>10,549,168</b>	<b>10,549,168</b>	<b>9,759,847</b>	<b>(789,321)</b>
<b>Expenditures:</b>				
Salaries	9,550,163	9,553,163	9,120,565	432,598
Other compensation	118,454	118,454	29,052	89,402
Fringe benefits	3,696,400	3,697,246	3,498,160	199,086
Salary restriction	(378,274)	(378,274)	---	(378,274)
Supplies and materials	143,694	150,641	129,019	21,622
Services and other expenditures	190,915	174,250	143,390	30,860
Professional and contracted services	375,251	374,973	363,906	11,067
Rent, utilities, and maintenance	49,405	49,394	44,940	4,454
Interfund services	384,699	402,520	385,440	17,080
<b>Total expenditures</b>	<b>14,130,707</b>	<b>14,142,367</b>	<b>13,714,472</b>	<b>427,895</b>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>\$ (3,581,539)</b>	<b>\$ (3,593,199)</b>	<b>\$ (3,954,625)</b>	<b>\$ (361,426)</b>

**General Fund  
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**Probate Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 575,000	\$ 575,000	\$ 581,976	\$ 6,976
Total revenues	575,000	575,000	581,976	6,976
Expenditures:				
Salaries	852,171	852,171	827,499	24,672
Fringe benefits	307,263	307,263	292,217	15,046
Supplies and materials	11,145	11,145	8,790	2,355
Services and other expenditures	12,000	12,500	12,381	119
Professional and contracted services	1,400	900	---	900
Rent, utilities, and maintenance	2,324	2,324	---	2,324
Interfund services	42,817	42,817	40,089	2,728
Total expenditures	1,229,120	1,229,120	1,180,976	48,144
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (654,120)	\$ (654,120)	\$ (599,000)	\$ 55,120

**Juvenile Court Judge**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 90,000	\$ 90,000	\$ 123,422	\$ 33,422
Federal and local revenue	55,000	55,000	46,816	(8,184)
Charges for services	2,700	2,700	5,020	2,320
Other revenue	6,000	6,000	3,479	(2,521)
Total revenues	153,700	153,700	178,737	25,037
Expenditures:				
Salaries	9,985,666	10,092,919	9,453,278	639,641
Other compensation	154,043	366,043	365,984	59
Fringe benefits	4,167,864	3,976,583	3,850,971	125,612
Salary restriction	(364,356)	(364,356)	---	(364,356)
Supplies and materials	395,840	432,240	405,092	27,148
Services and other expenditures	148,760	155,660	150,470	5,190
Professional and contracted services	1,341,642	1,343,463	1,332,309	11,154
Rent, utilities, and maintenance	636,500	752,475	737,357	15,118
Interfund services	128,718	(12,682)	(31,240)	18,558
Asset acquisitions	---	31,750	31,676	74
Total expenditures	16,594,677	16,774,095	16,295,897	478,198
Excess (deficiency) of revenues over (under) expenditures	(16,440,977)	(16,620,395)	(16,117,160)	503,235
Other financing sources (uses):				
Transfers in	67,688	67,688	67,688	---
Transfers out	(2,019)	(2,019)	(2,568)	(549)
Total other financing sources (uses)	65,669	65,669	65,120	(549)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (16,375,308)	\$ (16,554,726)	\$ (16,052,040)	\$ 502,686

**Juvenile Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 800,000	\$ 800,000	\$ 688,789	\$ (111,211)
Fines, fees and permits	600,000	600,000	447,005	(152,995)
Total revenues	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,135,794</u>	<u>(264,206)</u>
<b>Expenditures:</b>				
Salaries	3,280,447	3,280,447	3,086,187	194,260
Other compensation	56,042	56,042	28,312	27,730
Fringe benefits	1,411,820	1,411,820	1,328,042	83,778
Salary restriction	(100,000)	(100,000)	---	(100,000)
Supplies and materials	119,050	116,250	64,260	51,990
Services and other expenditures	67,267	66,217	52,838	13,379
Professional and contracted services	150,303	154,453	153,526	927
Rent, utilities, and maintenance	77,100	76,800	60,204	16,596
Interfund services	27,062	27,062	24,229	2,833
Total expenditures	<u>5,089,091</u>	<u>5,089,091</u>	<u>4,797,598</u>	<u>291,493</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,689,091)</u>	<u>(3,689,091)</u>	<u>(3,661,804)</u>	<u>27,287</u>
<b>Other financing sources (uses):</b>				
Transfers in	33,962	33,962	4,366	(29,596)
Transfers out	(322,303)	(322,303)	(239,685)	82,618
Total other financing sources (uses)	<u>(288,341)</u>	<u>(288,341)</u>	<u>(235,319)</u>	<u>53,022</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (3,977,432)</u>	<u>\$ (3,977,432)</u>	<u>\$ (3,897,123)</u>	<u>\$ 80,309</u>

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**Public Defender**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 5,006,700	\$ 5,006,700	\$ 4,829,100	\$ (177,600)
Fines, fees and permits	175,000	175,000	173,789	(1,211)
Other revenue	---	---	48,290	48,290
Total revenues	5,181,700	5,181,700	5,051,179	(130,521)
<b>Expenditures:</b>				
Salaries	8,928,253	8,928,253	7,952,857	975,396
Other compensation	---	6,600	6,569	31
Fringe benefits	3,280,831	3,274,232	2,881,092	393,140
Salary restriction	(237,479)	(237,479)	---	(237,479)
Supplies and materials	86,000	258,207	247,496	10,711
Services and other expenditures	188,468	224,465	183,427	41,038
Professional and contracted services	113,481	120,519	64,220	56,299
Rent, utilities, and maintenance	35,307	49,329	49,286	43
Interfund services	190,900	160,900	139,530	21,370
Asset acquisitions	---	77,750	77,750	---
Contingencies and restrictions	---	(80,000)	---	(80,000)
Total expenditures	12,585,761	12,782,776	11,602,227	1,180,549
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (7,404,061)	\$ (7,601,076)	\$ (6,551,048)	\$ 1,050,028

**Divorce Referee**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Fines, fees and permits	\$ 280,000	\$ 280,000	\$ 254,994	\$ (25,006)
Total revenues	280,000	280,000	254,994	(25,006)
<b>Expenditures:</b>				
Salaries	416,785	416,790	416,789	1
Fringe benefits	174,409	174,404	171,777	2,627
Supplies and materials	900	900	286	614
Services and other expenditures	2,127	2,127	157	1,970
Interfund services	2,552	2,552	2,550	2
Total expenditures	596,773	596,773	591,559	5,214
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (316,773)	\$ (316,773)	\$ (336,565)	\$ (19,792)

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**Jury Commission**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 223,933	\$ 225,106	\$ 225,105	\$ 1
Fringe benefits	106,701	105,528	92,226	13,302
Supplies and materials	2,724	3,424	3,042	382
Services and other expenditures	481,740	454,195	383,307	70,888
Professional and contracted services	17,560	43,855	43,855	---
Interfund services	53,542	53,542	43,574	9,968
Asset acquisitions	---	550	550	---
Total expenditures	<u>886,200</u>	<u>886,200</u>	<u>791,659</u>	<u>94,541</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (886,200)</u>	<u>\$ (886,200)</u>	<u>\$ (791,659)</u>	<u>\$ 94,541</u>

**Attorney General**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 46,000	\$ 46,000	\$ 37,205	\$ (8,795)
Federal and local revenue	52,500	52,500	39,726	(12,774)
Total revenues	<u>98,500</u>	<u>98,500</u>	<u>76,931</u>	<u>(21,569)</u>
Expenditures:				
Salaries	7,362,243	7,352,035	7,055,689	296,346
Other compensation	23,842	23,842	5	23,837
Fringe benefits	2,603,585	2,613,793	2,501,646	112,147
Salary restriction	(295,700)	(295,700)	---	(295,700)
Supplies and materials	8,940	435	435	---
Services and other expenditures	36,073	44,661	43,801	860
Rent, utilities, and maintenance	48,435	40,025	40,025	---
Interfund services	160,263	168,590	168,792	(202)
Total expenditures	<u>9,947,681</u>	<u>9,947,681</u>	<u>9,810,393</u>	<u>137,288</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,849,181)</u>	<u>(9,849,181)</u>	<u>(9,733,462)</u>	<u>115,719</u>
Other financing sources (uses):				
Transfers out	(2,046)	(2,046)	(1,431)	615
Total other financing sources (uses)	<u>(2,046)</u>	<u>(2,046)</u>	<u>(1,431)</u>	<u>615</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (9,851,227)</u>	<u>\$ (9,851,227)</u>	<u>\$ (9,734,893)</u>	<u>\$ 116,334</u>

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**Commissioner's Contingency**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ ---	\$ 68,250	\$ 64,184	\$ 4,066
Fringe benefits	---	5,745	2,909	2,836
Contingencies and restrictions	200,000	126,007	---	126,007
Total expenditures	<u>200,000</u>	<u>200,002</u>	<u>67,093</u>	<u>132,909</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (200,000)</u>	<u>\$ (200,002)</u>	<u>\$ (67,093)</u>	<u>\$ 132,909</u>

**Legislative Operations**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 1,034,328	\$ 1,034,328	\$ 992,611	\$ 41,717
Other compensation	8,806	8,806	7,969	837
Fringe benefits	386,442	386,442	369,643	16,799
Supplies and materials	116,449	68,923	61,361	7,562
Services and other expenditures	184,600	211,386	203,455	7,931
Professional and contracted services	402,500	236,331	235,787	544
Rent, utilities, and maintenance	---	6,300	6,215	85
Interfund services	94,394	79,394	67,267	12,127
Asset acquisitions	---	120,853	120,853	---
Total expenditures	<u>2,227,519</u>	<u>2,152,763</u>	<u>2,065,161</u>	<u>87,602</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (2,227,519)</u>	<u>\$ (2,152,763)</u>	<u>\$ (2,065,161)</u>	<u>\$ 87,602</u>

**Equal Opportunity Compliance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures:				
Salaries	\$ 547,418	\$ 547,418	\$ 463,693	\$ 83,725
Other compensation	3,207	3,207	1,924	1,283
Fringe benefits	202,961	202,961	166,312	36,649
Salary restriction	(80,250)	(80,250)	---	(80,250)
Supplies and materials	15,400	15,400	4,199	11,201
Services and other expenditures	37,325	37,325	15,443	21,882
Professional and contracted services	9,723	9,723	---	9,723
Rent, utilities, and maintenance	500	500	---	500
Interfund services	27,067	27,067	15,792	11,275
Total expenditures	<u>763,351</u>	<u>763,351</u>	<u>667,363</u>	<u>95,988</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (763,351)</u>	<u>\$ (763,351)</u>	<u>\$ (667,363)</u>	<u>\$ 95,988</u>

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**Assessor**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 21,250	\$ 21,250	\$ 19,464	\$ (1,786)
Charges for services	5,000	5,000	6,981	1,981
Total revenues	26,250	26,250	26,445	195
<b>Expenditures:</b>				
Salaries	6,605,500	6,728,059	6,018,475	709,584
Other compensation	43,831	43,831	46,867	(3,036)
Fringe benefits	2,716,599	2,790,683	2,442,000	348,683
Salary restriction	(127,064)	(127,064)	---	(127,064)
Supplies and materials	119,941	134,941	118,986	15,955
Services and other expenditures	274,496	273,905	242,995	30,910
Professional and contracted services	374,000	381,227	215,294	165,933
Rent, utilities, and maintenance	374,489	374,489	300,954	73,535
Interfund services	137,077	138,172	137,956	216
Asset acquisitions	---	44,659	44,658	1
Contingencies and restrictions	---	(150,000)	---	(150,000)
Total expenditures	10,518,869	10,632,902	9,568,185	1,064,717
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (10,492,619)	\$ (10,606,652)	\$ (9,541,740)	\$ 1,064,912

**County Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
Fines, fees and permits	\$ 9,716,000	\$ 9,716,000	\$ 10,694,356	\$ 978,356
Investment income	9,200	9,200	16,102	6,902
Total revenues	9,725,200	9,725,200	10,710,458	985,258
<b>Expenditures:</b>				
Salaries	3,146,711	3,146,711	2,950,003	196,708
Other compensation	37,772	37,772	16,357	21,415
Fringe benefits	1,400,503	1,400,503	1,293,004	107,499
Salary restriction	(180,561)	(180,561)	---	(180,561)
Supplies and materials	90,701	112,921	93,371	19,550
Services and other expenditures	21,585	19,059	16,500	2,559
Professional and contracted services	---	26	26	---
Rent, utilities, and maintenance	122,632	112,912	107,941	4,971
Interfund services	389,864	409,864	389,478	20,386
Total expenditures	5,029,207	5,059,207	4,866,680	192,527
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 4,695,993	\$ 4,665,993	\$ 5,843,778	\$ 1,177,785

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Register**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Fines, fees and permits	\$ 3,850,000	\$ 3,850,000	\$ 3,423,515	\$ (426,485)
Investment income	2,000	2,000	3,548	1,548
Total revenues	3,852,000	3,852,000	3,427,063	(424,937)
Expenditures:				
Salaries	1,176,632	1,176,632	1,136,157	40,475
Other compensation	10,000	10,000	9,044	956
Fringe benefits	495,471	495,471	466,645	28,826
Salary restriction	(40,000)	(40,000)	---	(40,000)
Supplies and materials	38,030	37,130	36,505	625
Services and other expenditures	12,270	12,270	10,137	2,133
Professional and contracted services	2,700	---	---	---
Rent, utilities, and maintenance	15,675	20,275	19,487	788
Interfund services	56,216	55,216	41,322	13,894
Total expenditures	1,766,994	1,766,994	1,719,297	47,697
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 2,085,006	\$ 2,085,006	\$ 1,707,766	\$ (377,240)

**Trustee**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 1,475,000	\$ 1,475,000	\$ 1,399,043	\$ (75,957)
Fines, fees and permits	22,000,000	22,000,000	22,276,179	276,179
Investment income	18,000	18,000	11,142	(6,858)
Total revenues	23,493,000	23,493,000	23,686,364	193,364
Expenditures:				
Salaries	3,799,797	3,799,797	3,341,543	458,254
Other compensation	40,127	40,127	37,676	2,451
Fringe benefits	1,496,931	1,496,931	1,325,649	171,282
Salary restriction	(100,719)	(100,719)	---	(100,719)
Supplies and materials	99,400	99,400	46,657	52,743
Services and other expenditures	944,059	869,059	798,648	70,411
Professional and contracted services	1,028,238	1,124,638	829,678	294,960
Rent, utilities, and maintenance	204,122	204,122	184,377	19,745
Interfund services	110,000	110,000	37,428	72,572
Contingencies and restrictions	---	(280,000)	---	(280,000)
Total expenditures	7,621,955	7,363,355	6,601,656	761,699
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ 15,871,045	\$ 16,129,645	\$ 17,084,708	\$ 955,063

**General Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Election Commission**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 18,000	\$ 18,000	\$ 15,164	\$ (2,836)
Federal and local revenue	30,000	80,000	43,656	(36,344)
Charges for services	4,500	4,500	4,245	(255)
Total revenues	52,500	102,500	63,065	(39,435)
Expenditures:				
Salaries	1,761,170	1,930,978	1,891,314	39,664
Other compensation	205,000	218,049	176,360	41,689
Fringe benefits	373,459	382,324	355,249	27,075
Salary restriction	(50,000)	(50,000)	---	(50,000)
Supplies and materials	113,500	71,512	61,186	10,326
Services and other expenditures	452,200	374,326	362,579	11,747
Professional and contracted services	252,000	323,700	301,443	22,257
Rent, utilities, and maintenance	271,000	270,900	265,254	5,646
Interfund services	488,000	394,538	351,725	42,813
Total expenditures	3,866,329	3,916,327	3,765,110	151,217
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (3,813,829)	\$ (3,813,827)	\$ (3,702,045)	\$ 111,782

**Grants Fund**  
**Budgetary Comparison Schedule - Summary by Type**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 78,205,191	\$ 81,314,335	\$ 51,420,829	\$ (29,893,506)
Federal and local revenue	32,340,729	44,881,600	19,576,613	(25,304,987)
Charges for services	1,625,617	1,625,617	1,267,181	(358,436)
Fines, fees and permits	543,833	543,833	215,423	(328,410)
Other revenue	1,612,846	2,443,413	1,258,938	(1,184,475)
Investment income	40,000	40,000	100,514	60,514
Total revenues	<u>114,368,216</u>	<u>130,848,798</u>	<u>73,839,498</u>	<u>(57,009,300)</u>
<b>Expenditures:</b>				
Salaries	25,688,701	26,618,977	21,540,918	5,078,059
Other compensation	492,137	1,033,667	547,758	485,909
Fringe benefits	10,178,115	10,442,283	8,660,378	1,781,905
Salary restriction	(794,310)	(1,570,908)	---	(1,570,908)
Supplies and materials	2,917,129	4,115,090	1,854,187	2,260,903
Services and other expenditures	20,138,556	21,107,728	12,279,830	8,827,898
Professional and contracted services	29,501,714	32,144,186	17,265,577	14,878,609
Rent, utilities, and maintenance	1,608,445	1,915,297	1,029,822	885,475
Interfund services	2,801,510	3,427,612	2,565,883	861,729
Asset acquisitions	25,365,202	36,472,407	11,164,727	25,307,680
Total expenditures	<u>117,897,199</u>	<u>135,706,339</u>	<u>76,909,080</u>	<u>58,797,259</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,528,983)</u>	<u>(4,857,541)</u>	<u>(3,069,582)</u>	<u>1,787,959</u>
<b>Other financing sources (uses):</b>				
Transfers in	9,734,719	11,961,875	4,374,384	(7,587,491)
Transfers out	(7,139,493)	(8,064,566)	(1,583,924)	6,480,642
Sale of capital assets	280,000	280,000	---	(280,000)
Insurance recoveries	35,320	35,320	---	(35,320)
Planned change in fund balance	618,437	644,912	---	(644,912)
Total other financing sources (uses)	<u>3,528,983</u>	<u>4,857,541</u>	<u>2,790,460</u>	<u>(2,067,081)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (279,122)</u>	<u>\$ (279,122)</u>

**Grants Fund**  
**Budgetary Comparison Schedule - Summary by Department**  
**For the Year Ended June 30, 2015**

	Final Budget	Actual Amounts	Variance
<b>Revenues:</b>			
<b>General Government</b>			
Chief Administrative Officer	\$ 1,871,482	\$ 592,991	\$ (1,278,491)
	<u>1,871,482</u>	<u>592,991</u>	<u>(1,278,491)</u>
<b>Planning and Development</b>			
Local Planning	5,000	---	(5,000)
Economic and Resource Management	1,778,401	672,569	(1,105,832)
Housing	19,731,800	5,768,049	(13,963,751)
Regional Services	3,033,557	1,896,619	(1,136,938)
	<u>24,548,758</u>	<u>8,337,237</u>	<u>(16,211,521)</u>
<b>Public Works</b>			
Environmental Programs	573,094	360,161	(212,933)
Roads and Bridges	22,482,542	7,683,146	(14,799,396)
Support Services	657,006	611,516	(45,490)
	<u>23,712,642</u>	<u>8,654,823</u>	<u>(15,057,819)</u>
<b>Corrections</b>			
Corrections Administration	1,299,332	866,738	(432,594)
Correction Center Facility	30,000	30,000	---
	<u>1,329,332</u>	<u>896,738</u>	<u>(432,594)</u>
<b>Health Services</b>			
Health Services Administration and Finance	979,457	917,800	(61,657)
Environmental Health Services	4,320,459	2,407,028	(1,913,431)
Community Health	22,383,408	18,091,594	(4,291,814)
Health Planning and Promotion	758,556	575,368	(183,188)
	<u>28,441,880</u>	<u>21,991,790</u>	<u>(6,450,090)</u>
<b>Community Services</b>			
Director of Community Services	1,431,037	607,411	(823,626)
Community Services Administration	15,033,502	10,900,326	(4,133,176)
Head Start	457,401	403,741	(53,660)
Community and Diversion Services	2,874,712	1,273,282	(1,601,430)
Ryan White	8,070,613	7,732,827	(337,786)
Crime Victims Center	617,281	538,973	(78,308)
Pretrial Services	259,308	240,847	(18,461)
Aging Commission of the Mid-South	9,148,222	6,281,716	(2,866,506)
	<u>37,892,076</u>	<u>27,979,123</u>	<u>(9,912,953)</u>
<b>Law Enforcement</b>			
Sheriff's Office	8,277,676	1,442,058	(6,835,618)
	<u>8,277,676</u>	<u>1,442,058</u>	<u>(6,835,618)</u>
<b>Judicial</b>			
General Sessions Court Clerk	904,294	839,639	(64,655)
Juvenile Court Judge	2,128,747	2,046,017	(82,730)
Juvenile Court Clerk	625,647	464,437	(161,210)
Public Defender	477,875	6,222	(471,653)
Attorney General	638,389	588,423	(49,966)
	<u>4,774,952</u>	<u>3,944,738</u>	<u>(830,214)</u>
<b>Total revenues</b>	<u>130,848,798</u>	<u>73,839,498</u>	<u>(57,009,300)</u>

**Grants Fund**

**Budgetary Comparison Schedule - Summary by Department (continued)**  
**For the Year Ended June 30, 2015**

	Final Budget	Actual Amounts	Variance
<b>Expenditures:</b>			
<b>General Government</b>			
Chief Administrative Officer	\$ 2,039,439	\$ 735,438	\$ 1,304,001
	2,039,439	735,438	1,304,001
<b>Planning and Development</b>			
Local Planning	6,000	---	6,000
Economic and Resource Management	2,178,401	717,823	1,460,578
Housing	14,359,441	4,430,989	9,928,452
Regional Services	3,391,474	2,228,544	1,162,930
	19,935,316	7,377,356	12,557,960
<b>Public Works</b>			
Environmental Programs	647,361	225,110	422,251
Roads and Bridges	29,724,617	10,108,496	19,616,121
Support Services	657,006	418,274	238,732
	31,028,984	10,751,880	20,277,104
<b>Corrections</b>			
Corrections Administration	1,779,273	1,350,175	429,098
Correction Center Facility	30,000	30,000	---
	1,809,273	1,380,175	429,098
<b>Health Services</b>			
Health Services Administration and Finance	61,657	---	61,657
Environmental Health Services	6,097,748	3,765,584	2,332,164
Community Health	22,733,258	18,593,013	4,140,245
Health Planning and Promotion	763,965	579,636	184,329
	29,656,628	22,938,233	6,718,395
<b>Community Services</b>			
Director of Community Services	1,431,037	607,411	823,626
Community Services Administration	15,115,173	10,988,710	4,126,463
Head Start	457,401	466,585	(9,184)
Community and Diversion Services	2,874,712	1,293,475	1,581,237
Ryan White	8,070,613	7,732,827	337,786
Crime Victims Center	745,957	664,036	81,921
Pretrial Services	259,308	177,857	81,451
Aging Commission of the Mid-South	9,148,222	6,281,716	2,866,506
	38,102,423	28,212,617	9,889,806
<b>Law Enforcement</b>			
Sheriff's Office	8,108,131	1,419,665	6,688,466
	8,108,131	1,419,665	6,688,466
<b>Judicial</b>			
General Sessions Court Clerk	904,294	839,639	64,655
Juvenile Court Judge	2,089,553	1,957,696	131,857
Juvenile Court Clerk	913,988	699,756	214,232
Public Defender	477,875	6,222	471,653
Attorney General	640,435	590,403	50,032
	5,026,145	4,093,716	932,429
Total expenditures	135,706,339	76,909,080	58,797,259
Excess (deficiency) of revenues over (under) expenditures	(4,857,541)	(3,069,582)	1,787,959

**Grants Fund**  
**Budgetary Comparison Schedule - Summary by Department (continued)**  
**For the Year Ended June 30, 2015**

	Final Budget	Actual Amounts	Variance
Transfers in:			
Chief Administrative Officer	\$ 187,187	\$ 187,187	\$ ---
Housing	64,361	(1,520,811)	(1,585,172)
Regional Services	357,917	331,925	(25,992)
Environmental Programs	50,000	50,000	---
Roads and Bridges	7,206,755	2,425,037	(4,781,718)
Corrections Administration	479,941	483,437	3,496
Environmental Health Services	1,777,289	1,358,556	(418,733)
Community Health	780,152	563,850	(216,302)
Health Planning and Promotion	84,709	4,268	(80,441)
Community Services Administration	81,671	108,803	27,132
Crime Victims Center	128,676	125,063	(3,613)
Pretrial Services	---	283	283
Aging Commission of the Mid-South	421,897	---	(421,897)
Sheriff's Office	14,952	13,102	(1,850)
Juvenile Court Judge	2,019	2,019	---
Juvenile Court Clerk	322,303	239,685	(82,618)
Attorney General	2,046	1,980	(66)
Total transfers in	11,961,875	4,374,384	(7,587,491)
Transfers out:			
Chief Administrative Officer	(169,230)	(320,089)	(150,859)
Housing	(5,716,720)	---	5,716,720
Environmental Programs	(35,170)	(35,170)	---
Health Services Administration and Finance	(917,800)	(917,800)	---
Community Health	(438,302)	(102,000)	336,302
Health Planning and Promotion	(79,300)	---	79,300
Pretrial Services	---	(63,273)	(63,273)
Aging Commission of the Mid-South	(421,897)	---	421,897
Sheriff's Office	(184,497)	(73,538)	110,959
Juvenile Court Judge	(67,688)	(67,688)	---
Juvenile Court Clerk	(33,962)	(4,366)	29,596
Total transfers out	(8,064,566)	(1,583,924)	6,480,642
Other financing sources (uses):			
Chief Administrative Officer	150,000	---	(150,000)
Local Planning	1,000	---	(1,000)
Economic and Resource Management	400,000	---	(400,000)
Housing	280,000	---	(280,000)
Environmental Programs	59,437	---	(59,437)
Roads and Bridges	35,320	---	(35,320)
Community Health	8,000	---	(8,000)
Juvenile Court Judge	26,475	---	(26,475)
Total other financing sources (uses)	960,232	---	(960,232)
Net Other Financing Sources and Uses	4,857,541	2,790,460	(2,067,081)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ (279,122)	\$ (279,122)

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Chief Administrative Officer**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 864,915	\$ 991,615	\$ 559,502	\$ (432,113)
Federal and local revenue	1,006,567	879,867	7,434	(872,433)
Other revenue	---	---	26,055	26,055
Total revenues	1,871,482	1,871,482	592,991	(1,278,491)
Expenditures:				
Salaries	228,969	228,969	228,969	---
Other compensation	38,458	38,458	---	38,458
Fringe benefits	84,919	84,919	85,213	(294)
Supplies and materials	1,022,372	1,025,330	119,413	905,917
Services and other expenditures	6,500	11,719	7,538	4,181
Professional and contracted services	137,786	83,600	83,484	116
Rent, utilities, and maintenance	520,435	514,674	159,176	355,498
Interfund services	---	19,252	19,127	125
Asset acquisitions	---	32,518	32,518	---
Total expenditures	2,039,439	2,039,439	735,438	1,304,001
Excess (deficiency) of revenues over (under) expenditures	(167,957)	(167,957)	(142,447)	25,510
Other financing sources (uses):				
Transfers in	187,187	187,187	187,187	---
Transfers out	(169,230)	(169,230)	(320,089)	(150,859)
Planned change in fund balance	150,000	150,000	---	(150,000)
Total other financing sources (uses)	167,957	167,957	(132,902)	(300,859)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (275,349)	\$ (275,349)

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Local Planning**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Other revenue	\$ 5,000	\$ 5,000	\$ ---	\$ (5,000)
Total revenues	5,000	5,000	---	(5,000)
Expenditures:				
Supplies and materials	6,000	6,000	---	6,000
Total expenditures	6,000	6,000	---	6,000
Excess (deficiency) of revenues over (under) expenditures	(1,000)	(1,000)	---	1,000
Other financing sources (uses):				
Planned change in fund balance	1,000	1,000	---	(1,000)
Total other financing sources (uses)	1,000	1,000	---	(1,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Economic and Resource Management**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 1,464,247	\$ 1,778,401	\$ 665,323	\$ (1,113,078)
Investment income	---	---	7,246	7,246
Total revenues	1,464,247	1,778,401	672,569	(1,105,832)
Expenditures:				
Salaries	90,260	90,260	34,007	56,253
Fringe benefits	37,213	37,213	13,576	23,637
Supplies and materials	5,500	5,500	2,109	3,391
Services and other expenditures	114,474	159,474	78,700	80,774
Professional and contracted services	1,609,500	1,865,654	573,443	1,292,211
Rent, utilities, and maintenance	1,300	1,300	---	1,300
Interfund services	6,000	19,000	15,988	3,012
Total expenditures	1,864,247	2,178,401	717,823	1,460,578
Excess (deficiency) of revenues over (under) expenditures	(400,000)	(400,000)	(45,254)	354,746
Other financing sources (uses):				
Planned change in fund balance	400,000	400,000	---	(400,000)
Total other financing sources (uses)	400,000	400,000	---	(400,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (45,254)	\$ (45,254)

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Housing**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 1,750,000	\$ 1,750,000	\$ 340,252	\$ (1,409,748)
Federal and local revenue	15,117,382	17,176,530	5,033,596	(12,142,934)
Fines, fees and permits	425,270	425,270	121,120	(304,150)
Other revenue	340,000	340,000	181,299	(158,701)
Investment income	40,000	40,000	91,782	51,782
Total revenues	17,672,652	19,731,800	5,768,049	(13,963,751)
Expenditures:				
Salaries	585,186	585,186	537,218	47,968
Other compensation	75,425	75,425	---	75,425
Fringe benefits	243,641	243,641	216,912	26,729
Supplies and materials	69,189	68,989	10,088	58,901
Services and other expenditures	6,264,381	6,678,156	2,359,532	4,318,624
Professional and contracted services	5,917,231	6,602,844	1,300,934	5,301,910
Rent, utilities, and maintenance	2,240	6,000	5,955	45
Interfund services	13,000	13,200	350	12,850
Asset acquisitions	130,000	86,000	---	86,000
Total expenditures	13,300,293	14,359,441	4,430,989	9,928,452
Excess (deficiency) of revenues over (under) expenditures	4,372,359	5,372,359	1,337,060	(4,035,299)
Other financing sources (uses):				
Transfers in	64,361	64,361	(1,520,811)	(1,585,172)
Transfers out	(4,716,720)	(5,716,720)	---	5,716,720
Sale of capital assets	280,000	280,000	---	(280,000)
Total other financing sources (uses)	(4,372,359)	(5,372,359)	(1,520,811)	3,851,548
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (183,751)	\$ (183,751)

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Regional Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 2,272,182	\$ 2,783,557	\$ 1,789,144	\$ (994,413)
Federal and local revenue	250,000	250,000	107,475	(142,525)
Total revenues	<u>2,522,182</u>	<u>3,033,557</u>	<u>1,896,619</u>	<u>(1,136,938)</u>
Expenditures:				
Salaries	689,651	689,651	523,589	166,062
Fringe benefits	243,129	243,129	203,483	39,646
Supplies and materials	37,000	37,000	17,200	19,800
Services and other expenditures	111,100	89,100	60,852	28,248
Professional and contracted services	1,422,600	1,933,975	1,057,898	876,077
Rent, utilities, and maintenance	10,500	10,500	---	10,500
Interfund services	366,119	388,119	365,522	22,597
Total expenditures	<u>2,880,099</u>	<u>3,391,474</u>	<u>2,228,544</u>	<u>1,162,930</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(357,917)</u>	<u>(357,917)</u>	<u>(331,925)</u>	<u>25,992</u>
Other financing sources (uses):				
Transfers in	357,917	357,917	331,925	(25,992)
Total other financing sources (uses)	<u>357,917</u>	<u>357,917</u>	<u>331,925</u>	<u>(25,992)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Environmental Programs**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 125,297	\$ 125,297	\$ 84,999	\$ (40,298)
Federal and local revenue	121,000	121,000	115,000	(6,000)
Charges for services	78,000	78,000	146,538	68,538
Other revenue	228,797	248,797	12,138	(236,659)
Investment income	---	---	1,486	1,486
Total revenues	553,094	573,094	360,161	(212,933)
<b>Expenditures:</b>				
Salaries	51,627	51,627	49,428	2,199
Fringe benefits	13,989	13,989	12,056	1,933
Supplies and materials	11,399	10,751	7,129	3,622
Services and other expenditures	5,050	14,998	12,571	2,427
Professional and contracted services	268,601	253,601	120,385	133,216
Rent, utilities, and maintenance	14,991	34,991	9,376	25,615
Interfund services	11,350	17,050	14,165	2,885
Asset acquisitions	250,354	250,354	---	250,354
Total expenditures	627,361	647,361	225,110	422,251
Excess (deficiency) of revenues over (under) expenditures	(74,267)	(74,267)	135,051	209,318
<b>Other financing sources (uses):</b>				
Transfers in	50,000	50,000	50,000	---
Transfers out	(35,170)	(35,170)	(35,170)	---
Planned change in fund balance	59,437	59,437	---	(59,437)
Total other financing sources (uses)	74,267	74,267	14,830	(59,437)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 149,881	\$ 149,881

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Roads and Bridges**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 19,366,022	\$ 20,122,252	\$ 6,770,628	\$ (13,351,624)
Federal and local revenue	1,533,892	1,200,558	432,900	(767,658)
Other revenue	550,000	1,159,732	479,618	(680,114)
Total revenues	21,449,914	22,482,542	7,683,146	(14,799,396)
Expenditures:				
Salaries	467,905	529,263	232,701	296,562
Fringe benefits	181,328	197,548	96,886	100,662
Supplies and materials	17,834	17,834	9,828	8,006
Services and other expenditures	11,700	27,200	15,049	12,151
Professional and contracted services	1,454,879	753,419	57,289	696,130
Rent, utilities, and maintenance	---	41,000	20,835	20,165
Interfund services	500	500	---	500
Asset acquisitions	24,628,281	28,157,853	9,675,908	18,481,945
Total expenditures	26,762,427	29,724,617	10,108,496	19,616,121
Excess (deficiency) of revenues over (under) expenditures	(5,312,513)	(7,242,075)	(2,425,350)	4,816,725
Other financing sources (uses):				
Transfers in	5,277,193	7,206,755	2,425,037	(4,781,718)
Insurance recoveries	35,320	35,320	---	(35,320)
Total other financing sources (uses)	5,312,513	7,242,075	2,425,037	(4,817,038)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (313)	\$ (313)

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Support Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 538,443	\$ 538,443	\$ 498,359	\$ (40,084)
Charges for services	---	---	18,854	18,854
Fines, fees and permits	118,563	118,563	94,303	(24,260)
Total revenues	657,006	657,006	611,516	(45,490)
Expenditures:				
Salaries	46,114	46,114	45,856	258
Other compensation	1,536	1,527	95	1,432
Fringe benefits	17,761	17,770	17,770	---
Supplies and materials	3,356	3,356	---	3,356
Services and other expenditures	2,300	2,300	100	2,200
Professional and contracted services	584,039	584,039	353,850	230,189
Interfund services	1,900	1,900	603	1,297
Total expenditures	657,006	657,006	418,274	238,732
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 193,242	\$ 193,242

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Corrections Administration**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 110,000	\$ 110,000	\$ 204,756	\$ 94,756
Federal and local revenue	210,605	1,189,332	661,982	(527,350)
Total revenues	320,605	1,299,332	866,738	(432,594)
Expenditures:				
Salaries	224,319	481,777	431,852	49,925
Other compensation	---	39,085	39	39,046
Fringe benefits	79,384	149,074	143,500	5,574
Supplies and materials	82,493	302,652	178,455	124,197
Services and other expenditures	80,500	307,764	175,487	132,277
Professional and contracted services	35,000	19,500	19,500	---
Rent, utilities, and maintenance	7,000	2,000	---	2,000
Interfund services	3,000	27,421	21,997	5,424
Asset acquisitions	---	450,000	379,345	70,655
Total expenditures	511,696	1,779,273	1,350,175	429,098
Excess (deficiency) of revenues over (under) expenditures	(191,091)	(479,941)	(483,437)	(3,496)
Other financing sources (uses):				
Transfers in	191,091	479,941	483,437	3,496
Total other financing sources (uses)	191,091	479,941	483,437	3,496
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Correction Center Facility**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 30,000	\$ 30,000	\$ 30,000	\$ ---
Total revenues	30,000	30,000	30,000	---
Expenditures:				
Salaries	30,000	30,000	30,000	---
Total expenditures	30,000	30,000	30,000	---
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Health Services Administration and Finance**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 979,457	\$ 979,457	\$ 917,800	\$ (61,657)
Total revenues	<u>979,457</u>	<u>979,457</u>	<u>917,800</u>	<u>(61,657)</u>
Expenditures:				
Other compensation	52,693	52,693	---	52,693
Professional and contracted services	8,964	8,964	---	8,964
Total expenditures	<u>61,657</u>	<u>61,657</u>	<u>---</u>	<u>61,657</u>
Excess (deficiency) of revenues over (under) expenditures	<u>917,800</u>	<u>917,800</u>	<u>917,800</u>	<u>---</u>
Other financing sources (uses):				
Transfers out	(917,800)	(917,800)	(917,800)	---
Total other financing sources (uses)	<u>(917,800)</u>	<u>(917,800)</u>	<u>(917,800)</u>	<u>---</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Environmental Health Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 2,968,636	\$ 3,223,959	\$ 1,636,683	\$ (1,587,276)
Federal and local revenue	1,135,233	1,096,500	770,345	(326,155)
Total revenues	<u>4,103,869</u>	<u>4,320,459</u>	<u>2,407,028</u>	<u>(1,913,431)</u>
Expenditures:				
Salaries	2,039,009	2,039,004	1,642,895	396,109
Other compensation	---	700	613	87
Fringe benefits	811,037	811,041	647,373	163,668
Salary restriction	(58,260)	(304,560)	---	(304,560)
Supplies and materials	279,702	600,126	374,133	225,993
Services and other expenditures	452,609	515,192	66,834	448,358
Professional and contracted services	1,520,292	1,506,567	527,438	979,129
Rent, utilities, and maintenance	115,758	129,635	59,574	70,061
Interfund services	455,011	568,011	300,379	267,632
Asset acquisitions	276,000	232,032	146,345	85,687
Total expenditures	<u>5,891,158</u>	<u>6,097,748</u>	<u>3,765,584</u>	<u>2,332,164</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,787,289)</u>	<u>(1,777,289)</u>	<u>(1,358,556)</u>	<u>418,733</u>
Other financing sources (uses):				
Transfers in	1,787,289	1,777,289	1,358,556	(418,733)
Total other financing sources (uses)	<u>1,787,289</u>	<u>1,777,289</u>	<u>1,358,556</u>	<u>(418,733)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Community Health**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 18,856,085	\$ 19,406,488	\$ 16,339,008	\$ (3,067,480)
Federal and local revenue	1,318,861	1,431,995	634,156	(797,839)
Charges for services	1,544,499	1,544,499	1,100,230	(444,269)
Other revenue	426	426	18,200	17,774
Total revenues	21,719,871	22,383,408	18,091,594	(4,291,814)
Expenditures:				
Salaries	13,252,256	13,546,524	11,030,886	2,515,638
Other compensation	100,127	165,944	165,100	844
Fringe benefits	5,363,162	5,486,899	4,547,093	939,806
Salary restriction	(633,664)	(1,085,162)	---	(1,085,162)
Supplies and materials	955,192	1,297,969	726,790	571,179
Services and other expenditures	592,549	644,861	295,749	349,112
Professional and contracted services	808,451	790,960	353,355	437,605
Rent, utilities, and maintenance	308,105	371,951	188,209	183,742
Interfund services	1,311,543	1,513,312	1,285,831	227,481
Total expenditures	22,057,721	22,733,258	18,593,013	4,140,245
Excess (deficiency) of revenues over (under) expenditures	(337,850)	(349,850)	(501,419)	(151,569)
Other financing sources (uses):				
Transfers in	867,928	780,152	563,850	(216,302)
Transfers out	(538,078)	(438,302)	(102,000)	336,302
Planned change in fund balance	8,000	8,000	---	(8,000)
Total other financing sources (uses)	337,850	349,850	461,850	112,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (39,569)	\$ (39,569)

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Health Planning and Promotion**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 627,956	\$ 708,556	\$ 564,450	\$ (144,106)
Federal and local revenue	---	50,000	10,918	(39,082)
Total revenues	627,956	758,556	575,368	(183,188)
Expenditures:				
Salaries	232,303	280,903	197,676	83,227
Fringe benefits	92,362	111,858	76,782	35,076
Salary restriction	---	(78,800)	---	(78,800)
Supplies and materials	157,873	230,325	182,273	48,052
Services and other expenditures	71,625	99,808	74,171	25,637
Professional and contracted services	40,000	36,577	2,000	34,577
Rent, utilities, and maintenance	1,500	29,880	28,774	1,106
Interfund services	37,702	53,414	17,960	35,454
Total expenditures	633,365	763,965	579,636	184,329
Excess (deficiency) of revenues over (under) expenditures	(5,409)	(5,409)	(4,268)	1,141
Other financing sources (uses):				
Transfers in	5,409	84,709	4,268	(80,441)
Transfers out	---	(79,300)	---	79,300
Total other financing sources (uses)	5,409	5,409	4,268	(1,141)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Director of Community Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 255,312	\$ 255,312	\$ 171,911	\$ (83,401)
Federal and local revenue	1,175,725	1,175,725	435,500	(740,225)
Total revenues	<u>1,431,037</u>	<u>1,431,037</u>	<u>607,411</u>	<u>(823,626)</u>
Expenditures:				
Salaries	160,038	160,038	71,600	88,438
Fringe benefits	34,909	34,909	27,789	7,120
Salary restriction	(1,910)	(1,910)	---	(1,910)
Supplies and materials	4,000	1,700	1,322	378
Services and other expenditures	15,000	17,300	15,848	1,452
Professional and contracted services	1,212,500	1,212,500	490,288	722,212
Rent, utilities, and maintenance	1,500	1,500	500	1,000
Interfund services	5,000	5,000	64	4,936
Total expenditures	<u>1,431,037</u>	<u>1,431,037</u>	<u>607,411</u>	<u>823,626</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Community Services Administration**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 14,959,051	\$ 14,959,051	\$ 10,845,019	\$ (4,114,032)
Federal and local revenue	54,451	54,451	37,932	(16,519)
Other revenue	20,000	20,000	17,375	(2,625)
Total revenues	<u>15,033,502</u>	<u>15,033,502</u>	<u>10,900,326</u>	<u>(4,133,176)</u>
<b>Expenditures:</b>				
Salaries	1,798,804	1,708,205	1,336,384	371,821
Other compensation	46,814	46,814	392	46,422
Fringe benefits	690,582	649,218	563,037	86,181
Salary restriction	(11,404)	(11,404)	---	(11,404)
Supplies and materials	45,808	143,893	19,570	124,323
Services and other expenditures	11,924,573	11,945,051	8,751,989	3,193,062
Professional and contracted services	1,000	82,671	---	82,671
Rent, utilities, and maintenance	316,955	295,728	229,991	65,737
Interfund services	220,370	254,997	87,347	167,650
Total expenditures	<u>15,033,502</u>	<u>15,115,173</u>	<u>10,988,710</u>	<u>4,126,463</u>
Excess (deficiency) of revenues over (under) expenditures	<u>---</u>	<u>(81,671)</u>	<u>(88,384)</u>	<u>(6,713)</u>
<b>Other financing sources (uses):</b>				
Transfers in	54,451	81,671	108,803	27,132
Transfers out	(54,451)	---	---	---
Total other financing sources (uses)	<u>---</u>	<u>81,671</u>	<u>108,803</u>	<u>27,132</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 20,419</u>	<u>\$ 20,419</u>

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Head Start**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ ---	\$ 457,401	\$ 403,741	\$ (53,660)
Total revenues	---	457,401	403,741	(53,660)
Expenditures:				
Salaries	---	153,131	121,325	31,806
Other compensation	---	---	94,764	(94,764)
Fringe benefits	---	12,886	8,438	4,448
Supplies and materials	---	6,291	1,492	4,799
Services and other expenditures	---	35,626	35,559	67
Professional and contracted services	---	86,146	62,840	23,306
Rent, utilities, and maintenance	---	144,183	129,107	15,076
Interfund services	---	19,138	13,060	6,078
Total expenditures	---	457,401	466,585	(9,184)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (62,844)	\$ (62,844)

**Community and Diversion Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 1,706,975	\$ 2,216,975	\$ 729,967	\$ (1,487,008)
Federal and local revenue	238,571	657,737	543,215	(114,522)
Other revenue	---	---	100	100
Total revenues	1,945,546	2,874,712	1,273,282	(1,601,430)
Expenditures:				
Salaries	334,750	334,750	47,242	287,508
Fringe benefits	124,864	124,864	20,743	104,121
Supplies and materials	37,514	37,514	3,585	33,929
Services and other expenditures	92,242	92,142	37,222	54,920
Professional and contracted services	1,239,766	2,168,932	1,157,003	1,011,929
Rent, utilities, and maintenance	98,410	98,410	22,901	75,509
Interfund services	18,000	18,100	4,779	13,321
Total expenditures	1,945,546	2,874,712	1,293,475	1,581,237
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (20,193)	\$ (20,193)

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

Ryan White

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ ---	\$ ---	\$ 43,133	\$ 43,133
Federal and local revenue	7,188,799	8,070,613	7,689,606	(381,007)
Other revenue	---	---	88	88
Total revenues	7,188,799	8,070,613	7,732,827	(337,786)
Expenditures:				
Salaries	572,467	595,870	551,251	44,619
Other compensation	---	14,865	2,863	12,002
Fringe benefits	239,824	244,658	226,701	17,957
Salary restriction	(5,487)	(5,487)	---	(5,487)
Supplies and materials	34,952	114,850	94,130	20,720
Services and other expenditures	78,112	92,862	57,164	35,698
Professional and contracted services	6,234,163	6,871,101	6,692,007	179,094
Rent, utilities, and maintenance	8,065	11,355	104	11,251
Interfund services	26,703	130,539	108,607	21,932
Total expenditures	7,188,799	8,070,613	7,732,827	337,786
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Crime Victims Center**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 482,860	\$ 482,860	\$ 497,000	\$ 14,140
Federal and local revenue	---	93,546	14,671	(78,875)
Other revenue	---	40,875	27,302	(13,573)
Total revenues	482,860	617,281	538,973	(78,308)
Expenditures:				
Salaries	437,615	537,877	468,956	68,921
Other compensation	---	8,024	---	8,024
Fringe benefits	173,893	194,670	186,810	7,860
Salary restriction	(9,970)	(9,970)	---	(9,970)
Supplies and materials	998	2,853	---	2,853
Services and other expenditures	8,000	9,003	7,988	1,015
Interfund services	1,000	3,500	282	3,218
Total expenditures	611,536	745,957	664,036	81,921
Excess (deficiency) of revenues over (under) expenditures	(128,676)	(128,676)	(125,063)	3,613
Other financing sources (uses):				
Transfers in	128,676	128,676	125,063	(3,613)
Total other financing sources (uses)	128,676	128,676	125,063	(3,613)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Pretrial Services**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 150,000	\$ 150,000	\$ 66,279	\$ (83,721)
Federal and local revenue	109,308	109,308	174,568	65,260
Total revenues	259,308	259,308	240,847	(18,461)
Expenditures:				
Salaries	119,582	119,582	100,472	19,110
Fringe benefits	42,822	42,822	35,789	7,033
Supplies and materials	15,500	14,909	11,177	3,732
Services and other expenditures	11,004	12,764	11,649	1,115
Professional and contracted services	68,000	64,740	15,071	49,669
Rent, utilities, and maintenance	2,400	1,904	1,112	792
Interfund services	---	2,587	2,587	---
Total expenditures	259,308	259,308	177,857	81,451
Excess (deficiency) of revenues over (under) expenditures	---	---	62,990	62,990
Other financing sources (uses):				
Transfers in	---	---	283	283
Transfers out	---	---	(63,273)	(63,273)
Total other financing sources (uses)	---	---	(62,990)	(62,990)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Aging Commission of the Mid-South**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 8,829,973	\$ 8,828,486	\$ 5,996,867	\$ (2,831,619)
Federal and local revenue	240,458	240,458	223,653	(16,805)
Charges for services	3,118	3,118	1,559	(1,559)
Other revenue	15,200	76,160	59,637	(16,523)
Total revenues	9,088,749	9,148,222	6,281,716	(2,866,506)
Expenditures:				
Salaries	1,963,304	2,000,337	1,652,373	347,964
Other compensation	---	1,800	1,763	37
Fringe benefits	821,290	836,667	695,160	141,507
Supplies and materials	105,085	106,636	34,216	72,420
Services and other expenditures	150,442	136,354	58,134	78,220
Professional and contracted services	5,762,450	5,770,950	3,591,801	2,179,149
Rent, utilities, and maintenance	197,452	193,452	174,208	19,244
Interfund services	88,726	102,026	74,061	27,965
Total expenditures	9,088,749	9,148,222	6,281,716	2,866,506
Excess (deficiency) of revenues over (under) expenditures	---	---	---	---
Other financing sources (uses):				
Transfers in	421,897	421,897	---	(421,897)
Transfers out	(421,897)	(421,897)	---	421,897
Total other financing sources (uses)	---	---	---	---
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Sheriff's Office**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 144,610	\$ 464,610	\$ 298,147	\$ (166,463)
Federal and local revenue	318,608	7,765,026	1,131,726	(6,633,300)
Other revenue	38,040	48,040	12,185	(35,855)
Total revenues	501,258	8,277,676	1,442,058	(6,835,618)
Expenditures:				
Salaries	39,845	39,845	38,086	1,759
Other compensation	130,621	545,408	280,060	265,348
Fringe benefits	14,423	14,423	13,823	600
Supplies and materials	5,210	56,860	48,824	8,036
Services and other expenditures	19,244	43,478	35,867	7,611
Professional and contracted services	41,803	85,207	38,634	46,573
Rent, utilities, and maintenance	---	25,000	---	25,000
Interfund services	---	34,260	33,760	500
Asset acquisitions	80,567	7,263,650	930,611	6,333,039
Total expenditures	331,713	8,108,131	1,419,665	6,688,466
Excess (deficiency) of revenues over (under) expenditures	169,545	169,545	22,393	(147,152)
Other financing sources (uses):				
Transfers in	14,952	14,952	13,102	(1,850)
Transfers out	(184,497)	(184,497)	(73,538)	110,959
Total other financing sources (uses)	(169,545)	(169,545)	(60,436)	109,109
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ (38,043)	\$ (38,043)

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**General Sessions Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
<b>Revenues:</b>				
State revenue	\$ 550,000	\$ 550,000	\$ 545,259	\$ (4,741)
Federal and local revenue	304,294	304,294	262,920	(41,374)
Other revenue	---	50,000	31,460	(18,540)
Total revenues	<u>854,294</u>	<u>904,294</u>	<u>839,639</u>	<u>(64,655)</u>
<b>Expenditures:</b>				
Salaries	118,739	153,236	108,340	44,896
Fringe benefits	27,173	42,676	33,907	8,769
Salary restriction	(34,196)	(34,196)	---	(34,196)
Supplies and materials	1,400	1,400	1,384	16
Services and other expenditures	6,000	6,000	5,985	15
Professional and contracted services	733,778	733,278	688,238	45,040
Interfund services	1,400	1,900	1,785	115
Total expenditures	<u>854,294</u>	<u>904,294</u>	<u>839,639</u>	<u>64,655</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Juvenile Court Judge**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 1,932,764	\$ 1,932,764	\$ 1,907,219	\$ (25,545)
Federal and local revenue	119,853	145,983	88,798	(57,185)
Other revenue	21,000	50,000	50,000	---
Total revenues	2,073,617	2,128,747	2,046,017	(82,730)
Expenditures:				
Salaries	1,214,183	1,225,053	1,213,958	11,095
Other compensation	30,288	26,749	200	26,549
Fringe benefits	459,776	466,775	465,562	1,213
Salary restriction	(39,419)	(39,419)	---	(39,419)
Supplies and materials	7,002	10,602	7,752	2,850
Services and other expenditures	58,500	81,925	59,549	22,376
Professional and contracted services	133,036	173,086	76,359	96,727
Interfund services	144,582	144,782	134,316	10,466
Total expenditures	2,007,948	2,089,553	1,957,696	131,857
Excess (deficiency) of revenues over (under) expenditures	65,669	39,194	88,321	49,127
Other financing sources (uses):				
Transfers in	2,019	2,019	2,019	---
Transfers out	(67,688)	(67,688)	(67,688)	---
Planned change in fund balance	---	26,475	---	(26,475)
Total other financing sources (uses)	(65,669)	(39,194)	(65,669)	(26,475)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ 22,652	\$ 22,652

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

**Juvenile Court Clerk**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 625,647	\$ 625,647	\$ 464,437	\$ (161,210)
Total revenues	625,647	625,647	464,437	(161,210)
Expenditures:				
Salaries	527,535	527,535	418,897	108,638
Other compensation	5,000	5,000	1,067	3,933
Fringe benefits	223,190	223,190	166,870	56,320
Supplies and materials	11,750	11,750	3,317	8,433
Services and other expenditures	55,075	55,075	46,292	8,783
Rent, utilities, and maintenance	1,834	1,834	---	1,834
Interfund services	89,604	89,604	63,313	26,291
Total expenditures	913,988	913,988	699,756	214,232
Excess (deficiency) of revenues over (under) expenditures	(288,341)	(288,341)	(235,319)	53,022
Other financing sources (uses):				
Transfers in	322,303	322,303	239,685	(82,618)
Transfers out	(33,962)	(33,962)	(4,366)	29,596
Total other financing sources (uses)	288,341	288,341	235,319	(53,022)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Public Defender**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Federal and local revenue	\$ 267,875	\$ 467,875	\$ ---	\$ (467,875)
Other revenue	---	10,000	6,222	(3,778)
Total revenues	267,875	477,875	6,222	(471,653)
Expenditures:				
Services and other expenditures	---	22,000	2,462	19,538
Professional and contracted services	267,875	455,875	3,760	452,115
Total expenditures	267,875	477,875	6,222	471,653
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---

**Grants Fund  
Budgetary Comparison Schedules  
For the Year Ended June 30, 2015**

Attorney General

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
State revenue	\$ 109,006	\$ 109,006	\$ 150,010	\$ 41,004
Federal and local revenue	135,000	135,000	101,154	(33,846)
Other revenue	394,383	394,383	337,259	(57,124)
Total revenues	638,389	638,389	588,423	(49,966)
Expenditures:				
Salaries	464,240	464,240	426,957	37,283
Other compensation	11,175	11,175	802	10,373
Fringe benefits	157,444	157,444	155,105	2,339
Services and other expenditures	7,576	7,576	7,539	37
Total expenditures	640,435	640,435	590,403	50,032
Excess (deficiency) of revenues over (under) expenditures	(2,046)	(2,046)	(1,980)	66
Other financing sources (uses):				
Transfers in	2,046	2,046	1,980	(66)
Total other financing sources (uses)	2,046	2,046	1,980	(66)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ ---	\$ ---	\$ ---	\$ ---





# Shelby County, Tennessee

## Statistical Section Index For the Year Ended June 30, 2015

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This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statement, note disclosures, and required supplementary information says about the County's overall financial health.

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These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.....	G-2
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### Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports of the relevant year.

**Shelby County, Tennessee**

**Financial Trends Information  
Net Position by Component  
Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 (a)
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 156,764,887	\$ 157,206,332	\$ 180,537,007	\$ 204,190,463	\$ 240,569,297	\$ 328,687,913	\$ 293,284,276	\$ 346,532,271	\$ 382,836,247	\$ 328,439,765
Restricted	80,104,201	91,417,704	106,942,854	87,310,795	207,993,719	148,784,078	75,271,215	21,081,203	42,862,828	42,020,008
Unrestricted	<u>(1,259,839,639)</u>	<u>(1,247,320,422)</u>	<u>(1,270,705,173)</u>	<u>(1,253,600,239)</u>	<u>(1,287,263,343)</u>	<u>(1,228,588,491)</u>	<u>(1,053,237,423)</u>	<u>(995,432,343)</u>	<u>(930,057,071)</u>	<u>(1,010,487,540)</u>
Total governmental activities net position	<u><u>\$ (1,022,970,551)</u></u>	<u><u>\$ (998,696,386)</u></u>	<u><u>\$ (983,225,312)</u></u>	<u><u>\$ (962,098,981)</u></u>	<u><u>\$ (838,700,327)</u></u>	<u><u>\$ (751,116,500)</u></u>	<u><u>\$ (684,681,932)</u></u>	<u><u>\$ (627,818,869)</u></u>	<u><u>\$ (504,357,996)</u></u>	<u><u>\$ (640,027,767)</u></u>
<b>Business-type activities:</b>										
Net investment in capital assets	\$ 27,213,452	\$ 26,737,011	\$ 26,328,481	\$ 25,324,668	\$ 24,388,818	\$ 24,274,150	\$ 24,482,158	\$ 24,854,525	\$ 24,169,229	\$ 23,583,102
Unrestricted	<u>5,422,857</u>	<u>7,996,464</u>	<u>8,667,114</u>	<u>13,288,503</u>	<u>11,950,335</u>	<u>12,276,642</u>	<u>13,376,374</u>	<u>15,115,556</u>	<u>18,447,979</u>	<u>(27,498,232)</u>
Total business-type activities net position	<u><u>\$ 32,636,309</u></u>	<u><u>\$ 34,733,475</u></u>	<u><u>\$ 34,995,595</u></u>	<u><u>\$ 38,613,171</u></u>	<u><u>\$ 36,339,153</u></u>	<u><u>\$ 36,550,792</u></u>	<u><u>\$ 37,858,532</u></u>	<u><u>\$ 39,970,081</u></u>	<u><u>\$ 42,617,208</u></u>	<u><u>\$ (3,915,130)</u></u>
<b>Total Shelby County Government:</b>										
Net investment in capital assets	\$ 183,978,339	\$ 183,943,343	\$ 206,865,488	\$ 229,515,131	\$ 264,958,115	\$ 352,962,063	\$ 317,766,434	\$ 371,386,796	\$ 407,005,476	\$ 352,022,867
Restricted	80,104,201	91,417,704	106,942,854	87,310,795	207,993,719	148,784,078	75,271,215	21,081,203	42,862,828	42,020,008
Unrestricted	<u>(1,254,416,782)</u>	<u>(1,239,323,958)</u>	<u>(1,262,038,059)</u>	<u>(1,240,311,736)</u>	<u>(1,275,313,008)</u>	<u>(1,216,311,849)</u>	<u>(1,039,861,049)</u>	<u>(980,316,787)</u>	<u>(911,609,092)</u>	<u>(1,037,985,772)</u>
Total Shelby County net position	<u><u>\$ (990,334,242)</u></u>	<u><u>\$ (963,962,911)</u></u>	<u><u>\$ (948,229,717)</u></u>	<u><u>\$ (923,485,810)</u></u>	<u><u>\$ (802,361,174)</u></u>	<u><u>\$ (714,565,708)</u></u>	<u><u>\$ (646,823,400)</u></u>	<u><u>\$ (587,848,788)</u></u>	<u><u>\$ (461,740,788)</u></u>	<u><u>\$ (643,942,897)</u></u>

(a) In fiscal year 2015 the County implemented GASB 68 - Accounting and Financial Reporting for Pensions. The cumulative effect of change in accounting principle resulted in a reduction of unrestricted net position of \$ 271,926,374 for governmental activities and \$ 53,843,317 for business-type activities.



**Shelby County, Tennessee**

**Financial Trends Information  
Changes in Net Position  
Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Expenses</b>										
Governmental activities:										
General Government	\$ 41,618,466	\$ 51,998,466	\$ 51,612,810	\$ 50,130,743	\$ 60,757,119	\$ 65,168,733	\$ 58,405,542	\$ 44,292,037	\$ 46,824,367	\$ 43,713,313
Hospital	25,566,667	27,566,667	27,600,000	27,491,667	38,816,666	36,816,000	26,816,000	26,816,000	26,815,406	26,816,000
Planning and Development	6,558,085	6,133,345	5,593,676	6,060,521	5,151,177	6,061,205	6,392,108	7,170,335	8,468,651	7,907,742
Public Works	39,203,679	45,623,519	50,774,639	46,238,481	47,783,453	47,909,770	46,738,284	43,418,152	42,948,647	43,737,574
Corrections	505,384	928,659	1,461,598	1,318,182	1,481,007	1,608,821	1,435,580	1,343,313	1,041,443	1,058,422
Health Services	52,333,668	55,764,370	65,897,329	59,570,012	56,818,691	52,391,485	52,205,826	51,375,837	53,411,088	50,765,349
Community Services	44,053,420	43,627,279	45,804,646	59,954,415	73,390,258	83,537,889	69,605,001	78,939,717	69,437,121	40,742,530
Law Enforcement	130,673,267	138,777,409	146,648,650	150,228,384	149,883,692	153,074,368	156,465,979	158,763,769	162,063,175	156,314,046
Judicial	71,267,471	74,919,142	85,085,401	77,826,817	66,108,459	67,809,546	68,815,715	71,503,814	72,191,634	69,221,549
Other Elected Officials	26,978,558	29,966,702	31,195,481	31,550,764	29,387,200	30,661,447	28,671,292	31,562,849	29,052,577	28,753,179
Education	446,365,688	451,071,817	498,893,788	420,351,443	363,281,302	387,692,028	420,187,895	401,285,011	387,263,290	385,396,412
Interest on debt	83,880,247	87,802,538	71,866,481	86,882,448	70,146,945	71,559,500	90,654,296	88,473,435	66,185,593	76,735,064
Total governmental activities expenses	<u>969,004,600</u>	<u>1,014,179,913</u>	<u>1,082,434,499</u>	<u>1,017,603,877</u>	<u>963,005,969</u>	<u>1,004,290,792</u>	<u>1,026,393,518</u>	<u>1,004,944,269</u>	<u>965,702,992</u>	<u>931,161,180</u>
Business-type activities:										
Codes Enforcement	11,694,624	12,024,192	12,523,782	11,274,089	10,472,229	10,394,909	9,687,934	9,578,276	9,209,429	8,729,775
Fire Services	11,564,013	12,842,381	18,057,095	17,636,732	18,938,445	19,733,109	19,565,511	19,490,379	17,940,652	17,783,763
Corrections	43,953,488	46,259,142	49,992,924	50,891,358	53,963,382	56,737,346	55,149,724	57,916,008	59,111,101	57,480,542
Total business-type activities expenses	<u>67,212,125</u>	<u>71,125,715</u>	<u>80,573,801</u>	<u>79,802,179</u>	<u>83,374,056</u>	<u>86,865,364</u>	<u>84,403,169</u>	<u>86,984,663</u>	<u>86,261,182</u>	<u>83,994,080</u>
Total Shelby County Government expenses	<u>\$ 1,036,216,725</u>	<u>\$ 1,085,305,628</u>	<u>\$ 1,163,008,300</u>	<u>\$ 1,097,406,056</u>	<u>\$ 1,046,380,025</u>	<u>\$ 1,091,156,156</u>	<u>\$ 1,110,796,687</u>	<u>\$ 1,091,928,932</u>	<u>\$ 1,051,964,174</u>	<u>\$ 1,015,155,260</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services										
General Government	\$ 10,833,920	\$ 8,314,291	\$ 5,700,248	\$ 3,853,372	\$ 5,598,893	\$ 23,884,206	\$ 25,176,227	\$ 26,441,272	\$ 24,825,384	\$ 24,726,512
Health Services	13,581,260	13,074,571	9,978,487	8,988,169	18,243,100	12,350,842	10,736,876	9,895,282	10,061,350	10,017,842
Judicial	22,736,318	22,679,021	24,834,966	24,032,927	27,679,015	28,356,402	27,975,343	26,986,596	28,801,146	27,986,043
Other Elected Officials	38,455,644	36,625,536	36,513,911	35,913,152	35,998,913	36,100,895	37,211,110	37,529,086	39,677,738	38,801,366
Other governmental activities	10,425,669	10,583,922	11,296,439	9,402,118	20,713,862	14,463,418	20,723,747	16,762,726	14,516,272	15,967,192
Operating grants and contributions	138,189,459	121,125,431	136,552,118	136,145,188	114,570,324	116,897,799	95,184,769	115,132,290	97,596,210	62,656,592
Capital grants and contributions	12,460,564	3,440,619	1,914,603	1,126,464	710,000	15,901,708	4,353,916	8,046,883	5,126,100	10,340,712
Total governmental activities program revenues	<u>246,682,834</u>	<u>215,843,391</u>	<u>226,790,772</u>	<u>219,461,390</u>	<u>223,514,107</u>	<u>247,955,270</u>	<u>221,361,988</u>	<u>240,794,135</u>	<u>220,604,200</u>	<u>190,496,259</u>

<b>Business-type activities:</b>										
Charges for services										
Codes Enforcement	9,877,918	9,957,347	8,965,105	10,066,844	8,749,266	7,251,123	7,954,287	8,373,459	8,013,914	8,404,486
Fire Services	14,023,656	14,809,843	17,967,759	19,058,865	19,109,260	19,228,630	19,259,093	18,918,824	19,120,500	19,243,880
Corrections	38,624,196	40,610,450	42,981,224	47,205,050	44,894,303	48,279,566	47,447,969	51,206,938	53,579,468	53,470,671
Operating grants and contributions	43,050	49,050	75,000	81,000	75,600	1,736,920	1,204,618	738,725	871,967	1,414,323
Capital grants and contributions	---	---	---	---	---	---	2,000	456,000	---	---
Total business-type activities	62,568,820	65,426,690	69,989,088	76,411,759	72,828,429	76,496,239	75,867,967	79,693,946	81,585,849	82,533,360
program revenues	---	---	---	---	---	---	---	---	---	---
Total Shelby County	62,568,820	65,426,690	69,989,088	76,411,759	72,828,429	76,496,239	75,867,967	79,693,946	81,585,849	82,533,360
Government program revenues	\$ 309,251,654	\$ 281,270,081	\$ 296,779,860	\$ 295,873,149	\$ 296,342,536	\$ 324,451,509	\$ 297,229,955	\$ 320,488,081	\$ 302,190,049	\$ 273,029,619
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (722,321,766)	\$ (798,336,522)	\$ (855,643,727)	\$ (798,142,487)	\$ (739,491,862)	\$ (756,335,522)	\$ (805,031,530)	\$ (764,150,134)	\$ (745,098,792)	\$ (740,664,921)
Business-type activities	(4,643,305)	(5,699,025)	(10,584,713)	(3,390,420)	(10,545,627)	(10,369,125)	(8,535,202)	(7,290,717)	(4,675,333)	(1,460,720)
Total Shelby County Government net expense	\$ (726,965,071)	\$ (804,035,547)	\$ (866,228,440)	\$ (801,532,907)	\$ (750,037,489)	\$ (766,704,647)	\$ (813,566,732)	\$ (771,440,851)	\$ (749,774,125)	\$ (742,125,641)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 654,551,938	\$ 680,615,376	\$ 703,098,494	\$ 724,765,511	\$ 773,832,412	\$ 755,877,920	\$ 754,061,310	\$ 741,808,593	\$ 784,897,520	\$ 790,149,240
Sales taxes	10,343,331	10,151,491	9,392,291	25,739,847	22,028,916	22,983,679	11,191,681	11,903,445	11,821,135	12,462,086
Business taxes	8,970,348	9,307,206	11,179,019	11,671,674	11,428,545	12,208,730	12,940,493	14,151,056	13,915,537	15,484,672
Hotel/Motel/Car rental taxes	12,377,312	14,175,629	14,080,417	14,969,068	13,550,421	13,701,394	14,220,558	15,095,906	15,781,995	17,008,151
Wheel taxes	29,962,996	30,077,684	30,010,231	29,053,746	29,429,162	29,090,186	28,531,929	29,922,077	31,589,131	32,269,372
Other taxes	33,667,862	60,978,512	60,264,808	13,287,647	17,198,939	16,994,422	15,107,316	15,669,960	15,898,580	16,161,978
Investment earnings	14,068,619	24,575,622	27,571,070	6,307,051	2,950,625	3,703,351	6,939,244	1,829,437	1,929,552	2,117,748
Transfers	(5,276,913)	(7,270,833)	(6,818,986)	(6,806,798)	(7,683,295)	(10,557,785)	(9,808,915)	(9,367,277)	(7,273,785)	(9,166,673)
Other sources/(uses)	---	---	1,359,555	281,072	154,791	---	(33,207,518)	---	---	---
Special item	---	---	---	---	---	---	71,490,000	---	---	---
Extraordinary item	---	---	---	---	---	(82,548)	---	---	---	---
Total governmental activities	758,665,493	822,610,687	850,136,899	819,268,818	862,890,516	843,919,349	871,466,098	821,013,197	868,559,665	876,486,574
Business-type activities:										
Investment earnings	374,704	525,358	285,964	207,994	48,728	22,979	34,027	34,989	48,675	39,976
Transfers	5,276,913	7,270,833	6,818,986	6,806,798	7,683,295	10,557,785	9,808,915	9,367,277	7,273,785	9,166,673
Other sources/(uses)	---	---	31,187	(6,796)	---	---	---	---	---	---
Total business-type activities	5,651,617	7,796,191	7,136,137	7,007,996	7,732,023	10,580,764	9,842,942	9,402,266	7,322,460	9,206,649
Total Shelby County	764,317,110	830,406,878	857,273,036	826,276,814	870,622,539	854,500,113	881,309,040	830,415,463	875,882,125	885,693,223
Government	764,317,110	830,406,878	857,273,036	826,276,814	870,622,539	854,500,113	881,309,040	830,415,463	875,882,125	885,693,223
<b>Change in Net Position</b>										
Governmental activities	\$ 36,343,727	\$ 24,274,165	\$ (5,506,828)	\$ 21,126,331	\$ 123,398,654	\$ 87,583,827	\$ 66,434,568	\$ 56,863,063	\$ 123,460,873	\$ 135,821,653
Business-type activities	1,008,312	2,097,166	(3,448,576)	3,617,576	(2,813,604)	211,639	1,307,740	2,111,549	2,647,127	7,745,929
Total Shelby County Government	\$ 37,352,039	\$ 26,371,331	\$ (8,955,404)	\$ 24,743,907	\$ 120,585,050	\$ 87,795,466	\$ 67,742,308	\$ 58,974,612	\$ 126,108,000	\$ 143,567,582

Several organizational changes have occurred over the past nine years. Expenses, program revenues, general revenues, and other changes in net position of prior years have been adjusted to be consistent with the current organizational structure.

**Shelby County, Tennessee**

**Financial Trends Information  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years (modified accrual basis of accounting)**

	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010 (b)</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund										
Assigned (a)	\$ 4,150,637	\$ 4,119,786	\$ 2,940,960	\$ 772,147	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Unrestricted	41,147,243	47,178,094	62,563,181	74,392,811	---	---	---	---	---	---
Restricted	---	---	---	---	567,558	737,713	933,228	---	23,247	32,508
Committed	---	---	---	---	799,402	278,675	328,309	368,368	81,307	61,811
Assigned (a)	---	---	---	---	1,096,493	215,871	47,919	479,046	813,270	876,297
Unassigned	---	---	---	---	75,694,460	85,635,125	91,590,535	94,912,625	102,469,929	107,772,795
<b>Total General Fund</b>	<b>\$ 45,297,880</b>	<b>\$ 51,297,880</b>	<b>\$ 65,504,141</b>	<b>\$ 75,164,958</b>	<b>\$ 78,157,913</b>	<b>\$ 86,867,384</b>	<b>\$ 92,899,991</b>	<b>\$ 95,760,039</b>	<b>\$ 103,387,753</b>	<b>\$ 108,743,411</b>
All other governmental funds										
Reserved	\$ 662,791	\$ 716,305	\$ 2,051,448	\$ 1,190,788	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Unreserved, reported in:										
Debt Service Fund	55,924,980	63,401,912	73,709,130	74,646,920	---	---	---	---	---	---
Capital Projects Fund	28,418,919	97,730,872	(23,173,636)	(84,323,603)	---	---	---	---	---	---
Grants Fund	3,250,037	3,472,963	2,482,916	(10,138,135)	---	---	---	---	---	---
Nonmajor Governmental Fund	20,266,393	23,826,524	28,699,360	30,243,434	---	---	---	---	---	---
Restricted, reported in:										
Debt Service Fund	---	---	---	---	7,486,042	8,193,886	1,589,794	4,000,169	7,605,692	8,359,523
Capital Projects Fund	---	---	---	---	56,613,022	92,826,243	37,879,122	221,513	84,515	85,001
Education Fund	---	---	---	---	9,136,859	---	---	---	---	---
Grants Fund	---	---	---	---	14,313,849	5,438,738	6,400,154	10,494,734	16,459,728	16,180,606
Nonmajor Governmental Fund	---	---	---	---	17,549,023	15,153,766	15,577,420	16,153,985	16,167,849	17,914,849
Committed, reported in:										
Debt Service Fund	---	---	---	---	95,043,193	99,621,072	89,481,609	80,767,489	79,665,910	83,053,923
Capital Projects Fund	---	---	---	---	8,234,947	4,425,564	24,762,356	33,915,863	34,098,546	38,625,488
Nonmajor Governmental Fund	---	---	---	---	984,685	1,574,304	10,242,902	5,647,119	5,674,041	5,648,544
Assigned, reported in:										
Capital Projects Fund	---	---	---	---	36,491,640	42,952,510	35,293,938	12,923,528	---	---
Unassigned, reported in:										
Grants Fund	---	---	---	---	(29,842,455)	(21,638,867)	(16,043,862)	---	---	---
Nonmajor Governmental Fund	---	---	---	---	---	---	(980,740)	---	---	---
<b>Total all other governmental funds</b>	<b>\$ 108,523,120</b>	<b>\$ 189,148,576</b>	<b>\$ 83,769,218</b>	<b>\$ 11,619,404</b>	<b>\$ 216,010,805</b>	<b>\$ 248,547,216</b>	<b>\$ 204,202,693</b>	<b>\$ 164,124,400</b>	<b>\$ 159,756,281</b>	<b>\$ 169,867,934</b>

(a) For fiscal years 2006 - 2009 Assigned Fund Balance refers to amounts that were reserved or unavailable for spending. Beginning in fiscal year 2010, Assigned Fund Balance refers to amounts that are intended to be used for a specific purpose as defined by GASB Statement No. 54.

(b) For fiscal year 2010, Shelby County elected to implement GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions.

Restating prior year fund balances is not required.



Shelby County, Tennessee

**Financial Trends Information**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years (modified accrual basis of accounting)**

	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Revenues</b>										
Property taxes	\$ 655,822,442	\$ 680,495,848	\$ 693,655,202	\$ 696,817,677	\$ 736,681,436	\$ 731,508,709	\$ 722,068,728	\$ 722,145,559	\$ 748,889,804	\$ 762,162,261
Other local taxes	94,491,764	98,287,134	98,253,306	96,908,922	93,671,585	93,391,143	87,643,901	95,327,539	106,044,536	105,964,977
State revenue	103,592,317	104,114,911	106,575,752	100,728,176	104,668,855	104,339,217	89,278,432	91,168,902	82,818,413	83,885,594
Federal and local revenue	51,596,881	51,548,235	60,872,661	56,759,545	61,664,406	61,914,188	66,418,403	63,098,998	54,343,494	28,004,291
Charges for services	5,665,021	5,654,583	5,548,653	5,657,780	8,906,272	8,907,877	9,010,486	5,529,577	5,873,744	5,855,441
Fines, fees and permits	68,177,969	69,456,673	70,303,476	67,243,639	67,642,736	71,275,465	70,756,123	70,018,979	70,956,345	70,730,668
Other revenue	8,650,084	9,271,704	21,847,041	6,542,242	16,036,573	5,101,809	4,984,954	16,952,794	9,576,155	4,749,892
Investment income	12,870,684	21,505,123	13,323,539	5,868,121	1,855,056	1,565,544	1,423,487	1,598,412	1,753,731	1,958,630
<b>Total revenues</b>	<b>1,000,867,162</b>	<b>1,040,334,211</b>	<b>1,070,379,630</b>	<b>1,036,526,102</b>	<b>1,091,126,919</b>	<b>1,078,003,952</b>	<b>1,051,584,514</b>	<b>1,065,840,760</b>	<b>1,080,256,222</b>	<b>1,063,311,754</b>
<b>Expenditures (a)</b>										
General Government	49,818,017	48,075,278	49,456,563	47,488,395	57,190,923	45,852,358	41,508,583	48,505,330	42,784,442	43,744,271
Hospital (b)	20,566,667	25,066,667	27,600,000	27,491,667	38,816,666	36,816,000	26,816,000	26,816,000	26,816,000	26,816,000
Planning and Development	6,562,951	6,228,606	5,526,687	6,019,995	6,994,026	6,698,102	6,840,109	7,263,711	7,796,219	7,719,866
Public Works	30,702,983	32,802,189	35,808,417	31,940,435	41,067,276	40,666,685	36,661,009	33,281,016	35,252,458	39,313,866
Corrections	432,171	824,652	1,312,609	1,261,813	1,384,904	1,458,284	1,388,314	1,285,105	971,686	1,380,175
Health Services	52,417,925	57,000,019	65,369,150	59,832,315	57,569,310	53,055,020	52,586,968	50,754,512	53,586,661	52,435,614
Community Services	44,060,485	44,360,555	46,772,688	60,217,711	73,258,904	83,229,822	70,077,171	78,269,418	69,276,258	36,628,294
Law Enforcement	130,234,277	137,012,750	141,560,285	145,718,901	145,326,022	148,217,763	153,549,971	156,974,542	159,541,072	160,189,601
Judicial	69,633,785	74,624,323	81,484,654	74,985,231	64,415,801	65,161,460	67,520,667	67,949,640	71,016,743	72,573,972
Other Elected Officials	27,550,652	30,151,742	30,138,065	30,397,906	29,057,073	29,863,328	28,438,507	30,725,965	28,556,139	29,457,449
Education (c)	360,019,604	360,019,604	361,288,000	361,288,000	361,288,000	361,288,000	361,288,000	361,288,000	384,764,432	383,088,000
Debt service:										
Interest	78,956,185	83,211,018	73,145,937	84,749,327	70,146,945	75,477,158	88,258,323	85,844,646	69,103,136	66,632,870
Principal	68,555,308	79,663,851	94,335,932	95,310,990	102,104,384	107,763,833	81,473,270	88,600,728	98,339,316	95,094,887
Capital outlay: capital projects	105,741,913	107,970,051	142,770,872	68,988,598	7,848,475	37,035,762	79,800,460	63,864,946	19,352,761	26,545,178
<b>Total expenditures</b>	<b>1,045,252,923</b>	<b>1,087,011,305</b>	<b>1,156,569,859</b>	<b>1,095,691,284</b>	<b>1,056,468,709</b>	<b>1,092,583,575</b>	<b>1,096,207,352</b>	<b>1,101,423,559</b>	<b>1,067,157,323</b>	<b>1,041,620,043</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(44,385,761)</b>	<b>(46,677,094)</b>	<b>(86,190,229)</b>	<b>(59,165,182)</b>	<b>34,658,210</b>	<b>(14,579,623)</b>	<b>(44,622,838)</b>	<b>(35,582,799)</b>	<b>13,098,899</b>	<b>21,691,711</b>

**Other financing sources (uses)**

Transfers in	43,788,657	40,798,067	42,175,234	31,276,257	31,145,888	22,849,510	17,532,055	26,787,968	20,045,350	19,145,985
Transfers out	(49,583,407)	(48,547,371)	(49,710,631)	(38,802,576)	(39,197,809)	(33,668,744)	(27,705,386)	(35,938,941)	(31,385,761)	(28,348,292)
General obligation bonds issued	251,027,782	140,358,887	-	-	120,000,000	-	-	-	-	-
Refunding bonds issued	-	146,416,113	231,935,000	214,695,000	-	73,795,000	274,400,000	-	-	171,830,000
Premium on bonds issued	-	-	-	-	4,162,154	6,892,922	58,055,757	-	-	27,093,527
Payment to refunding bond escrow agent	-	(146,067,482)	(231,271,726)	(231,005,000)	-	(79,770,000)	(409,588,040)	-	-	(216,751,285)
Long term debt proceeds other than bonds	-	-	-	-	55,120,000	67,260,000	20,397,500	6,883,614	-	-
Short term debt proceeds	-	-	816,473	19,821,655	-	-	-	-	-	20,000,000
Other sources (uses)	1,310,937	344,336	1,072,782	690,849	511,228	434,050	1,729,036	631,913	1,501,107	805,665
<b>Total other financing sources (uses)</b>	<b>246,543,969</b>	<b>133,302,550</b>	<b>(4,982,868)</b>	<b>(3,323,815)</b>	<b>171,741,461</b>	<b>57,792,738</b>	<b>(65,179,078)</b>	<b>(1,635,446)</b>	<b>(9,839,304)</b>	<b>(6,224,400)</b>
Special item	-	-	-	-	-	-	71,490,000	-	-	-
Extraordinary item	-	-	-	-	-	(982,548)	-	-	-	-
<b>Net change in fund balances</b>	<b>\$ 202,158,208</b>	<b>\$ 86,625,456</b>	<b>\$ (91,173,097)</b>	<b>\$ (62,488,997)</b>	<b>\$ 206,399,671</b>	<b>\$ 42,230,567</b>	<b>\$ (38,311,916)</b>	<b>\$ (37,218,245)</b>	<b>\$ 3,259,595</b>	<b>\$ 15,467,311</b>

## Debt service as a percentage of non capital expenditures

14.44%	15.22%	14.71%	16.67%	16.62%	17.08%	15.65%	16.29%	16.07%	15.93%
--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

(a) Several organizational changes have occurred over the past ten years. Expenditures and other financing sources (uses) of prior years have been adjusted to be consistent with the current organizational structure.

(b) Hospital expenditures are those made to the Shelby County Health Care Corporation (Regional One Health). Shelby County Health Care Corporation operations are reported as a discrete component unit.

(c) Education expenditures are those made to the various municipal school districts and the Shelby County Board of Education. The Shelby County Board of Education operations are reported as a discrete component unit.

**Shelby County, Tennessee**

**Revenue Capacity Information  
Assessed and Estimated Value of Taxable Property  
Last Ten Fiscal Years**

Fiscal Year	Tax Year	Residential Property (b)	Commercial Property (b)	Personal Property (b)	Public Utilities (a)	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value (c)
2006 (d)	2005	9,425,210,140	5,471,742,335	1,289,881,700	1,033,424,138	17,220,258,313	4.04	57,726,276,478	29.83%
2007	2006	9,695,032,075	5,441,266,015	1,326,178,545	1,040,281,497	17,502,758,132	4.04	58,862,669,304	29.73%
2008	2007	10,018,623,775	5,439,860,370	1,286,578,685	975,529,145	17,720,591,975	4.04	59,900,899,755	29.58%
2009	2008	10,259,997,845	5,530,133,410	1,402,492,320	896,680,554	18,089,304,129	4.04	61,383,315,080	29.47%
2010 (d)	2009	10,954,449,590	6,285,548,950	1,468,617,700	948,762,385	19,657,378,625	4.02	66,374,654,928	29.62%
2011	2010	10,794,438,245	6,116,755,995	1,388,887,495	1,012,006,455	19,312,088,190	4.02	65,216,500,736	29.61%
2012	2011	10,721,303,794	5,828,574,575	1,380,179,795	1,069,425,931	18,999,484,095	4.02	64,287,973,983	29.55%
2013	2012	10,649,905,970	5,660,543,555	1,438,945,120	1,098,465,902	18,847,860,547	4.02	63,834,911,731	29.53%
2014 (d)	2013	9,588,110,655	5,919,308,700	1,533,153,805	1,125,314,171	18,165,887,331	4.38	60,586,935,365	29.98%
2015	2014	9,553,959,920	5,650,054,415	1,473,774,000	1,289,100,925	17,966,889,260	4.37	59,884,233,964	30.00%

(a) Public Utilities information is based on information received from the State of Tennessee Comptroller of the Treasury assessments.

(b) Assessed value is the most current tax year value prepared by the County Assessor of Property as of April 20 prior to the beginning of each fiscal year.

(c) The State of Tennessee tax statutes classify property as follows for computing assessed valuations:

Real Estate-Residential and Farms	25% of actual value
Real Estate-Commercial and Industrial	40% of actual value
Personal Property-Commercial and Industrial	30% of actual value
Public Utilities	55% of actual value

(d) The effect of property reappraisals are reflected in FY 2006, 2010 and 2014 amounts.

**Shelby County, Tennessee**

**Revenue Capacity Information  
Property Tax Rates-Direct and Overlapping Governments  
Last Ten Fiscal Years**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>County Direct Rates</b>										
General Fund	\$ 1.31	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.23	\$ 1.33	\$ 1.36	\$ 1.36	\$ 1.45	\$ 1.45
Education (a)	2.03	2.02	2.02	2.02	1.98	1.90	1.91	1.91	2.14	2.14
Debt Service	0.70	0.80	0.80	0.80	0.81	0.79	0.75	0.75	0.79	0.78
<b>Total Direct Rate</b>	<b>4.04</b>	<b>4.04</b>	<b>4.04</b>	<b>4.04</b>	<b>4.02</b>	<b>4.02</b>	<b>4.02</b>	<b>4.02</b>	<b>4.38</b>	<b>4.37</b>
<b>Rural School Bonds (b)</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>	<b>0.04</b>	<b>0.04</b>	<b>0.04</b>	<b>0.04</b>	<b>0.04</b>	<b>---</b>
<b>City &amp; Town Rates</b>										
Memphis (c)	3.43	3.43	3.43	3.25	3.20	3.20	3.19	3.11	3.40	3.40
Arlington	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.15	1.15	1.15
Bartlett	1.31	1.31	1.54	1.54	1.49	1.49	1.49	1.49	1.62	1.62
Collierville	1.28	1.28	1.28	1.28	1.18	1.18	1.43	1.43	1.53	1.53
Germantown	1.54	1.54	1.54	1.54	1.43	1.43	1.49	1.49	1.93	1.93
Lakeland (d)	---	---	---	---	---	---	---	0.85	0.85	0.85
Millington	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.53	1.53

Rates are applicable to fiscal years ending June 30.

- (a) The portion of property taxes designated for education is allocated among the Shelby County Board of Education and the municipal school districts based on the average daily attendance.
- (b) Beginning in calendar year 2003 an additional tax rate was established to fund Rural School Bonds and is applied only to taxpayers living outside the City of Memphis. As of fiscal year 2015, this additional tax is repealed.
- (c) Over two-thirds (69.97%) of the County's population resides in the City of Memphis.
- (d) Prior to 2013 the City of Lakeland did not have a property tax.

**Shelby County, Tennessee**

**Revenue Capacity Information**  
**Principal Property Tax Payers - Current and Nine Years Ago**  
**June 30, 2015**

Name of Taxpayer	Fiscal 2015 Assessments			Fiscal 2006 Assessments		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
FedEx Express Corporation	\$ 734,388,695	1	4.09%	\$ 429,223,766	1	2.49%
Bellsouth Telecommunications Inc.	120,490,733	2	0.67%	171,948,791	2	1.00%
AT&T Mobility LLC	65,960,941	3	0.37%			
Belz Investco GP	63,567,345	4	0.35%	100,108,420	3	0.58%
AMISUB (SFH) Inc.	64,702,465	5	0.36%	38,720,000	6	0.22%
G&I VII Retail Carriage LLC (and related divs)	60,166,600	6	0.33%			
Kroger Companies	58,437,820	7	0.33%			
Galleria at Wolfchase, LLC	58,329,440	8	0.32%	54,781,310	4	0.32%
Lightman Michael A (and affiliated LPs)	55,338,335	9	0.31%			
Boyle Investment Co.	46,110,715	10	0.26%			
Pinnacle Airlines Inc.				49,077,998	5	0.29%
Mid-America Apts LP				38,524,410	7	0.22%
Regions/Union Planters National Bank				35,148,740	8	0.20%
Cingular Wireless				33,692,845	9	0.20%
Baptist Memorial Hospital				32,751,600	10	0.19%
<b>Total Assessed Valuation of Top Ten Taxpayers</b>	<b>1,327,493,089</b>		<b>7.39%</b>	<b>983,977,880</b>		<b>5.71%</b>
<b>Balance of Assessed Valuation</b>	<b>16,639,396,171</b>		<b>92.61%</b>	<b>16,236,270,433</b>		<b>94.29%</b>
<b>Total Assessed Valuation</b>	<b>\$ 17,966,889,260</b>		<b>100.00%</b>	<b>\$ 17,220,248,313</b>		<b>100.00%</b>

Source: Shelby County Assessor and Trustee Offices

# Shelby County, Tennessee

## Revenue Capacity Information Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Year	Original Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Adjusted Tax Levy	Total Collections to Date		
			Amount	Percentage of Original Levy			Amount	Percentage of Adjusted Levy	Percentage of Original Levy
2006	(a) 2005	694,476,293	645,263,773	92.91%	31,318,132	677,111,387	676,581,905	99.92%	97.42%
2007	2006	711,047,486	666,613,568	93.75%	32,453,596	699,733,885	699,067,164	99.90%	98.32%
2008	2007	721,760,505	676,692,968	93.76%	34,047,996	711,865,780	710,740,964	99.84%	98.47%
2009	2008	736,461,361	684,698,542	92.97%	41,116,158	727,818,605	725,814,700	99.72%	98.55%
2010	(a) 2009	791,055,910	719,276,815	90.93%	34,083,436	756,501,081	753,360,251	99.58%	95.23%
2011	2010	776,865,051	713,667,892	91.87%	28,869,754	747,774,894	742,537,646	99.30%	95.58%
2012	2011	764,302,988	710,934,070	93.02%	28,200,706	747,408,237	739,134,776	98.89%	96.71%
2013	2012	760,525,341	713,245,234	93.78%	24,191,410	747,071,511	737,436,644	98.71%	96.96%
2014	(a) 2013	798,327,814	741,958,610	92.94%	19,181,091	774,504,978	761,139,701	98.27%	95.34%
2015	2014	783,507,158	750,097,124	95.74%	N/A	778,641,703	750,097,124	96.33%	95.74%

(a) The effect of property reappraisals are reflected in FY 2006, 2010 and 2014 amounts.

Source: Shelby County Assessor and Trustee Offices.

# Shelby County, Tennessee

## Revenue Capacity Information General Fund Non-Ad Valorem Revenues Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Annual local taxes	\$ 23,905,702	\$ 25,440,837	\$ 35,685,177	\$ 34,785,952	\$ 32,278,259	\$ 36,481,924	\$ 28,298,234	\$ 30,987,178	\$ 34,048,774	\$ 32,350,888
Annual local revenue	27,747,801	25,164,696	28,939,685	27,690,488	17,846,319	8,228,640	7,651,586	11,006,243	14,631,502	11,011,637
Annual State revenues	15,056,355	21,963,864	22,439,722	22,959,928	21,144,826	17,585,648	17,552,358	19,448,536	19,588,987	20,557,390
Annual fees of elected officials	59,960,792	61,145,914	61,647,822	59,473,620	62,044,010	64,386,433	65,071,272	63,598,248	64,612,993	64,200,149
Other revenues	8,780,839	10,550,451	6,367,509	3,776,017	1,026,701	1,475,590	825,499	785,818	644,093	1,197,991
Total non-ad valorem revenues	<u>\$ 135,451,489</u>	<u>\$ 144,265,762</u>	<u>\$ 155,079,915</u>	<u>\$ 148,686,005</u>	<u>\$ 134,340,115</u>	<u>\$ 128,158,235</u>	<u>\$ 119,398,949</u>	<u>\$ 125,826,023</u>	<u>\$ 133,526,349</u>	<u>\$ 129,318,055</u>

Non-Ad Valorem Revenues of the County are considered all General Fund revenue other than property taxes and include the following:

Interest and Penalties. Consists of late penalties and interest earned from late payment of real property taxes throughout the County.

Other Payments in Lieu of Taxes. Payments in lieu of ad valorem property taxes by a tax-exempt or governmental entity in an amount not to exceed the taxes payable on privately owned property of a similar nature.

Alcohol Revenues. Alcohol revenues consist of beer sales taxes, mixed drink tax and liquor by the drink sales.

Business Revenues. Business revenues consist of County general sales tax and gross receipts tax.

Fees for services provided including fees of the various court clerks and other elected officials.

Shelby County, Tennessee

**Debt Capacity Information**  
**Schedule of Direct and Overlapping Debt**  
**June 30, 2015**

	Net Debt Outstanding	Estimated Percentage Applicable (d)	Estimated Share of Overlapping Debt
Direct Debt (a)			
<u>Governmental Activities</u>			
General obligation debt	\$ 1,153,259,057	100.00%	\$ 1,153,259,057
Premium on general obligation debt	70,491,453	100.00%	70,491,453
		Total direct bonded debt (b)	<u>1,223,750,510</u>
Extendible Municipal Commercial Paper	20,000,000	100.00%	20,000,000
Capital lease obligations	6,131,862	100.00%	6,131,862
		Total debt of governmental activities	<u>1,249,882,372</u>
<u>Business-type Activities</u>			
Capital lease obligations	69,152	100.00%	69,152
		Total debt of business-type activities	<u>69,152</u>
		Total direct debt	<u>1,249,951,524</u>
Overlapping Debt (c)			
City of Memphis	1,208,825,000	100.00%	1,208,825,000
City of Germantown	21,405,000	100.00%	21,405,000
City of Bartlett	29,887,676	100.00%	29,887,676
City of Collierville	29,910,313	100.00%	29,910,313
City of Lakeland	7,739,466	100.00%	7,739,466
Town of Arlington	13,830,628	100.00%	13,830,628
City of Millington	6,439,000	100.00%	6,439,000
		Total overlapping debt	<u>1,318,037,083</u>
		Total direct and overlapping debt	<u>\$ 2,541,787,593</u>

- (a) The County has the power to levy ad valorem taxes without limitation as to rate or amount and is obligated to levy taxes sufficient to pay bonded debt.
- (b) The total bonded debt amount corresponds with all Shelby County assessed property.
- (c) The tax base within each city corresponds with that city's debt.
- (d) The percentage of overlapping debt applicable is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by each unit's total taxable assessed value.

**Shelby County, Tennessee**

**Debt Capacity Information  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year	Tax Year	Governmental Activities		Business-type Activities		Total Government Debt	G.O. Bonded Debt Percent Of Actual Value (b)	G.O. Bonded Debt Per Capita (b)	Total Government Debt Per Capita (b)	Total Government Debt Percent of Personal Income(c)
		General Obligation Bonds & Loans (a)	Capital Leases	Capital Leases	Total Government Debt					
2006	2005	1,763,166,331	---	721,717	1,763,888,048	3.05%	1,931	1,932	5.17%	
2007	2006	1,820,107,968	---	1,170,996	1,821,278,964	3.09%	1,978	1,979	5.04%	
2008	2007	1,772,325,160	---	1,039,885	1,773,365,045	2.96%	1,924	1,925	4.71%	
2009	2008	1,747,860,459	---	906,177	1,748,766,636	2.85%	1,898	1,899	4.66%	
2010	2009	1,707,260,182	---	766,064	1,708,026,246	2.57%	1,851	1,851	4.78%	
2011	2010	1,665,674,209	---	619,240	1,666,293,449	2.55%	1,793	1,794	4.50%	
2012	2011	1,493,946,286	---	465,383	1,494,411,669	2.32%	1,598	1,598	3.92%	
2013	2012	1,388,093,168	6,883,614	304,156	1,395,280,938	2.17%	1,475	1,483	3.50%	
2014	2013	1,285,056,456	6,505,735	135,206	1,291,697,397	2.12%	1,368	1,375	3.18%	
2015	2014	1,243,750,510	6,131,862	69,152	1,249,951,524	2.08%	1,325	1,331	3.08%	

(a) The full faith, credit, and unlimited taxing power of the County are pledged for payment of the Bonds without limitation as to rate or amount.

(b) See page G-10 for Estimated Actual and Assessed Property Values and page G-17 for Population Amounts and Personal Income Values.

(c) Personal Income Data not available for FY2015. Data for FY2014 was substituted for the calculation.

## Shelby County, Tennessee

### Demographic and Economic Information Demographic and Economic Statistics Last Ten Calendar Years

<u>Year (a)</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2005	913,201	34,129,205	37,373	6.2%
2006	920,106	36,103,204	39,238	5.7%
2007	921,119	37,635,149	40,858	5.3%
2008	920,685	37,507,530	40,739	7.0%
2009	922,541	35,742,501	38,744	10.1%
2010	928,930	37,057,190	39,892	10.0%
2011	935,088	38,116,646	40,763	9.9%
2012	940,764	39,896,975	42,409	9.1%
2013	939,465	40,594,551	43,210	9.7%
2014	938,803	N/A	N/A	9.7%

**Sources:**

Population and personal income data provided by the U.S. Bureau of the Census through Bureau of Economic Analysis (BEA).

Unemployment rates provided by Tennessee Department of Labor and Workforce Development.

**Note:**

Population data are midyear estimates. Personal income amounts are totals for each calendar year. Per capita personal income amounts are computed on the basis of the mid-year population estimates given at left. Unemployment rates are calendar year average rates for the civilian workforce. BEA released the population and personal income data shown here in March 2015.

# Shelby County, Tennessee

## Demographic and Economic Information Principal Employers Current Year and Nine Years Ago

Employer	2015			2006		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
FedEx Corp	30,000	1	5.13%	30,000	1	4.62%
Shelby County Schools (a)	14,500	2	2.48%	5,200	11	0.80%
United States Government	13,100	3	2.24%	14,800	3	2.28%
Tennessee State Government	12,700	4	2.17%	5,200	11	0.80%
Methodist Le Bonheur Healthcare	10,784	5	1.84%	8,786	4	1.35%
Naval Support Activity Mid-South	7,500	6	1.28%	6,372	8	0.98%
Baptist Memorial Health Care Corp.	6,654	7	1.14%	6,199	9	0.95%
City of Memphis	6,476	8	1.11%	6,667	6	1.03%
Wal-Mart Stores Inc.	5,300	9	0.91%	7,000	5	1.08%
Shelby County Government	5,194	10	0.89%	6,513	7	1.00%
Memphis City Schools (a)				15,240	2	2.35%
Harrah's Entertainment, Inc.				5,900	10	0.91%
<b>Total</b>	<b>112,208</b>		<b>19.19%</b>	<b>117,877</b>		<b>18.16%</b>

(a) In 2013 Shelby County Schools and Memphis City Schools merged into a single of Shelby County Schools through fiscal year 2014.

Sources:

Largest employer data for 2006 and 2015 comes from Memphis Business Journal Book of Lists for each year.

The largest employer numbers are for the Memphis area as defined by the Memphis Business Journal and are as of the survey period January and February of the year reported. Total employment from the U.S. Department of Commerce Bureau of Economic Analysis are for the Memphis Metropolitan Statistical Area. Total employment for 2014, from the TN Department of Labor & Workforce Development-Employment Security Division, is used as a surrogate for the 2015 figure, which is not expected to be available until 2016.

Total Employment:	2014	584,780
	2006	649,167

**Shelby County, Tennessee**

**Operating Information  
Full-time Equivalent Government Employees-By Function (a)  
Last Ten Fiscal Years**

Function/Program:	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government	317	297	319	294	284	281	282	297	287	248
Planning and Development	215	215	209	180	165	148	140	134	139	133
Public Works	474	480	476	453	441	434	424	418	423	422
Corrections	630	629	622	610	671	659	643	677	682	639
Health Services	674	653	643	619	624	550	534	495	501	483
Community Services (b)	572	545	562	544	569	533	513	507	514	190
Law Enforcement	1,930	1,942	1,945	1,883	1,919	1,937	1,929	1,920	1,927	1,944
Judicial	1,067	1,045	1,102	1,057	891	877	875	831	899	780
Other Elected Officials	398	394	387	376	365	365	355	358	360	353
<b>Total Full-time Equivalent Employees</b>	<b>6,277</b>	<b>6,200</b>	<b>6,265</b>	<b>6,016</b>	<b>5,929</b>	<b>5,784</b>	<b>5,695</b>	<b>5,637</b>	<b>5,732</b>	<b>5,192</b>

(a) This schedule shows filled positions as of January 1, within each fiscal year.

(b) The Head Start program was not renewed by Shelby County Government at the end of calendar year 2014. The Head Start operations transitioned to Shelby County Board of Education, a component unit.

**Shelby County, Tennessee**

**Operating Information  
Capital Assets Statistics - By Function  
Last Ten Fiscal Years**

Function/Program:	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government:										
Election Commission										
Polling Locations (b)	279	279	274	275	236	236	220	220	220	166
Public Works										
Bridges (a)	199	184	184	189	192	192	182	179	179	178
Health Services										
Public Health Clinics	8	8	8	8	9	9	8	8	8	8
Law Enforcement										
Jail Capacity										
Male	3,025	2,825	2,825	2,825	2,825	2,818	2,813	2,813	2,800	2,800
Female	384	382	382	382	382	382	382	382	381	381
Average daily population	2,600	2,808	2,654	2,765	2,750	2,680	2,667	2,431	2,456	2,391
Judicial										
Courts	41	41	41	41	41	41	41	41	41	41
Enterprise Funds:										
Fire Services										
Engine Companies	9	9	9	9	9	9	9	9	9	9
Corrections Center										
Facility Capacity	3,641	3,641	3,641	3,464	3,536	3,536	3,706	3,706	3,706	3,706
Average daily population	2,708	2,741	3,110	3,178	3,016	2,663	2,498	2,410	2,257	2,156

(a) The number of bridges has declined due to annexations by municipalities.

(b) The number of polling locations was reduced in 2015 by county resolution to improve efficiency, make all locations similar in size, better utilize staff, and eliminate problem polling locations



**Shelby County, Tennessee**

**Operating Information  
Operating Indicators - By Function  
Last Ten Fiscal Years**

Function/Program:	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Government:</b>										
<b>Pretrial Services</b>										
Misdemeanor interviews	26,973	28,691	25,646	27,470	25,170	27,869	22,280	19,897	21,273	16,773
Misdemeanor arraignments (a)	56,222	59,068	43,275	66,595	68,813	82,728	79,221	80,927	95,554	73,308
Felony interviews	10,913	10,820	9,886	10,679	10,171	12,581	11,969	10,676	11,327	8,792
Felony arraignments	11,061	11,332	10,667	11,549	11,316	11,791	13,014	9,962	13,153	7,841
<b>Election Commission</b>										
Number of elections	4	6	6	3	4	5	4	2	5	3
<b>Public Works</b>										
Linear road miles (b)	772	775	775	775	776	778	780	750	750	750
Public buildings	7	7	7	7	7	7	7	7	7	7
<b>Community Services:</b>										
<b>Head Start</b>										
Students (c)	3,586	3,590	3,628	4,192	4,292	3,771	4,346	4,219	4,030	---
<b>Housing</b>										
Loans outstanding	106	121	200	333	612	778	869	1,041	1,085	1,200
<b>Ryam White Program</b>										
Unduplicated clients served		1	1,999	2,907	3,008	3,787	4,611	4,123	3,914	4,236
<b>Law Enforcement:</b>										
Sheriff's Office Inmate days	948,892	1,024,920	968,785	1,009,222	1,003,886	978,248	973,495	887,459	896,504	872,831
Average daily population	2,600	2,808	2,654	2,765	2,750	2,680	2,667	2,431	2,456	2,391
<b>Judicial (d):</b>										
<b>Chancery Court</b>										
Filings	2,717	2,524	2,493	2,638	2,498	2,318	2,237	2,063	2,229	2,206
Dispositions	3,268	2,717	2,620	2,581	2,849	2,469	2,562	2,425	1,316	2,077
<b>Circuit Court</b>										
Filings	6,770	6,671	6,159	6,087	6,220	6,060	5,988	5,212	5,704	5,770
Dispositions	7,361	6,730	7,461	7,035	6,968	6,297	6,016	5,732	6,157	6,238
<b>Criminal Court (a)</b>										
Filings	29,928	26,977	27,030	23,626	28,092	26,218	24,081	20,252	21,535	26,383
Dispositions	26,621	29,923	30,396	26,277	28,221	28,436	29,015	24,107	21,402	24,824
<b>General Sessions Criminal Court</b>										
Filings	159,157	171,091	163,254	203,143	215,020	211,899	206,510	214,996	226,389	193,293
Dispositions	157,091	160,761	163,866	187,607	205,944	205,398	195,610	206,362	219,865	198,679

General Sessions Civil Court										
Filings	64,459	75,214	72,778	73,154	75,637	70,628	65,164	65,276	63,207	62,251
Dispositions (e)	55,080	59,095	64,357	62,277	115,415	111,734	102,264	49,745	45,908	44,003
Juvenile Court (g)										
Disposed/Adjusted	21,211	19,195	16,877	18,436	17,522	17,276	16,764	15,541	15,057	11,857
Children affected	15,561	14,205	12,897	13,721	13,206	12,903	12,577	11,976	11,455	9,355
Probate Court										
Filings	3,493	3,506	3,484	3,539	3,482	3,404	3,377	3,207	2,752	2,612
Dispositions	3,493	3,557	3,202	3,654	3,539	3,478	3,432	3,230	2,812	2,731
Other Elected Officials:										
Register										
New documents filed	214,467	206,918	174,608	154,137	160,788	128,739	108,755	154,350	141,074	127,251
Assessor										
Parcels Assessed										
Real property	340,264	349,963	353,006	351,727	351,605	351,595	351,156	351,089	351,325	351,242
Personal property	38,846	39,773	39,495	38,311	36,654	37,253	36,445	35,576	34,864	35,839
Attorney General (f)										
Criminal Court indictments	9,271	9,765	9,247	9,388	8,196	9,267	9,272	9,527	7,232	6,538
New juvenile delinquency cases	3,090	3,168	3,185	6,500	4,610	4,282	4,243	5,689	8,543	6,666
Enterprise Funds:										
Codes Enforcement										
Building inspections	61,482	59,332	44,673	39,443	34,362	33,343	32,730	42,799	40,160	39,709
Building permits	10,860	9,889	7,010	5,686	6,875	6,154	5,931	7,050	6,572	6,600
Fire Services (g)										
Fire responses	7,087	8,926	9,621	7,889	7,911	8,448	8,172	8,222	4,323	3,965
Ambulance calls	10,376	11,084	11,516	11,538	11,014	11,508	11,607	12,278	9,637	10,139
Corrections:										
Inmate days	988,262	1,000,357	1,135,098	1,160,027	1,100,798	971,882	911,778	879,537	823,874	786,850
Average daily population	2,708	2,741	3,110	3,178	3,016	2,663	2,498	2,410	2,257	2,156
Boards of Education/Schools										
Attendance (h)										
Shelby County Board of Education (component un	54,943	55,745	56,799	56,503	56,905	56,162	54,823	54,887	179,437	141,916
City of Memphis Board of Education	137,932	135,268	129,872	127,073	124,691	125,369	123,400	121,907	---	---
Municipal School Districts	---	---	---	---	---	---	---	---	---	37,164
Total attendance	<u>192,875</u>	<u>191,013</u>	<u>186,671</u>	<u>183,576</u>	<u>181,596</u>	<u>181,531</u>	<u>178,223</u>	<u>176,794</u>	<u>179,437</u>	<u>179,080</u>

- (a) Beginning with FY2011, data is reported by Court Operations staff. In prior years, data was reported by the Information Technology Department.
- (b) Information not reported is not available for these periods.
- (c) Oversight of the Head Start program was transferred from Shelby County Government to the Shelby County Board of Education, a component unit, August 2014.
- (d) Data for the latest year, except for Juvenile Court, was provided by Shelby County. Juvenile Court data taken from reports of the Tennessee Administrative Office of the Courts.
- (e) Beginning with FY2010, data includes orders needing a Judge's signature being placed on the court's dockets.
- (f) Data is reported on a calendar year basis as of December 31 within each fiscal year. Beginning with FY2014, new juvenile delinquency case information provided by Juvenile Court.
- (g) Beginning with FY2010, data is reported on a fiscal year basis. Prior years' data is reported on a calendar year basis as of December 31 within each fiscal year. Beginning with FY2014, ambulance calls were outsourced to a different vendor, which resulted in reduced service area and fewer fire responses and ambulance calls for the County's operations.
- (h) The Board of Education attendance is weighted full-time equivalency of average daily attendance. The City of Memphis Board of Education merged with the Shelby County Board of Education in FY2014. In FY2015 six municipalities (Arlington, Bartlett, Collierville, Germantown, Lakeland, and Millington) each created their own school systems separate from the Shelby County Board of Education.

**Shelby County, Tennessee**

**Schedule of Salaries and Fidelity Bonds**

**June 30, 2015**

Official	Designation	Salary Amounts	Bond Expiration Date	Bond Amount
<b>Mayor and Staff</b>				
Mark H. Luttrell, Jr.	Mayor	\$ 142,500	09/01/18	\$ 100,000
Harvey Kennedy	Chief Administrative Officer	140,441	09/01/18	100,000
Michael A. Swift	Director of Administration and Finance	135,239	09/01/18	100,000
Thomas E. Needham	Director of Public Works	130,038	09/01/18	100,000
Martha Lott	Director of Community Services	130,038	09/01/18	100,000
William L. Gupton, Jr.	Director of Corrections	130,038	09/01/18	100,000
Richard S. Copeland	Director of Planning and Development	130,038	09/01/18	100,000
Yvonne Smith Madlock	Director of Health Services	130,038	09/01/18	100,000
Clifton Davis	Purchasing Agent	95,687	09/01/18	100,000
<b>Court Clerks</b>				
Donna L. Russell	Chancery Court Clerk and Master	117,453	01/03/18	1,060,000
James L. Moore	Circuit Court Clerk	117,453	09/01/18	110,000
Richard L. DeSaussure, III	Criminal Court Clerk	117,453	09/01/18	110,000
Edward L. Stanton, Jr.	General Sessions Court Clerk	117,453	09/01/16	60,000
Paul C. Boyd	Probate Court Clerk	117,453	09/01/18	110,000
Eftehia Joy Touliatos	Juvenile Court Clerk	117,453	09/01/18	110,000
<b>Others</b>				
William Patrick Oldham	Sheriff	115,000	09/01/18	100,000
Richard Wayne Mashburn	County Clerk	107,975	09/01/18	110,000
Thomas F. Leatherwood	Register	107,975	09/01/18	100,000
David C. Lenoir	Trustee	107,975	09/01/18	51,344,292
Cheyenne Johnson	Assessor	108,617	09/01/18	50,000
Scott B. Peatross	Public Administrator	(a)	06/06/17	500,000
All Employees	Public Employees Employee Dishonesty and Faithful Performance of Duty Coverage		11/01/15	1,000,000 per loss

(a) Compensated from assigned cases.





Watkins Uiberall, PLLC  
Certified Public Accountants & Financial Advisors  
Independent Member of BKR International



**INDEPENDENT AUDITORS' 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**

To the Chairperson and Members of the  
Shelby County Board of Commissioners and  
Mayor of Shelby County, Tennessee

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 Shelby County, Tennessee, (the "County") 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, and have issued our report thereon dated November 25, 2015. Our report includes a reference to other auditors who audited the financial statements of the Shelby County Health Care Corporation, Agricenter International, Inc., Emergency Communications District of Shelby County, Tennessee, and Shelby County Retirement System, as described in our report on the 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 the 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 instances of noncompliance and other matters that are required to be reported under *Government Auditing Standards*. The audit for the fiscal year ended June 30, 2015 revealed a cash shortage of \$500 in the community services agency. The cash shortage was reported by the county attorney; however, a guilty party was not determined. During the fiscal year ended June 30, 2015, other instances of theft reported by the County included a computer reported stolen from the home of an employee in the office of early childhood and youth, and fuel valued at approximately \$6,000 reported stolen from a fuel station in the public works division. A County employee resigned as a result of the fuel theft, and the County is pursuing legal action. The County has thus far been unable to recover any funds related to these matters. These matters were detected by the County in the normal operation of their internal controls and internal audit functions.

### **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 results 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 the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Watkins Universal, PLLC*

*Banks, Jolley, White & Co.*

Memphis, Tennessee  
November 25, 2015



Watkins Uiberall, PLLC  
Certified Public Accountants & Financial Advisors  
Independent Member of BKR International



## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Chairperson and Members of the  
Shelby County Board of Commissioners and  
Mayor of Shelby County, Tennessee

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

We have audited Shelby County, Tennessee (the "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 the County's major federal programs for the year ended June 30, 2015. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's financial statements include the operations of the Shelby County Health Care Corporation and the Shelby County Board of Education (component units of the County), which received \$3,073,083 and \$209,149,992 in federal awards, respectively, which are not included in the schedule of expenditures of federal and state awards for the year ended June 30, 2015. Our audit did not include the operations of the Shelby County Health Care Corporation because the entity engaged another auditor to perform an audit in accordance with OMB Circular A-133. The results of our audit for the Shelby County Board of Education are included in a separate report.

### **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 the 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 the 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 the County's compliance.

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

In our opinion, the 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 the 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, we considered the 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 our opinion on compliance 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 the 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.

Memphis Tennessee  
November 25, 2015

*Watkins Nilusall, PLLC  
Banks, Jolley, White & Co.*

**SHELBY COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

For the Year Ended June 30, 2015

<b>Federal/Pass-Through Agency</b>	<b>Program</b>	<b>CFDA Number</b>	<b>Contract Number</b>	<b>Total Expenditures</b>
<b>Department of Agriculture</b>				
TN Department of Health	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-133450800	\$ 1,331,467
TN Department of Health	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-15-43885-00	4,806,428
				<u>6,137,895</u>
TN Department of Health	Commodity Supplemental Food Program	10.565	GG-1237333	115,464
				<u>115,464</u>
Total Department of Agriculture				6,253,359
<b>Department of Housing and Urban Development</b>				
Direct Award	Community Development Block Grants	14.218	B-10-UF-47-0001	287,272
Direct Award	Community Development Block Grants	14.218	B-11-UC-47-002	42,000
Direct Award	Community Development Block Grants	14.218	B-12-UC-47-002	93,200
Direct Award	Community Development Block Grants	14.218	B-13-UC-47-002	907,604
Direct Award	Community Development Block Grants	14.218	B-13-US-47-001	2,183,525
				<u>3,513,601</u>
Direct Award	Home Investment Partnership Program	14.239	B-13-US-47-0001	22,980
Direct Award	Home Investment Partnership Program	14.239	M-11-UC-47-0205	45,840
Direct Award	Home Investment Partnership Program	14.239	M-12-UC-47-0205	37,105
Direct Award	Home Investment Partnership Program	14.239	M-13-UC-47-002	340,839
				<u>446,764</u>
Direct Award	Sustainable Communities Regional Planning Grant Program	14.703	TNRIP0069-11	665,323
Direct Award	Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	28887	7,888
Direct Award	Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	28920	56,753
Direct Award	Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	32403	87,002
Direct Award	Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	TNLHB0442-09	1,073,231
				<u>1,224,874</u>
Total Department of Housing and Urban Development				5,850,562
<b>Department of Justice</b>				
Direct Award	Law Enforcement Assistance - Narcotics and Dangerous Drugs - Laboratory Analysis	16.001	TN0790000	533,037

See independent auditor's report and accompanying notes to schedule.

**SHELBY COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)**

For the Year Ended June 30, 2015

Federal/Pass-Through Agency	Program	CFDA Number	Contract Number	Total Expenditures
Direct Award	Sexual Assault Services Formula Program	16.017	2014-WE-AX0049	\$ 9,457
TN Office of Criminal Justice	Sexual Assault Services Formula Program	16.017	24821	<u>14,140</u>
				23,597
TN Dept of Children's Services	Juvenile Accountability Block Grants	16.523	GG-09-26434-00	51,413
TN Office of Criminal Justice Programs	Crime Victim Assistance	16.575	19703	482,860
TN Office of Violence Against Women	Violence Against Women Formula Grants	16.588	19127	39,306
Direct Award	Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	2011-WE-AX-K002	124,049
Direct Award	State Criminal Alien Assistance Program	16.606	2013-AP-BX-0837	103,530
Direct Award	Reduction and Prevention of Children's Exposure to Violence	16.730	2011-MU-MU-K005	435,500
Direct Award	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2012-DJ-BX-0077	44,668
Direct Award	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2013-DJ-BX-0333	87,644
Office of Juvenile Justice and Delinquency Prevention	Edward Byrne Memorial Justice Assistance Grant Program	16.738	4034	148,861
Office of Juvenile Justice and Delinquency Prevention	Edward Byrne Memorial Justice Assistance Grant Program	16.738	22973	89,972
Office of Juvenile Justice and Delinquency Prevention	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DJ-BX-3445	20,700
Office of Juvenile Justice and Delinquency Prevention	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2014-DJ-BX-0559	<u>487,815</u>
				<u>879,660</u>
Total Department of Justice				2,672,952
<b>Department of Transportation</b>				
MS Dept of Transportation	Highway Planning and Construction	20.205	-	49,023
TN Dept of Transportation	Highway Planning and Construction	20.205	80030	477,527
TN Dept of Transportation	Highway Planning and Construction	20.205	100295	658,452
TN Dept of Transportation	Highway Planning and Construction	20.205	105525.44	1,264
TN Dept of Transportation	Highway Planning and Construction	20.205	110389	1,889,001
TN Dept of Transportation	Highway Planning and Construction	20.205	120275	2,894
TN Dept of Transportation	Highway Planning and Construction	20.205	130273	5,359
TN Dept of Transportation	Highway Planning and Construction	20.205	-	11,963
TN Dept of Transportation	Highway Planning and Construction	20.205	40100-19013	55,611
TN Dept of Transportation	Highway Planning and Construction	20.205	76008-0700410	368,928
TN Dept of Transportation	Highway Planning and Construction	20.205	GG-07-26824-00	171,646
TN Dept of Transportation	Highway Planning and Construction	20.205	GG-1237135-1	1,251,411
TN Dept of Transportation	Highway Planning and Construction	20.205	STP-M-1458 (11)	111,934

See independent auditor's report and accompanying notes to schedule.

# SHELBY COUNTY, TENNESSEE

## SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)

For the Year Ended June 30, 2015

Federal/Pass-Through Agency	Program	CFDA Number	Contract Number	Total Expenditures
TN Dept of Transportation	Highw ay Planning and Construction	20.205	STP-M-7900 (29)	\$ 904,616
TN Dept of Transportation	Highw ay Planning and Construction	20.205	STP-EN-9409 (157)	1,857
TN Dept of Transportation	Highw ay Planning and Construction	20.205	STP-M-811 (126)	86,858
TN Dept of Transportation	Highw ay Planning and Construction	20.205	Various	1,284,390
				<u>7,332,734</u>
TN Dept of Transportation	State and Community Highw ay Safety	20.600	PT-14-43	2,274
TN Dept of Transportation	State and Community Highw ay Safety	20.600	PT-15-42	11,956
TN Dept of Transportation	State and Community Highw ay Safety	20.600	PT-15-43	61,639
				<u>75,869</u>
Direct Aw ard	Alcohol Open Container Requirements	20.607	154AL-14-99	34,521
Direct Aw ard	Alcohol Open Container Requirements	20.607	Z15GHS316	148,451
				<u>182,972</u>
TN Emergency Management Agency	Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	34101-23412	3,672
Total Department of Transportation				7,595,247
<b>Environmental Protection Agency</b>				
Direct Aw ard	Air Pollution Control Program Support	66.001	A-00408210-05	345,384
Direct Aw ard	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	PM-96497508-9	237,294
Direct Aw ard	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	XA-95490112-0	151,864
Direct Aw ard	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	XA-95495812-0	35,078
				<u>424,236</u>
Total Environmental Protection Agency				769,620
<b>Department of Energy</b>				
TN Housing Development Agency	Weatherization Assistance for Low - Income Persons	81.042	WAP-12-09	(27,132)
<b>Department of Health and Human Services</b>				
National Association of County and City Health Organizations	Medical Reserve Corps Small Grant Program	93.008	MRC-11-0150/13-0150	725
TN Commission on Aging and Disability	Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	31602-15009	6,162

See independent auditor's report and accompanying notes to schedule.

**SHELBY COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)**

For the Year Ended June 30, 2015

Federal/Pass-Through Agency	Program	CFDA Number	Contract Number	Total Expenditures
TN Commission on Aging and Disability	Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	CA140329-31602-14009	\$ 2,253 <u>8,415</u>
TN Commission on Aging and Disability	Special Programs for the Aging - Title VII, Chapter 2 - Long Term Care Ombudsman Services for Older Individuals	93.042	31602-15009	36,515
TN Commission on Aging and Disability	Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043	31602-15009	37,211
<i>Aging Cluster</i>				
TN Commission on Aging and Disability	Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	31602-15009	754,087
TN Commission on Aging and Disability	Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	31602-15009	1,119,724
TN Commission on Aging and Disability	Nutrition Services Incentive Program	93.053	31602-15009	<u>155,728</u>
<i>Total Aging Cluster</i>				<u>2,029,539</u>
TN Commission on Aging and Disability	National Family Caregiver Support, Title III, Part E	93.052	31602-15009	277,723
TN Department of Health	Public Health Emergency Preparedness	93.069	GG-15-4376-00	910,152
Direct Award	Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086	90FK0037-03	192,930
Direct Award	Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086	90FK037-04	<u>458,639</u> <u>651,569</u>
TN Department of Mental Health	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104	30843-GG1238239	641,080
TN Department of Health	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	GG-15-43703-00	1,630,068
TN Department of Mental Health	Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	44666	67,979
TN Department of Health	Immunization Cooperative Agreements	93.268	1239788	271,016
TN Department of Health	Immunization Cooperative Agreements	93.268	GG13-37212-00	<u>272,421</u> <u>543,437</u>

See independent auditor's report and accompanying notes to schedule.

**SHELBY COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)**

For the Year Ended June 30, 2015

<b>Federal/Pass-Through Agency</b>	<b>Program</b>	<b>CFDA Number</b>	<b>Contract Number</b>	<b>Total Expenditures</b>
TN Department of Health	Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	GG-1239790	\$ 29,477
TN Department of Health	Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	GG13-35406	19,033
TN Department of Health	Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	GG-1437970	<u>9,439</u>
				57,949
TN Governor's Office of Children's Care Coordination	Pregnancy Assistance Fund Program	93.500	GG1136105	171,911
TN Department of Health	Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	GG-14-38634	182,300
TN Department of Human Services	Child Support Enforcement	93.563	GG-11-32442	77,080
TN Department of Human Services	Child Support Enforcement	93.563	GG-1339728	<u>1,550,838</u>
				1,627,918
TN Department of Human Services	Low -Income Home Energy Assistance	93.568	LIHEAP-15-14	6,495,954
TN Department of Human Services	Low -Income Home Energy Assistance	93.568	Z-05-021704-09	<u>2,222,067</u>
				8,718,021
TN Department of Human Services	Community Services Block Grant	93.569	Z-15-49115	2,132,080
Direct Award	Head Start	93.600	04CH3447/45	403,741
TN Department of Human Services	Social Services Block Grant	93.667	CA075023	22,050
TN Department of Health	Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance – financed in part by the Prevention and Public Health Fund (PPHF)	93.733	GG-1237993-00	26,047
TN Department of Health	Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance – financed in part by the Prevention and Public Health Fund (PPHF)	93.733	GG-1336397-00	<u>19,212</u>
				45,259
TN Department of Health	Medical Assistance Program	93.778	GG-11-32226	2,836

See independent auditor's report and accompanying notes to schedule.

**SHELBY COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)**

For the Year Ended June 30, 2015

<b>Federal/Pass-Through Agency</b>	<b>Program</b>	<b>CFDA Number</b>	<b>Contract Number</b>	<b>Total Expenditures</b>
TN Commission on Aging and Disability	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	31602-15009	\$ 34,920
TN Department of Health	National Bioterrorism Hospital Preparedness Program	93.889	GE-15-44347-00	249,004
Direct Award	HIV Emergency Relief Project Grants	93.914	6 H89HA11464-06-01	(8,052)
Direct Award	HIV Emergency Relief Project Grants	93.914	CA14-1064	7,601,270
				<u>7,593,218</u>
TN Department of Health	HIV Care Formula Grants	93.917	GG-1332870-00	71,202
TN Department of Health	HIV Care Formula Grants	93.917	GG-1336912-00	22,284
				<u>93,486</u>
Direct Award	Healthy Start Initiative	93.926	H49MC00036-12-00	156,460
Direct Award	Healthy Start Initiative	93.926	H49MC00036-13-01	330
				<u>156,790</u>
TN Department of Health	HIV Prevention Activities - Health Department Based	93.940	34348	448,459
TN Department of Health	HIV Prevention Activities - Health Department Based	93.940	GG-1237993-00	522,658
TN Department of Health	HIV Prevention Activities - Health Department Based	93.940	GG-1336397-00	518,443
				<u>1,489,560</u>
TN Department of Health	Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	GG-1237993-00	72,129
TN Department of Health	Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	GG-1336397-00	70,641
				<u>142,770</u>
TN Department of Health	Assistance Programs for Chronic Disease Prevention and Control	93.945	GG-14-41730-00	52,756
TN Department of Health	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	GU-5-45765-00	3,390
TN Department of Health	Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	GG-1237993-00	392,005
TN Department of Health	Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	GG-1336397-00	345,902
				<u>737,907</u>
TN Department of Health	Preventive Health and Health Services Block Grant	93.991	G-13-39680	105,822

See independent auditor's report and accompanying notes to schedule.

**SHELBY COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)**

For the Year Ended June 30, 2015

<b>Federal/Pass-Through Agency</b>	<b>Program</b>	<b>CFDA Number</b>	<b>Contract Number</b>	<b>Total Expenditures</b>
TN Department of Health	Maternal and Child Health Services Block Grant to the States	93.994	GG-13-33273	\$ 497,149
TN Department of Health	Maternal and Child Health Services Block Grant to the States	93.994	GG-13-39492	122,921
TN Department of Health	Maternal and Child Health Services Block Grant to the States	93.994	GU-13-32848	<u>203,300</u>
				<u>823,370</u>
Total Department of Health and Human Services				31,681,471
<b>Office of National Drug Control Policy</b>				
Direct Award	High Intensity Drug Trafficking Areas Program	95.001	G12GC0005A	10,456
Direct Award	High Intensity Drug Trafficking Areas Program	95.001	G13GC0005A	25,950
Direct Award	High Intensity Drug Trafficking Areas Program	95.001	G15GC0005A	<u>69,935</u>
				106,341
<b>Department of Homeland Security</b>				
Direct Award	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	34101-36112	7,434
TN Department of Mental Health	Hazard Mitigation Grant	97.039	GG-10-28271	174,568
TN Department of Health	Emergency Management Performance Grants	97.042	34101-09414	149,000
Direct Award	Assistance to Firefighters Grant	97.044	EMW-2011-FO-09328	10,779
Direct Award	Port Security Grant Program	97.056	41174889	4,815
TN Emergency Management Agency	Homeland Security Grant Program	97.067	34101-17514	<u>405,253</u>
Total Department of Homeland Security				<u>751,849</u>
Total federal awards				55,654,269

See independent auditor's report and accompanying notes to schedule.

**SHELBY COUNTY, TENNESSEE**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (Continued)**

For the Year Ended June 30, 2015

Grantor Agency	Program Name	Contract Number	Total Expenditures
TN Administrative Office of the Courts	Child Support Mediation	N/A	\$ 11,585
TN Commission on Aging & Disability	Aging Program	31602-15009	1,140,450
TN Commission on Aging & Disability	Aging Program	31602-15009	2,432,094
TN Department of Children's Services	Court Appointed Spec Advocates	35910-20396	9,000
TN Department of Children's Services	At Risk Youth	GG-1235222	67,688
TN Department of Corrections	Offender Re-Entry Program	32901-31258-44108	98,069
TN Department of Environment & Conservation	Clean Tennessee Energy Grant	32701-02033-40076	106,687
TN Department of Environment and Conservation	Tire Recycling	CA123779	498,359
TN Department of Environment and Conservation	Household Hazardous Waste	CA154367	84,999
TN Department of Health	Tenndercare Outreach	GG-14-38634	1,088,552
TN Department of Health	Fetal Infant Mortality Review	GG-15-43098	538,361
TN Department of Health	Home Visiting Services	GG-15-43704	512,270
TN Department of Health	CDC Antiterrorism Grant	GG13-35406	114,438
TN Department of Health	Tobacco Settlement Funds 2014	34101-09414	146,454
TN Department of Health	Tobacco Settlement Funds 2015	A00408215-2	220,502
TN Department of Health	TennCare Dental Prevention	GG-15-42428	1,400,014
TN Department of Health	HIV	GG-1237993-00	68,468
TN Department of Health	HIV	GG-1336397-00	33,608
TN Department of Health	Family Planning	GG-15-42610-00	793,552
TN Department of Health	New born Outreach	CC123-5950	20,100
TN Department of Health	Children's Special Services	GG-13-33273	244,969
TN Department of Health	BCS Enrollments and Deferrals	N/A	6,360
TN Department of Health	HMEP	GE15-42780	917,800
TN Department of Housing and Urban Development	State Aid Program	B-13-US-47-001	1,149,455
TN Department of Human Services	Title IV-D Process Paper Grant	GG-11-32442	387,357
TN Department of Human Services	DHS Advocacy Services	GG-1339444	249,934
TN Department of Human Services	Down Payment Assistance	N/A	340,252
TN Department of Mental Health	Mentally Ill Inmate Services	GG-10-28271	66,279
TN Department of Transportation	CMAQ Air Quality	110389	1,024
TN Department of Transportation	State Aid Program Ward Rd. Bridge	N/A	663,074
TN Department of Transportation	State Aid Road and Bridge Maintenance	152	903,888
TN Dept of Mental Health & Substance Abuse	Residential Drug Treatment	42058	545,259
TN Emergency Management Agency	FEMA Disaster 1978 4-4-11	34101-36112	1,577
TN Highway Beautification Office	Roadside Grant	Z15LIT079	211,823
Total state awards			<u>15,074,301</u>
Total federal and state awards			<u><u>\$ 70,728,570</u></u>

See independent auditor's report and accompanying notes to schedule.

**SHELBY COUNTY, TENNESSEE**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

June 30, 2015

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**NOTE 1 – BASIS OF PRESENTATION**

The schedule of expenditures of federal and state awards (the “Schedule”) includes the federal grant activity of Shelby County, Tennessee (the “County”) under programs of the federal government for the year ended June 30, 2015 (the Shelby County Board of Education, a component unit of the County, issues a separate financial report and is not included in the Schedule). The information in this Schedule is presented in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- 1) The Schedule is presented on the modified accrual basis of accounting, consistent with accounting for governmental type funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”), which is generally when the allowable program expenditures are incurred. Expenditures and transfers out are recorded when the related program liability is incurred, except for certain compensated absences. Such expenditures are recognized following the cost principles contained in the OMB Circular A-87, *Cost Principles for State, Local, and Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
  
- 2) Pass-through entity contract numbers are presented where available.

**NOTE 3 – RECONCILIATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS TO THE FINANCIAL STATEMENTS**

The following is a reconciliation of expenditures per the schedule of expenditures of federal and state awards to the expenditure balances in the grant fund, per the County’s financial statements:

Totals per schedule of expenditures	\$ 70,728,570
Less: Expenditures in non-grant funds	(1,661,044)
Add: Expenditures not shown on this schedule	3,069,585
Add: County matching	4,771,969
Total grant fund expenditures	<u><u>\$ 76,909,080</u></u>

**NOTE 4 – AMOUNTS AWARDED TO SUBRECIPIENTS**

The following amounts were awarded to subrecipients during the fiscal year ended June 30, 2015:

<b>CFDA Number(s)</b>	<b>Program</b>	<b>Amount</b>
16.523	Juvenile Accountability	\$ 41,101
16.590	Blueprint for Safety	78,079
16.730	Defending Childhood Initiative	323,144
16.738	JAG Program	419,166
93.044/ 93.045 / 93.053	Aging Cluster	3,393,687
93.104	Just Care Family Network	423,842
93.500	Parenting Success	166,484
93.600	Head Start	61,301
93.940	HIV	413,290
95.001	HIDTA Grant	34,787
97.039	Hazard Mitigation	633
97.067	Homeland Security	59,884
Total amounts awarded to subrecipients		<u>\$ 5,415,398</u>

**SHELBY COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the Year Ended June 30, 2015

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**A. SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unmodified opinion on the financial statements of Shelby County, Tennessee.
2. No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor's 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*.
3. No instances of noncompliance material to the financial statements of Shelby County, Tennessee were disclosed during the audit.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Shelby County, Tennessee expresses an unmodified opinion on all major federal programs.
6. There were no audit findings required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs included:
  - CFDA 20.205 – Highway Planning and Construction
  - CFDA 93.568 – Low-Income Home Energy Assistance
  - CFDA 93.569 – Community Services Block Grant
8. The threshold for distinguishing between Type A and B programs was \$1,669,628.
9. Shelby County, Tennessee qualifies as a low risk auditee.

**B. FINDINGS – FINANCIAL STATEMENTS AUDIT**

None

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

**SHELBY COUNTY, TENNESSEE**  
**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**

June 30, 2015

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None



