CITY OF BARTLETT
TENNESSEE

1866

A. Keith McDonald, Mayor

Comprehensive Annual Financial Report
For The Fiscal Year Ended
June 30, 2015

Prepared by the City of Bartlett Finance Department

CITY OF BARTLETT, TENNESSEE
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

TABLE OF CONTENTS

TABLE OF CONTENTS

TABLE OF CONTENTS

INTRODUCTORY SECTION

City of Bartlett
A. Keith McDonald, Mayor

December 22, 2015

To the Honorable Mayor, Members of the Board of Mayor and Aldermen, and Citizens of the City of Bartlett, Tennessee:

The Comprehensive Annual Financial Report, (CAFR) of the City of Bartlett, Tennessee (The City) for the fiscal year ended June 30, 2015, is hereby submitted as required by state statutes. These statutes require that all general purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) as set forth by the Government Accounting Standards Board (GASB) and have been audited by a firm of certified public accountants in accordance with the generally accepted government auditing standards.

This report consists of management's representations concerning the finances of the City of Bartlett. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Bartlett's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Bartlett's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Watkins Uiberall, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor has issued an unmodified ("clean") opinion on the City of Bartlett's financial statements for the fiscal year ended June 30, 2015. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Bartlett was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the compliance report section of the CAFR.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Bartlett’s MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Bartlett, incorporated in 1866, is located in Shelby County in the southwestern part of the state. The City currently occupies a land area of 32.30 square miles and serves a population of 56,488. The City is empowered by state statutes to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the Board of Mayor and Aldermen.

The City of Bartlett operates under a private act charter approved by the state legislature in 1993. Policy-making and legislative authority are vested in a Board of Mayor and Aldermen (BMA) consisting of the Mayor and six Aldermen. The Board, among other things, is responsible for passing ordinances, adopting the budget and appointing committees. The Mayor is responsible for carrying out the policies and ordinances of the Board, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments with confirmation of the BMA. The Board of Mayor and (Six) Aldermen are elected to four-year terms by popular vote. One-half of the Board is elected every two years.

The City provides a full range of municipal services including ambulance, police and fire services, streets and drainage construction and maintenance, solid waste collection, cultural and recreational programs, library services, planning and zoning, and administrative services. In addition, the City provides a water and sewer utility system operating under an Enterprise Fund concept with user charges established by the Board of Mayor and Aldermen to ensure adequate coverage of operating expenses and retirement of outstanding debt.

The Bartlett City Board of Education provides educational services to students within the jurisdiction of the City of Bartlett. The City school system is part of the Government of Bartlett, Tennessee. The Bartlett City Board of Education was created via state statute and local public referendum in the fall of 2013. School enrollment is made up of students residing within the corporate limits of the City. The first full year of instruction began in August 2014. Bartlett City schools has the second highest enrollment of students in Shelby County.

The Memphis Light, Gas and Water Division of the City of Memphis provides electrical and natural gas distribution to the Bartlett service area. The City of Memphis provides treatment of sewage collected by most of the City of Bartlett's sewage system. The Memphis Area Transit Authority provides scheduled bus service throughout the City. These entities do not meet the established criteria for inclusion in the reporting entity and are not included in this report.

The City administration annually prepares a plan of services for the upcoming fiscal year and the estimated cost of providing those services. All department heads of the City of Bartlett are required to submit requests for appropriation to the Finance Director. Initial requests are reviewed by the Mayor, Chief Administrative Officer, and finance staff. The resulting plan is then reviewed by the Board of Mayor and Aldermen and is formally adopted by the passage of a budget ordinance on three separate readings. The ordinance is adopted by fund, function (e.g. public safety) and department (e.g. police). Department heads may make transfers of appropriations within their department. Transfers of appropriations between departments require the approval of an amendment by the BMA. Strict budgetary compliance is maintained by the automated accounting system to assure effective fiscal management and accountability. All requests for purchases are checked by the budgetary control system to assure that funds are available. Purchase orders and contracts are encumbered prior to release to vendors. The system controls are maintained within cost center levels and are basically set up within the Personnel, Operations, and Capital categories. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget has been adopted.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local economy

During the fiscal year the City of Bartlett experienced overall growth in the local economy but like the state and national economy the pace of growth has not returned to pre-2008 levels. The City currently has a certified population of 56,488, making it the tenth largest city in Tennessee. Projections show the City is expected to grow to over 62,000 by 2020.

The Saint Francis Bartlett Hospital has completed its multi-bed expansion The City continues to place special emphasis on the re-development of Bartlett Station, a 258-acre area of commercial, light industrial and residential development in the oldest part of Bartlett. The Bartlett Station Commission has been active in planning and promoting Bartlett's historic area for future growth. A convenience store and a new restaurant are scheduled to open in the area during FY 2016. The City has hired a major retail strategy consultant to assist in the recruitment of retail establishments in the future.

Retail sales in the fiscal year and the current year show modest growth as the economy struggles to regain lost ground. During the fiscal year 2015 the City issued 218 permits for new single family residence structures with a value of $45,543,706 or an average of $208,916. The City also issued 80 permits for commercial construction valued at $21,667,670. The median household income in Bartlett is in excess of $62,000 and we expect Bartlett to continue to be the retail center of north Shelby County. Emphasis is being made on bringing more retail establishments into the City. Culpepper Place, an assisted living facility, is currently under construction.

Brimhall Snack Foods has announced a $6 million expansion at its location in the Bartlett Corporate Park with 21 additional jobs; Brother International has announced a $5 million expansion of its operations; Titan Medical Manufacturing has announced a $1.8 million expansion of its operations with an additional 53 positions by 2021. Bartlett is also the location of property listed by the Tennessee Department of Economic Development as an “Economic Development Certified Site”, which is an attractive site for prospective companies. The City feels it is well-positioned for future corporate and retail growth.

The regional economy continues its steady growth in retail sales with local sales tax collections increasing by 4.0% in FY2015 compared to FY2014. In FY2016 the City has projected a 3.0% increase in local sales tax collections over FY2015. Collections from the City’s additional ½ cent local sales tax were $4.14 million in FY2015 and projected to grow 3% for FY2016. The Board of Mayor and Aldermen have used this revenue source to provide local funding for the operation of the Bartlett Municipal School System. Property taxes remain a significant portion of the City’s revenue source bringing in 42.7% of total revenue for the general fund. Collections remain strong with approximately 97.8% of property tax levy collected during the fiscal year.

Long term financial planning

The Board of Mayor and Aldermen adopts a Capital Improvements Program (CIP) that is a five year plan for capital expenditures to replace and expand the City’s infrastructure and equipment. The program is reviewed and updated annually to revise project cost estimates and available revenue sources. Funding for capital improvement projects in the CIP are generally funded through issuance of general obligation and revenue bonds. However, the finance department identified sufficient unspent and unbudgeted CIP funds from prior years to fully fund the CIP program for FY2015. Highlights of the program for 2016-2020 are:

- Road, Street, and Drainage improvement projects totaling $36.2 million to improve access and traffic flow in the City.
- Water and Sewer improvements and upgrades totaling $6.21 million.

- Public safety buildings, parks improvements, vehicles and equipment including police cars, ambulances and fire trucks totaling $10.7 million.
- The City expects these projects to be funded through general obligation and revenue bonds, Tennessee Department of Transportation grants, and reserves

The City of Bartlett has adopted a comprehensive fund balance policy and debt management policy. Components of these policies provide a useful guide to financial operations and debt issuance. The City seeks to limit its total outstanding debt obligations by adopting guidelines which permit and facilitate long-term access to capital while ensuring that financial leveraging decisions do not negatively impact the City's operations. All the debt issued is within the parameters of the adopted debt limits as specified in the Board of Mayor and Aldermen's debt management policy.

Relevant financial policies

The City's fund balance policy provides that fund balances will be used prudently and conservatively to fund one time expenditures and stabilize the property tax rate. The fiscal year 2016 budget included a budgeted use of fund balance in the general fund and special revenues funds. The City ended the 2015 fiscal year with over $28.6 million in general fund balance, well within the general fund balance policy of 20% of expenditures plus $1,000,000 for emergencies and contingencies.

Temporarily idle cash during the year was invested in the State of Tennessee Local Government Investment Pool (LGIP). LGIP is operated by the State of Tennessee for the benefit of local government entities and provides fully collateralized investments at competitive interest rates.

Major initiatives

During the year ended June 30, 2015, the City made $4.0 million in capital improvement expenditures including $1,629,081 in city wide overlay and paving projects, $276,157 on Bartlett fire training facility, $311,652 on Bartlett Road Bridge construction, $305,010 to construct a splash water park for Bartlett residents, and $109,455 on Fletcher Creek Greenway Phase I. The City plans to spend $3.0 million in upgrades to its city wide public radio system FY 2016 while spending a projected $29.2 million in various other engineering projects over the next five years. The City has plans to replace dehumidifier units at the recreation center for $346,000 in FY 2016 as well as upgrades to the City's phone system ($200,000), city hall renovations ($400,000), and over $1 million in vehicle replacements.

Long term financial planning

The City's fiscal year spending plan emphasizes a long-term goal of maintaining fiscal and financial stability. Annual budgets adopted by the Board of Mayor and Aldermen have consistently stressed a culture of cost-saving efforts while focusing on customers and quality of service provided the citizens.

The City was affirmed as Aa1 by Moody's and AAA by Standard & Poor's rating agencies in October 2015. On October 1, 2015 the City issued $5,100,000 in general obligation bonds to fund the various capital improvement projects included in the FY2016 budget.

Awards and Acknowledgements

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bartlett for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2014. This was the 26th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit publishes an easily readable and efficiently organized comprehensive annual financial report (CAFR). This report must satisfy both generally accepted accounting principles and applicable legal requirements.

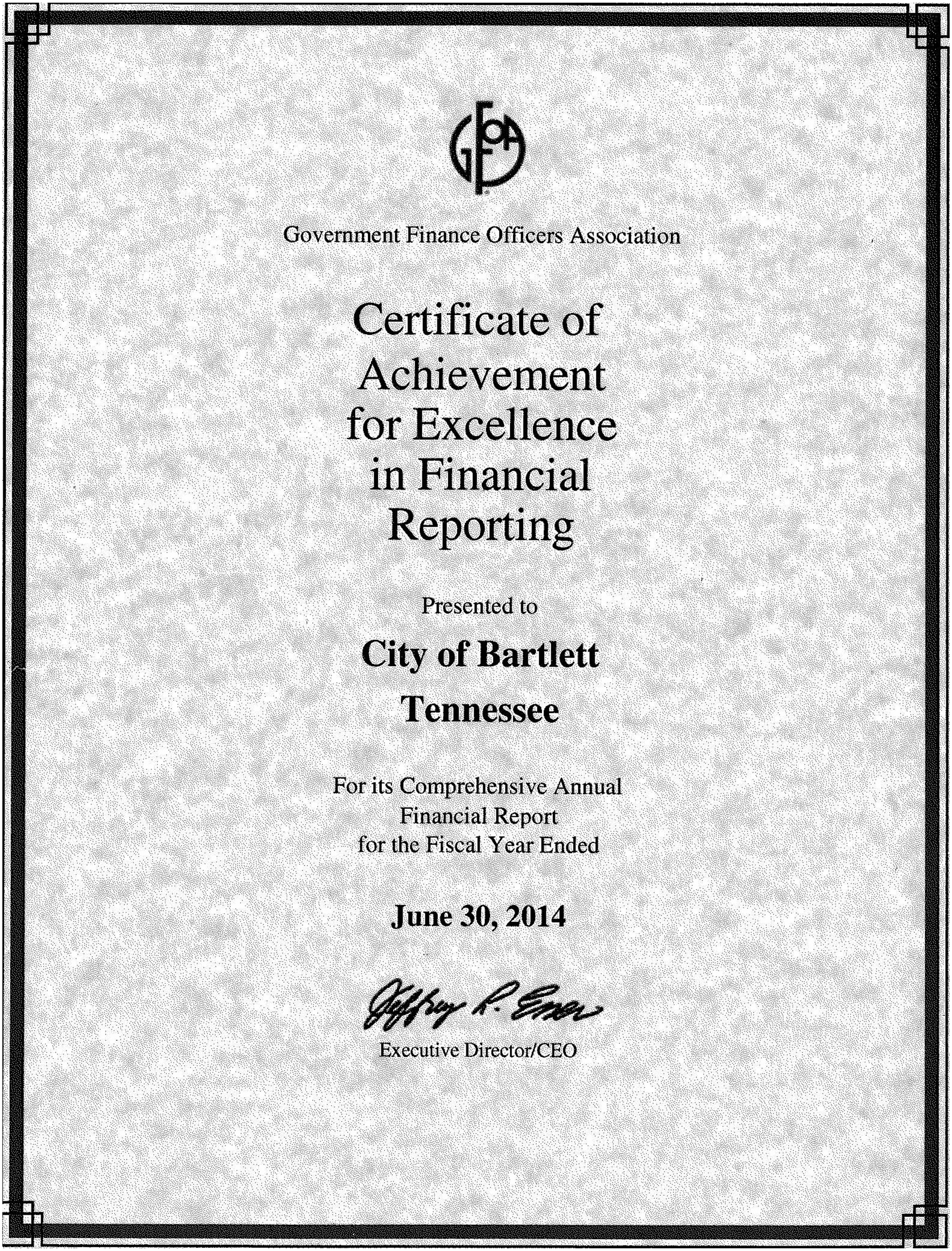
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA Distinguished Budget Presentation Award for the 13th straight year for its annual budget document for the fiscal year beginning July 1, 2014. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device. The annual budget document dated July 1, 2016 has been submitted to the GFOA for review and it is anticipated that it will also receive this award.

Acknowledgement: The preparation of this CAFR could not have been accomplished without the efforts and dedicated services of the entire staff of the finance department throughout the fiscal year. I would like to express my appreciation to all of the members of the department who assisted and contributed to this report, in addition to the City's independent certified public accountants, Watkins Uiberall, PLLC. Credit also must be given to the Mayor and Board of Aldermen for their support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

Dick Phebus
Director of Finance



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bartlett

Tennessee

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Jeffrey L. Esser

Executive Director/CEO

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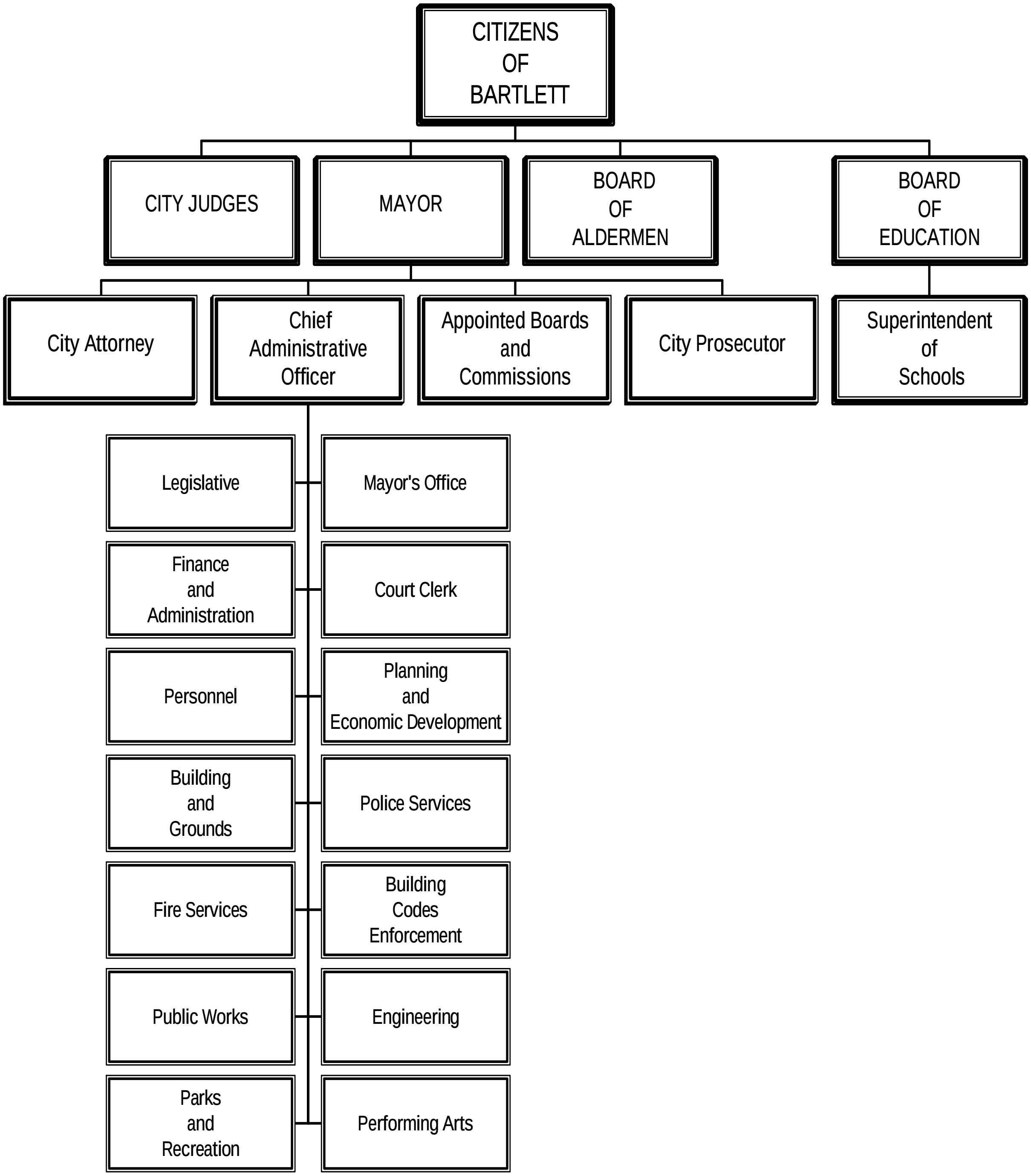
CITY OF BARTLETT

ORGANIZATION CHART

JUNE 30, 2015



CITY OF BARTLETT, TENNESSEE
CITY OFFICIALS
JUNE 30, 2015

MAYOR

A. Keith McDonald (2018*)

ALDERMEN

Jack Young, Vice Mayor (2016*)
W.C. (Bubba) Pleasant, Register (2018*)
David Parsons (2018*)
Emily Elliott (2018*)
Bobby Simmons (2016*)
Paula Sedgwick (2016*)

Chief Administrative Officer	Mark S. Brown
City Attorney	Edward McKinney Jr.
Director of Finance	Dick Phebus
Director of Personnel	Peter Voss
Director of Planning and Economic Development	Terry Emerick
Director of Police Services	Gary Rikard
Director of Fire Services	Terry Wiggins
Director of Code Enforcement	Jim Brown
Director of Public Works	Bill Yearwood
Director of Engineering / City Engineer	Rick McClanahan
Director of Parks and Recreation	David Thompson
Director of the Performing Arts Center	Vacant
Director of Citizen Services	Jacquie Gore
Director of Community Relations	Debbie Morrison
Court Clerk	Bill Lloyd

*(Date elected term expires)

FINANCIAL SECTION

WATKINS UIBERALL
Watkins Uiberall, PLLC
Certified Public Accountants
Independent Member of BKR International

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Memphis, Tennessee 38120
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417 West Main Street • Suite 100
Tupelo, Mississippi 38804
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Board of Aldermen of the
City of Bartlett, Tennessee:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the statement of budgetary comparison for the general fund and general purpose school fund, and the aggregate remaining fund information of the City of Bartlett, Tennessee, (the "City") as of and for the year ended June 30, 2015,and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the statement of budgetary comparison for the general fund and general purpose school fund, and the aggregate remaining fund information of the City of Bartlett, 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

The City of Bartlett, 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 11 to the financial statements, which describes a restatement decreasing beginning Governmental Activities net position by $16,513,111 and beginning Business-Type Activities net position by $999,851 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 and required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bartlett's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, supplementary schedules, and statistical information 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 awards and state financial assistance 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 individual fund financial statements and schedules, supplementary schedules, and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, supplementary schedules, and the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical information 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 December 22, 2015, on our consideration of the City of Bartlett'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 the City of Bartlett's internal control over financial reporting and compliance.

Watkins Uiberall, PLLC

Memphis, Tennessee
December 22, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Bartlett, Tennessee (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal and notes to the financial statements.

Financial Highlights

- The assets of the City exceeded its liabilities and deferred outflows at the close of the most recent fiscal year by $ 333,248,586 (net position). Of this amount, $1,251,650 (unrestricted net position) may be used to meet the government's ongoing obligation to citizens and creditors.

- The City's total net position increased by $6,312,099 from prior restatement of net position. The restatement at June 30, 2014 resulted from the implementation of GASB 68 and GASB 71 for pension accounting and a restatement of land values for parcels of land donated by the Shelby County Board of Education. The pension restatement was accounted for as a change in accounting principle with prior year adjustments as determined by an actuary. The effect of this prior period adjustment decreased net position for governmental activities by $16,513,111 and proprietary activities by $999,851 at June 30, 2014.

- At June 30, 2015, the City's governmental funds reported combined ending fund balances of $48,089,722, an increase of $6,978,955 in comparison with the prior year. Approximately 72.2% of this amount is available for spending at the government's discretion (committed, assigned or unassigned fund balance). At June 30, 2015 unassigned fund balance for the General Fund was $26,496,930, or 64.7% of total General Fund expenditures.

- The City's total debt decreased by $2,980,530 (6.7%) during the current fiscal year. The City paid down $3,860,000 in existing general obligation bonds and water revenue bonds plus $613,001 in capital notes in FY 2015. The City issued $1,041,000 in capital outlay notes for equipment and vehicles during the year and used unspent and unbudgeted bond proceeds from prior years to fund its capital improvement program for the year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Bartlett's basic financial statements. The City's basic financial statements consist of three components: 1.) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The government-wide financial statements are:

- **Statement of Net Position** -- presents information on all of the City's assets and deferred outflows and liabilities and deferred inflows, 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 whether the financial net position of the City is improving or deteriorating.

- **Statement of Activities** -- presents information showing how the City's net position changed during the most recent fiscal year. All current year revenues and expenses are taken into account 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 leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, parks and recreation, performing arts center, recreation center, and education. The business-type activities of the City include the operations of the water and sewer facilities.

The government-wide financial statements can be found on pages 27-29 of this report.

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. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City 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 statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains sixteen 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 and the School General Purpose Fund, fund both of which are considered to be major funds. Data for the other fourteen funds is combined into a single column with individual fund data for each of these non-major governmental funds provided in the form of combining and individual fund statements elsewhere in this report.

The City of Bartlett adopts an annual appropriation budget for its general, special revenue and debt service fund. A budgetary comparison statement has been provided for the General Fund and General Purpose School Fund (both major funds) to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 30-33 of this report.

Proprietary funds -- Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. The City maintains two different types of proprietary funds: enterprise funds and internal service funds.

- Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, but provide more detail and additional information, such as cash flow analysis. The City uses enterprise funds to account for its Water and Sewer activities.
- Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its health insurance and worker's compensation services. Because both of 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, only in more detail. The business-type activity related to the Water and Sewer Fund is presented in a single column of the proprietary fund financial statements.

The governmental activities of the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the report.

The basic proprietary fund financial statements can be found on page 43-45 of 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 statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 46-47 of this report.

Notes to the 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. The notes to the financial statements can be found on pages 48-83 of this report.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information. The required supplementary information (RSI) provides additional information regarding the City’s other post-employment benefits (OPEB), the employee retirement system funding progress, the employee retirement system employer contributions, and bonds of principal officials.

Combining and Individual Fund Statements and Schedules: Combining schedules provide detail in connection with non-major governmental and internal service funds referred to earlier. Individual fund statements provide greater detail for the General Fund. Combining and individual fund statements and schedules can be found on pages 90-108 of this report.

Statistical Information: The statistical section, found on pages 120-145, presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information indicates about the City’s overall financial health.

Government-wide Financial Analysis

Net Position: Net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets exceeded liabilities and deferred inflows by $333,248,586 at the close of the most recent fiscal year, a decrease of $7,347,926, or 2.15 percent, from last year.

The largest portion of the City’s net position (97.0%) reflects its net investment in capital assets (e.g., land, buildings, machinery and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that 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.

Condensed Statement of Net Position

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	$ 75,761,990	$ 64,336,459	$14,759,729	$14,727,968	$ 90,521,719	$ 79,064,427
Capital assets	287,963,764	289,387,045	67,829,667	67,908,093	355,793,431	357,295,138
Total assets	363,725,754	353,723,504	82,589,396	82,636,061	446,315,150	436,359,565
Deferred outflows of resources	6,985,485	477,203	385,748	272,800	7,371,233	750,003
Long-term liabilities outstanding	78,455,036	59,287,976	15,828,737	15,748,559	94,283,773	75,036,535
Other liabilities	7,248,480	2,766,449	798,695	555,476	8,047,175	3,321,925
Total liabilities	85,703,516	62,054,425	16,627,432	16,304,035	102,330,948	78,358,460
Deferred inflows of resources	18,106,849	18,154,596	-	-	18,106,849	18,154,596
Total deferred inflows	18,106,849	18,154,596	-	-	18,106,849	18,154,596
Net position:						
Net Investment in Capital Assets	265,573,498	266,223,904	57,658,219	57,051,033	323,231,717	323,274,937
Restricted	6,799,683	9,068,239	1,965,536	2,621,366	8,765,219	11,689,605
Unrestricted	(5,472,307)	(1,300,457)	6,723,957	6,932,427	1,251,650	5,631,970
Total net position	$266,900,874	$273,991,686	$66,347,712	$66,604,826	$333,248,586	$340,596,512

An additional portion of the City’s net position (2.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($1,251,650) may be used to meet the government’s ongoing obligations to citizens and creditors.

At June 30, 2015, the City is able to report positive balances in all three categories of net position for the government as a whole. Governmental activities reflected a negative unrestricted amount as a component of net position while business-type activities reflected a positive component. The City maintains a practice of providing adequate reserves for payment of debt service and capital projects while funding current operations with current revenue sources.

Changes in Net Position: Governmental activities decreased the City’s net position by $7,090,812 while Business-type activities decreased the City’s net assets by $257,114 resulting in a net decrease of $7,347,926. Key elements of this increase are as follows:

- A decrease in long-term debt from general obligation and revenue bond issuance was more than offset by the implementation of GASB 68 and GASB 71 in FY2015. Additions to net position were provided by an increase in net activities of $7,054,836 and a prior period adjustment to account for land value donated by the Shelby County Board of Education of $3,110,200. The implementation of GASB 68 and GASB 71 decreased net position by $17,512,962.

- Depreciation expense of $8,826,922 in governmental activities and $2,101,076 in business-type activities was also a factor in the overall change in net position. Of the $8,826,922 depreciation in governmental activities, $3,609,614 was from education activities.

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for Services	$ 18,535,489	$ 15,026,511	$ 8,294,446	$ 8,374,269	$ 26,829,935	$ 23,400,780
Operating grants and contributions	44,118,649	2,758,332	25,090	41,903	44,143,739	2,800,235
Capital grants and contributions	-	174,543,318	715,368	184,388	715,368	174,727,706
General Revenues:						
Local taxes	64,785,332	34,507,981	-	-	64,785,332	34,507,981
Intergovernmental	5,728,128	4,957,503	-	-	5,728,128	4,957,503
Interest on investments	29,213	36,503	5,170	11,881	34,383	48,384
Other	527,613	378,864	1,987	-	529,600	378,864
Total revenues	133,724,424	232,209,012	9,042,061	8,612,441	142,766,485	240,821,453
Expenses						
General government	8,194,427	7,751,978	-	-	8,194,427	7,751,978
Public safety	27,217,650	28,251,298	-	-	27,217,650	28,251,298
Public works	15,190,501	14,394,975	-	-	15,190,501	14,394,975
Parks and recreation	4,277,840	3,950,132	-	-	4,277,840	3,950,132
Performing arts center	645,051	660,053	-	-	645,051	660,053
Recreation center	1,618,553	1,637,281	-	-	1,618,553	1,637,281
Education	69,978,551	7,795,442	-	-	69,978,551	7,795,442
Interest on long-term debt	894,813	852,897	-	-	894,813	852,897
Water and sewer	-	-	7,694,263	7,407,082	7,694,263	7,407,082
Total expenses	128,017,386	65,294,056	7,694,263	7,407,082	135,711,649	72,701,138
Changes in net position before transfers	5,707,038	166,914,956	1,347,798	1,205,359	7,054,836	168,120,315
Transfers	605,061	308,367	(605,061)	(308,367)	-	-
Change in net position	6,312,099	167,223,323	742,737	896,992	7,054,836	168,120,315
previously reported	273,991,686	107,081,966	66,604,826	66,001,750	340,596,512	173,083,716
Effect of change in accounting principle	(16,513,111)	-	(999,851)	-	(17,512,962)	-
Prior period adjustments	3,110,200	(313,603)	-	(293,916)	3,110,200	(607,519)
Net position, July 1, 2014 as restated	260,588,775	106,768,363	65,604,975	65,707,834	326,193,750	172,476,197
Net position - June 30, 2015	$266,900,874	$273,991,686	$66,347,712	$66,604,826	$333,248,586	$340,596,512

Governmental Activities: Current fiscal year revenues and transfers for the City's governmental activities were $133,724,424 compared to $232,517,379 last year. Expenses for the same period were $128,017,386 compared to $65,294,056 last year, a 96.1% increase.

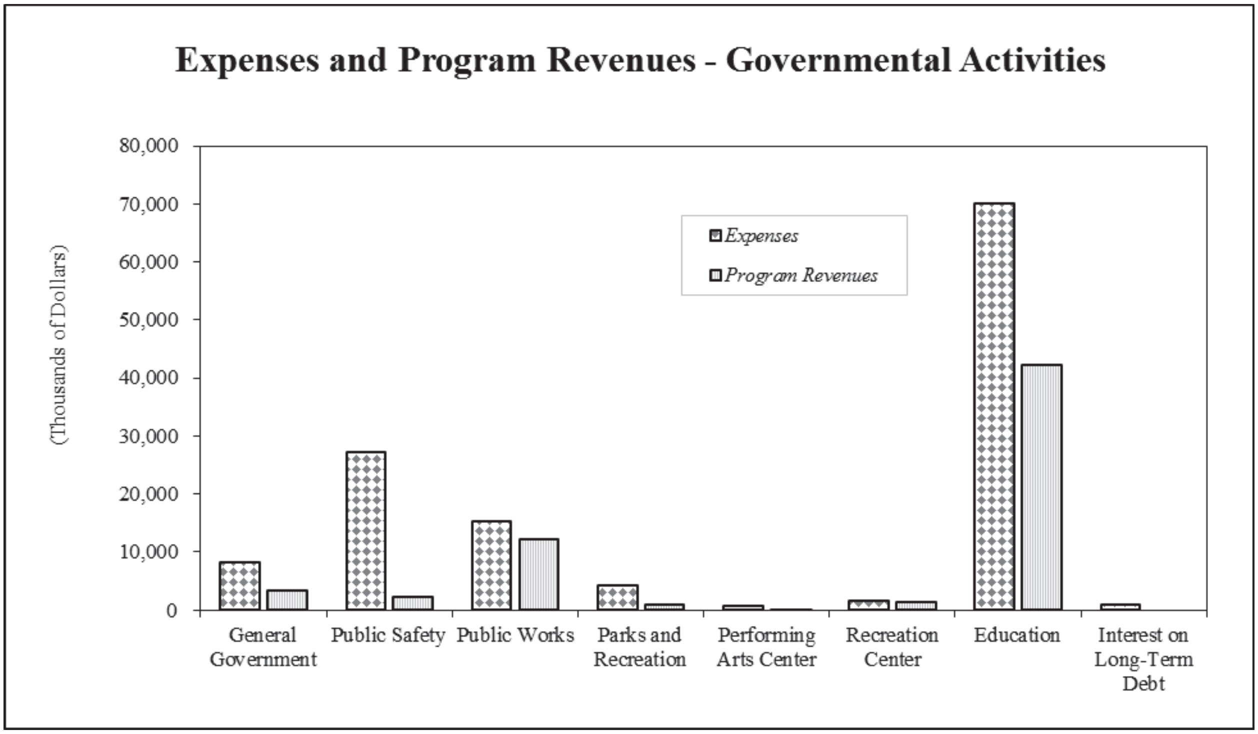
General revenue experienced a mixture of increases and decreases for the year; most notable of which are discussed below.

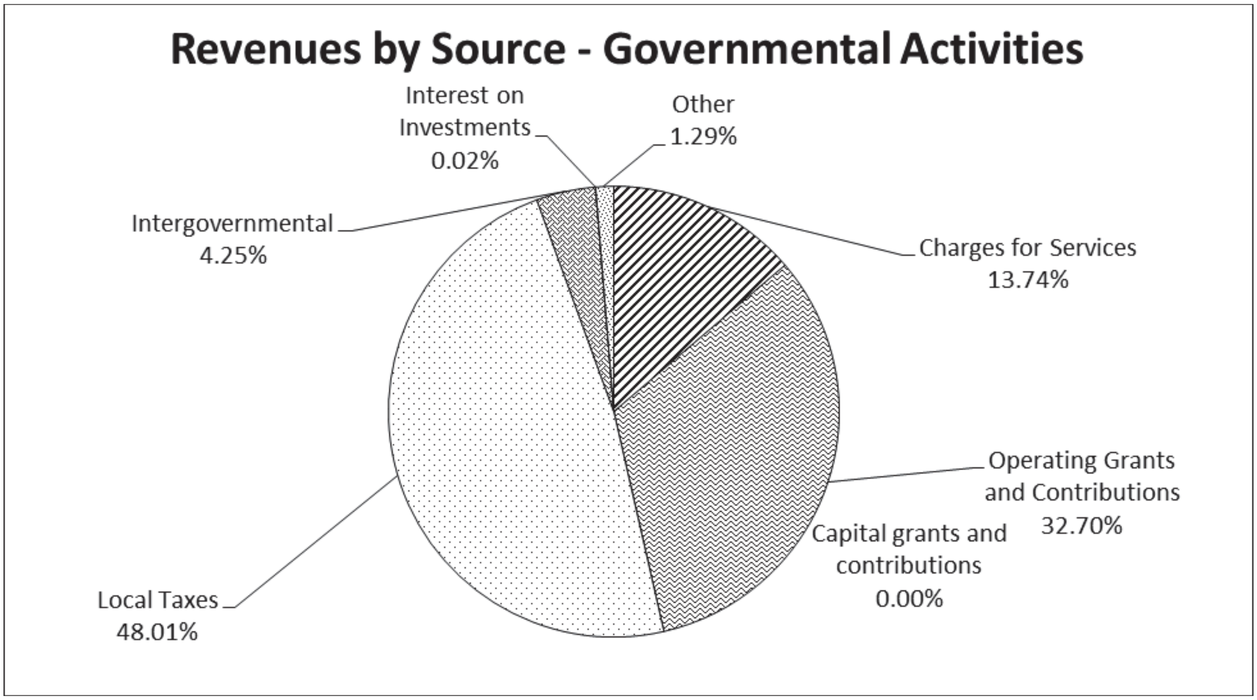
- The single largest source of governmental activity revenue in the prior year, capital grants and contributions, decreased $174,543,318 to $0 in FY 2015. Prior year revenue included contributions of capital assets from the Shelby County Board of Education for municipal school purposes.
- Operating grants and contributions increased $41,360,317 from education grants for the Bartlett City School system from the State of Tennessee education funding formula.
- Property taxes increased $21,840,119 during the year primarily due to property tax payments to the Bartlett City School system from Shelby County, Tennessee.
- Local sales taxes, the next largest contributor of revenues, were up $5,675,036, or 37.0 percent due to allocation of sales tax from the county-wide sales tax levy.
- The City's portion of state intergovernmental revenue increased by $746,554, or 15.1 percent, reflecting overall revenue growth and market returns for taxpayers in the current economic environment.
- Investment income decreased by $7,290, or 20.0 percent. The City is still experiencing historically low interest rates for authorized investments.

Each area of program revenues is discussed below.

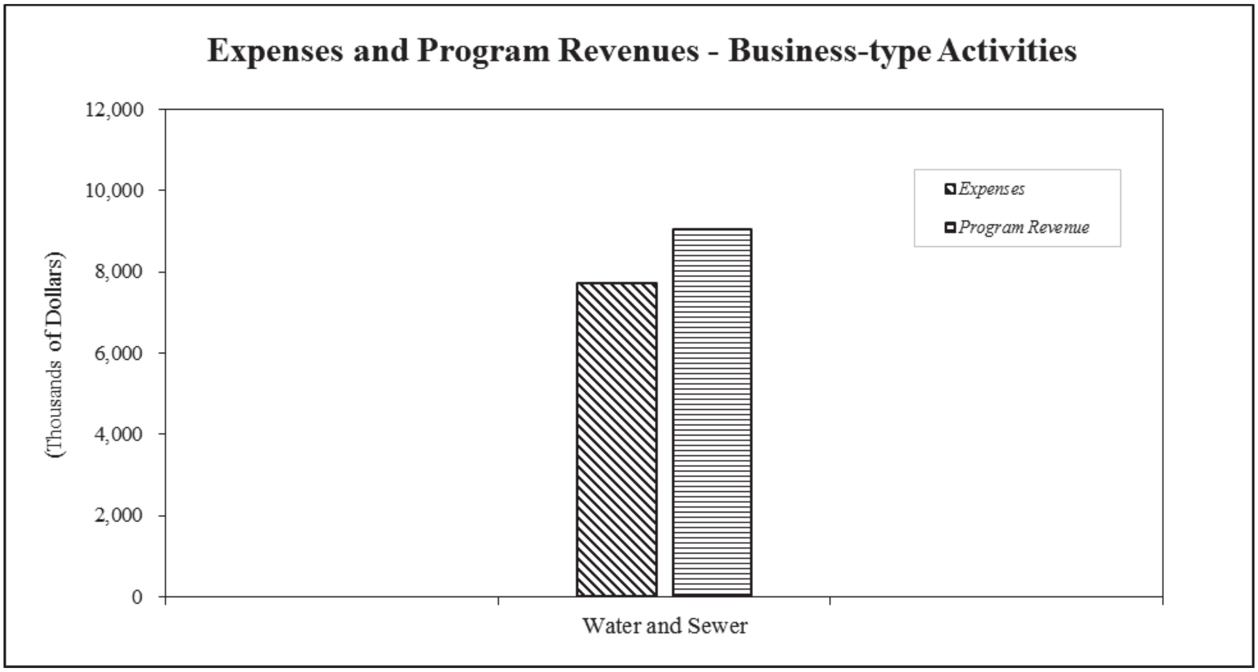
- Charges for services increased $3,508,978, or 23.3 percent from the previous year due primarily to increases in sanitation fees and other public works activities.
- Operating grants and contributions increased $41,360,317, primarily due to an increase in education operating grants from the State of Tennessee for operating revenues for the Bartlett City School system.
- Capital grants and contributions decreased $174,543,318 over the previous year. Prior year grants and contributions reflected the donation of capital assets from the Shelby County Board of Education in June 2014, described previously.

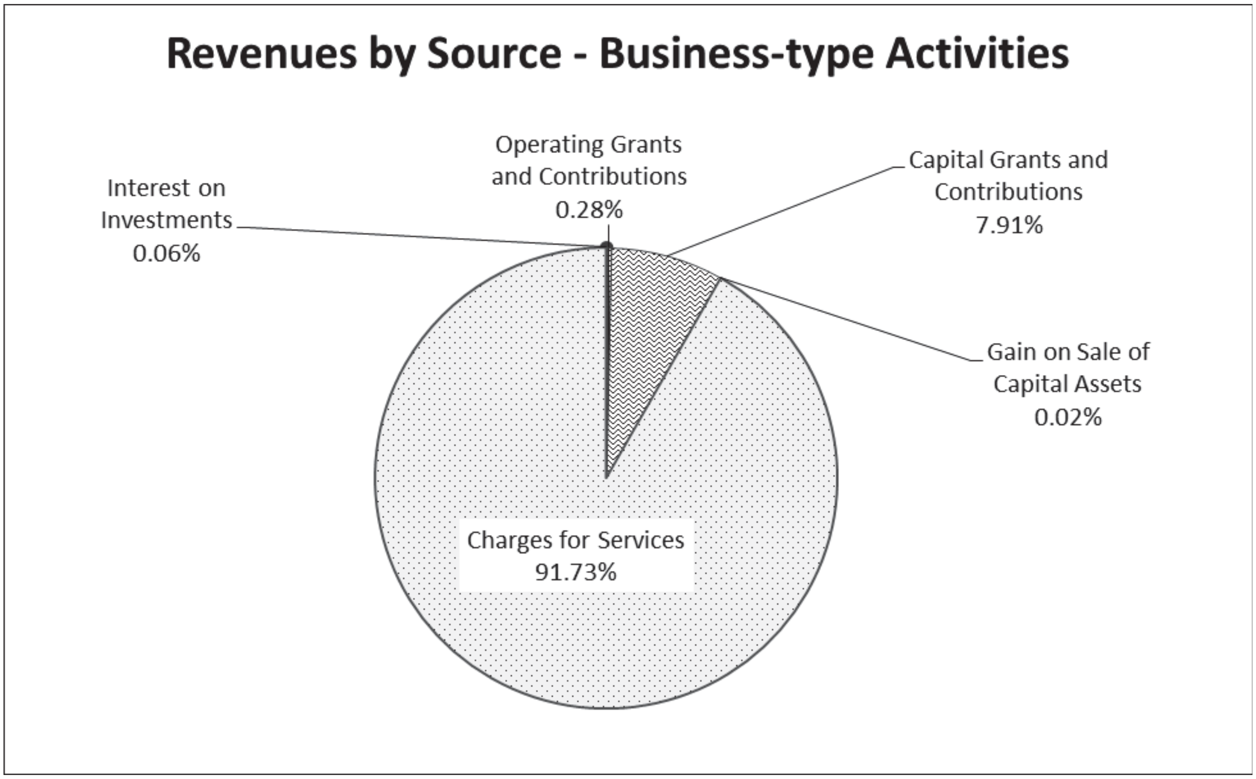
Expenses in governmental activities increased by $62,723,330 from the prior year. Increases in education expenses were $62,183,109. FY2015 was the first full year of instruction in the City's municipal schools. Other functional categories combined for an increase of $540,221 in governmental activities. Interest on long-term debt increased $41,916 over the prior year primarily due to interest on capital lease and capital outlay note issued during the year.





Business-type activities: Business-type activities increased the City's net assets by $742,737. Revenues were down slightly from prior year due to customer water conservation; however expenses were $583,875 more than the previous year. An increase in transfers out to the City's General Fund accounted for $296,694 of this total increase.





Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to help control and manage money for particular purposes or to ensure and demonstrate compliance with finance-related legal requirements. The following provides a more detailed analysis of the City's funds.

Governmental funds: Governmental funds focus on providing information on near-term inflows, and balances of spendable resources. Such information is useful in assessing the City'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.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $48,089,722, an increase of $6,978,955, in comparison with the prior year. Approximately 55.1% of this total amount ($26,496,930) constitutes unassigned fund balance, which is available for spending at the government's discretion. All of the governmental funds reported a positive ending fund balance.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was $26,496,930, while total fund balance reached $28,661,001. Other categories of fund balance for the General Fund were non-spendable ($228,952), restricted ($17,332), committed ($1,756,561) and assigned ($261,226). Non-spendable includes inventories and prepaid items; restricted includes amounts constrained for a specific purpose; committed includes amounts designated by the governing body for emergencies and contingencies; and assigned includes the use of General Fund reserves to fund the subsequent year's budget. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 54.9% of total General Fund expenditures, while total fund balance represents 70.0% of that same amount.

The fund balance of the City's General Fund increased by $2,972,989 to $28,661,001 during the current fiscal year. Key factors are as follows:

- Total revenues from taxes and other sources were up by $1,576,838 over the previous year. Property tax revenues accounted for 43% of this amount while local sales tax collections accounted for approximately 28%. Intergovernmental revenues were up by $752,217 over the previous year. These are revenues received from the State of Tennessee for sales, income, and other state imposed taxes and distributed back to cities on a prorated basis. Revenues from licenses and permits were up $113,656 while other sources of revenue were up $82,806. Total revenues, transfers in and other financing sources were $46,530,509 for the fiscal year, an increase of $1,943,722 over the previous year.

- Expenditures for current activity in the General Fund increased by $138,834 with general government and public safety expenditures accounting for 73.0% of this increase. Other current activities combined for a net increase of $149,473. Other financing sources and uses played a pivotal role in the change in the fund balance of the General Fund with a net financing use of $1,497,912 compared to a net financing use of $1,258,744 in the prior year. The net financing use of funds included transfers to the City municipal school district for costs associated with the operation of City schools in FY 2015. Total expenditures and uses of funds were $42,464,601.

The general purpose school fund focuses on providing educational instruction for students enrolled in the City's municipal school system. At June 30, 2015 the fund had a fund balance of $6,317,746 which is restricted for educational expenditures. During the year, the fund had revenues of $67,452,885 from three major categories; property taxes ($21,639,511); local sales taxes ($7,912,660); and intergovernmental revenue ($36,342,759). The fund had expenditures of $64,022,231. Educational instruction accounted for $63,229,038 while debt service principal and interest on capital lease amounted to $793,193. Other financing sources and uses was comprised of issuance of capital lease ($702,101), transfers in from the City's general fund ($2,323,324) and transfers out to other non-governmental funds ($254,343).

Proprietary funds: The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. As the City completed the fiscal year its proprietary funds, which include both an enterprise fund and an internal service fund, had a combined net position of $66,347,712.

Unrestricted net position for the Water and Sewer fund at the end of the year amounted to $6,890,217. The total decrease in net position for the Water and Sewer fund was $196,665. Other factors concerning the finances have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

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

- The difference between the original and final budget for revenues increased by $118,200. This was due to receipt of state grants for certified police and firemen. The difference between the original and final budget for expenditures increased by $510,877. General government budget was reduced by $97,449 most from legal expenditures; public safety budget was increased by $391,115 due to salary supplements received from the state of Tennessee and some miscellaneous equipment purchases in the fire department.

- The General Fund revenues were $396,580 higher than budgeted. The variance was due to state sales and income taxes allocations of $400,654 more than budgeted. Building permits were $118,696 more than budgeted. Payments in lieu of taxes were $515,167 more than budgeted while other local and state taxes experienced both increases and decreases from the prior budget year.

- General Fund expenditures were less than budgeted by $3,027,167. City department heads strive to control costs within the respective departments. The largest positive variance was in Public Safety of $628,028 while General Government had a positive variance of $484,857. Cost savings were also achieved in Public Works of $187,594, Parks and Recreation of $252,538, Performing Arts Center of $106,429, and Recreation Center of $115,119.

Capital Asset and Debt Administration

Capital assets: The City's investment in capital assets for its governmental and business type activities as of June 30, 2015 amounts to $355,793,431 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, vehicles, roads, highways, construction in progress, and other infrastructure. The total increase in City's investment in capital assets for the current fiscal year was $2,675,999. Depreciation increased $4,177,776 mostly from depreciation of education buildings and equipment.

Condensed Statement of Capital Assets

(Net of Depreciation)

	Governmental activities		Business-type activities		Total	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
Land	$ 11,457,521	$ 8,297,463	$ 1,358,109	$ 1,358,109	$ 12,815,630	$ 9,655,572
Buildings	194,073,833	197,957,555	57,787	61,756	194,131,620	198,019,311
Improvements other than bldgs.	2,388,073	1,990,725	63,515,771	64,375,721	65,903,844	66,366,446
Equipment	3,953,204	3,240,995	841,425	858,950	4,794,629	4,099,945
Vehicles	4,380,809	4,178,314	-	-	4,380,809	4,178,314
Infrastructure	69,862,940	70,070,533	-	-	69,862,940	70,070,533
Contruction in progress	1,847,384	3,651,460	2,056,575	1,253,557	3,903,959	4,905,017
Total	$ 287,963,764	$ 289,387,045	$ 67,829,667	$ 67,908,093	$ 355,793,431	$ 357,295,138

Governmental activities saw an increase of $11,047,486 in acquisition of land, buildings, equipment, vehicles, and infrastructure during FY2015 with $3,821,296 in retirements. Business-type activities saw an increase of $2,556,518 in capital asset acquisitions with $533,861 in retirements.

Additional information on the City's capital assets can be found in note 4(D) on pages 59-60 of this report.

Long-term debt: At the end of the current fiscal year, the City had total debt outstanding of $43,026,317. Of this amount $30,431,008 comprises debt backed by the full faith and credit of the government and capital outlay notes and $12,595,309 represents bonds secured primarily by a specified revenue source with a full faith and credit pledge.

Condensed Statement of Outstanding Debt

General Obligation and Revenue Bonds

	Governmental activities		Business-type activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds	$ 26,177,752	$ 28,876,934	$ -	$ -	$ 26,177,752	$ 28,876,934
Capital Outlay note	2,657,000	2,135,000	-	-	2,657,000	2,135,000
General Obligation note	1,061,000	1,115,001	-	-	1,061,000	1,115,001
Capital Lease	535,256	-	-	-	535,256	-
Revenue bonds	-	-	11,809,309	13,053,912	11,809,309	13,053,912
Revenue note	-	-	786,000	826,000	786,000	826,000
Total	$ 30,431,008	$ 32,126,935	$ 12,595,309	$ 13,879,912	$ 43,026,317	$ 46,006,847

The City's total debt increased $2,980,530 or 6.5 percent during the current fiscal year. The City issued did not issue any general obligation or revenue bonds during the year, relying on unbudgeted and unspent bond and premium proceeds from prior years to fund the City's FY2015 Capital Improvement Program. The City issued $1,041,000 in seven-year capital outlay notes during the year to help fund vehicles and equipment. The City retired $4,639,846 in debt through retirement of existing debt.

The City maintains a "AAA" rating from Standard & Poor's and a "Aa1" rating from Moody's for general obligation debt and water and sewer revenue debt. The City maintains a good relationship with bond rating agencies and major investment institutions through disclosure of financial data with the Municipal Securities Rulemaking Board (MSRB) and its affiliated service Electronic Municipal Market Access (EMMA) site. The City has adopted a comprehensive debt management policy and continues to follow conservative and prudent fiscal policies and procedures.

Additional information on the City's long-term debt can be found at note 4(G) of the notes to the financial statements of this report.

Economic Factors and Next Year's Budgets and Rates

Factors considered in preparing the City's budget for the 2016 fiscal year are discussed fully in the budget document and include:

- The City uses conservative revenue forecasts for budgeting purposes. The primary source of funds remains property taxes. The potential impact of increasing property values due to increased demand for residential property in the area has been taken into consideration in projecting resources.
- Property tax revenues were projected slightly higher due to new growth. There was no increase in the property tax rate for FY2016.
- Sales tax and other state shared revenue should increase as economic output improves. While inflationary trends in the region compare favorably to national indices, the City has proposed FY2016 appropriations which represent a slight increase from FY2015 levels.
- Current service levels have been maintained in the General Fund in FY2016 by matching revenues and other financing sources to total expenditures.
- The City is continuing to monitor operations of its Water/Sewer Fund to determine if increased user fees or cost containment measures should be initiated in the near term.
- The City has formed its own municipal school district through enactment of state laws and election of local school board members. Appropriations from the City's General Fund as contributions to the Bartlett City Municipal School District total $3.28 million for FY2016
- The adopted budget for the Bartlett Municipal School System is $71.2 million in FY2016. The system operates 11 schools with projected enrollment of 8,300 students.
- The City adopted a General Fund operating budget of $47,310,645 for FY2016 which includes the use of unassigned fund balance in the amount of $756,561.

At June 30, 2015 the unassigned fund balance in the General Fund was $26,496,930.

Requests for Information

This financial report is designed to provide a general overview of the City'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 Office of the Finance Director, 6400 Stage Road, Bartlett, Tennessee 38134. The Comprehensive Annual Financial Report June 30, 2015, Fiscal Year 2015 and 2016 Budget Reports and other information about the City may be found on the City's website at www.cityofbartlett.org, as part of the City's commitment to transparency and our continuing usage of advancing technology and e-commerce.

CITY OF BARTLETT

TENNESSEE

BASIC FINANCIAL STATEMENTS

CITY OF BARTLETT, TENNESSEE

STATEMENT OF NET POSITION

June 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activity	Total
ASSETS			
Cash and cash equivalents	$ 39,527,765	$ 11,083,581	$ 50,611,346
Investments - unrestricted	8,241,302	2,990,177	11,231,479
Receivables (net of allowance for uncollectibles):			
Taxes	19,595,821	-	19,595,821
Accounts receivable	-	847,478	847,478
Other	5,926,565	270	5,926,835
Due from other governments	1,975,313	-	1,975,313
Internal balances	166,260	(166,260)	-
Inventories	248,120	-	248,120
Prepaid items	80,844	4,483	85,327
Capital assets, not being depreciated	13,304,905	3,414,684	16,719,589
Capital assets, being depreciated, net	274,658,859	64,414,983	339,073,842
Total assets	363,725,754	82,589,396	446,315,150
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	391,087	225,459	616,546
Pension changes in experience	258,450	15,810	274,260
Pension changes in investment earnings	2,361,839	144,479	2,506,318
Pension contribution after measurement date	3,974,109	-	3,974,109
Total deferred outflows of resources	6,985,485	385,748	7,371,233
LIABILITIES			
Accounts payable and accrued liabilities	3,379,749	480,342	3,860,091
Accrued interest payable	193,646	81,977	275,623
Unearned revenue	325,545	216,670	542,215
Other accrued payables	3,349,540	-	3,349,540
Accrued compensated absences	-	19,706	19,706
Noncurrent liabilities:			
Due within one year	4,133,759	1,362,000	5,495,759
Due in more than one year	74,321,277	14,466,737	88,788,014
Total liabilities	85,703,516	16,627,432	102,330,948
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	18,106,849	-	18,106,849
NET POSITION			
Net investment in capital assets	265,573,498	57,658,219	323,231,717
Restricted for:			
Streets	960,632	-	960,632
Drug enforcement	491,661	-	491,661
Capital projects	4,941,960	1,965,536	6,907,496
DEA task force	405,430	-	405,430
Unrestricted	(5,472,307)	6,723,957	1,251,650
Total net position	$ 266,900,874	$ 66,347,712	$ 333,248,586

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2015

		Program Revenues		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary government:				
Governmental Activities:				
General government	$ 8,194,427	$ 3,253,548	$ 176,340	$ -
Public safety	27,217,650	2,247,713	-	-
Public works	15,190,501	9,595,679	2,532,706	-
Parks and recreation	4,277,840	912,682	33,570	-
Performing arts center	645,051	288,091	-	-
Recreation center	1,618,553	1,460,396	-	-
Education	69,978,551	777,380	41,376,033	-
Interest on long-term debt	894,813	-	-	-
Total governmental activities	128,017,386	18,535,489	44,118,649	-
Business-type activity:				
Water and sewer	7,694,263	8,294,446	25,090	715,368
Total primary government	$ 135,711,649	$ 26,829,935	$ 44,143,739	$ 715,368

General revenues:
Property taxes
Other taxes
Liquor and beer taxes
Hotel-motel taxes
Local gross receipts tax
Franchise tax
Other Taxes
Grants and contributions not allocated to specific programs:
County-wide and city-only sales tax
City allocation of state sales taxes
City allocation of state income taxes
City allocation of in lieu of tax-TVA
City allocation of other shared taxes
Intergovernmental reimbursements
Interest on investments
Bond defaults
Gain (loss) on sale of capital assets
Transfers
Total general revenues and transfers
Change in net position
Net position - beginning, as previously reported
Prior period adjustment
Effect of change in accounting principle
Net position - beginning, as restated
Net position - ending

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
$ (4,764,539)	$ -	$ (4,764,539)
(24,969,937)	-	(24,969,937)
(3,062,116)	-	(3,062,116)
(3,331,588)	-	(3,331,588)
(356,960)	-	(356,960)
(158,157)	-	(158,157)
(27,825,138)		(27,825,138)
(894,813)	-	(894,813)
(65,363,248)	-	(65,363,248)
-	1,340,641	1,340,641
(65,363,248)	1,340,641	(64,022,607)
40,991,528	-	40,991,528
1,071,642	-	1,071,642
196,873	-	196,873
849,824	-	849,824
548,730	-	548,730
95,127	-	95,127
21,031,608	-	21,031,608
4,278,214	-	4,278,214
501,690	-	501,690
895,669	-	895,669
7,262	-	7,262
45,293	-	45,293
29,213	5,170	34,383
505,241	-	505,241
22,372	1,987	24,359
605,061	(605,061)	-
71,675,347	(597,904)	71,077,443
6,312,099	742,737	7,054,836
273,991,686	66,604,826	340,596,512
3,110,200	-	3,110,200
(16,513,111)	(999,851)	(17,512,962)
260,588,775	65,604,975	326,193,750
$ 266,900,874	$ 66,347,712	$ 333,248,586

CITY OF BARTLETT, TENNESSEE

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2015

	General Fund	General Purpose School Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 17,062,642	$ 8,835,656	$ 12,155,477	$ 38,053,775
Investments - unrestricted	8,241,302	-	-	8,241,302
Receivables				
Taxes	19,278,233	-	827,748	20,105,981
Other	5,677,442	123,206	1,339,320	7,139,968
Less allowance for doubtful accounts	(1,713,368)	-	(10,195)	(1,723,563)
Due from other governments	-	1,351,017	624,296	1,975,313
Due from other funds	18,970	182,052	503,277	704,299
Inventory	220,885	-	27,235	248,120
Prepaid Items	8,066	-	72,778	80,844
Total assets	$ 48,794,172	$ 10,491,931	$ 15,539,936	$ 74,826,039
LIABILITIES				
Accounts payable and accrued liabilities	$ 710,763	$ 886,869	$ 1,530,486	$ 3,128,118
Other accrued payables	7,302	3,240,744	101,494	3,349,540
Due to other funds	12,682	2,262	689,355	704,299
Unearned revenue - rec. center	208,698	-	-	208,698
Unearned revenue - developers	14,996	-	-	14,996
Unearned revenue - property maintenance	99,076	-	-	99,076
Unearned revenue - BPAC	2,775	-	-	2,775
Total liabilities	1,056,292	4,129,875	2,321,335	7,507,502
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - taxes	18,645,425	-	-	18,645,425
Unavailable revenue - court fines	339,491	-	-	339,491
Unavailable revenue - ambulance	90,683	-	-	90,683
Unavailable revenue - grants	1,280	-	26,073	27,353
Unavailable revenue - other	-	44,310	81,553	125,863
Total deferred inflows of resources	19,076,879	44,310	107,626	19,228,815
FUND BALANCES				
Nonspendable	228,952	-	100,013	328,965
Restricted	17,332	6,317,746	6,799,683	13,134,761
Committed	1,756,561	-	560,760	2,317,321
Assigned	161,226	-	5,650,519	5,811,745
Unassigned	26,496,930	-	-	26,496,930
Total fund balances	28,661,001	6,317,746	13,110,975	48,089,722
Total liabilities, deferred inflows of resources and fund balances	$ 48,794,172	$ 10,491,931	$ 15,539,936	$ 74,826,039

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

June 30, 2015

Amounts reported for governmental activities in the statement of net position are different because:

Total governmental fund balances	$ 48,089,722
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	287,963,764
Deferred outflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.	6,594,398
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unearned or unavailable in the funds.	1,121,966
Internal service funds are used by management to charge the costs of health insurance, workers' compensation, and retiree health insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	1,388,619
Long-term liabilities, including bonds payable, capital outlay notes, settlement liability, net pension obligation, and OPEB are not due and payable in the current period and therefore are not reported in the funds.	(78,257,595)
Net position of governmental activities	$ 266,900,874

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

For the Year Ended June 30, 2015

	General Fund	General Purpose School Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	$ 19,408,343	$ 21,639,511	$ -	$ 41,047,854
Local sales taxes	12,947,414	7,912,660	3,073,504	23,933,578
Intergovernmental	5,703,618	36,342,759	-	42,046,377
Intergovernmental gas motor fuel	-	-	1,022,505	1,022,505
Intergovernmental gas 1989	-	-	164,173	164,173
Intergovernmental gas 3 cent	-	-	304,708	304,708
Licenses and permits	1,705,373	-	-	1,705,373
Charges for services	3,812,285	1,557,955	7,531,223	12,901,463
Fines, forfeitures, and penalties	1,578,880	-	39,293	1,618,173
Federal, state and other grants	118,200	-	6,070,221	6,188,421
Donations	33,570	-	-	33,570
Interest on investments	7,125	-	22,088	29,213
Program income	-	-	505,241	505,241
Other	122,782	-	453,023	575,805
Total revenues	45,437,590	67,452,885	19,185,979	132,076,454
EXPENDITURES				
Current				
General government	6,764,606	-	319,107	7,083,713
Public safety	23,459,310	-	399,347	23,858,657
Public works	5,096,440	-	7,044,679	12,141,119
Parks and recreation	3,571,423	-	6,656	3,578,079
Performing arts center	546,657	-	-	546,657
Recreation center	1,528,253	-	-	1,528,253
Education	-	63,229,038	6,646,350	69,875,388
Debt Service				
Principal	-	775,038	3,218,000	3,993,038
Interest	-	18,155	781,757	799,912
Bond issuance costs	-	-	9,525	9,525
Capital outlays	-	-	4,053,692	4,053,692
Total expenditures	40,966,689	64,022,231	22,479,113	127,468,033
Excess (deficiency) of revenues over (under) expenditures	4,470,901	3,430,654	(3,293,134)	4,608,421
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	702,101	1,041,000	1,743,101
Sale of capital assets	22,372	-	-	22,372
Transfers in	1,070,547	2,392,793	1,878,063	5,341,403
Transfers out	(2,590,831)	(254,343)	(1,891,168)	(4,736,342)
Total other financing sources and uses	(1,497,912)	2,840,551	1,027,895	2,370,534
Net change in fund balances	2,972,989	6,271,205	(2,265,239)	6,978,955
Fund balances - beginning	25,688,012	46,541	15,376,214	41,110,767
Fund balances - ending	$ 28,661,001	$ 6,317,746	$ 13,110,975	$ 48,089,722

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2015

Amounts reported for governmental activities in the statement of net activities are different because:

Net change in fund balance - total governmental funds	$	6,978,955
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 capital outlays exceeded depreciation in the current period.		(4,533,481)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		192,835
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This adjustment is for compensated absences, net pension liability and other post employment benefits.		(1,705,214)
The issuance of long-term debt (e.g. bonds) 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 issuance costs, 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.		1,598,608
Internal service funds are used by management to charge the costs of health insurance, workmen's compensation, and retiree health insurance to individual funds. The net expenditure of certain activities of internal service funds is reported with governmental activities.		(193,713)
Governmental funds report pension contributions as expenses. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions are reported as pension expense.		3,974,109
Change in net position of governmental activities	$	6,312,099

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND

For the Year Ended June 30, 2015

	Budgeted Amounts			Variance with Final Budget - Positive
REVENUES:	Original	Final	Actual Amounts	(Negative)
TAXES				
Property tax	$ 18,225,000	$ 18,225,000	$ 18,189,149	$ (35,851)
Property tax - prior year	335,000	335,000	318,107	(16,893)
Payments in lieu of taxes	255,000	255,000	770,167	515,167
Property tax interest and penalties	100,000	100,000	130,920	30,920
Local sales tax	10,197,000	10,197,000	10,286,408	89,408
Wholesale beer tax	807,500	807,500	741,463	(66,037)
Wholesale liquor tax	221,500	221,500	228,989	7,489
Gross receipts tax	1,000,000	1,000,000	849,824	(150,176)
Business tax	3,000	3,000	3,060	60
Interest, penalties, and collection fees on business tax	95,000	95,000	92,067	(2,933)
Hotel tax	180,000	180,000	196,873	16,873
CATV franchise tax	460,000	460,000	548,730	88,730
Total taxes	31,879,000	31,879,000	32,355,757	476,757
INTERGOVERNMENTAL/UNRESTRICTED				
State of Tennessee shared taxes				
Sales	4,144,250	4,144,250	4,278,214	133,964
Income taxes	235,000	235,000	501,690	266,690
Beer tax	28,000	28,000	27,017	(983)
Liquor tax	60,000	60,000	74,173	14,173
Bank excise tax	6,500	6,500	7,262	762
Receipts in lieu of tax - TVA	625,000	625,000	654,705	29,705
Reimbursements	50,000	50,000	45,293	(4,707)
State road maintenance	115,000	115,000	115,264	264
Total state taxes	5,263,750	5,263,750	5,703,618	439,868
LICENSES AND PERMITS				
Automobile stickers	1,200,000	1,200,000	1,216,877	16,877
Beer and liquor licenses	17,750	17,750	15,700	(2,050)
Building and related permits	354,100	354,100	472,796	118,696
Total licenses and permits	1,571,850	1,571,850	1,705,373	133,523

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
CHARGES FOR SERVICES				
Police and fire charges	22,000	22,000	26,545	4,545
Publication fees	1,000	1,000	800	(200)
Trash removal and weed cutting fees	140,000	140,000	71,661	(68,339)
Parks and recreation charges	2,489,684	2,489,684	2,279,074	(210,610)
Performing arts center	241,000	241,000	265,212	24,212
City service fee	2,000	2,000	3,563	1,563
Ambulance fees	850,000	850,000	854,032	4,032
Animal Shelter fees	125,000	125,000	102,510	(22,490)
911 fees	5,000	5,000	1,451	(3,549)
Rental fees	175,000	175,000	143,399	(31,601)
Library fees	88,000	88,000	64,038	(23,962)
Total charge for services	4,138,684	4,138,684	3,812,285	(326,399)
FINES, FORFEITURES, AND PENALTIES	1,950,000	1,950,000	1,578,880	(371,120)
FEDERAL AND STATE GRANTS	-	118,200	118,200	-
DONATIONS	25,500	25,500	33,570	8,070
INTEREST ON INVESTMENTS	10,000	10,000	7,125	(2,875)
OTHER	84,026	84,026	122,782	38,756
Total revenues	44,922,810	45,041,010	45,437,590	396,580

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts			Variance with Final Budget - Positive
EXPENDITURES:	**Original**	**Final**	**Actual Amounts**	**(Negative)**
GENERAL GOVERNMENT				
Legislative Salaries	$ 254,576	$ 197,430	$ 166,146	$ 31,284
Mayor's Office Salaries	438,139	438,139	439,983	(1,844)
Community Relations Salaries	67,588	67,588	67,639	(51)
Finance and Accounting Salaries	901,720	958,866	865,352	93,514
City Court Salaries	634,935	634,935	589,160	45,775
Building and Grounds Salaries	70,400	70,400	70,049	351
Personnel Salaries	237,380	237,380	237,208	172
Planning Salaries	249,588	249,588	249,469	119
General Services Salaries	182,839	182,839	174,076	8,763
Bartlett Station Municipal Center Salaries	217,220	217,220	204,390	12,830
Bonuses	21,006	21,006	17,979	3,027
Insurance	669,723	686,723	638,606	48,117
Payroll Taxes	244,237	244,237	227,984	16,253
Pension Contribution	426,871	426,871	392,818	34,053
Training	34,010	33,510	18,284	15,226
Legal Fees	390,000	195,427	159,006	36,421
Other Professional Services	203,700	221,700	210,992	10,708
Postage and Freight	36,100	36,100	28,314	7,786
Supplies	109,200	109,200	101,315	7,885
Notice Publications	35,000	35,000	29,586	5,414
Equipment	40,550	43,089	33,193	9,896
Telephone	91,805	91,805	72,414	19,391
Dues and Subscriptions	31,880	31,880	29,625	2,255
Repairs and Maintenance	257,875	273,960	244,369	29,591
Travel	58,570	58,570	46,358	12,212
Boards and Commission	84,400	84,400	77,450	6,950
Meetings	5,750	5,750	3,697	2,053
Miscellaneous Other Expenses	76,350	126,350	81,361	44,989
Mayor's Youth Council	2,500	2,500	5,162	(2,662)
Shop Allocation	7,800	7,800	7,800	-
Petroleum Supplies	27,100	27,100	14,350	12,750
Clothing & Uniforms	3,050	3,050	1,902	1,148
Printing	61,200	55,200	26,203	28,997
Bank Charges	6,000	6,000	259	5,741
Other Personnel Costs	55,350	55,350	60,631	(5,281)
Utilities	162,000	162,000	157,456	4,544
Advertising	10,500	10,500	11,423	(923)
Library Charge - City of Memphis	1,040,000	1,040,000	1,002,597	37,403
Total general government	7,446,912	7,349,463	6,764,606	584,857

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
PUBLIC SAFETY				
Police Department				
Police Salaries	8,586,685	8,708,384	8,538,391	169,993
Police Payroll Taxes	640,672	640,672	627,428	13,244
Police Bonus	60,921	60,921	53,070	7,851
Police Insurance	1,999,108	1,999,108	1,879,542	119,566
Police Pension Contribution	1,057,436	1,057,436	1,018,499	38,937
Police Training	76,000	76,000	74,745	1,255
Travel	35,000	42,500	26,803	15,697
Fees	16,000	16,000	12,634	3,366
Other Professional Services	5,000	5,000	939	4,061
Postage & Freight	3,000	3,000	1,724	1,276
Utilities	80,000	80,000	90,159	(10,159)
Telephone	148,500	148,500	107,254	41,246
Dues & Subscriptions	10,500	10,500	11,628	(1,128)
Meetings	2,500	2,500	2,858	(358)
Shop Allocation	50,000	50,000	50,000	-
Repairs & Maintenance	192,500	192,500	311,470	(118,970)
Supplies	62,000	65,620	41,672	23,948
Gas and Oil	330,000	330,000	249,427	80,573
Clothing & Uniforms	97,000	97,815	88,143	9,672
Equipment	26,250	26,250	15,215	11,035
Jail Expense	28,000	28,000	23,237	4,763
Other expense	11,000	11,000	3,408	7,592
Insurance	105,428	105,428	105,039	389
Claims	15,000	15,000	16,222	(1,222)
Total police department	13,638,500	13,772,134	13,349,507	422,627

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	**Final**	**Actual Amounts**	**(Negative)**
Fire Department				
Salaries	4,285,943	4,496,143	4,474,677	21,466
Payroll Taxes	323,002	323,002	330,623	(7,621)
Insurance	1,061,619	1,061,619	1,059,397	2,222
Pension Contribution	543,867	543,867	557,251	(13,384)
Bonus	78,984	78,984	78,161	823
Training	18,350	18,350	13,507	4,843
Travel	2,400	2,400	1,739	661
Postage & Freight	900	900	228	672
Telephone	15,700	15,700	10,848	4,852
Utilities	65,000	65,000	60,945	4,055
Fees	1,500	1,500	400	1,100
Dues, Subscriptions, Publications	1,200	1,200	2,306	(1,106)
Shop Allocation	19,000	19,000	19,000	-
Repairs & Maintenance	110,100	110,100	98,641	11,459
Supplies	27,800	27,869	24,047	3,822
Gas & Oil	60,000	43,000	41,478	1,522
Clothing & Uniforms	49,000	49,000	39,578	9,422
Other Expense	18,650	18,650	8,480	10,170
Equipment	150,500	202,032	157,151	44,881
Total fire department	6,833,515	7,078,316	6,978,457	99,859
Ambulance and Medical Services				
Salaries	1,501,861	1,513,261	1,491,244	22,017
Payroll Taxes	108,368	108,368	103,900	4,468
Insurance	382,054	382,054	361,709	20,345
Pension Contributions	188,829	188,829	180,779	8,050
Training	11,500	11,500	7,110	4,390
Bonus	11,775	11,775	9,695	2,080
Travel	1,700	1,700	535	1,165
Postage & Freight	2,600	2,600	696	1,904
Other Expense	14,910	14,910	10,801	4,109
Telephone	6,509	6,509	6,303	206
Shop Allocation	10,000	10,000	10,000	-
Repairs & Maintenance	48,400	48,400	54,655	(6,255)
Supplies	63,550	64,830	80,412	(15,582)
Gas and Oil	40,000	36,000	23,973	12,027
Clothing & Uniforms	15,500	15,500	10,004	5,496
Equipment	2,400	6,400	5,324	1,076
Total ambulance and medical services	2,409,956	2,422,636	2,357,140	65,496

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts			Variance with Final Budget -
	Original	**Final**	**Actual Amounts**	**Positive (Negative)**
Building Codes Enforcement				
Salaries	520,501	520,501	509,267	11,234
Bonus	3,837	3,837	3,741	96
Insurance	106,271	106,271	101,645	4,626
Payroll Taxes	39,193	39,193	37,808	1,385
Pension Contribution	66,790	66,790	65,482	1,308
Training & Travel	3,500	3,500	3,808	(308)
Postage & Freight	11,500	11,500	10,887	613
Other Expenses	4,060	4,060	4,722	(662)
Telephone	6,300	6,300	5,432	868
Shop Allocation	3,700	3,700	3,700	-
Repairs & Maintenance	19,500	19,500	6,339	13,161
Supplies	8,300	8,300	6,335	1,965
Gas & Oil	16,000	16,000	12,814	3,186
Equipment	4,800	4,800	2,226	2,574
Total building codes enforcement	814,252	814,252	774,206	40,046
Total public safety	23,696,223	24,087,338	23,459,310	628,028
PUBLIC WORKS				
Salaries	3,140,225	3,120,225	3,095,175	25,050
Payroll Taxes	216,276	216,276	207,314	8,962
Insurance	802,096	791,096	771,722	19,374
Pension Contribution	384,015	384,015	356,791	27,224
Training & Travel	11,715	11,715	5,659	6,056
Postage & Freight	1,450	1,450	680	770
Utilities	42,200	42,200	40,059	2,141
Telephone	20,385	20,385	21,371	(986)
Shop Allocation	(223,985)	(223,985)	(229,618)	5,633
Repairs & Maintenance	391,510	418,510	411,473	7,037
Supplies	120,300	119,300	100,689	18,611
Clothing & Uniforms	18,200	18,200	20,307	(2,107)
Equipment	36,860	43,860	36,341	7,519
Other Expenses	7,275	7,275	9,990	(2,715)
Gas and Oil	181,400	179,400	131,243	48,157
Bonus	7,662	7,662	7,173	489
Professional Services	102,500	102,500	92,596	9,904
Dues & Subscriptions	12,750	12,750	9,069	3,681
Fees	11,200	11,200	8,406	2,794
Total public works	5,284,034	5,284,034	5,096,440	187,594

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
PARKS AND RECREATIONS				
Salaries	2,146,562	2,100,562	2,032,756	67,806
Payroll Taxes	144,101	144,101	134,118	9,983
Insurance	430,273	430,273	373,522	56,751
Bonuses	6,264	6,264	5,598	666
Pension Contribution	187,641	187,641	180,928	6,713
Postage & Freight	4,457	4,457	3,842	615
Telephone	14,926	14,926	13,344	1,582
Shop Allocation	18,350	18,350	18,350	-
Repairs & Maintenance	212,540	232,540	210,190	22,350
Gas & Oil	47,750	47,750	35,726	12,024
Supplies	223,450	223,450	200,986	22,464
Dues & Subscriptions	7,830	7,830	6,175	1,655
Equipment	47,673	79,673	67,994	11,679
Training & Travel	13,150	13,150	10,358	2,792
Professional Services	123,800	117,800	107,808	9,992
Utilities	131,800	131,800	113,186	18,614
Other Expenses	17,494	17,494	16,931	563
Clothing & Uniforms	13,500	13,500	15,041	(1,541)
Fees	4,000	4,000	4,595	(595)
Special Events	28,400	28,400	19,975	8,425
Total parks and recreations	3,823,961	3,823,961	3,571,423	252,538
PERFORMING ARTS CENTER				
Salaries	283,878	374,503	325,628	48,875
Payroll Taxes	14,523	14,523	11,738	2,785
Insurance	51,330	51,330	40,021	11,309
Bonuses	522	522	344	178
Pension Contributions	23,338	23,338	19,119	4,219
Postage and Freight	7,500	7,500	4,541	2,959
Telephone	4,200	4,200	3,857	343
Shop Allocation	300	300	300	-
Repairs & Maintenance	32,700	32,700	21,523	11,177
Utilities	40,000	40,000	39,730	270
Supplies	31,200	39,775	19,259	20,516
Gas & Oil	4,000	4,000	1,331	2,669
Equipment	2,000	2,000	1,132	868
Public Awareness	29,000	29,895	37,069	(7,174)
Clothing & Uniforms	225	225	203	22
Fees	6,000	6,000	4,969	1,031
Other Expenses	9,300	9,425	10,016	(591)
Professional Services	8,000	9,950	1,950	8,000
Training & Travel	2,500	2,500	3,462	(962)
Dues & Subscriptions	400	400	465	(65)
Total performing arts center	550,916	653,086	546,657	106,429

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
RECREATION CENTER				
Salaries	914,044	914,044	912,447	1,597
Payroll Taxes	57,923	57,923	60,678	(2,755)
Insurance	126,829	126,829	119,153	7,676
Bonuses	4,350	4,350	4,995	(645)
Pension Contributions	63,486	63,486	62,055	1,431
Postage & Freight	4,000	4,000	2,326	1,674
Telephone	7,600	7,600	8,407	(807)
Repairs & Maintenance	125,500	125,500	97,885	27,615
Gas & Oil	1,500	1,500	1,303	197
Supplies	71,000	71,000	72,052	(1,052)
Dues & Subscriptions	1,000	1,000	515	485
Equipment	24,040	24,040	1,183	22,857
Training & Travel	5,000	5,000	2,038	2,962
Professional Services	15,000	15,000	7,057	7,943
Utilities	140,000	140,000	123,621	16,379
Other Expenses	4,600	4,600	194	4,406
Clothing & Uniforms	4,000	4,000	2,831	1,169
Fees	26,500	26,500	22,103	4,397
Special Events	47,000	47,000	27,410	19,590
Total recreation center	1,643,372	1,643,372	1,528,253	115,119
Total expenditures	42,445,418	42,841,254	40,966,689	1,874,565
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,477,392	2,199,756	4,470,901	2,271,145
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	60,000	60,000	22,372	(37,628)
Transfers in	1,091,000	1,160,818	1,070,547	(90,271)
Transfers out	(3,628,392)	(3,743,433)	(2,590,831)	1,152,602
Total other financing sources (uses)	(2,477,392)	(2,522,615)	(1,497,912)	1,024,703
Net change in fund balances	-	(322,859)	2,972,989	3,295,848
Fund balances - beginning,	25,688,012	25,688,012	25,688,012	-
Fund balances - ending	$ 25,688,012	$ 25,365,153	$ 28,661,001	$ 3,295,848

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL PURPOSE SCHOOL FUND

For the Year Ended June 30, 2015

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Property taxes	$ 24,670,121	$ 24,670,121	$ 21,636,913	$ (3,033,208)
Sales taxes	8,708,710	8,708,710	7,912,660	(796,050)
Intergovernmental:				
Business taxes	2,736	2,736	2,598	(138)
Mixed drink tax	201,698	201,698	74,173	(127,525)
Basic Education Program	35,888,878	35,888,878	35,449,000	(439,878)
Career Ladder Program	382,383	382,383	265,912	(116,471)
Other	196,830	615,142	444,594	(170,548)
Charges for services	1,261,107	1,261,107	1,557,955	296,848
Other local revenues	-	109,080	109,080	-
Total revenues	71,312,463	71,839,855	67,452,885	(4,386,970)
EXPENDITURES				
Personnel	57,345,912	56,892,392	52,214,334	4,678,058
Operations	10,445,217	10,112,894	7,752,074	2,360,820
Commission and other contracted services	2,119,406	3,001,660	1,726,755	1,274,905
Travel and training	181,951	202,041	114,948	87,093
General maintenance - equipment	1,166,226	1,582,555	1,415,471	167,084
Debt Service				
Principal	775,038	775,038	775,038	-
Interest	18,155	18,155	18,155	-
Other expenses	47,409	41,971	5,456	36,515
Total expenditures	72,099,314	72,626,706	64,022,231	8,604,475
Excess (deficiency) of revenues over (under) expenditures	(786,851)	(786,851)	3,430,654	4,217,505
OTHER FINANCING SOURCES (USES)				
Issuance of debt	702,101	702,101	702,101	-
Transfers in	84,750	84,750	2,392,793	2,308,043
Transfers out	-	-	(254,343)	(254,343)
Total other financing sources (uses)	786,851	786,851	2,840,551	2,053,700
Net change in fund balance	-	-	6,271,205	6,271,205
Fund balance - beginning of the year	46,541	46,541	46,541	-
Fund balance - ending of the year	$ 46,541	$ 46,541	$ 6,317,746	$ 6,271,205

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2015

	Business-type Activity - Enterprise Fund Water and Sewer Fund	Governmental Activities - Internal Service Funds
ASSETS		
Current assets:		
Cash and cash equivalents	$ 11,083,581	$ 1,473,990
Investments (unrestricted)	2,990,177	-
Receivables		
Customers	863,346	-
Other	270	-
Less allowance for doubtful accounts	(15,868)	-
Prepaid expenses	4,483	-
Total current assets	14,925,989	1,473,990
Noncurrent assets:		
Capital assets, not being depreciated	3,414,684	-
Capital assets, being depreciated, net	64,414,983	-
Total capital assets (net of accumulated depreciation)	67,829,667	-
Total noncurrent assets	67,829,667	-
Total assets	82,755,656	1,473,990
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on refunding	225,459	-
Pension changes in experience	15,810	-
Pension changes in investment earnings	144,479	-
Total deferred outflows of resources	385,748	-
LIABILITIES		
Current liabilities:		
Accounts payable	480,342	251,631
Accrued bond interest	81,977	-
Accrued compensated absences	19,706	-
Unearned revenue	216,670	-
Current portion of bonds and notes payable	1,362,000	-
Total current liabilities	2,160,695	251,631
Noncurrent liabilities:		
Bonds and notes payable, net of current portion, discounts, and premiums	11,233,309	-
Net pension liability	1,382,978	-
Accrued compensated absences	83,905	-
Other post employment benefits payable	1,766,545	-
Total noncurrent liabilities	14,466,737	-
Total liabilities	16,627,432	251,631
NET POSITION		
Net investment in capital assets	57,658,219	-
Restricted - unspent bond funds	1,965,536	
Unrestricted	6,890,217	1,222,359
Total net position	66,513,972	$ 1,222,359
Adjustment to reflect the consolidation of internal service funds related to the enterprise fund	(166,260)	
Net position of the business-type activity	$ 66,347,712	

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS

For the Year Ended June 30, 2015

	Business-type Activity - Enterprise Fund Water and Sewer Fund	Governmental Activities - Internal Service Funds
Operating revenues:		
Metered water sales	$ 4,055,431	$ -
Sewer service fee	3,535,224	-
Service connections fees	93,117	-
Forfeited discounts	302,411	-
Charges for services	35,192	2,158,450
Contributions	-	4,641,982
Tower lease charges	273,071	-
Grants	803	-
Other	24,287	-
Total operating revenues	8,319,536	6,800,432
Operating expenses:		
Administrative and general	1,502,185	7,003,570
Pumping and filtering	1,355,536	-
Distribution system	1,662,219	-
Sewer lagoon	605,103	-
CIP projects	127,409	
Depreciation	2,101,076	-
Total operating expenses	7,353,528	7,003,570
Operating income (loss)	966,008	(203,138)
Nonoperating revenues (expenses):		
Interest	5,170	-
Bond interest and fiscal charges	(328,930)	-
Gain on sale of capital assets	1,987	-
Total non-operating revenues (expenses)	(321,773)	-
Income (loss) before contributions and transfers	644,235	(203,138)
Capital contributions - water taps	35,000	-
Capital contributions - sewer taps	59,222	-
Capital contributions - development	621,146	-
Transfers out	(605,061)	-
Change in net position	754,542	(203,138)
Total net position - beginning	66,759,281	1,425,497
Effect of change in accounting principle	(999,851)	
Total net position - beginning, as previously restated	65,759,430	
Total net position - ending	$ 66,513,972	$ 1,222,359
Change in net position	$ 754,542	
Adjustment to reflect the consolidation of internal service funds related to the enterprise fund	(11,805)	
Change in net position of the business-type activity	$ 742,737	

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended June 30, 2015

	Business-type Activity - Enterprise Fund Water and Sewer Fund	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	$ 8,427,595	$ -
Receipts from interfund services provided	-	6,800,432
Payments to suppliers	(2,717,875)	(7,039,130)
Payments to employees	(2,244,555)	-
Payments for interfunds services used	36,689	-
Other receipts	27,388	-
Net cash provided by (used for) operating activities	3,529,242	(238,698)
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer to other fund	(605,061)	-
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital contributions	715,368	-
Purchases of capital assets	(2,022,657)	-
Principal paid on capital debt	(1,255,000)	-
Interest paid on capital debt	(321,627)	-
Gain (loss) on sale of capital assets	1,987	-
Net cash used for capital and related financing activities	(2,881,929)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(2,586)	-
Interest income	5,170	-
Net cash provided by investing activities	2,584	-
Net increase (decrease) in cash and cash equivalents	44,836	(238,698)
Cash and cash equivalents - beginning of the year	11,038,745	1,712,688
Cash and cash equivalents - end of the year	$ 11,083,581	$ 1,473,990
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating income	$ 966,008	$ (203,138)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation	2,101,076	-
Change in assets and liabilities		
Receivables	(14,421)	-
Prepaid expenses	13,918	8,750
Accounts payable	136,680	(44,310)
Deferred revenue	154,462	-
Accrued compensated absences	171,519	-
Net cash provided by (used for) operating activities	$ 3,529,242	$ (238,698)
Noncash investing, capital, and financing activities:		
Bond issue costs paid from proceeds	$ (23,168)	$ -

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2015

	Employee Retirement Plan	Other Post Employemnt Benefits	Contributory Retirement Plan	Agency Funds
ASSETS				
Cash and cash equivalents	$ 2,293,219	$ 2,985,031	$ 56,631	$ 1,234,888
Interest receivable	298,444	-	-	-
Inventory	-	-	-	35,093
Investments, at fair value:				
Mutual funds	62,116,297	-	-	-
Common stock	28	-	-	-
Total investments	62,116,325	-	-	-
Total assets	64,707,988	2,985,031	56,631	$ 1,269,981
LIABILITIES				
Accounts payable	14,421	-	1,044	-
Family assistance payable	-	-	-	33,593
Bail bonds payable	-	-	-	35,010
Jeanette Rainey volunteer fund payable	-	-	-	10,013
Due to student general fund	-	-	-	777,528
Due to student groups	-	-	-	413,837
Total liabilities	14,421	-	1,044	$ 1,269,981
NET POSITION				
Held in trust for pension benefits and other purposes	$ 64,693,567	$ 2,985,031	$ 55,587	

The accompanying notes are an integral part of the financial statements.

CITY OF BARTLETT, TENNESSEE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended June 30, 2015

	Employee Retirement Plan	Other Post Employemnt Benefits	Contributory Retirement Plan
ADDITIONS			
Contributions:			
Employer	$ 3,205,170	$ 1,174,240	$ 28,315
Plan members	915,772	-	28,315
Total contributions	4,120,942	1,174,240	56,630
Investment earnings (losses):			
Interest and dividends	1,534,482	263	1
Net appreciation in fair value of investments	85,149	-	-
Total investment earnings (loss)	1,619,631	263	1
Less investment expense	(191,416)	-	-
Net investment earnings (loss)	1,428,215	263	1
Total additions (reductions)	5,549,157	1,174,503	56,631
DEDUCTIONS			
Benefits	3,176,636	-	1,044
Premiums	-	506,362	-
Administrative expense	64,137	16,319	-
Total deductions	3,240,773	522,681	1,044
Change in net position	2,308,384	651,822	55,587
Net position - beginning of the year	62,385,183	2,333,209	-
Net position - end of the year	$ 64,693,567	$ 2,985,031	$ 55,587

The accompanying notes are an integral part of the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Bartlett, Tennessee (the City) operates under a Board of Mayor and Aldermen form of government and is organized into the following departments: Administration, Mayor, Finance and Accounting, Police, Fire, Parks and Recreation, Public Works, Planning and Development, Code Enforcement, and Utilities.

Governmental Accounting Standards Board (GASB) statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis for State and Local Governments was implemented in the year ended June 30, 2003. The City retroactively reported infrastructure (assets acquired since 1980) at July 1, 2006.

As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. However, currently there are no component units.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds do not use the economic resources 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.

Government 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. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period or up to one year for grant revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except for investment earnings) are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

> The general fund is the primary operating fund of the City and accounts for all financial resources of the general government not specifically provided for in other funds. Most of the essential governmental services such as police and fire protection, community services, and general administration are reported in the general fund.
>
> The General Purpose School Fund is a special revenue fund used as the operating fund of the Bartlett City Schools System and accounts for all general revenues and other receipts that are not allocated by law or contractual agreement to another Bartlett City Schools fund. General operating expenditures that are not paid through other school system funds are paid from the General Purpose School Fund.

The City reports the following major proprietary funds:

> The water and sewer fund is the City's only major proprietary fund. It accounts for water and sewer fees in connection with the operation of the City's water and sewer system. The proceeds of several bond issues and loans have been used specifically for the construction or acquisition of water and sewer facilities. Since it is the intention of the City to repay these bonds and loans through water and sewer fund operations, these obligations are reported in this fund.

Additionally, the City reports the following fund types:

> The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.
>
> The capital projects fund accounts for the financing of major governmental fund capital asset purchases.
>
> Internal service funds account for health insurance and workers' compensation services provided to other departments or agencies of the government on a cost reimbursement basis.
>
> The employee retirement plan, a pension trust fund, is used to account for the accumulation of resources to be used to provide defined retirement benefits to all qualified employees upon retirement.
>
> The other post employment benefits fund is used to account for the accumulation of resources to be used to provide health and dental benefits to all qualified retired employees.
>
> The bail bond fund, an agency fund, is used to account for bail funds by persons awaiting trial in City Court. The family assistance fund, an agency fund, is used to provide families with financial hardship with monies to pay their utility bills. The Jeanette Rainey volunteer fund is to reward individuals that exhibit exemplary character in a voluntary effort benefitting the City. The School Activity Funds are used to account for cash and inventory held by the Bartlett City Board of Education on behalf of the school activity fund for the Bartlett City Schools. These funds were audited in a separate report and can be obtained by contacting the Bartlett City Board of Education. These funds are purely custodial and thus do not involve measurement of results of operations.

As a general rule the effect of interfund activity has been eliminated from the government – wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. 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 utility fund are charges to customers for sales and services. The utility fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. 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.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D - Assets, liabilities and fund balance

1. Deposits and investments

The City considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents.

Investments are reported at fair value. The state investment pool operates in accordance with the appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. Cash equivalents held by the trustee of the pension fund are included in cash and cash equivalents.

2. Interfund receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property taxes receivable are shown net of an allowance for uncollectibles.

Property taxes are levied as of June 1 (lien date) on property values assessed as of January 1. Taxes are due December 1 and are considered delinquent after February 28, at which time penalties and interest are assessed.

3. Inventories and prepaid items

Inventories are valued at cost (first-in, first-out). Inventory in all funds consists of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

The food supplies inventory reflected in the school nutrition fund is valued at cost using the first-in, first-out method. The government-wide financial statements reflect this inventory as an expense when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. *Restricted assets*

Restricted assets in governmental funds represent investments held for state street aid purposes.

5. *Capital assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., streets, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed capital assets are recorded at estimated fair market value at the date received.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the government chose to include all such items put in place since 1980. The government was able to estimate the historical cost for the initial reporting of these assets through review of historical records, including subdivision bond summaries, contract documents, and capital project summaries. As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported values exclude normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations the government values these capital assets at the estimated fair value of the item at the date of its 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.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Buildings	25-50 years
Improvements	10-60 years
Infrastructure	20-50 years
Machinery and equipment	3-15 years

6. *Compensated absences*

Compensated absences for accumulated unpaid vacation are accrued when incurred in the government-wide and proprietary 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. Vacation days earned, not to exceed 30 days, may be carried forward.

Compensated absences are paid out of the general fund, solid waste control fund, drainage control fund, and the proprietary fund.

Employees are generally reimbursed for accumulated unused sick leave, not to exceed 60 days, only upon retirement, and only for those employees employed prior to January 1, 1992. Sick leave is not accrued except at the governmental-wide and proprietary fund financial statements.

Under the Bartlett City Board of Education's sick leave policy, both certified and classified employees earn one sick day for each month employed and accumulate for an unlimited number of days. Upon retirement, accumulated sick days convert to service time with the Tennessee Consolidated Retirement System (TCRS). If an employee leaves the school district prior to retirement, the accumulated sick days can be carried to another school district or converted to service credit with TCRS. For vacation, an employee may accumulate up to twenty-five vacation days. Unused vacation is paid out for any employee leaving the school district provided they have completed at least six months of service.

7. Long-term obligations

In the governmental-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 assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

8. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The City has qualifying items for reporting in this category. The deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Other deferred outflows of resources include pension changes in experience, pension changes in investment earnings, and employer contributions to the pension plan after the measurement date.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an increase to net position that applies to a future period and is not recognized as an inflow of resources (revenue) until that time. The City has four types of items that qualify for reporting in this category. These items are amounts in the governmental funds that were receivable and measureable at year-end but were not available to finance expenditures for the current year. This includes unavailable revenues from property taxes, court fines, grants and ambulance fees.

9. Fund balance

Governmental funds utilize a fund balance representation for fund equity. Fund balance is categorized as non-spendable, restricted, committed, assigned or unassigned. A description of each category is provided below.

Non-Spendable Fund Balance – amounts that cannot be spent because they are either in a (a) non-spendable form, including items not expected to be converted to cash (i.e. inventories, prepaid amounts, long-term portion of loans and notes receivable), or (b) legally or contractually required to be maintained intact (i.e. the principal of a permanent fund).

Restricted Fund Balance – amounts constrained to be used for a specific purpose as per external parties, constitutional provision, or enabling legislation.

Committed Fund Balance – amounts constrained to be used for specific purposes by formal action by ordinance adopted by the Board of Mayor and Aldermen and the Board of Education for the Bartlett City Schools. Amounts classified as committed are not subject to legal enforceability like restricted resources; however, they cannot be used for any other purpose unless the Board removes or changes the commitment by taking the same action it employed to impose the commitment.

Assigned Fund Balance – amounts intended to be used by the City for a specific purpose, but are neither restricted nor committed. The intent shall be expressed by the Board of Mayor and Aldermen or a designee authorized by the Board of Mayor and Aldermen with authority to assign amounts. The City Finance Director has been authorized to assign amounts in the general fund for a specific purpose in accordance with fund balance policy established by the Board of Mayor and Aldermen. The nature of the actions necessary to remove or modify an assignment is not as rigid as required under a committed fund balance classification. Amounts in excess of nonspendable, restricted, and committed fund balance in funds other than the general fund are reported as assigned fund balance. The Board of Education for the Bartlett City Schools has the authority to assign the fund balance for the School Funds.

Unassigned Fund Balance – represents the residual balance available for any purpose in the general fund or deficit balances in other funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the City 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 is the policy of the City 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 balances identified as the source of the funding, that specific fund balance will be used.

10. Pensions

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

NOTE 2 – 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 a 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, capital outlay notes, settlement liability, net pension obligation, and OPEB are not due and payable in the current period and therefore are not reported in the funds."

The details of this $78,257,595 difference are as follows:

Bonds and capital outlay notes payable	$ 29,498,256
Add: Deferred amount for issuance premiums	932,752
Less: Deferred amount for refundings	(391,087)
Accrued interest payable	193,646
Net pension liability	22,607,927
Other postemployment benefits liability	16,683,669
Accrued vacation	2,345,782
Shelby County Board of Education settlement liability	6,690,123
Less: Deferred amount for issuance discount	(883,067)
Compensated absences	579,594
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	$ 78,257,595

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 changes in fund balances - total governmental funds and changes 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 are allocated over their estimated useful lives and reported as depreciation expense." The details of the ($4,533,481) difference are as follows:

Capital outlays	$ 4,293,441
Depreciation expense	(8,826,922)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$ (4,533,481)

Another element of that reconciliation states that "the issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debts consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, 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 $1,598,608 difference are as follows:

Debt issued or incurred:	
Issuance of capital notes and capital lease	$ (1,743,101)
Decrease in accrued interest payable	10,790
Amortization of premiums and deferred refunding amounts	(53,926)
Principal repayment on general obligation debt	3,384,845
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$ 1,598,608

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

The Board of Mayor and Aldermen annually approves the operating budgets of the general, special revenue, capital projects, debt service, and enterprise funds of the City. The capital projects plan is multi-year. Budgets are amended by resolution of the Board of Mayor and Aldermen to authorize expenditures of various grants received and to adjust the individual fund budgets as required. While no supplemental appropriations were required during the year, the accompanying budgetary data has been revised for amendments authorized by resolution during the year. The basis of accounting applied to budgetary data presented is consistent with the appropriate basis of accounting for each fund type. The Board of the Bartlett City Board of Education annually approves the operating budgets of the general purpose school fund, federal projects, school nutrition, discretionary grants, and education capital fund.

Fund appropriations comprise legal spending limits for governmental funds. The Mayor may approve transfers between line items within a department. Other transfers or requests for additional funds must be approved by the Board.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported in the assigned, committed, and restricted fund balance categories and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

B. Excess of expenditures over appropriations

For the year ended June 30, 2015, the education capital fund and discretionary grants fund expenditures exceeded appropriations by $381,323 and 7,354, respectively.

C. Deficit fund equity

As of June 30, 2015, none of the funds had a deficit fund balance.

NOTE 4 - DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Interest Rate Risk – As a means of limiting its exposure to interest rate risk, the City diversifies its investments in the Pension Trust Fund by security type and institution, and limits holdings in any one type of investment with any one issuer to no more than 5%. The Pension Trust Fund’s Investment Policy has been formally adopted by the City’s Board of Mayor and Aldermen.

Credit Risk – Based on the Pension Trust Fund’s formally adopted Investment Policy, investment managers are limited to purchasing only investment rated Domestic Fixed Income and Commercial Paper.

In compliance with the Tennessee State statutes, all cash, cash equivalents and unrestricted investments held by the Primary Government funds of the City are entirely covered by federal depository insurance, collateral held by the City’s agent in the City’s name, or by the State of Tennessee’s Local Government Investment Pool (LGIP). State legislation TCA 9.4.7 authorizes investments in the LGIP for local governments and other political subdivisions.

B. Receivables

Receivables as of year-end for the City's individual major funds, nonmajor funds, and internal service funds, in the aggregate including the applicable allowances for the uncollectible accounts, are as follows:

	General Fund	General Purpose School Fund	Nonmajor Governmental	Water and Sewer	Total
Receivables:					
Taxes	$ 19,278,233	$ -	$ 827,748	$ -	$ 20,105,981
Accounts receivable	-	-	-	863,346	863,346
Due from other governments	-	1,351,017	624,296	-	1,975,313
Other	5,677,442	123,206	1,339,320	270	7,140,238
Gross receivables	24,955,675	1,474,223	2,791,364	863,616	30,084,878
Less: allowance for doubtful accounts	(1,713,368)	-	(10,195)	(15,868)	(1,739,431)
Net total receivables	$ 23,242,307	$ 1,474,223	$ 2,781,169	$ 847,748	$ 28,345,447

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned as "unearned revenue". At the end of the current fiscal year, unavailable revenue principally represents: (1) amounts relating to property taxes as described above and (2) amounts received for various capital projects upon which revenues will not be recognized until such projects have started.

C. Property Taxes

The City levies property taxes annually based upon assessed valuations provided by the Shelby County Tax Assessor. The various types of property are assessed at a percentage of estimated appraised value on January 1 of each year as follows:

Residential real property	25%
Farm real property	25%
Commercial and industrial real property	40%
Public utilities, real property and personal property	55%
Commercial and industrial personal property	30%

Tax bills are mailed in November and taxes are due and levied on December 1 and delinquent after February 28 and available for tax lien on March 1.

Current tax collections for the year ended June 30, 2015 were 97.77% of the tax levy. The property tax levy is without legal limit. The rate, as permitted by Tennessee State Law and City Charter, is set annually by the Board of Mayor and Aldermen and collected by the Finance Department.

The property tax rate for the year ended June 30, 2015, was $1.62 per $100 of assessed value as of January 1, 2014.

D. Capital assets

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

	(As Restated) Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 11,407,663	$ 49,858	$ -	$ 11,457,521
Construction in progress	3,651,460	1,792,879	(3,596,955)	1,847,384
Total capital assets, not being depreciated	15,059,123	1,842,737	(3,596,955)	13,304,905
Capital assets, being depreciated:				
Buildings	209,508,771	339,285	-	209,848,056
Improvements	5,887,338	659,737	-	6,547,075
Equipment	9,835,551	1,421,739	(72,617)	11,184,673
Vehicles	16,167,318	1,281,369	(151,724)	17,296,963
Infrastructure	109,528,108	2,392,419	-	111,920,527
Total capital assets, being depreciated	350,927,086	6,094,549	(224,341)	356,797,294
Less accumulated depreciation for:				
Buildings	(11,551,216)	(4,223,007)	-	(15,774,223)
Improvements	(3,896,613)	(262,389)	-	(4,159,002)
Equipment	(6,594,556)	(683,918)	47,005	(7,231,469)
Vehicles	(11,989,004)	(1,057,596)	130,446	(12,916,154)
Infrastructure	(39,457,575)	(2,600,012)	-	(42,057,587)
Total accumulated depreciation	(73,488,964)	(8,826,922)	177,451	(82,138,435)
Total capital assets, being depreciated, net	277,438,122	(2,732,373)	(46,890)	274,658,859
Governmental activities capital assets, net	$ 292,497,245	$ (889,636)	$ (3,643,845)	$ 287,963,764

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activity:				
Capital assets, not being depreciated:				
Land	$ 1,358,109	$ -	$ -	$ 1,358,109
Construction in progress	1,253,557	1,336,879	(533,861)	2,056,575
Total capital assets, not being depreciated	2,611,666	1,336,879	(533,861)	3,414,684
Capital assets, being depreciated:				
Buildings	98,914	-	-	98,914
Improvements	97,811,843	1,107,116	-	98,918,959
Equipment	2,392,186	112,523	-	2,504,709
Total capital assets, being depreciated	100,302,943	1,219,639	-	101,522,582
Less accumulated depreciation for:				
Buildings	(37,158)	(3,969)	-	(41,127)
Improvements	(33,436,129)	(1,967,059)	-	(35,403,188)
Equipment	(1,533,236)	(130,048)	-	(1,663,284)
Total accumulated depreciation	(35,006,523)	(2,101,076)	-	(37,107,599)
Total capital assets, being depreciated, net	65,296,420	(881,437)	-	64,414,983
Business-type activity capital assets, net	$ 67,908,086	$ 455,442	$ (533,861)	$ 67,829,667

Depreciation expense was charged to function / programs of the primary government as follows:

Governmental activities:	
General government	$ 318,499
Public safety	1,022,479
Public works	3,249,104
Parks and recreation	549,295
Performing arts center	77,931
Education	3,609,614
Total depreciation expense - governmental activites	$ 8,826,922

Construction and other significant commitments

The government has active construction projects as of June 30, 2015. At year-end the government's commitments with contractors are as follows:

Function/Activity	Commitment
Major roads construction & improvement	$ 2,516,271
Building improvements	1,171,879
Vehicles and equipment	1,515,642
Utility construction and improvement	462,453
Education construction	620,056
	$ 6,286,301

E. Interfund receivables, payables, and transfers

At June 30, 2015, amounts to be received or paid with current available resources are reported as receivable and payable to other funds. The amount payable to the general fund, general purpose school fund, and nongovernmental funds results from the time lag between dates that the interfund service are provided or reimbursable expenditures occur, and when transactions are recorded. The composition of interfund balances as of June 30, 2015, is as follows:

	Due from:		
Due to:	**General Fund**	**General Purpose School Fund**	**Nonmajor Governmental**
Capital projects	$ -	$ -	$ 503,277
General fund	-	2,262	16,708
General purpose school fund	12,682	-	169,370
	$ 12,682	$ 2,262	$ 689,355

Interfund transfers represent subsidies and contributions provided to operating funds and capital project funds with no corresponding debt or promise to repay. Transfers out of the major funds, nonmajor governmental funds and enterprise funds generally represent debt service, cost allocation, capital project funding, and payments in lieu of taxes. Interfund transfers occurring between individual major funds and nonmajor governmental, enterprise, and internal service funds for the City during the year ended June 30, 2015 are as follows:

	Transfer In:			
Transfer out:	**General Fund**	**General Purpose School Fund**	**Nonmajor Governmental**	**Total**
General fund	$ -	$ 2,323,234	$ 267,597	$ 2,590,831
General purpose school fund	-	-	254,343	254,343
Nonmajor governmental funds	465,486	69,559	1,356,123	1,891,168
Water and sewer	605,061	-	-	605,061
Total transfers out	$ 1,070,547	$ 2,392,793	$ 1,878,063	$ 5,341,403

F. Leases

Operating Leases

The City leases various city-owned property to corporations for cellular towers. The leases range from 5 to 10 years. The minimum lease payments the City will receive for the years ending June 30 is as follows:

2016	$ 416,368
2017	423,782
2018	414,103
2019	303,781
2020	280,644
Thereafter	245,172
Total	$ 2,083,850

Capital Leases

The City entered into a lease agreement as lessee for financing the acquisition of computers for the schools. The lease is for a period of 48 months commencing on August 1, 2014, with two semi-annual payments of $92,500 paid each on December 1, 2014 and June 1, 2015, followed by six semi-annual payments of $94,496.76 paid on each December 1 and June 1 thereafter. The current lease expense was $185,000 with an outstanding balance of $535,256 at June 30, 2015.

The following is a schedule of the future minimum lease payments at June 30:

	Governmental Activities
Total minimum lease payments	$ 585,138
Less: amount representing interest	(49,882)
Present value of minimum lease payments	$ 535,256

2016	$ 172,540
2017	178,353
2018	184,363
	$ 535,256

G. Long Term Debt

General obligation notes payable and capital outlay notes

On December 23, 2008, the City entered into a loan agreement with the Public Building Authority of the City of Clarksville, Tennessee through the Tennessee Municipal League for $1,350,000 and $1,000,000 for governmental and business-type activities, respectively. Balances at June 30, 2015 were $1,061,000 and $786,000, respectively. Principal on these loans are paid annually in May while the interest is paid monthly based on a variable rate determined by the remarketing agent. At June 30, 2015, the interest rate on this loan was .26%.

On June 3, 2014, the Board of Mayor and Aldermen (The Board) authorized the issuance of $10,000,000 in revenue anticipation notes for the purpose of meeting appropriations made for the Bartlett City Board of Education (BOE) for the fiscal year 2015. The Board also passed a separate resolution on June 3, 2014, requiring the BOE to repay all proceeds from these revenue anticipation notes transferred to the BOE no later than June 30, 2015.

On July 22, 2014 the Board amended the original authorizing resolution to provide security for the notes from the taxes and revenues of the City of Bartlett. On July 23, 2014, the City sold the $10,000,000 Revenue Anticipation Notes, Series 2014 via a negotiated sale to Regions Bank at a taxable variable interest rate of 0.57% with a rate cap of 0.72%. Interest was required to be paid monthly with principal due at maturity on June 30, 2015. On August 12, 2014 the City made its first of four authorized possible draws on the Series 2014 note of $2,000,000. No further draws were made during the fiscal year. On February 13, 2015, March 13, 2015, and April 15, 2015 the City made payments on the note in the amount of $500,000, $1,000,000, and $500,000 respectively. On April 15, 2015 the note was fully retired resulting in a balance at June 30, 2015 of $0.

On August 12, 2014, the City issued a seven-year capital outlay note in the amount of $1,041,000 through the Tennessee Municipal Bond Fund. The note bears an interest rate of 2.19% with final maturity on September 1, 2021. Proceeds of the note were used to finance certain public works projects, consisting of the acquisition of vehicles and equipment for the administrative, police, fire, codes enforcement, public works, parks and engineering departments of the City as identified in the FY2015 Capital Improvement Program Budget.

Revenue bonds

The City also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service.

Settlement Liability

On January 14, 2014, the City entered into a settlement agreement with the Board of Commissioners of Shelby County, Shelby County, Tennessee, and the Shelby County Board of Education. The Bartlett City Board of Education agreed to pay the Shelby County Board of Education $608,193 per year for twelve years with the first payment due by November 1, 2014 and the remaining payments due by November 1 each year following. The City elected to establish the liability incurred through the settlement agreement at its present value with a discount rate of 2.41%. At June 30, 2015, the balance outstanding was $5,807,056.

Changes in long-term liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	$ 27,890,000	$ -	$ (2,645,000)	$ 25,245,000	$ 2,830,000
Premiums	986,934	-	(54,182)	932,752	-
Total bonds payable	28,876,934	-	(2,699,182)	26,177,752	2,830,000
Capital outlay notes	2,135,000	1,041,000	(519,000)	2,657,000	428,000
Note payable	1,115,001	-	(54,001)	1,061,000	56,000
Capital lease payable	-	702,101	(166,845)	535,256	172,540
Net pension obligation	2,854,994	19,752,933	-	22,607,927	-
Other postemployement benefits	15,087,511	1,076,127	-	16,163,638	-
Other postemployement benefits - school	-	520,031	-	520,031	-
Compensated absences	2,867,320	96,928	(38,872)	2,925,376	39,026
Shelby County Board of Education settlement liability	7,298,316	-	(608,193)	6,690,123	608,193
Less deferred amount for issuance discount	(947,100)		64,033	(883,067)	-
Governmental-type activity long-term liabilities	$ 59,287,976	$ 23,189,120	$ (4,022,060)	$ 78,455,036	$ 4,133,759

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
Revenue bonds	$ 12,655,000	$ -	$ (1,215,000)	$ 11,440,000	$ 1,320,000
Less deferred amounts:					
Premiums	398,912	-	(29,603)	369,309	-
Total bonds payable	13,053,912	-	(1,244,603)	11,809,309	1,320,000
Note payable	826,000	-	(40,000)	786,000	42,000
Compensated absences	85,858	-	(1,953)	83,905	
Net pension obligation	185,085	1,197,893	-	1,382,978	-
Other postemployment benefits	1,597,704	168,841	-	1,766,545	-
Business-type activity long-term liabilities	$ 15,748,559	$ 1,366,734	$ (1,286,556)	$ 15,828,737	$ 1,362,000

For governmental activities, net pension liability, other postemployement benefits, and compensated absences are generally liquidated by the general fund.

For the governmental activities and business-type activities, $4,918,364 and $1,965,536, respectively, of bond proceeds and capital notes were not spent as of June 30, 2015. As such, these proceeds were not included in the calculation of net investment in capital assets.

Bonds and similar debt payable at June 30, 2015, are comprised of the following individual issues:

	Interest Rates	Original Issue	Balance Outstanding at Year End
Governmental activities:			
Bonds payable:			
2007 Serial Bonds	4.0-4.05	$ 2,955,000	$ 2,175,000
2009 Serial Bonds	2.0-4.1	2,220,000	1,770,000
2010 Serial Bonds	2.0-3.5	7,925,000	5,450,000
2011 Serial Bonds	2.0-2.625	4,545,000	2,785,000
2012 Serial Bonds	2.0-3.0	9,865,000	8,910,000
2013 Serial Bonds	3.0-3.625	4,690,000	4,155,000
		32,200,000	25,245,000
2008 Note payable*	0.26	1,350,000	1,061,000
Capital Note 2013 A	1.78	1,300,000	946,000
Capital Note 2013 B	2.13	770,500	670,000
Capital Note 2014	2.19	1,041,000	1,041,000
Capital Lease	3.341	702,101	535,256
		$ 37,363,601	$ 29,498,256

	Interest Rates	Original Issue	Balance Outstanding at Year End
Business-type activities:			
Bonds payable:			
2007 Serial Bonds	4.0-4.05	$ 1,015,000	$ 745,000
2009 Serial Bonds	2.0-4.1	960,000	765,000
2010 Serial Bonds	2.0-2.65	3,115,000	2,185,000
2011 Serial Bonds	2.0-2.75	4,305,000	2,675,000
2012 Serial Bonds	2.0-3.0	3,440,000	3,230,000
2013 Serial Bonds	3.0-3.625	2,005,000	1,840,000
		14,840,000	11,440,000
2008 Note payable *	0.26	1,000,000	786,000
		$ 15,840,000	12,226,000
			$ 41,724,256

*Variable rate Tennessee Municipal Bond Fund loan rate for June 30, 2015 was 0.26%

Annual debt service requirements to maturity are as follows:

Years Ending June 30	**Government Activities Principal**	**Government Activities Interest**	**Business-Type Activities Principal**	**Business-Type Activities Interest**
2016	$ 3,486,540	$ 738,026	$ 1,362,000	$ 293,978
2017	3,343,353	656,035	1,303,000	264,224
2018	3,354,363	570,830	1,065,000	236,115
2019	3,253,000	485,431	1,087,000	209,914
2020	2,810,000	409,623	980,000	184,842
2021-2025	8,404,000	1,215,763	4,149,000	564,013
2026-2030	3,822,000	410,303	1,710,000	198,683
2031-2034	1,025,000	64,273	570,000	35,682
	$ 29,498,256	$ 4,550,284	$ 12,226,000	$ 1,987,451

The City is not subject to any state or other law that limits the amount of net bonded debt a City may have outstanding; therefore, there is no legal debt margin or computation thereof. The City's full faith, credit and unlimited taxing power are pledged to the repayment of all general obligation bond principal and interest and the City is contingently liable for the repayment of revenue bond principal and interest.

H. Restricted Assets

The balance in the restricted investments account relates to money held by the City that is restricted to State Street Aid purposes.

I. Fund Balances by Purpose

Following is more detailed information on the governmental fund balances:

	General Fund	General Purpose School Fund	Other Governmental Funds	Total
Nonspendable for:				
Inventory	$ 220,885	$ -	$ 27,235	$ 248,120
Prepaid expenditures	8,067	-	72,778	80,845
Total nonspendable fund balance	228,952	-	100,013	328,965
Restricted for:				
Education	-	6,317,746	-	6,317,746
Capital projects	-	-	4,941,960	4,941,960
State street aid	-	-	960,632	960,632
Drug enforcement	-	-	491,661	491,661
DEA task force	-	-	405,430	405,430
Sexual offender registry program	12,694	-	-	12,694
Police Criminal Seizures	4,638	-	-	4,638
Total restricted fund balance	17,332	6,317,746	6,799,683	13,134,761
Committed for:				
Emergency purposes	1,000,000	-	-	1,000,000
Transfer out FY16 Budget Deficit	756,561	-	-	756,561
Debt service	-	-	560,760	560,760
Total committed fund balance	1,756,561	-	560,760	2,317,321
Assigned to:				
Capital projects	-	-	2,009,867	2,009,867
State street aid	-	-	931,239	931,239
Solid waste	-	-	1,443,672	1,443,672
General improvement	-	-	512,179	512,179
Drainage control	-	-	92,474	92,474
Parks improvement	-	-	661,088	661,088
School General Purpose Fund	-	-	-	-
Encumbrances	161,226	-	-	161,226
Appropriated fund balance	-	-	-	-
FY15 budget	161,226	-	5,650,519	5,811,745
Unassigned	26,496,930	-	-	26,496,930
Total fund balances	$ 28,661,001	$ 6,317,746	$ 13,110,975	$ 48,089,722

NOTE 5 - EMPLOYEE RETIREMENT SYSTEM

A. Plan Description

The City is the administrator of a single-employer public employee retirement system (PERS) established and administered by the City to provide pension benefits for its employees. The plan, as amended on March 29, 2001, is a defined benefit plan and was created on July 1, 1989 with the transfer of assets from a defined contribution money purchase plan discontinued on June 30, 1989. The PERS is considered to be part of the City of Bartlett's financial reporting entity and is included in the City's financial reports as a pension trust fund. The City of Bartlett separately issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to City of Bartlett, P.O. Box 341148, Bartlett, TN 38134-1148.

The City provides all employee retirement benefits through a single employer, contributory, defined benefit plan. Under the plan, all full-time employees are eligible at date of employment as a condition of such employment. Employees are 100% vested only after five years of service. The retirement benefit is calculated at 2.5% of average compensation during the highest consecutive three years of service multiplied by years of credit service not in excess of 25 plus 1% of average compensation multiplied by years of service greater than 25 but less than 35, with a maximum benefit of 72.5% of average compensation.

At July 1, 2015 (the date of the latest actuarial valuation), PERS membership consisted of:

Retirees and beneficiaries currently receiving benefits	149
Terminated employees entitled to benefits but not yet receiving them	26
Active employees:	
Vested	387
Nonvested	61
Total	623

B. Funding Policy

Covered employees contribute 4% of earnings to the retirement plan. The City is required to contribute amounts necessary to finance the coverage for its employees (17.4% for the current period). Benefits and contributions are established by the City and may be amended only by the Board of Mayor and Aldermen.

C. Basis of Accounting

PERS financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The government’s contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance in the terms of the plan. Expenses of the plan are recognized when incurred.

D. Plan Expenses

Expenses of the plans, such as investment fees, trustee fees, and audit fees, are paid by the plan. However, certain administrative functions are performed by employees of the City and are not reimbursed by the plan.

E. Method Used to Value Investments

PERS investments, other than contracts, are reported at fair value. Contracts are stated at cost plus interest accrued at contract rates. Investment income is recognized as earned. Plan assets do not include any securities of the City of Bartlett nor has the Plan made any loans to the City.

F. Contributions Required and Made

The Plan's policy provides for actuarially determined periodic contributions. Contributions to the Plan for the years ended June 30, 2015 and 2014, of $3,205,170 and $3,395,565, respectively, were made in accordance with actuarially determined requirements computed through the actuarial valuations performed as of July 1, 2015 and 2014. Total payroll for the years ended June 30, 2015 and 2014 were $27,158,385 and $26,729,236, respectively. Payrolls for employees covered by the Plan were $22,505,784 and $23,205,583 respectively.

G. Funded Status and Funding Progress

As of June 30, 2015, the actuarial accrued liability for benefits was $88,653,384 of which $23,990,905 was underfunded. The covered payroll (annual payroll of active employees covered by the plan) was $22,505,784, and the ratio of unfunded actuarial accrued liability to the covered payroll was 106.6%.

H. Net Pension Liability

Actuarial Methods and Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2015, using the entry age normal level percent of pay cost method to determine costs for retirement benefits. Costs for withdrawal and early retirement benefits were provided for by the withdrawal rates. A loading factor was applied to liabilities to provide for the cost of death, disability, and for the incidence of involuntary termination. Significant actuarial assumptions used in the computation include (a) a 7.5% investment rate of return (net of administrative expenses) and (b) projected salary increases of 3.5% per year. Both (a) and (b) include an inflation component of 2.5% (d) RP 2000 Mortality Table. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments (c) it is assumed that participants will retire upon age 62, or if already over age 62, at the end of the current plan year (e) 80% of active participants are assumed to be married and wives are assumed to be three years younger than husbands.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense an inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The components of the net pension liability of the City at June 30, 2015, were as follows:

	Increase/(Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at June 30, 2014	$ 82,987,053	$ 62,431,632	$ 20,555,421
Changes for the year:			
Service cost	2,332,699		2,332,699
Interest	6,224,029		6,224,029
Experience	304,733		304,733
Contributions - Employer		3,205,170	(3,205,170)
Contributions - Employees		915,772	(915,772)
Net investment income		1,584,193	(1,584,193)
Benefit payments	(3,195,130)	(3,195,130)	-
Administrative expense		(279,158)	279,158
Net changes	5,666,331	2,230,847	3,435,484
Balances at June 30, 2015	$ 88,653,384	$ 64,662,479	$ 23,990,905
Plan fiduciary net position as a percentage of the total pension liability		72.94%	

Discount Rate

The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at actuarially determined rates. Based on those assumptions, the pension plans' 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 projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Pension Trust Fund's net pension liability	$ 36,194,955	$ 23,990,905	$ 13,383,990

I. Pension Expense (Income) and Deferred Outflows of Resources Related to Pensions

For the year ended June 30, 2015, the City recognized pension expense of $617,153.

Deferred outflows of resources

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

	Deferred Outflows of Resources
Differences between expected and actual experience	$ 274,260
Net difference between projected and actual earnings on pension plan investments	2,506,318
Total	$ 2,780,578

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2016	$ 657,052
2017	657,052
2018	657,052
2019	657,052
2020	30,473
Thereafter	121,897
	$ 2,780,578

J. Payable to the Pension Plan

At June 30, 2015, the City reported a payable of $0 for the outstanding amounts of contributions to the pension plan required at the year ended June 30, 2015.

Bartlett City Board of Education Public Employee Retirement Plan of TCRS (80332)

A. Summary of Significant Accounting Policies:

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

B. General Information about the Pension Plan

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

Benefits provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member’s highest five consecutive year average compensation and the member’s years of service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

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

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

Inactive employees or beneficiaries currently receiving benefits	-
Inactive employees entitled to but not yet receiving benefits	-
Active employees	-
	-

Bartlett City Board of Education closed the plan to new employees hired after July 31, 2015.
Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5 percent of salary. Bartlett City Board of Education 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 Bartlett City Board of Education were $656,383 based on a rate of 9.27 percent of payroll. By law, employer contributions are required to be paid. The TCRS may intercept Bartlett City Board of Education's state shared taxes if required employer contributions are not remitted. The employer's ADC and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension liabilities. Since the measurement date is June 30, 2014, which is prior to Bartlett City Board of Education's July 1, 2014 participation in the Public Employee Retirement Plan, there is not a net pension liability to report at June 30, 2015.

Pension Expense. Since the measurement date is June 30, 2014, Bartlett City Board of Education did not recognize a pension expense at June 30, 2015.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2015, Bartlett City Board of Education reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Bartlett City Board of Education's contributions subsequent to the measurement date of June 30, 2014	$ 656,383

Bartlett City Board of Education's employer contributions of $656,383 reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as a reduction in net pension liability in the year ended June 30, 2016.

D. Payable to the Pension Plan

At June 30, 2015, *Bartlett City Board of Education* reported a payable of $42,391 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2015.

Bartlett City Board of Education Public Employee Retirement Plan of TCRS (81332)

A. Summary of Significant Accounting Policies

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

B. General Information about the Pension Plan

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

Benefits provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 65 with 5 years of service or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are permitted at age 60 and vested or pursuant to the rule of 80 in which the member's age and service credit total 80. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility.

The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

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

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

Inactive employees or beneficiaries currently receiving benefits	-
Inactive employees entitled to but not yet receiving benefits	-
Active employees	-
	-

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5 percent of salary. Bartlett City Board of Education 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 Bartlett City Board of Education were $4,840 based on a rate of 4 percent of payroll. By law, employer contributions are required to be paid. The TCRS may intercept Bartlett City Board of Education's state shared taxes if required employer contributions are not remitted. The employer's ADC and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension liabilities. Since the measurement date is June 30, 2014, which is prior to Bartlett City Board of Education's August 1, 2014 participation in the Public Employee Retirement Plan, there is not a net pension liability to report at June 30, 2015.

Pension Expense. Since the measurement date is June 30, 2014, Bartlett City Board of Education did not recognize a pension expense at June 30, 2015.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2015, Bartlett City Board of Education reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Bartlett City Board of Education's contributions subsequent to the measurement date of June 30, 2014	$ 4,840

Bartlett City Board of Education's employer contributions of $4,840 reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as a reduction in net pension liability in the year ended June 30, 2016.

D. Payable to the Pension Plan

At June 30, 2015, *Bartlett City Board of Education* reported a payable of $475 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2015.

Bartlett City Board of Education Teacher Legacy Pension Plan of TCRS (97902)

A. General Information about the Pension Plan

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

Benefits provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 55 and vested. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments ("COLAs") after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index ("CPI") during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The Local Education Agencies ("LEAs") make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Bartlett City Board of Education for the year ended June 30, 2015 to the Teacher Legacy Pension Plan were $3,032,177 which is 9.04 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

B. Deferred Outflows of Resources Related to Pensions

Deferred outflows of resources. For the year ended June 30, 2015, the Bartlett City Board of Education reported deferred outflows of resources related to the Teacher Legacy Pension Plan of TCRS of $3,312,886 for contributions subsequent to the measurement date of June 30, 2014. This amount will be recognized as an increase in net pension asset or a decrease in net pension liability in the year ending June 30, 2016.

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

C. Payable to the Pension Plan

At June 30, 2015, the Bartlett City Board of Education reported a payable of $282,003 for the outstanding amount of contributions to the Teacher Legacy Pension Plan of TCRS required at the year ended June 30, 2015.

Bartlett City Board of Education 401(k) Plan

The Teacher Retirement Plan provides a combination of a defined benefit plan and a defined contribution plan. The defined benefit portion of the Teacher Retirement Plan is managed by TCRS. The defined contribution assets are deposited into the State's 401(k) plan where the employee manages the investments within the 401(k) plan. Public school teachers are required to contribute 2% of their salaries to the defined contribution (401(k)) portion of the Teacher Retirement Plan. Contributions are made on a tax-deferred basis. During 2015, Bartlett City Board of Education's Employer Contribution to the defined contribution plan was $38,041.

City of Bartlett Defined Contribution Plan

The City administers a defined contribution plan available to all full time employees hired after June 30, 2014. Under the plan terms, the City will match participant contributions up to 5% of the participant's salary. Participants are required to contribute 5% of their compensation. Participants are 100% vested in their contributions when they are made. Participants are 100% vested in employer matching contributions after five years of service. During 2015, the City contributed $28,315 to the plan.

NOTE 6 - COMMITMENTS AND CONTINGENCIES

The City has entered into various lease arrangements. The terms of these leases are variable and require only normal token payments, if any. Annual lease payments are not material.

The City has entered into a contract with the City of Memphis for sewer service charges provided within the Bartlett Water Service Area. Based on the agreement, the City will pay a sewer charge that is based on Bartlett's portion of the cost of treatment and the fee will be recalculated every two years.

Several lawsuits against the City are ongoing. The ultimate outcome of the actions is not determinable; however, City officials believe that the outcome of these proceedings, either singularly or in the aggregate, will not have a materially adverse effect on the accompanying financial statements.

Additionally, there was $210,733 of other encumbrances outstanding at June 30, 2015.

NOTE 7 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. The City has not incurred any losses in excess of commercial insurance coverage for the past three fiscal years.

Worker's Compensation

The City maintains an internal service fund for its employee workers' compensation claims. The City contributes a yearly 'premium' as a percent of budgeted payroll to the fund and purchases insurance with a $5,000 deductible from the Tennessee Municipal League Insurance Pool. Changes in the balances of claims liabilities during the years are as follows:

	2015	2014
Unpaid claims, beginning of fiscal year	$ -	$ -
Claims incurred during the year	194,524	168,835
Claims payments	(194,524)	(168,835)
Unpaid claims, end of fiscal year	$ -	$ -

Property, Plant and Equipment

The City has replacement cost insurance, including earthquake coverage, on all buildings and on mobile equipment and vehicles costing more than $25,000 each.

Liability Coverage

The state of Tennessee provides statutory limits to municipal liability. The City is insured up to these maximum limits through the Tennessee Municipal League Insurance Pool.

NOTE 8 - POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)

In addition to the pension benefits described in Note 5, the City provides post-retirement health care benefits to all employees who retire from the City under the provisions of the PERS. Benefit provisions and contribution obligations have been established by the City in conjunction with the PERS.

At June 30, 2015, the membership consisted of:

Retirees and beneficiaries currently receiving benefits	119
Active employees	475
Total	594

A. Plan Description

The City pays 70% of the premium for health care benefits for retirees and their dependents, if the employee is retired before January 1, 2012, or if the employee had 25 years of continuous service as of January 1, 2012. The City pays 50% of the premium for health care benefits for non-Medicare eligible retirees and their dependents if the employee retired after January 1, 2012, with less than 25 years of continuous service as of January 1, 2012. The City pays up to $200 per month for Medigap insurance reimbursement benefit to Medicare eligible retirees and their dependents if the employee retired after January 1, 2012, with less than 25 years of continuous service as of January 1, 2012.

B. Funded Status and Funding Policy

The City's annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The City has engaged an actuary to calculate the ARC and related information per the provision of GASB Statement 45 for employers in plans with more than 100 total plan members. The ARC represents a funding level that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. As of June 30, 2015, the actuarial accrued liability for benefits was $15,862,466 of which $12,877,435 was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was $23,261,853, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 55%. The actuarial value of the assets for the other post employment benefits as of July 1, 2015, is $2,985,031. The funded ratio, the actuarial value of plan assets over the actuarial accrued liability, is 18.8%

C. Annual OPEB Cost and Net OPEB Obligation

For the current fiscal year, the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and the City's net OPEB obligation were as follows:

Annual required contribution (ARC)	$ 3,642,864
Interest on net OPEB obligation	834,261
Adjustment to annual required contribution	(2,057,915)
Annual OPEB cost	2,419,210
Contributions or payments made	(1,174,240)
Increase in net OPEB obligation	1,244,970
Net OPEB obligation, beginning of year	16,685,211
Net OPEB obligation, end of year	$ 17,930,181

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Following is a summary of the three-year trend for the years ended June 30:

Fiscal Year Ending	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	$ 2,381,724	46.3%	$ 15,379,978
6/30/2014	$ 2,445,617	46.6%	$ 16,685,211
6/30/2015	$ 2,419,210	48.5%	$ 17,930,181

The schedule of funding progress, presented as required supplementary information immediately follows the notes, and presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

D. Actuarial Methods and Assumptions

Actuarial valuations for an OBEP ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. As such, the actuarial calculations of the OPEB plan reflect a long-term perspective. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. OPEB plan investments are valued at fair market value based on quoted market prices as obtained by the trustee of the OPEB plan's assets.

The annual required contribution for the current year was determined as part of the July 1, 2014 actuarial valuation using the Projected Unit Credit actuarial cost method. Calculations are based on the OPEB benefits provided under the terms of the plan in effect at the time of the actuarial valuation and on the pattern of sharing of costs between the employer and plan members to that point. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 5.0 percent (inclusive of 2.5 percent inflation) compounded annually and (b) a base payroll growth rate of 5.0 percent. The actuarial valuation uses the PR2000 Mortality Table and the 1987 Commissioner's Group Disability Table (plus 10 years for disabled lives). Health care cost trend rates include an initial rate of 8.0 percent, and ultimate rate of 4.0 percent, and a grading period of 9 years. Retirement rates range from age 55 to age 65, there is no expense loading, and 80 percent of active participants are assumed to be married and wives are assumed to be three years younger than husbands.

E. Amortization of Net OPEB Obligation

The amortization method used is the level dollar, closed approach which amortizes the initial unfunded actuarial liability over thirty years, actual gains/losses over ten years, and plan amendments over twenty years. The equivalent single amortization period is 25 years.

Date Established	Type of Base	Initial Amount	Payment	Remaining Period	Remaining Balance
7/1/2014	Combined	$ 13,153,023	$ 888,799	24	$ 12,877,435

The amortization for the year ending June 30, 2014 is as follows:

Date Established	Type of Base	Initial Amount	Payment	Remaining Period	Remaining Balance
7/1/2014	Obligation	$ 16,685,211	$2,057,915	9	$ 15,358,661

Interlocal Health Benefits Plan Asset Trust

The City of Bartlett and the Bartlett City Board of Education participates in the Interlocal Health Benefits Plan Asset Trust for healthcare benefits. Benefits are established and amended by an insurance committee created by Section 8-27-601, *Tennessee Code Annotated (TCA)* for local education employees. Members have the option of choosing between a Health Reimbursement Account (HRA) option, an Exclusive Provider Organization (EPO) option, or a basic option for healthcare benefits. The plan has a separately issued Comprehensive Annual Report (CAFR) and can be found on the state's website at http://www.comptroller.tn.gov/RA_MA_Financial/.

The premium requirements of plan members are established and may be amended by the insurance committee. The plan is self-insured and financed on a pay-as-you-go basis with the risk shared equally among the participants. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. The employers in each plan develop a contribution policy in term of subsidizing active employees or retired employees' premiums since the committee is not prescriptive on that issue. During the year ended June 30, 2015, the City of Bartlett and the Bartlett City Board of Education contributed premiums of $11,826,344 to the Interlocal Health Benefits Plan Asset Trust.

Bartlett City Board of Education Other Post Employer Benefits

The Bartlett City Board of Education has place funds with the Tennessee School Board Association (TSBA) GASB 45 Trust to be used to pre-fund a portion of the OPEB liability. The assets of the GASB 45 Trust are commingled with other participants; funds for investment purposes, but are held in an irrevocable trust for each plan participant and may be used only for the payment of benefits to the members of the plan in accordance with the terms of their plan. The TSBA GASB 45 Trust obtains an annual audit, which may be obtained from the TSBA at 525 Brick Church Park Drive, Nashville, TN 37207; however, the audit for the year ended June 30, 2015, was not available from other auditors as of the date of this report.

Actuarial valuations involve estimates for the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Since this plan is new, however, only one year is presented and years will be added to this schedule in future fiscal years until 10 years of information is available.

Annual OPEB Cost and Net OPEB Obligation

Annual Required Contribution (ARC) as of end of year	$ 670,031
Interest on Net OPEB Obligation (NOO) to end of year	-
NOO amortization adjustment to ARC	-
Annual OPEB Cost	670,031
Annual employer contribution for pay-go cost	-
Annual employer contribution pre-funding	(150,000)
Change in NOO	520,031
NOO as of beginning of year	-
NOO as of end of year	$ 520,031

Fiscal Year Ended	Annual OPEB Cost	% Of Annual OPEB Cost Contributed	Net OPEB Obligation at Year End
6/30/2015	$ 670,031	22%	$ 520,031

Funded Status and Funding Progress

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

Actuarial valuation date	7/1/2014
Actuarial accrued liability (AAL)	$ 7,254,303
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$ 7,254,303
Actuarial value of assets as a % of the AAL	0%
Covered payroll (active plan members)	N/A
UAAL as a % of covered payroll	N/A

Actuarial Methods and Assumptions

The actuarially determined information presented here is based upon actuarial assumptions and substantive projected plan provisions and participant information furnished to the actuary by the plan sponsor. Calculations are based on the pattern of sharing of costs between the employer and plan members at the time of each valuation. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In the July 1, 2014, actuarial valuation, the projected unit credit with linear proration to decrement was used and the actuarial assumptions included an 8% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 7.6% for 2016. The rate also includes a 3% inflation assumption. The Bartlett City Board of Education's intention is to partially fund the Annual Required Contribution and pay for the pay-go costs from the General Purpose School Fund until the Trust balance is sufficient to meet future benefit payments.

NOTE 10 – SUBSEQUENT EVENT

On June 9, 2015, the Board of Mayor and Aldermen (The Board) authorized the issuance of $8,000,000 in revenue anticipation notes for the purpose of meeting appropriations made for the Bartlett City Board of Education (BOE) for the fiscal year 2016. On July 16, 2015, the City sold the $8,000,000 Revenue Anticipation Note, Series 2015 via a negotiated sale to Regions Bank at a taxable variable interest rate of 0.42% with a rate cap of 0.75%. Interest shall be paid monthly with principal due at maturity on June 30, 2015. The Board also passed a separate resolution on June 9, 2015, requiring the BOE to repay all proceeds from these revenue anticipation notes transferred to the BOE no later than June 30, 2016.

On July 14, 2015, the Board of Mayor and Aldermen (The Board) authorized the issuance of $1,064,000 in capital outlay notes. On August 5, 2015, the City issued a seven-year capital outlay note in the amount of $1,064,000 through the Tennessee Municipal Bond Fund. The note bears an interest rate of 2.03% with final maturity on August 1, 2022. Proceeds of the note were used to finance certain public works projects, consisting of the upgrade to network and communications infrastructure, acquisition of vehicles and equipment for the administrative, police, fire, codes enforcement, public works, parks and engineering departments of the City as identified in the FY2016 Capital Improvement Program Budget.

On July 28, 2015, the Board of Mayor and Aldermen (The Board) authorized a lease purchase agreement for the acquisition of computers for the Bartlett City Board of Education and payments for lease. The Board further executed an agreement with the Bartlett City Board of Education for the reimbursement of payments of obligations under the lease agreement. On July 29, 2015, the City entered into a four year lease agreement with Apple, Inc. in the amount $2,940,000 for the acquisition of 3,000 Apple computers for students in the Bartlett City School District with a final lease payment due on January 15, 2019

On October 1, 2015, the City issued $5,100,000 General Obligation Public Improvement Bonds, Series 2015, maturing on September 1, 2035 with a true interest cost of 2.838%. The proceeds of the Series 2015 Bonds will be used to fund the costs of certain public improvement projects including the construction, repair, improvement and equipping of City Hall, the Justice Center, recreation centers and facilities and parks; the acquisition of a public safety radio system and ambulances; construction, repair and improvement to streets, roads, signalization and drainage improvements; architectural, engineering and administrative costs incident to the above; and payment of the costs related to issuance and sale of the Bonds. The net proceeds of the Series 2015 Bond totaled $5,961,112 and were deposited with the City.

NOTE 11 – RESTATEMENT OF NET POSITION

Effective for the fiscal year ended June 30, 2015, the City Bartlett, Tennessee implemented GASB 68 and GASB 71 for pension accounting. This has been accounted for as a change in accounting principle with prior year adjustments as determined by an actuary.

In fiscal year 2014, Shelby County Board of Education donated education assets, including several parcels of land to the Bartlett City Board of Education. The fair market values of the parcels of land for the Bartlett City Schools were unavailable at the time the assets were recorded on the City's books. In the current fiscal year, independent appraisals were obtained on all parcels of land, which resulted in increasing beginning net position for governmental activities on the Statement of Activities.

The above restatements had the following impact on previously reported balances.

Statement of Activities	Governmental Activities	Business-type Activities
Net position, June 30, 2014, as previously reported	$ 273,991,686	$ 66,604,826
Restatement for land values	3,110,200	-
Restatement for implementation of GASB No. 68 and 71	(16,513,111)	(999,851)
Net position, June 30, 2014, as restated	$ 260,588,775	$ 65,604,975

CITY OF BARTLETT

TENNESSEE

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF OTHER POST EMPLOYEMENT BENEFITS FUNDING PROGRESS

For the Six Years Ended June 30

CITY OF BARTLETT, TENNESSEE OPEB

Date	Assets	Liability	Unfunded Liability - PUC	Ratio	Payroll	UAAL as a Covered Payroll
7/1/2010	$ 566,339	$ 17,867,243	$ 17,300,904	3.2%	$ 21,398,047	81%
7/1/2011	$ 623,056	$ 19,266,337	$ 18,643,281	3.2%	$ 21,536,382	87%
7/1/2012	$ 1,205,847	$ 17,461,310	$ 16,255,463	6.9%	$ 21,797,237	75%
7/1/2013	$ 1,754,053	$ 17,717,752	$ 15,963,699	9.9%	$ 21,797,237	73%
7/1/2014	$ 2,333,209	$ 15,486,232	$ 13,153,023	15.1%	$ 23,261,853	57%
7/1/2015	$ 2,985,031	$ 15,862,466	$ 12,877,435	18.8%	$ 23,261,853	55%

BARTLETT CITY BOARD OF EDUCATION OPEB

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2014	$ -	$ 7,254,303	$ 7,254,303	0%	N/A	N/A

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF EMPLOYER CONTRIBUTIONS – EMPLOYEE RETIREMENT SYSTEM

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	$ 3,042,488	$ 3,395,590	$ 3,787,195	$ 3,581,767	$ 3,323,279	$ 3,675,765	$ 2,889,590
Contributions	$ 3,205,170	$ 3,395,565	$ 3,085,713	$ 3,052,176	$ 3,063,599	$ 3,024,676	$ 3,083,215
Contribution deficiency	$ (162,682)	$ 25	$ 701,482	$ 529,591	$ 259,680	$ 651,089	$ (193,625)
Covered employee payroll	$ 22,505,784	$ 23,205,853	$ 22,101,474	$ 21,797,237	$ 21,569,182	$ 21,398,047	$ 20,923,074
Contributions as a percentage of covered employee payroll	14.24%	14.63%	13.96%	14.00%	14.20%	14.14%	14.74%

Notes to the Schedule

Valuation date:

Actuarially determined contributions are calculated as of January 1st, eighteen months year prior to the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal level percent of pay
Amortization method	Level dollar, closed
Remaining amortization period	25 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	3.5%, including inflation
Investment rate of return	7.5%, net of plan investment expense, including inflation
Retirement age	62
Mortality	RP-2000
Withdrawl rates	T-3 Actuaries Pension Handbook

* Only seven years available from actuarial valuation.

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008
Total pension liability								
Service cost	$ 2,332,699	$ 2,231,818	$ 2,364,680	$ 2,359,896	$ 2,362,761	$ 2,326,555	$ 1,934,653	$ 1,837,053
Interest	6,224,029	5,799,696	5,556,860	5,232,466	4,917,355	4,530,703	4,264,320	3,930,864
Changes of benefit items	-	365,972	-	-	-	-	-	-
Differences between expected and actual experience	304,733	77,265	(229,653)	(871,985)	(779,458)	439,808	(735,149)	457,518
Changes in assumptions	-	-	(1,789,990)	-	-	-	-	-
Benefit payments	(3,195,130)	(2,816,982)	(2,664,082)	(2,395,115)	(2,299,188)	(2,141,702)	(1,914,027)	(1,777,381)
Net change in total pension liability	5,666,331	5,657,769	3,237,815	4,325,262	4,201,470	5,155,364	3,549,797	4,448,054
Total pension liability - beginning	82,987,053	77,329,284	74,091,469	69,766,207	65,564,737	60,409,373	56,859,576	52,411,522
Total pension liability - ending (a)	88,653,384	82,987,053	77,329,284	74,091,469	69,766,207	65,564,737	60,409,373	56,859,576
Plan fiduciary net position								
Contributions - employer	3,205,170	3,395,565	3,085,413	3,052,605	3,063,599	3,024,676	3,083,215	2,900,730
Contributions - employee	915,772	911,954	881,552	872,176	829,711	838,310	841,645	781,502
Net investment income	1,584,193	8,017,388	5,067,448	586,516	7,024,828	4,539,174	(8,050,523)	(5,062,514)
Benefit payments	(3,195,130)	(2,816,982)	(2,664,082)	(2,395,115)	(2,299,188)	(2,141,702)	(1,914,027)	(1,777,381)
Administrative expense	(279,158)	(220,734)	(200,461)	(195,550)	(173,945)	(182,840)	(209,980)	(290,817)
Net change in plan fiduciary net position	2,230,847	9,287,191	6,169,870	1,920,632	8,445,005	6,077,618	(6,249,670)	(3,448,480)
Plan fiduciary net position - beginning	62,431,632	53,144,441	46,974,571	45,053,939	36,608,934	30,531,316	36,780,986	40,229,466
Plan fiduciary net position - ending (b)	64,662,479	62,431,632	53,144,441	46,974,571	45,053,939	36,608,934	30,531,316	36,780,986
City's net pension liability - ending (a) - (b)	$ 23,990,905	$ 20,555,421	$ 24,184,843	$ 27,116,898	$ 24,712,268	$ 28,955,803	$ 29,878,057	$ 20,078,590
Plan fiduciary net position as a percentage of the total pension liability	72.94%	75.23%	68.72%	63.40%	64.58%	55.84%	50.54%	64.69%
Covered employee payroll	$ 22,505,784	$ 23,205,853	$ 23,261,853	$ 21,797,237	$ 21,569,182	$ 21,398,047	$ 20,923,074	$ 20,682,097
City's net pension liability as a percentage of covered employee payroll	106.60%	88.58%	103.97%	124.41%	114.57%	135.32%	142.80%	97.08%

* Only eight years of information was available from the actuarial valuation.

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF INVESTMENT RETURNS

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Annual money-weighted rate of return, net of investment expense	2.1%	14.5%	10.2%	0.8%	18.3%	13.8%	-13.6%	-4.7%	8.2%	3.1%	5.2%

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF BARTLETT CITY BOARD OF EDUCATION'S CONTRIBUTIONS BASED ON PARTICIPATION IN THE PUBLIC EMPLOYEE PENSION PLAN OF TCRS

Last Fiscal Year Ending June 30

	Plan 80332 2015
Actuarial determined contribution	$ 656,383
Contributions in relation to the actuarially determined contribution	656,383
Contribution deficiency (excess)	$ -
Covered-employee payroll	$ 7,080,743
Contributions as a percentage of covered-payroll	9.27%

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in the future fiscal years until 10 years of information is available.

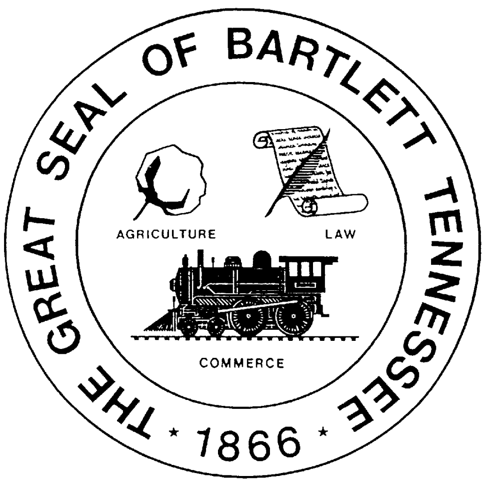
CITY OF BARTLETT, TENNESSEE

SCHEDULE OF BARTLETT CITY BOARD OF EDUCATION'S CONTRIBUTIONS BASED ON PARTICIPATION IN THE PUBLIC EMPLOYEE PENSION PLAN OF TCRS

Last Fiscal Year Ending June 30

	Plan 81332 2015
Actuarial determined contribution	$ 2,420
Contributions in relation to the actuarially determined contribution	4,840
Contribution deficiency (excess)	(2,420)
Covered-employee payroll	$ 120,989
Contributions as a percentage of covered-payroll	4%

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in the future fiscal years until 10 years of information is available.


THE GREAT SEAL OF BARTLETT TENNESSEE
AGRICULTURE
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COMMERCE
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CITY OF BARTLETT

TENNESSEE

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Financial presentation in this section includes those intended to show one or more of the following:

1. Combining statements to support each column in the basic financial statements that aggregates data from more than one fund.
2. Budgetary comparisons not required in connection with the basic financial statements.
3. Greater detail.

CITY OF BARTLETT
TENNESSEE

COMBINING NONMAJOR GOVERNMENTAL FUNDS

Certain revenues of the City are required by state law or city ordinance to be accounted for in separate funds to insure the revenues are spent for specific designated purposes. The City has established eight nonmajor governmental funds.

State Street Aid Fund - Used to account for the City's share of state gasoline and fuel taxes and impact fees on new development for street paving and lighting. The City's partial street maintenance program, streetlighting, and minimal street construction as well as traffic signal construction and maintenance are accounted for in this fund. These funds are restricted by state legislation.

Solid Waste Control Fund - The City charges a service fee for the collection and removal of residential and commercial solid waste. These activities are accounted for in this special revenue fund.

Drug Enforcement Fund - All drug related fines and forfeitures collected from activities in the City of Bartlett are accounted for in this fund to be used for drug related law enforcement activities.

General Improvement Fund - The City imposes a $2.50 service fee on all residential and commercial addresses to fund small capital improvements throughout the City.

Drainage Control Fund - The City imposes a drainage control impact fee on new development for construction and maintenance of storm water drainage control.

Parks Improvement Fund - The City imposes a parks improvement impact fee on all new residential development to provide funds for the acquisition and maintenance of playground equipment.

DEA Task Force Fund - To account for fines and forfeitures taken from persons arrested by the Drug Enforcement Task Force and used for police enforcement activities.

Grants Fund - The Grants Fund is used to account for unrelated federal, state and other grants.

Non-Major School Funds - The City accounts for non-major school activities in the Federal Projects Fund, School Nutrition Fund, Discretionary Grants Fund, and Education Capital Fund.

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

Capital Projects Fund - The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

CITY OF BARTLETT, TENNESSEE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

June 30, 2015

	Special Revenue Funds					
	State Street Aid Fund	Solid Waste Control Fund	Drug Enforcement Fund	General Improvement Fund	Drainage Control Fund	Parks Improvement Fund
ASSETS						
Cash and cash equivalents	$ 1,752,924	$ 1,009,201	$ 641,891	$ 463,845	$ 92,474	$ 661,088
Receivables, net						
Taxes	273,294	-	-	-	-	-
Other	267	613,321	-	68,668	-	-
Less allowance for doubtful accounts	-	(9,128)	-	(1,067)	-	-
Prepaid expenditures	-	-	-	72,778	-	-
Due from other governments						
Due from other funds	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Total assets	$ 2,026,485	$ 1,613,394	$ 641,891	$ 604,224	$ 92,474	$ 661,088
LIABILITIES						
Accounts payable	$ 134,347	$ 118,835	$ 150,230	$ 13,964	$ -	$ -
Accrued payroll and vacation	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	134,347	118,835	150,230	13,964	-	-
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - grants	-	-	-	-	-	-
Unavailable revenue - other	267	50,887	-	5,303	-	-
Total deferred inflows of resources	267	50,887	-	5,303	-	-
FUND BALANCES						
Nonspendable	-	-	-	72,778	-	-
Restricted	960,632	-	491,661	-	-	-
Committed	-	-	-	-	-	-
Assigned	931,239	1,443,672	-	512,179	92,474	661,088
Total fund balance	1,891,871	1,443,672	491,661	584,957	92,474	661,088
Total liabilities, deferred inflows of resources and fund balances	$ 2,026,485	$ 1,613,394	$ 641,891	$ 604,224	$ 92,474	$ 661,088

DEA Task Force Fund	Grants Fund	Federal Projects Fund	School Nutrition Fund	Discretionary Grants Fund	Education Capital Fund	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
$ 405,430	$ -	$ 48,180	$ 25,700	$ 31,479	$ -	$ 6,306	7,016,959	$ 12,155,477
-	-	-	-	-	-	554,454	-	827,748
-	657,064	-	-	-	-	-	-	1,339,320
-	-	-	-	-	-	-	-	(10,195)
-	-	-	-	-	-	-	-	72,778
		231,014	-	11,959	381,323		-	624,296
-	-	-	-	-	-	-	503,277	503,277
-	-	-	27,235	-	-	-	-	27,235
$ 405,430	$ 657,064	$ 279,194	$ 52,935	$ 43,438	$ 381,323	$ 560,760	$ 7,520,236	$ 15,539,936
$ -	$ 136,473	$ 17,664	$ 130	$ 9,111	$ 381,323	$ -	$ 568,409	$ 1,530,486
-	-	92,634	-	8,860	-	-	-	101,494
-	519,985	168,896	474	-	-	-	-	689,355
-	656,458	279,194	604	17,971	381,323	-	568,409	2,321,335
-	606	-	-	25,467	-	-	-	26,073
-	-	-	25,096	-	-	-	-	81,553
-	606	-	25,096	25,467	-	-	-	107,626
-	-	-	27,235	-	-	-	-	100,013
405,430	-	-	-	-	-	-	4,941,960	6,799,683
	-	-	-	-	-	560,760	-	560,760
-	-	-	-	-	-	-	2,009,867	5,650,519
405,430	-	-	27,235	-	-	560,760	6,951,827	13,110,975
$ 405,430	$ 657,064	$ 279,194	$ 52,935	$ 43,438	$ 381,323	$ 560,760	$ 7,520,236	$ 15,539,936

CITY OF BARTLETT, TENNESSEE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2015

	Special Revenue Funds					
	State Street Aid Fund	Solid Waste Conrol Fund	Drug Enforcement Fund	General Improvement Fund	Drainage Control Fund	Parks Improvement Fund
REVENUES						
Taxes:						
Local sales taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental - state gas tax	1,491,386	-	-	-	-	-
Charges for services	211,301	5,601,005	-	645,214	10,301	-
Fines, forfeitures, and penalties	-	-	39,293	-	-	-
Federal, state, and other grants	-	11,066	-	-	-	-
Interest on investments	-	-	-	-	40	-
Program income	171,924	9,804	187,076	-	-	-
Other income	-	-	-	-	-	-
Total revenues	1,874,611	5,621,875	226,369	645,214	10,341	-
EXPENDITURES						
Street paving and repair	212,236	-	-	2,990	-	-
Solid waste control	-	4,761,361	-	-	-	-
Drug enforcement	-	-	149,053	-	-	-
Drainage control	-	-	-	-	101,910	-
Parks improvement	-	-	-	-	-	6,656
General improvements	-	-	-	203,769	-	-
Street lighting	1,338,753	-	-	-	-	-
Education	-	-	-	-	-	-
Debt Service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-
Capital outlays	-	319,204	95,527	112,348	1,393	-
Total expenditures	1,550,989	5,080,565	244,580	319,107	103,303	6,656
Excess (deficiency) of revenues over expenditures	323,622	541,310	(18,211)	326,107	(92,962)	(6,656)
OTHER FINANCING SOURCES (USES)						
Proceeds from capital outlay	-	-	-	-	-	-
Transfers in	-	-	17,597	-	-	-
Transfers out	-	(500,000)	-	(255,000)	-	-
Total other financing sources and uses	-	(500,000)	17,597	(255,000)	-	-
Net change in fund balances	323,622	41,310	(614)	71,107	(92,962)	(6,656)
Fund balances - beginning	1,568,249	1,402,362	492,275	513,850	185,436	667,744
Fund balances - ending	$ 1,891,871	$ 1,443,672	$ 491,661	$ 584,957	$ 92,474	$ 661,088

DEA Task Force Fund	Grants Fund	Federal Projects Fund	School Nutrition Fund	Discretionary Grants Fund	Education Capital Fund	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ 3,073,504	$ -	$ 3,073,504
-	-	-	-	-	-	-	-	1,491,386
-	-	-	1,063,402	-	-	-	-	7,531,223
-	-	-	-	-	-	-	-	39,293
-	1,030,254	3,347,061	1,217,424	464,416	-	-	-	6,070,221
207	-	-	-	-	-	-	21,841	22,088
136,437	-	-	-	-	-	-	-	505,241
-	-	-	-	-	396,498	-	56,525	453,023
136,644	1,030,254	3,347,061	2,280,826	464,416	396,498	3,073,504	78,366	19,185,979
-	-	-	-	-	-	-	-	215,226
-	-	-	-	-	-	-	-	4,761,361
-	-	-	-	-	-	-	-	149,053
-	-	-	-	-	-	-	-	101,910
-	-	-	-	-	-	-	-	6,656
27,717	3,866	-	-	-	-	-	-	235,352
-	-	-	-	-	-	-	-	1,338,753
-	-	3,283,806	2,507,934	458,112	-	-	-	6,249,852
							-	
-	-	-	-	-	-	3,218,000	-	3,218,000
-	-	-	-	-	-	781,757	-	781,757
-	-	-	-	-	-	9,525	-	9,525
127,050	305,956	-	-	-	396,498	-	4,053,692	5,411,668
154,767	309,822	3,283,806	2,507,934	458,112	396,498	4,009,282	4,053,692	22,479,113
(18,123)	720,432	63,255	(227,108)	6,304	-	(935,778)	(3,975,326)	(3,293,134)
-	-	-	-	-	-	-	1,041,000	1,041,000
-	-	-	254,343	-	-	825,000	781,123	1,878,063
-	(720,432)	(63,255)	-	(6,304)	-	-	(346,177)	(1,891,168)
-	(720,432)	(63,255)	254,343	(6,304)	-	825,000	1,475,946	1,027,895
(18,123)	-	-	27,235	-	-	(110,778)	(2,499,380)	(2,265,239)
423,553	-	-	-		-	671,538	9,451,207	15,376,214
$ 405,430	$ -	$ -	$ 27,235	$ -	$ -	$ 560,760	$ 6,951,827	$ 13,110,975

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
STATE STREET AID FUND				
Revenues:				
Intergovernmental/unrestricted - state gas tax	$ 1,510,000	$ 1,510,000	$ 1,491,386	$ (18,614)
Charges for services	285,000	285,000	211,301	(73,699)
Program income	-	-	171,924	171,924
Total revenues	1,795,000	1,795,000	1,874,611	79,611
Expenditures:				
Street paving and repair	345,000	409,970	212,236	197,734
Street lighting	1,450,000	1,452,500	1,338,753	113,747
Total expenditures	1,795,000	1,862,470	1,550,989	311,481
Net change in fund balance	-	(67,470)	323,622	391,092
Fund balance - beginning	1,568,249	1,568,249	1,568,249	-
Fund balance - ending	$ 1,568,249	$ 1,500,779	$ 1,891,871	$ 391,092
SOLID WASTE CONTROL FUND				
Revenues:				
Charges for services	$ 5,579,000	$ 5,579,000	$ 5,601,005	$ 22,005
State recycling rebate	-	-	11,066	11,066
Other income	6,000	6,000	9,804	3,804
Total revenues	5,585,000	5,585,000	5,621,875	36,875
Expenditures:				
Personnel	2,824,299	2,749,299	2,706,083	43,216
Operations	1,983,430	2,058,430	2,055,278	3,152
Capital outlays	641,000	644,297	319,204	325,093
Total expenditures	5,448,729	5,452,026	5,080,565	371,461
Excess (deficiency) of revenues over expenditures	136,271	132,974	541,310	408,336
Other financing sources (uses):				
Transfers out	(500,000)	(500,000)	(500,000)	-
Net change in fund balance	(363,729)	(367,026)	41,310	408,336
Fund balance - beginning	1,402,362	1,402,362	1,402,362	-
Fund balance - ending	$ 1,038,633	$ 1,035,336	$ 1,443,672	$ 408,336

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	**Final**	**Amounts**	**(Negative)**
DRUG ENFORCEMENT FUND				
Revenues:				
Collection of fines and forfeitures	$ 33,500	$ 33,500	$ 39,293	$ 5,793
Other	125,000	125,000	187,076	62,076
Total revenues	158,500	158,500	226,369	67,869
Expenditures:				
Personnel	54,000	69,000	66,072	2,928
Operations	179,800	164,800	82,981	81,819
Capital outlays	184,500	184,500	95,527	88,973
Total expenditures	418,300	418,300	244,580	173,720
Other financing sources (uses):				
Transfers in	48,200	48,200	17,597	(30,603)
Total other financing sources (uses)	48,200	48,200	17,597	(30,603)
Net change in fund balance	(211,600)	(211,600)	(614)	210,986
Fund balance - beginning	492,275	492,275	492,275	-
Fund balance - ending	$ 280,675	$ 280,675	$ 491,661	$ 210,986
GENERAL IMPROVEMENT FUND				
Revenues:				
City service fees	$ 640,000	$ 640,000	$ 645,214	$ 5,214
Expenditures:				
Street paving and repairs	2,000	2,000	2,990	(990)
Capital outlays	118,500	170,451	112,348	58,103
Operations	264,500	271,112	203,769	67,343
Total expenditures	385,000	443,563	319,107	124,456
Excess (deficiency) of revenues over expenditures	255,000	196,437	326,107	129,670
Other financing sources (uses):				
Transfers out	(255,000)	(255,000)	(255,000)	-
Net change in fund balance	-	(58,563)	71,107	129,670
Fund balance - beginning	513,850	513,850	513,850	-
Fund balance - ending	$ 513,850	$ 455,287	$ 584,957	$ 129,670

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
DRAINAGE CONTROL FUND				
Revenues:				
Drainage control fees	$ 2,000	$ 2,000	$ 10,301	$ 8,301
Interest on investments	-	-	40	40
Total revenues	2,000	2,000	10,341	8,341
Expenditures:				
Personnel	91,581	89,581	78,580	11,001
Operations	22,600	24,600	23,330	1,270
Capital outlays	5,000	5,178	1,393	3,785
Total expenditures	119,181	119,359	103,303	16,056
Excess (deficiency) of revenues over expenditures	(117,181)	(117,359)	(92,962)	24,397
Other financing sources (uses)				
Transfers in	-	-	-	-
Net change in fund balance	(117,181)	(117,359)	(92,962)	24,397
Fund balance - beginning	185,436	185,436	185,436	-
Fund balance - ending	$ 68,255	$ 68,077	$ 92,474	$ 24,397
PARKS IMPROVEMENT FUND				
Revenues:				
Charges for services	$ -	$ -	$ -	$ -
Expenditures:				
Parks improvement	35,000	35,000	6,656	28,344
Net change in fund balance	(35,000)	(35,000)	(6,656)	28,344
Fund balance - beginning	667,744	667,744	667,744	-
Fund balance - ending	$ 632,744	$ 632,744	$ 661,088	$ 28,344

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
DEA TASK FORCE FUND				
Revenues:				
Program income	$ 80,000	$ 80,000	$ 136,437	$ 56,437
Interest	500	500	207	(293)
Total revenues	80,500	80,500	136,644	56,144
Expenditures:				
Miscellaneous	39,900	39,900	27,717	12,183
Capital outlays	112,000	169,150	127,050	42,100
Total expenditures	151,900	209,050	154,767	54,283
Net change in fund balance	(71,400)	(128,550)	(18,123)	110,427
Fund balance - beginning	423,553	423,553	423,553	-
Fund balance - ending	$ 352,153	$ 295,003	$ 405,430	$ 110,427
GRANTS FUND				
Revenues:				
Federal and state grants	$ 5,293,773	$ 6,416,049	$ 1,030,254	$ (5,385,795)
Expenditures:				
Operating	262	7,158	3,866	3,292
Capital outlays	77,941	1,186,228	305,956	880,272
Total expenditures	78,203	1,193,386	309,822	883,564
Excess (deficiency) of revenues over expenditures	5,215,570	5,222,663	720,432	(4,502,231)
Other financing sources (uses):				
Transfers out	(5,106,670)	(5,222,663)	(720,432)	4,502,231
Net change in fund balance	108,900	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ 108,900	$ -	$ -	$ -

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Federal Projects Fund				
Revenues:				
Federal and state grants	$ 4,214,004	$ 4,271,039	$ 3,347,061	$ (923,978)
Expenditures:				
Education	841,912	4,037,216	3,283,806	753,410
Excess (deficiency) of revenues over expenditures	3,372,092	233,823	63,255	170,568
Other financing sources (uses):				
Transfers out	-	(75,974)	(63,255)	12,719
Net change in fund balance	3,372,092	157,849	-	183,287
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ 3,372,092	$ 157,849	$ -	$ 183,287
School Nutrition Fund				
Revenues:				
Charges for services	$ 1,728,607	$ 1,728,607	$ 1,063,402	$ (665,205)
Federal and state grants	1,865,844	1,865,844	1,217,424	(648,420)
	3,594,451	3,594,451	2,280,826	(1,313,625)
Expenditures:				
Education	1,801,312	3,299,117	2,507,934	791,183
Excess (deficiency) of revenues over expenditures	1,793,139	295,334	(227,108)	(522,442)
Other financing sources (uses):				
Transfers in	-	-	254,343	254,343
Net change in fund balance	1,793,139	295,334	27,235	(268,099)
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ 1,793,139	$ 295,334	$ 27,235	$ (268,099)

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Discretionary Grants Fund				
Revenues:				
Federal and state grants	$ 513,680	$ 513,680	$ 464,416	$ (49,264)
Expenditures:				
Education	500,022	500,022	458,112	41,910
Excess (deficiency) of revenues over expenditures	13,658	13,658	6,304	(7,354)
Other financing sources (uses):				
Transfers out	(7,242)	(7,242)	(6,304)	938
Net change in fund balance	6,416	6,416	-	(6,416)
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ 6,416	$ 6,416	$ -	$ (6,416)
Education Capital Fund				
Revenues:				
Intergovernmental revenue	$ 15,175	$ 15,175	$ 396,498	$ 381,323
Expenditures:				
Capital outlays	15,175	15,175	396,498	(381,323)
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ -	$ -

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
DEBT SERVICE FUND				
Revenues:				
Local sales taxes	$ 3,064,250	$ 3,064,250	$ 3,073,504	$ 9,254
Expenditures:				
Principal	3,220,431	3,220,431	3,218,000	2,431
Interest	849,029	849,029	781,757	67,272
Bond issuance costs	7,500	7,500	9,525	(2,025)
Total expenditures	4,076,960	4,076,960	4,009,282	67,678
Excess (deficiency) of revenues over expenditures	(1,012,710)	(1,012,710)	(935,778)	76,932
Other financing sources (uses):				
Transfers in	825,000	825,000	825,000	-
Net change in fund balances	(187,710)	(187,710)	(110,778)	76,932
Fund balance - beginning	671,538	671,538	671,538	-
Fund balance - ending	$ 483,828	$ 483,828	$ 560,760	$ 76,932

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – CAPITAL PROJECTS FUND

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Interest on investments	$ -	$ -	$ 21,841	$ 21,841
Subdivision in lieu of capital construction	-	-	19,035	19,035
Penalty and interest sidewalk	-	-	2,722	2,722
Other	-	30,000	34,768	4,768
Total revenues	-	30,000	78,366	48,366
EXPENDITURES				
CIP Projects				
CIP Available Project Funds	2,347,488	198,716	-	198,716
Administrative Vehicles 2014	30,000	30,000	-	30,000
Administrative Vehicles 2015	30,000	30,000	-	30,000
Building/Infrastructure Improvements	83,681	104,006	77,810	26,196
City Hall Improvements	15,208	15,208	-	15,208
Police Vehicles & Equipment 2011	8,837	8,837	8,837	-
Police Vehicles & Equipment 2012	26,713	26,713	26,713	-
Police Vehicles & Equipment 2013	95,466	95,466	95,466	-
Police Vehicles & Equipment 2015	322,000	322,000	275,138	46,862
Police Vehicles & Equip Annex 2013	11,052	11,052	11,052	-
Police Parking Lot	75,000	75,000	66,981	8,019
Fire Aerial Truck 2015	900,000	800,000	27,050	772,950
Fire Ambulances 2015	160,000	160,000	-	160,000
Fire Buildings Improvements	77,267	77,267	-	77,267
Fire Training Facility	836,155	1,281,530	276,157	1,005,373
Code Enforcement Vehicle 2015	25,000	18,717	18,717	-
Bartlett Blvd. Overpass Rehab	420,806	420,806	8,740	412,066
Public Works Vehicles & Equip 2014	122,208	122,208	106,471	15,737
Public Works Vehicles & Equip 2015	378,000	378,000	255,966	122,034
Kirby Whitten Street Improvements-LGIP	22,136	1,136	681	455
Westbrook Road Bridge	250,000	250,000	5,144	244,856
Engineering Vehicles 2012	25,188	20,907	20,907	-
Old Brownsville West-LGIP	33,229	(6,760)	(6,760)	-
Old Brownsville West R.O.W	1,030,000	1,030,000	-	1,030,000
Bartlett Road Bridge	283,911	1,103,661	311,652	792,009
Brunswick Road Improvements	115,107	-	-	-
O. Brownsville/Frank Crk Brdg Rehab	376,606	2,376,606	7,208	2,369,398
Stage Rd. Slope Taper Inlet	30,000	30,000	-	30,000
City Wide Overlay	349,791	1,309,791	1,279,123	30,668
Kirby Whitten Paving	2,200,000	2,200,000	349,958	1,850,042

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – CAPITAL PROJECTS FUND (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Bond Default Hampton Grove Subdivision	47,372	47,372	-	47,372
Bond Default Montello Subdivision	4,249	4,249	-	4,249
Bond Default Gailyn Manor Phase I	37,970	37,970	-	37,970
Bond Default Gailyn Manor Phase II	147,599	147,599	-	147,599
Bond Default Brookemeade	74,059	74,059	-	74,059
Bond Default Stonecrest	121,883	121,883	-	121,883
Bond Default Hampton Grove North	34,451	34,451	-	34,451
Bond Default Rockyford Ph E-2	-	30,000	-	30,000
Altruria & Memph. Arlington Signal	275,827	275,827	22,793	253,034
Fema Bartlett Blvd Slope Failure	78,768	124,943	-	124,943
Fletcher Creek Greenway Ph1	6,330	132,330	109,455	22,875
Parks Vehicles & Equipment 2011	68	68	68	-
Parks Vehicles & Equipment 2012	124	124	124	-
Parks Vehicles & Equipment 2014	1,240	1,240	1,240	-
Parks Vehicles & Equipment 2015	140,000	136,355	49,235	87,120
W.J. Freeman Park Project	-	30,550	10,180	20,370
Parks Maintenances 2015	271,000	264,148	187,907	76,241
Splash Water Park	200,000	266,775	305,010	(38,235)
Recreation Cntr Equip/Repairs 2013	66,187	66,187	66,187	-
Recreation Cntr Equip/Repairs 2014	90,028	90,028	71,818	18,210
Recreation Cntr Equip/Repairs 2015	176,000	119,721	-	119,721
Burloe Walking Bridge	31,737	31,737	-	31,737
Fletcher Creek Greenway Master Plan	35,108	35,108	-	35,108
Misc Drainage Improvements 2008	2,232	2,232	1,254	978
Misc Drainage Improvements 2010	50,000	50,000	43	49,957
Misc Drainage Improvements 2012	50,000	50,000	5,367	44,633
Misc Drainage Improvements 2013	50,000	50,000	-	50,000
Misc Drainage Improvements 2014	50,000	50,000	-	50,000
Total CIP projects expenditures	12,723,081	14,765,823	4,053,692	10,712,131
Total expenditures	12,723,081	14,765,823	4,053,692	10,760,497
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,723,081)	(14,735,823)	(3,975,326)	10,808,863

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – CAPITAL PROJECTS FUND (CONTINUED)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	1,071,000	1,071,000	1,041,000	(30,000)
Transfers in	4,958,374	5,004,549	781,123	(4,223,426)
Transfers out	(175,000)	(175,000)	(346,177)	(171,177)
Total other financing sources (uses)	5,854,374	5,900,549	1,475,946	(4,424,603)
Net change in fund balance	(6,868,707)	(8,835,274)	(2,499,380)	6,384,260
Fund balance - beginning	9,451,207	9,451,207	9,451,207	-
Fund balance - ending	$ 2,582,500	$ 615,933	$ 6,951,827	$ 6,384,260

CITY OF BARTLETT

TENNESSEE

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for health insurance and worker's compensation services provided to the other departments of the City on a cost reimbursement basis. The Internal Service Funds include:

Health & Welfare Fund
Workmen's Compensation Fund

CITY OF BARTLETT, TENNESSEE

COMBINING STATEMENT OF NET POSITION – INTERNAL SERVICE FUNDS

June 30, 2015

	Health and Welfare Fund	Workmen's Compensation Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 1,124,486	$ 349,504	$ 1,473,990
Prepaid insurance	-	-	-
Total current assets	1,124,486	349,504	1,473,990
LIABILITIES			
Current liabilities:			
Accounts payable	240,351	11,280	251,631
NET POSITION			
Unrestricted	$ 884,135	$ 338,224	$ 1,222,359

CITY OF BARTLETT, TENNESSEE

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2015

	Health and Welfare Fund	Workmen's Compensation Fund	Totals
OPERATING REVENUES:			
Charges for services	$ 1,432,763	$ 725,687	$ 2,158,450
City contributions	4,641,982	-	4,641,982
Total operating revenues	6,074,745	725,687	6,800,432
OPERATING EXPENSES:			
Workers' compensation claims	-	194,524	194,524
Insurance premiums	6,084,563	708,233	6,792,796
Professional services	16,250	-	16,250
Total operating expenses	6,100,813	902,757	7,003,570
Operating income (loss)	(26,068)	(177,070)	(203,138)
Net position - beginning	910,203	515,294	1,425,497
Net position - ending	$ 884,135	$ 338,224	$ 1,222,359

CITY OF BARTLETT, TENNESSEE

COMBINING STATEMENT OF CASH FLOWS – INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2015

	Health and Welfare Fund	Workmen's Compensation Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	$ 6,074,745	$ 725,687	$ 6,800,432
Payments to suppliers	(6,129,153)	(909,977)	(7,039,130)
Net cash provided by (used for) operating activities	(54,408)	(184,290)	(238,698)
Net increase (decrease) in cash and cash equivalents	(54,408)	(184,290)	(238,698)
Cash and cash equivalents - beginning	1,178,894	533,794	1,712,688
Cash and cash equivalents - ending	$ 1,124,486	$ 349,504	$ 1,473,990
Reconciliation of operating income to net cash provided (used by) operating activities:			
Operating income (loss)	$ (26,068)	$ (177,070)	$ (203,138)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Decrease in prepaid insurance	8,750	-	8,750
Increase (decrease) in accounts payable	(37,090)	(7,220)	(44,310)
Net cash provided by (used for) operating activities	$ (54,408)	$ (184,290)	$ (238,698)

CITY OF BARTLETT

TENNESSEE

FIDUCIARY FUNDS

Fiduciary Funds account for custodial activities of the City, in either a trust or agency capacity. The fiduciary funds of the City are:

Family Assistance Fund - Agency Fund
Bail Bond Fund - Agency Fund
Jeanette Rainey Volunteer Fund - Agency Fund
School Activity Funds - Agency Funds

CITY OF BARTLETT, TENNESSEE

COMBINING BALANCE SHEET – AGENCY FUNDS

June 30, 2015

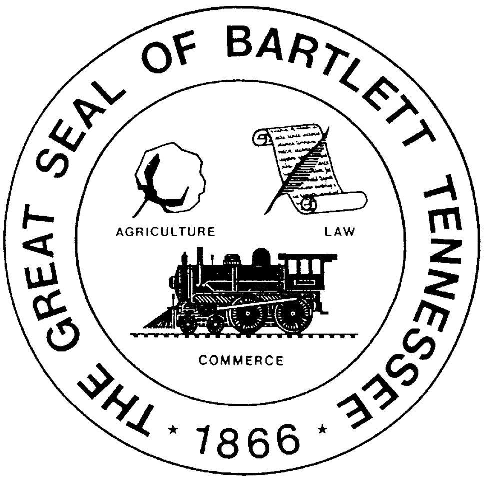
	Family Assistance Fund	Bail Bond Fund	Jeanette Rainey Volunteer Fund	School Activity Funds	Total Agency Funds
ASSETS					
Cash and cash equivalents	$ 33,593	$ 35,010	$ 10,013	1,156,272	$ 1,234,888
Inventory	-	-	-	35,093	35,093
Total assets	$ 33,593	$ 35,010	$ 10,013	$ 1,191,365	$ 1,269,981
LIABILITIES					
Family assistance payable	$ 33,593	$ -	$ -	$ -	$ 33,593
Bail bonds payable	-	35,010	-	-	35,010
Jeanette Rainey volunteer payable	-	-	10,013	-	10,013
Due to student general fund	-	-	-	777,528	777,528
Due to student groups	-	-	-	413,837	413,837
Total liabilities	$ 33,593	$ 35,010	$ 10,013	$ 1,191,365	$ 1,269,981

CITY OF BARTLETT, TENNESSEE

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS

For the Year Ended June 30, 2015

	Beginning Balance	Increases	Decreases	Ending Balance
Assets				
Family Assistance Fund				
Cash and cash equivalents	$ 36,179	$ 13,478	$ (16,064)	$ 33,593
Bail Bond Fund				
Cash and cash equivalents	24,261	258,230	(247,481)	35,010
Jeanette Rainey Volunteer Fund				
Cash and cash equivalents	10,003	10	-	10,013
School Activity Funds				
Cash	-	3,715,256	2,558,984	1,156,272
Inventory	-	39,199	4,106	35,093
	$ 70,443	$ 4,026,173	$ 2,299,545	$ 1,269,981
Liabilities				
Family Assistance Fund				
Family assistance payable	$ 36,179	$ 13,478	$ (16,064)	$ 33,593
Bail Bond Fund				
Bail bonds payable	24,261	258,230	(247,481)	35,010
Jeanette Rainey Volunteer Fund				
Jeanette Rainey volunteer fund payable	10,003	10	-	10,013
School Activity Funds				
Due to student general fund	-	1,766,282	988,754	777,528
Due to student groups	-	1,984,067	1,570,230	413,837
	$ 70,443	$ 4,022,067	$ 2,295,439	1,269,981


THE GREAT SEAL OF BARTLETT TENNESSEE
★ 1866 ★
AGRICULTURE
LAW
COMMERCE

CITY OF BARTLETT

TENNESSEE

SUPPLEMENTARY SCHEDULES

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF BONDS OF PRINCIPAL OFFICIALS

June 30, 2015

	Amount of Bond *
A. Keith McDonald - Mayor	$ 150,000
Mark Brown - Chief Administrative Officer	$ 150,000
Ed McKenney, Jr. - City Attorney	$ 150,000
Jacquie Gore - Director of Citizen Services	$ 150,000
Debbie Morrison - Director of Community Relations	$ 150,000
Dick Phebus, Director of Finance & CMFOA Designee	$ 150,000
Bill Lloyd - Court Clerk	$ 150,000
Peter Voss - Director of Personnel	$ 150,000
Terry Emerick - Director of Planning and Economic Development	$ 150,000
Gary Rikard - Director of Police Services	$ 150,000
Terry Wiggins - Director of Fire Services	$ 150,000
Jim Brown - Director of Code Enforcement	$ 150,000
Bill Yearwood - Director of Public Works	$ 150,000
Rick McClanahan - Director of Engineering	$ 150,000
David Thompson - Director of Parks and Recreation	$ 150,000
Vacant - Director of Performing Arts Center	$ 150,000

* Officials are bonded under errors and omissions policy for $150,000 per occurrence

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF BONDS AND NOTES PAYABLE – FUTURE MATURITIES (INCLUDING INTEREST) – GOVERNMENTAL ACTIVITIES

June 30, 2015

Fiscal	Series 2013 Bonds		Series 2012 Bonds		Series 2011 Bonds		Series 2010 Bonds		Series 2009 Bonds	
Year	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 560,000	$ 119,794	$ 765,000	$ 232,338	$ 610,000	$ 53,644	$ 670,000	$ 115,913	$ 95,000	$ 58,754
2017	575,000	102,769	785,000	212,913	395,000	43,594	685,000	102,363	95,000	56,687
2018	590,000	85,294	805,000	189,063	325,000	36,394	705,000	88,463	100,000	54,345
2019	615,000	67,219	830,000	164,538	325,000	29,894	720,000	74,213	100,000	51,745
2020	95,000	56,569	855,000	139,263	335,000	23,294	735,000	59,203	105,000	48,820
2021	100,000	53,644	625,000	117,063	335,000	15,756	745,000	42,547	110,000	45,512
2022	105,000	50,569	640,000	98,088	350,000	7,194	390,000	28,825	110,000	41,965
2023	105,000	47,419	660,000	78,588	55,000	2,131	245,000	20,734	115,000	38,166
2024	110,000	44,194	690,000	61,788	55,000	722	60,000	16,694	120,000	34,052
2025	115,000	40,819	700,000	47,450	-	-	65,000	14,894	125,000	29,641
2026	115,000	37,369	715,000	31,969	-	-	65,000	12,944	130,000	24,922
2027	120,000	33,844	110,000	22,481	-	-	70,000	10,875	130,000	19,982
2028	125,000	30,169	115,000	19,528	-	-	70,000	8,688	140,000	14,715
2029	125,000	26,419	115,000	16,509	-	-	75,000	6,375	145,000	9,050
2030	130,000	22,431	120,000	13,200	-	-	75,000	3,891	150,000	3,075
2031	135,000	17,956	125,000	9,525	-	-	75,000	1,313	-	-
2032	140,000	13,144	125,000	5,775	-	-	-	-	-	-
2033	145,000	8,066	130,000	5,775	-	-	-	-	-	-
2034	150,000	2,719	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
	$ 4,155,000	$ 860,407	$ 8,910,000	$ 1,465,854	$ 2,785,000	$ 212,623	$ 5,450,000	$ 607,935	$ 1,770,000	$ 531,431

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF BONDS AND NOTES PAYABLE – FUTURE MATURITIES (INCLUDING INTEREST) – GOVERNMENTAL ACTIVITIES (CONTINUED)

June 30, 2015

Fiscal	Series 2007 Bonds		2008 Note Payable		Capital Outlay Notes		Capital Lease		Total	
Year	Principal	Interest	Principal	Interest*	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 130,000	$ 87,125	$ 56,000	$ 2,747	$ 428,000	$ 51,257	$ 172,540	$ 16,454	$ 3,486,540	$ 738,026
2017	135,000	81,825	59,000	2,600	436,000	42,643	178,353	10,641	3,343,353	656,035
2018	140,000	76,325	61,000	2,446	444,000	33,868	184,363	4,632	3,354,363	570,830
2019	145,000	70,625	64,000	2,287	454,000	24,910	-	-	3,253,000	485,431
2020	155,000	64,586	67,000	2,120	463,000	15,768	-	-	2,810,000	409,623
2021	160,000	58,168	70,000	1,945	273,000	6,436	-	-	2,418,000	341,071
2022	165,000	51,505	73,000	1,763	159,000	1,741	-	-	1,992,000	281,650
2023	170,000	44,595	76,000	1,572	-	-	-	-	1,426,000	233,205
2024	180,000	37,332	80,000	1,374	-	-	-	-	1,295,000	196,156
2025	185,000	29,712	83,000	1,165	-	-	-	-	1,273,000	163,681
2026	195,000	21,733	87,000	949	-	-	-	-	1,307,000	129,886
2027	205,000	13,281	91,000	721	-	-	-	-	726,000	101,184
2028	210,000	4,463	95,000	484	-	-	-	-	755,000	78,047
2029	-	-	99,000	236	-	-	-	-	559,000	58,589
2030	-	-	-	-	-	-	-	-	475,000	42,597
2031	-	-	-	-	-	-	-	-	335,000	28,794
2032	-	-	-	-	-	-	-	-	265,000	18,919
2033	-	-	-	-	-	-	-	-	275,000	13,841
2034	-	-	-	-	-	-	-	-	150,000	2,719
	-	-	-	-	-	-	-	-	-	-
	$ 2,175,000	$ 641,275	$ 1,061,000	$ 22,409	$ 2,657,000	$ 176,623	$ 535,256	$ 31,727	$ 29,498,256	$ 4,550,284

* - This is a variable rate loan. Interest rate assumed is 0.26% which was the rate for June 2015.

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF BONDS AND NOTES PAYABLE – FUTURE MATURITIES (INCLUDING INTEREST) – BUSINESS TYPE ACTIVITY

June 30, 2015

Fiscal	Series 2013 Bonds		Series 2012 Bonds		Series 2011 Bonds		Series 2010 Bonds		Series 2009 Bonds	
Year	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 175,000	$ 55,171	$ 220,000	$ 84,556	$ 565,000	$ 52,063	$ 275,000	$ 44,719	$ 40,000	$ 25,402
2017	185,000	49,771	215,000	79,131	490,000	41,513	285,000	39,119	40,000	24,532
2018	190,000	44,146	225,000	72,531	215,000	34,463	295,000	33,319	45,000	23,510
2019	190,000	38,446	235,000	65,631	225,000	30,063	295,000	27,419	45,000	22,340
2020	60,000	34,696	240,000	58,506	230,000	25,513	305,000	21,228	45,000	21,057
2021	60,000	32,896	250,000	51,156	230,000	20,913	310,000	14,306	45,000	19,674
2022	65,000	31,021	260,000	43,506	235,000	15,675	320,000	6,625	50,000	18,140
2023	65,000	29,071	265,000	35,631	240,000	9,738	100,000	1,315	50,000	16,452
2024	65,000	27,121	265,000	29,006	245,000	3,369	-	-	50,000	14,702
2025	70,000	25,096	275,000	23,434	-	-	-	-	55,000	12,811
2026	70,000	22,996	285,000	17,306	-	-	-	-	55,000	10,776
2027	70,000	20,896	65,000	13,247	-	-	-	-	60,000	8,590
2028	75,000	18,721	65,000	11,541	-	-	-	-	60,000	6,250
2029	75,000	16,321	70,000	9,769	-	-	-	-	60,000	3,865
2030	80,000	13,686	70,000	7,800	-	-	-	-	65,000	1,333
2031	80,000	10,966	75,000	5,625	-	-	-	-	-	-
2032	85,000	8,066	75,000	3,375	-	-	-	-	-	-
2033	90,000	4,894	75,000	1,125	-	-	-	-	-	-
2034	90,000	1,631	-	-	-	-	-	-	-	-
	$ 1,840,000	$ 485,612	$ 3,230,000	$ 612,876	$ 2,675,000	$ 233,310	$ 2,185,000	$ 188,050	$ 765,000	$ 229,434

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF BONDS AND NOTES PAYABLE – FUTURE MATURITIES (INCLUDING INTEREST) – BUSINESS TYPE ACTIVITY (CONTINUED)

June 30, 2015

Fiscal	Series 2007 Bonds		2008 Note Payable		Total	
Year	Principal	Interest	Principal	Interest*	Principal	Interest
2016	$ 45,000	$ 30,032	$ 42,000	$ 2,035	$ 1,362,000	$ 293,978
2017	45,000	28,233	43,000	1,925	1,303,000	264,224
2018	50,000	26,333	45,000	1,813	1,065,000	236,115
2019	50,000	24,320	47,000	1,695	1,087,000	209,914
2020	50,000	22,270	50,000	1,572	980,000	184,842
2021	55,000	20,091	52,000	1,442	1,002,000	160,478
2022	55,000	17,809	54,000	1,307	1,039,000	134,083
2023	60,000	15,422	57,000	1,166	837,000	108,795
2024	60,000	12,932	59,000	1,017	744,000	88,147
2025	65,000	10,306	62,000	863	527,000	72,510
2026	65,000	7,544	64,000	701	539,000	59,323
2027	70,000	4,675	67,000	535	332,000	47,943
2028	75,000	1,594	70,000	360	345,000	38,466
2029	-	-	74,000	177	279,000	30,132
2030	-	-	-	-	215,000	22,819
2031	-	-	-	-	155,000	16,591
2032	-	-	-	-	160,000	11,441
2033	-	-	-	-	165,000	6,019
2034	-	-	-	-	90,000	1,631
	$ 745,000	$ 221,561	$ 786,000	$ 16,608	$ 12,226,000	$ 1,987,451

* - This is a variable rate loan. Interest rate assumed is 0.26% which was the rate for June 2015.

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF PROPERTY TAXES RECEIVABLE – GENERAL FUND

June 30, 2015

Year of Levy	
2015	$ 18,606,509
2014	413,052
2013	106,635
2012	45,850
2011	28,670
2010	20,118
2009	13,316
2008	7,084
2007	3,940
2006	5,814
2005	27,245
Total property tax receivable	$ 19,278,233

The City collects their own property taxes. All delinquent customers are given notice of overdue accounts and the balance is added to their next bill plus interest and penalties. As per the City Charter, before March of the second year following the due date, the City takes action against delinquent property taxes. The City turns all delinquent accounts over to Shelby County for collection.

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF CHANGES IN PROPERTY TAXES RECEIVABLE – GENERAL FUND

For the Year Ended June 30, 2015

	Total	Current Year	Prior Years									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Property taxes receivable - beginning of year	$ 19,244,787	$ -	$18,542,430	$424,740	$108,654	$49,915	$33,366	$28,538	$13,227	$6,467	$6,460	$30,990
ADD:												
Tax levied:	18,606,509	$18,606,509	-	-	-	-	-	-	-	-	-	-
Adjustments	474,997	-	488,740	(13,634)	81	208	(398)	-	-	-	-	-
Total Additions	19,081,506	18,606,509	488,740	(13,634)	81	208	(398)	-	-	-	-	-
DEDUCT:												
Collections - Net of Refunds	(19,032,966)	-	(18,615,503)	(304,471)	(61,289)	(20,423)	(12,321)	(12,645)	(4,845)	(1,471)	-	2
Releases	(15,094)	-	(2,615)	-	(1,596)	(1,030)	(529)	(2,577)	(1,298)	(1,056)	(646)	(3,747)
Total Deductions	(19,048,060)	-	(18,618,118)	(304,471)	(62,885)	(21,453)	(12,850)	(15,222)	(6,143)	(2,527)	(646)	(3,745)
Property taxes receivable - end of year	19,278,233	18,606,509	413,052	106,635	45,850	28,670	20,118	13,316	7,084	3,940	5,814	27,245
Less: Allowance for uncollectibles	(510,160)	(372,131)	(30,483)	(19,362)	(12,480)	(16,228)	(9,456)	(8,290)	(5,038)	(3,645)	(5,804)	(27,243)
Property taxes receivable, net	$ 18,768,073	$ 18,234,378	$ 382,569	$ 87,273	$ 33,370	$ 12,442	$ 10,662	$ 5,026	$ 2,046	$ 295	$ 10	$ 2

CITY OF BARTLETT , TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

For the Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor	CFDA Number	Contract Number	Beginning Accrued (Deferred)	Cash Receipts	Expenditures	Ending Accrued (Deferred)
Federal Awards						
U.S. Department of Justice						
Bulletproof Vest Partnership Program	16.607		$ -	$ -	$ 2,990	$ 2,990
Bulletproof Vest Partnership Program	16.607		800	1,325	875	350
Total Program 16.607			800	1,325	3,865	3,340
U.S. Department of Transportation/TN Dept of Transportation						
Highway Planning and Construction	20.205	090163	6,717	121,070	249,319	134,966
Highway Planning and Construction	20.205		-	1,471	279,966	278,495
Highway Planning and Construction	20.205	79PLM-F0-070	14,136	84,944	87,564	16,756
Highway Planning and Construction	20.205	79PLM-F1-221	5,138	2,279	5,767	8,626
Highway Planning and Construction	20.205	79LPLM-F3-225	8,506	8,573	22,793	22,726
Total Program 20.205			34,497	218,337	645,409	461,569
U.S. Department of Transportation/TN Dept of Transportation						
State and Community Highway Safety	20.600	Z14GHS437	13,587	41,630	28,195	152
State and Community Highway Safety	20.600		-	-	7,668	7,668
Total Program 20.600			13,587	41,630	35,863	7,820
U.S. Department of Homeland Security						
Disaster Grants - Public Assistance	97.036	FEMA-1979-DR-TN	269,381	269,381	-	-
Disaster Grants - Public Assistance	97.036	FEMA-1979-DR-TN	36,896	-	-	36,896
Total Program 97.036			306,277	269,381	-	36,896
U.S. Department of Housing and Urban Development						
US Dept of Housing and Urban Development CDBG Disaster Recovery 2011	14.269		-	-	135,500	135,500
US Dept of Housing and Urban Development CDBG Disaster Recovery 2011	14.269		-	35,713	35,713	-
Total Program 14.269			-	35,713	171,213	135,500

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (CONTINUED)

For the Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor	CFDA Number	Contract Number	Beginning Accrued (Deferred)	Cash Receipts	Expenditures	Ending Accrued (Deferred)
U.S. Department of Education						
Title I-A	84.010A		-	1,267,666	1,377,332	109,666
Consolidated Admin	84.010A		-	260,591	260,591	-
Total Program 84.010			-	1,528,257	1,637,923	109,666
Title I Part D, Subpart 2	84.013A		-	28,380	32,718	4,338
Consolidated Admin	84.013A		-	1,000	1,000	-
Total Program 84.013A			-	29,380	33,718	4,338
Title II Pt A Training and Recruiting	84.367A		-	209,314	296,755	87,441
Consolidated Admin	84.367A		-	37,000	37,000	-
Total Program 84.367A			-	246,314	333,755	87,441
Title III Pt A English Language Acquisition	84.365A		-	18,416	19,077	661
Title III Immigrant Supplemental Funds	84.365B		-	-	10,002	10,002
			-	18,416	29,079	10,663
Special Education Cluster						
IDEA, Pt B	84.027A		-	1,281,954	1,300,714	18,760
IDEA-Preschool	84.173A		-	11,874	11,874	-
			-	1,293,828	1,312,588	18,760
U.S. Department of Health & Human Services						
Vol. Pre- K	93.558		-	147,710	156,053	8,343

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (CONTINUED)

For the Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor	CFDA Number	Contract Number	Beginning Accrued (Deferred)	Cash Receipts	Expenditures	Ending Accrued (Deferred)
U.S. Department of Education Direct Programs						
Safe Schools	84.184L		-	44,960	44,960	-
U.S. Department of Agriculture						
School Breakfast Program	10.553		-	241,803	241,803	-
National School Lunch Program - Non-Cash Assistance	10.555		-	975,619	975,619	-
			-	1,217,422	1,217,422	-
Total Federal Awards			355,161	5,092,673	5,621,848	884,336
State Financial Assistance						
Tennessee Arts Commission	N/A	3-G/08	(153)	-	-	(153)
Tennessee Emergency Management Agency	N/A		6,157	-	-	6,157
Tennessee Emergency Management Agency	N/A		25,278	25,278	-	-
			31,435	25,278	-	6,157
Total State Financial Assistance			31,282	25,278	-	6,004
Total Federal Awards and State Financial Assistance			$ 386,443	$ 5,117,951	$ 5,621,848	$ 890,340

CITY OF BARTLETT, TENNESSEE

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

For the Year Ended June 30, 2015

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal and state grant activity of the City of Bartlett under programs of the federal government for the year ended June 30, 2015. The information in this Schedule is presented in accordance with the requirements of 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 City of Bartlett, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Bartlett.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

NOTE 3 – RECONCILIATION OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE TO THE FINANCIAL STATEMENTS

City's financial statements:

Total grant revenue per governmental funds financial statements	$ 6,188,421
Add: Grant revenue per proprietary fund	803
Less: Deferred revenue at the fund level	(27,353)
Less: Non-federal and non-state grants	(540,023)
Total federal awards and state financial assistance	$ 5,621,848

STATISTICAL SECTION

CITY OF BARTLETT, TENNESSEE

STATISTICAL INFORMATION SECTION

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information generally include the 10-year period 2006-2015.

CITY OF BARTLETT, TENNESSEE

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Government activities										
Net Investment in Capital Assets	$ 95,636,824	$ 98,573,298	$ 100,172,375	$ 99,381,535	$ 97,005,354	$ 87,234,488	$ 93,659,549	$ 98,790,350	$ 266,223,904	$ 265,573,498
Restricted for:										
Debt Service	843,967	787,628	1,287,085	490,192	411,309	580,372	952,372	904,127	-	-
Streets	2,700,432	2,740,016	3,054,670	2,197,575	2,045,558	570,891	803,065	1,088,408	739,690	960,632
Park improvements						706,523	665,100	665,100	-	-
Capital projects									7,396,522	4,941,960
DEA task force									423,553	405,430
Drug Enforcement						449,086	585,392	598,242	492,275	491,661
Other purposes						235,451	321,684	337,328	16,199	-
Unrestricted	19,212,342	21,676,916	22,062,263	22,834,414	16,152,717	20,914,652	12,119,658	4,698,411	(1,300,457)	(5,472,307)
Total government activities activities net position	$ 118,393,565	$ 123,777,858	$ 126,576,393	$ 124,903,716	$ 115,614,938	$ 110,691,463	$ 109,106,820	$ 107,081,966	$ 273,991,686	$ 266,900,874
Business-type activities										
Net Investment in Capital Assets	$ 54,249,248	$ 55,858,400	$ 57,258,511	$ 57,703,738	$ 57,110,451	$ 56,092,212	$ 58,771,208	$ 58,727,263	$ 57,051,033	$ 57,658,219
Restricted - Capital projects									2,621,366	1,965,536
Unrestricted	7,533,721	9,799,498	9,534,033	8,380,713	7,081,221	7,544,300	6,458,394	7,274,487	6,932,427	6,723,957
Total business-type activities net position	$ 61,782,969	$ 65,657,898	$ 66,792,544	$ 66,084,451	$ 64,191,672	$ 63,636,512	$ 65,229,602	$ 66,001,750	$ 66,604,826	$ 66,347,712
Primary government										
Net Investment in Capital Assets	$ 149,886,072	$ 154,431,698	$ 157,430,886	$ 157,085,273	$ 154,115,805	$ 143,326,700	$ 152,430,757	$ 157,517,613	$ 323,274,937	$ 323,231,717
Restricted for:										
Debt Service	843,967	787,628	1,287,085	490,192	411,309	580,372	952,372	904,127	-	-
Streets/Public works	2,700,432	2,740,016	3,054,670	2,197,575	2,045,558	570,891	803,065	1,088,408	739,690	960,632
Park improvements						706,523	665,100	665,100	-	-
Capital projects									10,017,888	6,907,496
DEA task force									423,553	405,430
Drug enforcement						449,086	585,392	598,242	492,275	491,661
Other purposes						235,451	321,684	337,328	16,199	-
Unrestricted	26,746,063	31,476,414	31,596,296	31,215,127	23,233,938	28,458,952	18,578,052	11,972,898	5,631,970	1,251,650
Total primary government net position	$ 180,176,534	$ 189,435,756	$ 193,368,937	$ 190,988,167	$ 179,806,610	$ 174,327,975	$ 174,336,422	$ 173,083,716	$ 340,596,512	$ 333,248,586

CITY OF BARTLETT, TENNESSEE

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	$ 5,632,745	$ 6,072,578	$ 6,146,033	$ 6,881,987	$ 7,711,577	$ 7,016,910	$ 7,508,236	$ 7,544,128	$ 7,751,978	$ 8,194,427
Public safety	17,516,545	18,764,451	19,489,332	22,891,377	26,256,730	24,532,698	25,841,866	24,315,277	28,251,298	27,217,650
Public works	10,771,605	10,898,616	14,018,688	14,742,339	14,432,134	15,767,322	15,148,440	18,568,846	14,394,975	15,190,501
Parks and recreation	3,406,312	3,628,496	3,813,114	4,091,798	4,246,207	4,319,311	4,369,653	3,899,743	3,950,132	4,277,840
Performing arts center	548,560	531,287	554,099	543,258	630,035	773,715	597,215	584,528	660,053	645,051
Recreation center	1,386,275	1,449,420	1,395,700	1,740,618	1,820,873	1,718,237	1,752,728	1,596,531	1,637,281	1,618,553
Education	-	-	-	-	-	-	-	-	7,795,442	69,978,551
Interest on long-term debt	956,263	1,011,629	1,073,576	1,012,600	976,084	927,525	757,919	1,119,654	852,897	894,813
Total government activities expenses	40,218,305	42,356,477	46,490,543	51,903,977	56,073,640	55,055,718	55,976,057	57,628,707	65,294,056	128,017,386
Business-type activities:										
Water and sewer	5,542,130	6,681,378	6,861,747	7,217,654	7,875,448	7,275,464	7,508,717	7,614,786	7,407,082	7,694,263
Total primary government expenses	$ 45,760,435	$ 49,037,855	$ 53,352,290	$ 59,121,631	$ 63,949,088	$ 62,331,182	$ 63,484,774	$ 65,243,493	$ 72,701,138	$ 135,711,649
Program Revenues										
Governmental activities:										
General government	$ 2,754,193	$ 2,888,013	$ 2,897,835	$ 3,695,591	$ 3,719,823	$ 2,987,511	$ 3,368,184	$ 3,378,393	$ 3,266,878	$ 3,253,548
Public safety	2,248,281	1,978,286	1,763,428	1,568,950	1,689,385	1,660,752	1,695,470	1,608,651	1,819,317	2,247,713
Public works	5,926,718	5,509,626	5,912,018	6,130,611	5,942,462	5,942,888	5,872,537	6,152,226	7,280,921	9,595,679
Parks and recreation	951,827	905,401	999,875	993,003	935,433	966,105	927,648	916,375	884,942	912,682
Performing arts center	267,082	265,246	270,559	250,636	278,161	267,997	274,638	262,696	289,071	288,091
Recreation center	1,920,813	1,920,327	1,920,572	1,827,796	1,669,614	1,588,369	1,532,690	1,552,083	1,485,382	1,460,396
Education	-	-	-	-	-	-	-	-	-	777,380
Operating grants and contributions	919,185	674,122	561,296	1,941,514	1,193,165	3,070,185	3,349,489	3,274,028	2,758,332	44,118,649
Capital grants and contributions	-	-	-	870,185	168,069	337,368	559,499	526,768	174,543,318	-
Total government activities revenues	14,988,099	14,141,021	14,325,583	17,278,286	15,596,112	16,821,175	17,580,155	17,671,220	192,328,161	62,654,138
Business-type activities:										
Water and sewer	6,406,480	9,223,712	7,612,974	6,141,851	6,039,052	6,294,620	8,745,547	8,432,753	8,374,269	8,294,446
Operating grants and contributions	3,139,940	1,260,413	429,088	590,610	195,843	233,559	138,595	39,801	41,903	25,090
Capital grants and contributions	-	-	-	-	-	462,965	482,843	185,720	184,388	715,368
Total business-type activities revenue	9,546,420	10,484,125	8,042,062	6,732,461	6,234,895	6,991,144	9,366,985	8,658,274	8,600,560	9,034,904
Total primary government program revenues	$ 24,534,519	$ 24,625,146	$ 22,367,645	$ 24,010,747	$ 21,831,007	$ 23,812,319	$ 26,947,140	$ 26,329,494	$ 200,928,721	$ 71,689,042

(Continued)

CITY OF BARTLETT, TENNESSEE

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS (CONTINUED)
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (expense)/revenue										
Governmental activities	$ (25,230,206)	$ (28,215,456)	$ (32,164,960)	$ (34,625,691)	$ (40,477,528)	$ (38,234,543)	$ (38,395,902)	$ (39,957,487)	$ 127,034,105	$ (65,363,248)
Business-type activities	4,004,290	3,802,747	1,180,315	(485,193)	(1,640,553)	(284,320)	1,858,268	1,043,488	1,193,478	1,340,641
Total primary government net expense	$ (21,225,916)	$ (24,412,709)	$ (30,984,645)	$ (35,110,884)	$ (42,118,081)	$ (38,518,863)	$ (36,537,634)	$ (38,913,999)	$ 128,227,583	$ (64,022,607)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	$ 13,137,495	$ 15,189,418	$ 14,823,724	$ 17,570,811	$ 18,083,999	$ 17,819,265	$ 17,781,386	$ 18,103,072	$ 19,151,409	$ 40,991,528
Local sales taxes	10,446,702	11,346,090	11,447,876	10,362,031	10,240,841	10,583,911	11,288,513	14,231,775	15,356,572	23,933,578
Intergovernmental/unrestricted	4,807,677	5,472,144	5,910,366	4,050,633	5,246,434	4,072,733	4,691,816	4,731,793	4,957,503	5,588,354
Interest on investments	676,342	1,000,014	801,765	229,974	83,058	108,663	95,808	73,821	36,503	29,213
Gain (Loss) on sale of assets	-	8,083	52,947	22,051	18,301	-	-	-	28,391	22,372
Other	892,827	334,463	276,917	396,481	462,593	422,661	1,964,827	500,009	350,473	505,241
Transfers	242,022	249,537	311,553	321,033	300,184	303,835	296,566	292,163	308,367	605,061
Total government activities	30,203,065	33,599,749	33,625,148	32,953,014	34,435,410	33,311,068	36,118,916	37,932,633	40,189,218	71,675,347
Business-type activities:										
Interest on investments	141,883	321,719	265,884	97,117	45,045	32,995	25,379	20,823	11,881	5,170
Other	-	-	-	1,016	2,913	-	6,009	-	-	1,987
Transfers	(242,022)	(249,537)	(311,553)	(321,033)	(300,184)	(303,835)	(296,566)	(292,163)	(308,367)	(605,061)
Total primary government	$ 30,102,926	$ 33,671,931	$ 33,579,479	$ 32,730,114	$ 34,183,184	$ 33,040,228	$ 35,853,738	$ 37,661,293	$ 39,892,732	$ 71,077,443
Change in Net Position										
Governmental activities	4,972,859	5,384,293	1,460,188	(1,672,677)	(6,042,118)	(4,923,475)	(2,276,986)	(2,024,854)	167,223,323	6,312,099
Business-type activities	3,904,151	3,874,929	1,134,646	(708,093)	(1,892,779)	(555,160)	1,593,090	772,148	896,992	742,737
Total primary government	$ 8,877,010	$ 9,259,222	$ 2,594,834	$ (2,380,770)	$ (7,934,897)	$ (5,478,635)	$ (683,896)	$ (1,252,706)	$ 168,120,315	$ 7,054,836

CITY OF BARTLETT, TENNESSEE

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General fund										
Reserved	$ 385,617	$ 509,527	$ 412,714	$ 463,388	$ 403,937	$ -	$ -	$ -	$ -	$ -
Unreserved	9,922,141	11,987,145	14,752,382	14,993,801	16,082,051	-	-	-	-	-
Nonspendable	-	-	-	-	-	213,718	187,260	207,569	249,296	228,952
Restricted	-	-	-	-	-	-	-	14,664	16,199	17,332
Committed	-	-	-	-	-	-	1,100,000	1,000,000	1,000,000	1,756,561
Assigned	-	-	-	-	-	1,777,509	797,474	905,070	211,416	161,226
Unassigned	-	-	-	-	-	15,684,006	16,655,499	21,768,560	24,211,101	26,496,930
Total General Fund	$ 10,307,758	$ 12,496,672	$ 15,165,096	$ 15,457,189	$ 16,485,988	$ 17,675,233	$ 18,740,233	$ 23,895,863	$ 25,688,012	$ 28,661,001
All other governmental funds										
Reserved	$ 5,261,180	$ 5,197,034	$ 3,538,529	$ 4,462,446	$ 3,208,614	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	1,989,091	2,196,379	2,624,208	2,432,421	1,981,071	-	-	-	-	-
Solid waste fund	-	-	-	549,162	999,772	-	-	-	-	-
Capital projects fund	3,854,413	2,717,766	4,581,609	2,553,729	5,078,724	-	-	-	-	-
Nonspendable	-	-	-	-	-	3,500	-	-	-	100,013
Restricted	-	-	-	-	-	8,142,957	6,047,897	6,986,500	9,052,040	13,117,429
Committed	-	-	-	-	-	1,072,950	1,523,263	904,127	671,538	560,760
Assigned	-	-	-	-	-	3,362,502	7,055,831	7,252,608	5,699,177	5,650,519
Unassigned	-	-	-	-	-	(21,503)	(17,422)	-	-	-
Total all other governmental funds	$ 11,104,684	$ 10,111,179	$ 10,744,346	$ 9,997,758	$ 11,268,181	$ 12,560,406	$ 14,609,569	$ 15,143,235	$ 15,422,755	$ 19,428,721
Total governmental funds	$ 21,412,442	$ 22,607,851	$ 25,909,442	$ 25,454,947	$ 27,754,169	$ 30,235,639	$ 33,349,802	$ 39,039,098	$ 41,110,767	$ 48,089,722

Note: The City implemented GASB Statement 54 in fiscal year 2011.

CITY OF BARTLETT, TENNESSEE

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Revenues	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Taxes										
Property taxes	$ 12,438,854	$ 13,982,802	$ 17,076,772	$ 17,214,579	$ 17,963,040	$ 17,976,858	$ 17,767,922	$ 18,441,025	$ 19,156,626	$ 41,047,854
Local sales taxes	10,446,702	11,346,090	11,447,876	10,362,031	10,240,841	10,491,343	11,288,513	14,231,775	15,356,572	23,933,578
Intergovernmental	4,807,677	5,472,144	5,910,366	5,389,404	5,246,434	5,550,454	6,296,770	6,326,051	6,477,269	43,537,763
Licenses and permits	2,284,121	2,022,104	1,649,327	1,425,783	1,479,812	1,512,694	1,532,178	1,477,028	1,591,717	1,705,373
Charges for services	9,497,796	9,001,671	9,719,205	9,912,159	9,636,103	9,499,172	9,329,329	9,563,056	10,679,567	12,901,463
Fines, forfeitures and penalties	1,622,260	1,688,409	1,623,563	2,057,354	1,987,336	1,827,808	1,932,544	1,934,970	1,767,846	1,618,173
Federal and state grants	494,011	485,233	381,503	224,465	777,551	2,051,424	2,175,900	1,703,270	1,205,191	6,188,421
Donations	20,302	90,889	30,656	21,528	15,715	13,226	12,400	14,670	23,366	33,570
Interest on investments	625,466	931,673	750,659	220,482	82,278	106,933	95,772	73,814	36,503	29,213
Program income	-	-	-	-	-	-	-	-	-	505,241
Other	378,760	334,463	276,917	396,481	462,593	339,138	1,897,652	495,267	350,473	575,805
Total revenues	42,615,949	45,355,478	48,866,844	47,224,266	47,891,703	49,369,050	52,328,980	54,260,926	56,645,130	132,076,454
Expenditures										
General government	5,243,741	5,749,891	5,967,027	5,992,322	6,314,723	5,921,099	6,360,953	6,871,755	7,259,574	7,083,713
Public safety	16,245,518	17,827,289	19,150,132	20,399,914	21,050,533	21,504,877	22,191,861	22,878,768	23,573,426	23,858,657
Public works	10,049,074	10,953,524	11,894,956	11,501,238	10,481,199	12,242,078	10,569,373	12,252,056	12,162,351	12,141,119
Parks and recreation	2,965,994	3,174,928	3,356,605	3,834,751	3,298,906	3,554,826	3,381,304	3,297,743	3,445,809	3,578,079
Performing arts center	534,299	525,744	549,875	539,899	579,361	562,989	558,610	543,778	622,298	546,657
Recreation center	1,291,924	1,353,908	1,431,086	1,437,412	1,425,701	1,448,045	1,513,102	1,490,018	1,544,921	1,528,253
Education	-	-	-	-	-	-	-	-	1,444,226	69,875,388
Debt Service										
Principal	2,327,790	2,294,860	2,367,190	2,520,800	2,562,180	2,394,850	2,112,330	2,814,000	3,339,000	3,993,038
Interest	874,978	927,552	982,739	972,113	931,908	910,148	864,423	807,602	789,595	799,912
Bond issuance cost	82,796	40,631	53,141	13,851	59,866	103,204	63,812	125,193	101,551	9,525
Other	-	-	-	-	-	-	-	-	198,904	-
Capital Outlay	3,416,761	4,998,447	4,469,523	1,576,513	2,403,481	3,746,887	5,553,028	5,025,385	3,933,151	4,053,692
Total expenditures	43,032,875	47,846,774	50,222,274	48,788,813	49,107,858	52,389,003	53,168,796	56,106,298	58,414,806	127,468,033
Excess (deficiency) of revenues over (under) expenditures	**(416,926)**	**(2,491,296)**	**(1,355,430)**	**(1,564,547)**	**(1,216,155)**	**(3,019,953)**	**(839,816)**	**(1,845,372)**	**(1,769,676)**	**4,608,421**

CITY OF BARTLETT, TENNESSEE

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS (CONTINUED)
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Other financing sources (uses)										
Transfers in	2,370,505	1,949,007	3,453,333	2,104,194	2,241,196	1,762,329	2,620,929	2,453,623	3,862,953	5,341,403
Transfers out	(2,128,483)	(1,699,470)	(3,141,780)	(1,783,161)	(1,941,012)	(1,458,494)	(2,324,363)	(2,161,460)	(3,554,586)	(4,736,342)
Debt Proceeds-General Obligation	4,693,464	3,408,000	2,955,001	766,968	3,189,588	5,085,000	3,376,500	4,890,000	3,304,445	1,743,101
Refunding bond issued	3,501,536	-	-	-	-	3,315,000	1,860,000	6,275,000	2,510,000	-
Premium (Discount) on bond issued	(10,914)	12,726	(827)	-	7,304	115,971	157,460	612,570	225,221	-
Payment to refunded bond escrow agent	(3,501,536)	-	-	-	-	(3,329,241)	(1,885,494)	(6,590,897)	(2,535,079)	-
Capital leases				-	-	-	-	-	-	-
Sale of capital assets	542,521	16,442	52,947	22,051	18,301	10,858	148,947	89,269	28,391	22,372
Total other financing sources (uses)	5,467,093	3,686,705	3,318,674	1,110,052	3,515,377	5,501,423	3,953,979	5,568,105	3,841,345	2,370,534
Net change in fund balances	$ 5,050,167	$ 1,195,409	$ 1,963,244	$ (454,495)	$ 2,299,222	$ 2,481,470	$ 3,114,163	$ 3,722,733	$ 2,071,669	$ 6,978,955
Debt Service as a percentage of noncapital expenditures	**8.1%**	**7.5%**	**7.3%**	**7.6%**	**7.6%**	**6.7%**	**5.9%**	**6.9%**	**7.5%**	**3.9%**

CITY OF BARTLETT, TENNESSEE

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

	Real Property								
	Residential Property	Farm Property	Commercial Property	Public Utilities Property	Commercial Personal Property	Total Taxable Assessed Value	Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2006	618,439,825	3,018,275	250,902,900	9,080,210	42,506,320	923,947,530	1.31	3,273,422,973	28.23%
2007	729,515,750	2,949,150	240,391,810	15,104,373	42,698,020	1,030,659,103	1.31	3,703,507,696	27.83%
2008	757,507,150	2,658,500	244,269,130	13,186,328	38,901,240	1,056,522,348	1.54	3,808,483,242	27.74%
2009	777,311,375	2,467,500	248,946,505	13,089,168	42,776,070	1,084,590,618	1.54	3,912,651,861	27.72%
2010	817,642,200	2,419,225	284,892,370	14,312,922	41,036,030	1,160,302,747	1.49	4,158,669,295	27.90%
2011	816,594,875	2,553,900	270,612,325	13,515,174	39,753,910	1,143,030,184	1.49	4,113,660,743	27.79%
2012	818,851,275	2,217,700	264,203,305	12,747,832	43,261,760	1,141,281,872	1.49	4,115,082,776	27.73%
2013	818,021,950	2,249,600	261,021,890	12,870,447	47,034,500	1,141,198,387	1.49	4,116,932,713	27.72%
2014	790,943,125	3,923,425	292,745,380	11,954,325	49,061,100	1,148,627,355	1.62	4,099,378,236	28.02%
2015	796,465,875	3,922,700	279,411,507	12,181,492	51,606,320	1,143,587,894	1.62	4,097,084,367	27.91%

Source: Shelby County Assessor's office before adjustment from County Board of Equalization.

Note: Property in Shelby County is reassessed every four year. Tax rates are applied at $100 of assessed value. Residential and farm property are assessed at 25%, commercial real property at 40%, commercial personal property at 30% and public utilities at 55%.

CITY OF BARTLETT, TENNESSEE

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS

(Per $100 of Assessed Valuation)

	City	County				Total Direct
Fiscal Year	Direct Rate	General Fund	Education	Debt Service	Rural School Bonds	& Overlapping Rates
2006	1.31	1.22	2.02	0.80	0.05	5.40
2007	1.31	1.22	2.02	0.80	0.05	5.40
2008	1.54	1.22	2.02	0.80	0.05	5.63
2009	1.54	1.22	2.02	0.80	0.05	5.63
2010	1.49	1.23	1.98	0.81	0.04	5.55
2011	1.49	1.33	1.90	0.79	0.04	5.55
2012	1.49	1.36	1.91	0.75	0.04	5.55
2013	1.49	1.36	1.91	0.75	0.04	5.55
2014	1.62	1.45	2.14	0.79	0.04	6.04
2015	1.62	1.45	2.14	0.78	-	5.99

Notes:

All property in Shelby County was reappraised for the 2005, 2009 and 2013 tax years.
Next reappraisal for property in Shelby County is tax year 2017.
There is no allocation for City property tax rate.

CITY OF BARTLETT, TENNESSEE

PRINCIPAL PROPERTY TAX PAYERS

CURRENT AND TEN YEARS AGO

	FY 2015			FY 2006		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Brother International	$ 31,841,040	1	2.78%	$ 19,921,660	1	2.14%
Tenet Healthcare Corp.	24,301,099	2	2.12%	7,461,200	2	0.80%
PASSCO Legends LLC	11,120,000	3	0.97%	6,638,000	3	0.71%
Robinwood Retirement Community	7,161,960	4	0.63%			
Bell South Telecommunications	6,908,859	5	0.60%	5,520,535	5	0.59%
Kroger Limited Partnership	6,530,630	6	0.57%			
WNI/Tennessee LP	6,423,120	7	0.56%	6,109,440	4	0.66%
UHS of Lakeside INC	6,007,360	8	0.53%	3,336,160	9	0.36%
Belvedere Apartments INC	5,240,000	9	0.46%			
Walmart Real Estate Trust	5,203,120	10	0.45%	4,788,120	7	0.51%
Quail Appartments LP				5,120,000	6	0.55%
Lowes Home Centers INC				4,335,640	8	0.47%
Stage Centre Co				3,084,040	10	0.33%
Totals	**$ 110,737,188**		**9.68%**	**$ 66,314,795**		**7.12%**

Source: City of Bartlett Tax Department

CITY OF BARTLETT, TENNESSEE

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Subsequent Tax Collections	Total Tax Collections	Percent of Tax Collections to Tax Levy	Outstanding Delinquent Tax
2015	18,542,430	18,129,378	97.77%	-	18,129,378	97.77%	413,052
2014	18,622,604	18,197,864	97.72%	318,105	18,515,969	99.43%	106,635
2013	17,002,029	16,197,954	95.27%	758,225	16,956,179	99.73%	45,850
2012	17,016,533	16,375,709	96.23%	612,154	16,987,863	99.83%	28,670
2011	16,959,601	16,416,548	96.80%	522,935	16,939,483	99.88%	20,118
2010	16,889,691	16,222,853	96.05%	653,522	16,876,375	99.92%	13,316
2009	16,512,787	15,188,328	91.98%	1,317,375	16,505,703	99.96%	7,084
2008	16,032,561	15,501,311	96.69%	527,310	16,028,621	99.98%	3,940
2007	13,337,267	12,898,750	96.71%	432,703	13,331,453	99.96%	5,814
2006	11,981,029	11,509,245	96.06%	458,908	11,968,153	99.89%	12,876

Note: The Shelby County Assessor's office assess the value of property within the county.
The City levies a tax and is responsible for collections.

CITY OF BARTLETT, TENNESSEE

TAXABLE SALES BY CATEGORY

LAST TEN CALENDAR YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Apparel & Accessories	$ 6,872,110	$ 6,185,927	$ 7,795,639	$ 7,927,804	$ 7,236,266	$ 6,964,217	$ 6,552,552	$ 7,320,187	$ 7,219,358	$ 6,908,814
General Merchandise	177,921,853	180,394,277	188,367,395	187,097,170	186,397,564	182,996,084	180,444,412	184,429,439	182,661,578	180,054,366
Food Stores	84,426,648	83,238,510	90,850,188	92,753,194	91,300,913	89,692,964	94,225,750	98,885,240	104,465,717	109,835,482
Eating & Drinking Places	56,580,753	58,237,164	61,878,927	61,383,105	63,744,573	62,454,566	65,120,356	69,029,684	69,991,843	76,407,663
Furniture Stores	20,588,298	19,890,999	19,079,129	17,663,833	11,738,317	12,757,864	14,248,753	13,108,868	14,014,358	14,989,790
Building Materials	91,178,839	83,988,276	120,249,335	58,115,255	44,961,710	46,657,984	45,407,128	45,561,130	47,280,575	48,112,941
MV Dealers & Serv. Stations	33,787,149	35,621,226	40,903,219	42,329,861	38,041,811	40,423,739	41,379,659	44,781,673	46,905,576	45,884,293
Other Retail	61,465,576	64,426,759	66,467,209	64,731,620	61,241,302	55,754,890	57,317,368	61,008,643	58,419,734	59,839,032
All Other Outlets	114,577,161	106,583,418	119,669,533	120,455,100	119,525,964	120,365,454	130,931,521	138,042,558	144,207,920	157,990,801
Total	$ 647,398,387	$ 638,566,556	$ 715,260,574	$ 652,456,942	$ 624,188,420	$ 618,067,762	$ 635,627,499	$ 662,167,422	$ 675,166,659	$ 700,023,182

Source: Tennessee Department of Revenue, Research Division

Note: Figures subject to revision due to amended taxpayer returns.

CITY OF BARTLETT, TENNESSEE

DIRECT AND OVERLAPPING SALES TAX RATES

LAST TEN FISCAL YEARS

Year	City Direct Rate	Shelby County	State of Tennessee
2006	1.125%	1.125%	7.00%
2007	1.125%	1.125%	7.00%
2008	1.125%	1.125%	7.00%
2009	1.125%	1.125%	7.00%
2010	1.125%	1.125%	7.00%
2011	1.125%	1.125%	7.00%
2012	1.125%	1.125%	7.00%
2013	1.625%	1.125%	7.00%
2014	1.625%	1.125%	7.00%
2015	1.625%	1.125%	7.00%

Source: City of Bartlett Finance Department

Note: Local option tax can be changed by referendum up to the maximum allowed by state law - currently 2.75%

CITY OF BARTLETT, TENNESSEE

LOCAL SALES TAX REVENUE BY INDUSTRY

FISCAL YEARS 2006 AND 2015

	Fiscal Year 2006				Fiscal Year 2015			
Sector	**Number of Filers**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**	**Number of Filers**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**
Retail Trade	471	58.08%	$ 12,016,807	81.59%	426	46.61%	$ 15,094,599	78.17%
Services	193	23.80%	1,088,224	7.39%	231	25.27%	1,899,758	9.84%
Manufacturing	38	4.69%	677,520	4.60%	46	5.03%	262,858	1.36%
Wholesale Trade	60	7.40%	752,140	5.11%	54	5.91%	1,494,963	7.74%
Construction	17	2.10%	43,093	0.29%	20	2.19%	77,804	0.40%
Finance Insurance Real Estate	3	0.37%	106	0.00%	6	0.66%	1,227	0.01%
Transportation and Utilites	9	1.11%	74,301	0.50%	4	0.44%	106,177	0.55%
Agriculture	4	0.49%	15,173	0.10%	7	0.77%	25,473	0.13%
Other, Non Classified	16	1.97%	60,349	0.41%	120	13.13%	346,161	1.79%
Total	811	100.00%	$ 14,727,713	100.00%	914	100.00%	$ 19,309,020	100.00%

Source: Tennessee Department of Revenue, Research Division.

Notes:

1. Figures subject to revision due to amended taxpayer returns.
2. Figures represent local sales tax collected by taxpayers during the period, not disbursements from the Department of Revenue. Thus, amounts presented above do not match to amounts reflected within the financial report.
3. Changes in local telecommunications sourcing rules in 2003 reduced the number of taxpayers reporting in Transportation and Utilities.
4. Does not include Bartlett's share of county clerk or out-of-state taxpayer amounts.

CITY OF BARTLETT, TENNESSEE

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

	Governmental Activities				Business-Type Activities				
Fiscal Year	General Obligation Bonds	General Obligation Note	Capital Note	Capital Lease	Revenue Bonds	Revenue Note	Total Primary Government	Percentage of Personal Income	Per Capita
2006	23,142,399	-	1,314,170	-	14,612,413	-	39,068,982	3.42%	898
2007	23,678,733	-	1,867,850	-	15,165,000	-	40,711,583	3.27%	867
2008	24,736,573	-	1,420,660	-	15,272,413	-	41,429,646	3.03%	846
2009	22,681,843	26,468	1,695,360	-	14,405,000	117,452	38,926,123	2.78%	794
2010	22,994,843	953,055	1,076,180	-	14,355,000	203,251	39,582,329	2.73%	808
2011	25,862,312	908,055	1,176,330	-	13,490,000	170,251	41,606,948	2.53%	762
2012	27,166,228	861,055	1,327,500	-	12,410,000	135,251	41,900,034	2.52%	767
2013	29,085,958	812,055	2,097,500	-	12,475,000	99,251	44,569,764	2.68%	816
2014	28,876,934	1,115,001	2,135,000	-	13,053,912	826,000	46,006,847	2.74%	814
2015	26,177,752	1,061,000	2,657,000	535,256	11,809,309	786,000	43,026,317	2.36%	762

Notes:
Governmental G.O.Note of $1,061,001 with variable interest rate is for general improvements. Interest rate at 6/30/15 was 0.24%.
Governmental Capital Notes totaled $2,657,000 at June 30, 2015. Three (3) separate notes made up this amount with fixed interest rates ranging from 1.78% to 2.13%. These notes were for equipment purchases in the City's CIP program.

CITY OF BARTLETT, TENNESSEE

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Capital Note	Capital Lease	General Obligation Note	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2006	23,142,399	1,314,170	-	-	24,456,569	0.75%	562
2007	23,678,733	1,867,850	-	-	25,546,583	0.69%	544
2008	24,736,573	1,420,660	-	-	26,157,233	0.69%	534
2009	22,681,843	1,695,360	-	26,468	24,403,671	0.62%	498
2010	22,994,843	1,076,180	-	953,055	25,024,078	0.60%	511
2011	25,862,312	1,176,330	-	908,055	27,946,697	0.68%	512
2012	27,166,228	1,327,500	-	861,055	29,354,783	0.71%	538
2013	29,085,958	2,097,500	-	812,055	31,995,513	0.78%	586
2014	28,876,934	2,135,000	-	1,115,000	32,126,934	0.78%	569
2015	26,177,752	2,657,000	535,256	1,061,000	30,431,008	0.74%	539

CITY OF BARTLETT, TENNESSEE

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2015

Name of Government Unit	Debt Outstanding	Percentage Applicable to Bartlett (1)	Overlapping Debt (2)
City Net General Obligation Debt	$ 30,431,008	100.00%	$ 30,431,008
Shelby County	1,153,259,057	6.86%	79,078,417
Totals Direct and Overlapping Debt	**$ 1,183,690,065**		**$ 109,509,425**

(1) Determined by the ratio of Assessed Valuation of property subject to taxation in the City of Bartlett to the value of property subject to taxation in Shelby County.

(2) Amount of debt outstanding multiplied by percentage applicable to Bartlett.

(3) Does not include Water and Sewer self supporting debt, includes Capital Note.

The City of Bartlett has no legal debt limit

CITY OF BARTLETT, TENNESSEE

STATEMENT OF DEBT

As of June 30, 2015

General Obligation Bonded Debt:		
Existing G.O. Bonds	$ 25,245,000	
Total Public Improvement Bonded Debt		$ 25,245,000
Existing Water and Sewer Bonds[1]	$ 11,440,000	
Total Water and Sewer Bonded Debt		$ 11,440,000
Total Bonded Debt		36,685,000
Less Self Supporting Debt		(11,440,000)
Net Bonded Debt		$ 25,245,000
Net Overlapping Bonded Debt		$ 78,362,530
Less: Self-Supporting Bonded Debt		-
Net Overlapping Bonded Debt		78,362,530
Bonded Debt Outstanding Including Overlapping Bonded Debt		115,047,530
Net Bonded Debt Outstanding Including Net Overlapping Bonded Debt		$ 103,607,530

	City of Bartlett	**City and Net Overlapping**
Net Direct Debt Per Capita	$ 447	$ 1,834
Total Debt Per Capita	649	2,037
Net Debt / Actual Value	0.62%	2.53%
Total Debt / Actual Value	0.90%	2.81%
Net Debt / Assessed Value	2.22%	9.12%
Total Debt / Assessed Value	3.23%	10.12%

	Bartlett	**Shelby County**
FY 2015 Assessed Value	$1,136,368,492	$ 16,723,901,740
FY 2015 Appraised Value	$4,096,101,300	$ 57,686,419,700
2014 Estimated Population[2]	58,264	938,803

Shelby County's unaudited Net Bonded Debt as of June 30, 2015	$ 1,153,259,057

Bartlett's Assessed Value as a Percentage of Shelby County's Assessed Value: 6.79 %

1. Payable primarily from revenues of the City's water and sewer system but, in case of a deficiency of such revenues, are secured by and payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the City.

2. Source: U.S. Census Bureau

CITY OF BARTLETT, TENNESSEE

WATER AND SEWER REVENUE COVERAGE

LAST TEN FISCAL YEARS

Fiscal Year	Utility Service Charges	Less: Operating Expenses (1)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2006	9,688,303	4,071,905	5,616,398	1,255,000	569,220	1,824,220	3.08
2007	8,205,579	4,237,489	3,968,090	1,010,000	573,585	1,583,585	2.51
2008	8,307,946	4,352,229	3,955,717	895,000	593,012	1,488,012	2.66
2009	6,830,594	4,662,988	2,167,606	880,000	581,992	1,461,992	1.48
2010	6,282,853	5,243,944	1,038,909	1,010,000	563,000	1,573,000	0.66
2011	7,024,139	4,781,719	2,242,420	1,013,000	500,254	1,513,254	1.48
2012	9,398,373	4,897,935	4,500,438	1,100,000	401,108	1,501,108	3.00
2013	8,658,274	5,162,390	3,495,884	1,181,000	334,159	1,515,159	2.31
2014	8,600,560	4,897,158	3,703,402	1,203,000	309,680	1,512,680	2.45
2015	8,319,536	5,252,452	3,067,084	1,255,000	321,627	1,576,627	1.95

(1) Excludes depreciation expense.

(2) Includes revenue from water and sewer development and tap fees as required by GASB Statement No. 33.

CITY OF BARTLETT, TENNESSEE

DEMOGRAPHICS AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year	Population (2)		Personal Income (Thousands of $)	Per Capita Personal Income (4)	Unemployment Rate (3)	
2006	43,500		1,142,755	49,685	4.5%	
2007	46,954	(3)	1,243,614	52,165	3.7%	(5)
2008	49,000		1,366,711	54,778	5.5%	(5)
2009	49,000		1,401,567	57,512	7.4%	(5)
2010	49,000		1,450,510	60,388	8.1%	(5)
2011	54,613		1,646,770	60,991	8.0%	(5)
2012	54,613		1,663,854	61,601	6.8%	(5)
2013	54,613		1,663,071	62,217	7.6%	(5)
2014	56,488		1,676,560	62,840	7.0%	(5)
2015	56,488		1,826,608	63,468	5.9%	(5)

Sources:

(1) Estimated Unless otherwise noted

(2) Federal 2010 Census for FY2011; other years certified by Tennessee Department of Economic and Community Development

(3) Special Local Census

(4) U.S. Census Bureau

(5) Tennessee Department of Labor

CITY OF BARTLETT, TENNESSEE

PRINCIPAL EMPLOYERS

CURRENT YEAR AND TEN YEARS AGO

	2015			2006		
Taxpayer	**Employees**	**Rank**	**Percentage of Total City Employment**	**Employees**	**Rank**	**Percentage of Total City Employment**
Youth Villages	897	1	3.36%			
Saint Francis Hospital-Bartlett	546	2	2.05%	315	5	1.39%
The City of Bartlett	523	3	1.96%	565	2	2.46%
Covenant Dove	502	4	1.88%			
Brother International\Brother USA	500	5	1.87%	1,000	1	4.35%
Lakeside Behavioral Health	469	6	1.76%			
USDA Cotton Classing Division	450	7	1.69%	400	3	1.74%
Wal-Mart Supercenter	420	8	1.57%	394	4	1.71%
United Parcel Service	275	9	1.03%	275	6	1.20%
Kele Inc.	200	10	0.75%	206	7	0.90%
The Kroger Company				200	8	0.87%
Gyrus, ENT				150	10	0.65%
The King's Daughter & Sons Home				160	9	0.70%
Total	4,782		17.92%	3,665		15.95%

Source: Bartlett Chamber of Commerce

CITY OF BARTLETT, TENNESSEE

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Department										
General Fund										
Legislative Board	4	4	3	3	3	3	3	3	3	3
Mayor's Office	12	12	14	15	15	16	16	15	16	15
Finance	14	14	14	14	13	13	14	13	15	15
City Court	10	11	11	13	11	11	12	12	12	12
Personnel	4	5	4	4	4	4	4	4	4	4
Planning	5	5	4	4	3	3	3	3	4	4
Police										
Officers	92	98	105	110	110	110	108	111	111	113
Civilians	33	33	36	38	38	39	39	38	41	41
Fire Services and Ambulance										
Firefighters & Officers	77	93	94	94	94	93	94	94	96	95
Civilians	1	1	1	1	1	2	2	2	1	1
Codes Enforcement	12	12	12	11	11	9	9	9	10	10
Public Works	52	52	53	54	52	53	53	53	56	59
Engineering	11	11	11	12	10	10	8	8	8	8
Parks & Recreation	88	81	80	78	74	74	76	75	73	73
Performing Arts	3	3	4	3	3	3	3	3	3	3
Special Revenue Funds										
General Purpose School Fund	0	0	0	0	0	0	0	0	0	784
Solid Waste Fund	35	37	38	38	38	38	36	39	41	41
Drainage Control Fund	1	1	1	1	1	1	1	1	1	1
Utility Fund										
Administration	9	11	12	11	11	11	6	7	7	6
Water & Wastewater Services	15	15	15	15	15	15	20	20	20	19
Plant Operations	5	5	5	5	5	5	4	6	5	5
Sewer Lagoon	4	4	4	4	4	3	3	2	4	4
Total	487	508	521	528	516	516	514	518	531	1316

Source: City of Bartlett Finance Department and Personnel Department.

CITY OF BARTLETT, TENNESSEE

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
General government										
Residential permits issued	291	344	159	75	99	72	107	139	179	218
Commercial permits issued	129	111	94	71	59	88	93	72	86	80
Fire										
Emergency responses	3,581	3,663	3,776	3,832	4,178	3,749	4,022	4,322	4,633	4,669
Structure fires	197	45	57	42	49	69	56	38	40	48
Inspections	3,506	3,369	3,449	2,213	2,203	2,277	2,297	3,400	3,242	4,299
Refuse collection										
Total refuse collected (tons)	44,432	44,105	44,824	45,246	56,166	44,606	46,668	45,717	54,110	49,391
Refuse taken to landfill	26,911	26,391	27,015	25,743	25,714	25,161	26,511	27,167	28,128	31,296
Library										
Volumes in collections	83,107	84,666	99,256	102,013	101,158	101,672	102,783	104,537	108,138	107,689
Total volumes borrowed	324,968	302,272	297,581	363,367	359,367	340,156	330,717	313,089	300,081	276,631
Water										
New connections	412	475	153	81	66	119	190	171	11	235
Water customers	19,266	19,741	19,894	19,975	20,041	20,160	20,350	20,521	20,532	20,767
Sewer										
Sewer customers	17,814	18,132	18,444	18,624	18,757	19,098	19,314	19,517	19,266	19,679

Source: Indicators provided from internal departmental records.

CITY OF BARTLETT, TENNESSEE

CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM

LAST TEN YEARS

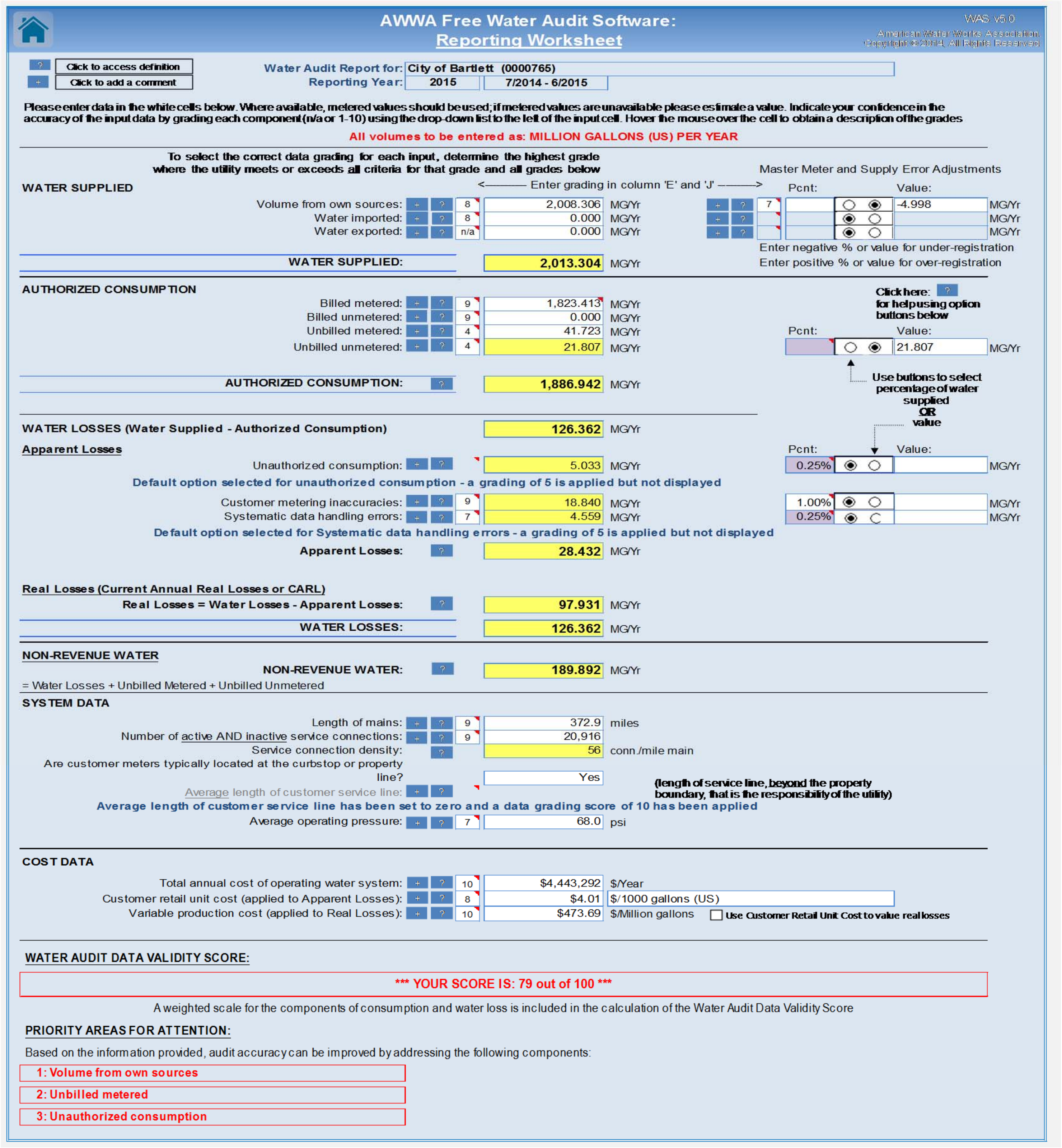
Function/Program	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Police Stations	1	1	2	2	2	2	2	2	2	2
Fire Stations	4	5	5	5	5	5	5	5	5	5
Public Works										
Streets (miles)	268	268	277	277	277	277	277	301	301	301
Parks & Recreation										
Acreage	671	671	688	706	706	736	736	736	736	736
Parks #										
Developed	22	24	24	24	24	25	25	25	25	25
Undeveloped	2	2	2	3	3	3	3	3	3	3
Tennis courts	12	14	14	14	14	14	14	14	14	14
Baseball fields	17	17	17	17	17	18	18	18	18	18
Walking trails(miles)	11	11	12	12	12	12	12	12	12	12
School Buildings	-	-	-	-	-	-	-	-	11	11
Water										
Water lines (miles)	331	331	370	371	371	371	371	375	375	375
Water connections	19,266	19,741	19,894	19,975	20,041	20,160	20,350	20,521	20,532	20,767
Water plants	4	4	4	4	4	4	4	4	4	4
Storage tanks	9	9	9	9	9	9	10	10	10	10
Wastewater										
Sanitary sewers (miles)	313	313	313	316	349	349	349	353	353	353
Sewer connections	17,814	18,132	18,444	18,624	18,757	19,098	19,314	19,517	19,266	19,679

Source: City of Bartlett Functional Departments

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF UNACCOUNTED FOR WATER

For the Year Ended June 30, 2015



AWWA Free Water Audit Software:
Reporting Worksheet

WAS v5.0
American Water Works Association.
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Water Audit Report for: City of Bartlett (0000765)
Reporting Year: 2015 7/2014 - 6/2015

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below

<—— Enter grading in column 'E' and 'J' ——>

WATER SUPPLIED

					Master Meter and Supply Error Adjustments				
						Pcnt:		Value:	
Volume from own sources:	8	2,008.306	MG/Yr		7		○ ●	-4.998	MG/Yr
Water imported:	8	0.000	MG/Yr				● ○		MG/Yr
Water exported:	n/a	0.000	MG/Yr				● ○		MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

WATER SUPPLIED: 2,013.304 MG/Yr

AUTHORIZED CONSUMPTION

Click here: ? for help using option buttons below

				Pcnt:		Value:	
Billed metered:	9	1,823.413	MG/Yr				
Billed unmetered:	9	0.000	MG/Yr				
Unbilled metered:	4	41.723	MG/Yr				
Unbilled unmetered:	4	21.807	MG/Yr		○ ●	21.807	MG/Yr

Use buttons to select percentage of water supplied OR value

AUTHORIZED CONSUMPTION: 1,886.942 MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption) 126.362 MG/Yr

Apparent Losses

				Pcnt:		Value:	
Unauthorized consumption:		5.033	MG/Yr	0.25%	● ○		MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies:	9	18.840	MG/Yr	1.00%	● ○		MG/Yr
Systematic data handling errors:	7	4.559	MG/Yr	0.25%	● ○		MG/Yr

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: 28.432 MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: 97.931 MG/Yr

WATER LOSSES: 126.362 MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: 189.892 MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	9	372.9	miles
Number of active AND inactive service connections:	9	20,916	
Service connection density:		56	conn./mile main
Are customer meters typically located at the curbstop or property line?		Yes	
Average length of customer service line:			

(length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure:	7	68.0	psi

COST DATA

Total annual cost of operating water system:	10	$4,443,292	$/Year
Customer retail unit cost (applied to Apparent Losses):	8	$4.01	$/1000 gallons (US)
Variable production cost (applied to Real Losses):	10	$473.69	$/Million gallons

☐ Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 79 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

1: Volume from own sources
2: Unbilled metered
3: Unauthorized consumption

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF UTILITY RATES

June 30, 2015

Water **Sewer**

Residential, city customers (volume charge is 1,000 gal):

Gallons	Base Charge	Volume Charge	Gallons	Base Charge	Volume Charge
First 2,000 gallons	$ 5.80	$ -	First 2,000 gallons	$ 6.19	$ -
Next 8,000 gallons/1,000 gal.	-	1.800	Over 2,000 gallons/1,000 gal.	-	1.640
Over 10,000 gallons/1,000 gal.	-	1.650	Maximum monthly	32.00	-

Residential, rural customers (volume charge is 1,000 gal):

Gallons	Base Charge	Volume Charge	Gallons	Base Charge	Volume Charge
First 2,000 gallons	$ 8.70	$ -	First 2,000 gallons	$ 9.09	$ -
Next 8,000 gallons/1,000 gal.	-	2.700	Over 2,000 gallons/1,000 gal.	-	1.790
Over 10,000 gallons/1,000 gal.	-	2.480	Maximum monthly	40.00	-

Commercial, city customers (volume charge is 1,000 gal):

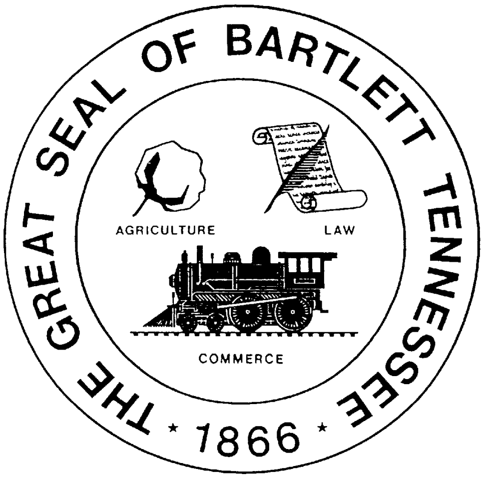
Gallons	Base Charge	Volume Charge	Gallons	Base Charge	Volume Charge
First 2,000 gallons	$ 10.88	$ -	First 2,000 gallons	$ 14.89	$ -
Next 8,000 gallons/1,000 gal.	-	2.100	Over 2,000 gallons/1,000 gal.	-	1.790
Over 10,000 gallons/1,000 gal.	-	1.910			

Commercial, rural customers (volume charge is 1,000 gal):

Gallons	Base Charge	Volume Charge	Gallons	Base Charge	Volume Charge
First 2,000 gallons	$ 15.59	$ -	First 2,000 gallons	$ 22.14	$ -
Next 8,000 gallons/1,000 gal.	-	3.150	Over 2,000 gallons/1,000 gal.	-	1.930
Over 10,000 gallons/1,000 gal.	-	2.890			

<u>Number of Customers at Year-end:</u>

Water	20,767
Sewer	19,485


THE GREAT SEAL OF BARTLETT TENNESSEE
* 1866 *
AGRICULTURE
LAW
COMMERCE

CITY OF BARTLETT

TENNESSEE

GOVERNMENT AUDITING STANDARDS SECTION

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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*

To the Mayor and Board of Aldermen of the
City of Bartlett, 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, each major fund, the statements of budgetary comparison for the general fund and general purpose school fund, and the aggregate remaining fund information of the City of Bartlett (the "City"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 22, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. During the fiscal year ended June 30, 2015, the finance department discovered a shortage of funds from the narcotics department in the amount of $2,678. This matter was reported by the Finance Director. Efforts to recover the funds were not successful. The matter was detected by the City in the normal operation of its internal control procedures for seizure and disposition of drug fund monies. Further controls over drug seizures have been initiated.

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 City’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 City’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Watkins Uiberall, PLLC

Memphis, Tennessee
December 22, 2015

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Independent Member of BKR International

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Mayor and Board of Aldermen of the
City of Bartlett, Tennessee:

Report on Compliance for Each Major Federal Program

We have audited the City of Bartlett's (the "City") 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 the City's major federal program for the year ended June 30, 2015. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program 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 *Governmental 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 City'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 the major federal programs. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

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

Watkins Uiberall, PLLC

Memphis, Tennessee
December 22, 2015

CITY OF BARTLETT, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2015

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of the City of Bartlett, Tennessee (the "City").

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 the City, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

4. No significant deficiencies or material weaknesses relating to the audit of the major federal award program are reported in the Independent Auditor's Report on Compliance for Each Major Program on Internal Control over Compliance Required By OMB Circular A-133.

5. The auditor's report on compliance for the major federal award program for the City expresses an unmodified opinion on the major program.

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 were U.S. Department of Education (CFDA No. 84.027 and 84.173) Special Education Cluster (IDEA), U.S. Department of Agriculture (CFDA No. 10.553 and 10.555) Child Nutrition Cluster, U.S. Department of Education (CFDA No. 84.010) Title I Grants to Local Education Agencies, U.S. Department of Education (CFDA No. 84.367) Title II Improving Teacher Quality State Grants

8. The threshold for distinguishing between Type A and B programs was $300,000.

9. The City was determined to be a low risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS

NONE

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM AUDIT

NONE

CITY OF BARTLETT, TENNESSEE

SUMMARY OF PRIOR YEAR AUDIT FINDINGS

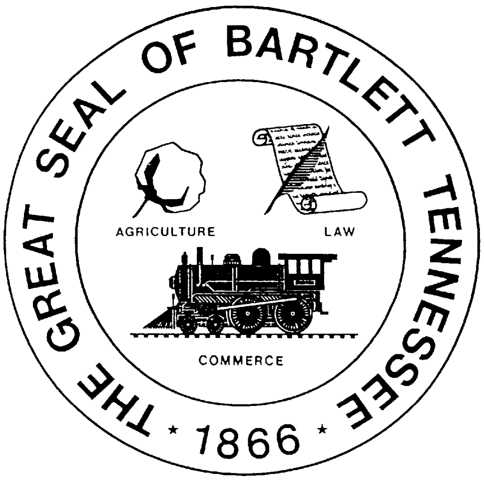
June 30, 2015

PRIOR YEAR FINDINGS FINANCIAL STATEMENT AUDIT

None

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None



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