

CITY OF GOODLETTSVILLE, TENNESSEE

Comprehensive Annual Financial Report

For the Fiscal Year Ended

June 30, 2015



CITY OF GOODLETTSVILLE, TENNESSEE
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015

Contents

	Page
Introductory Section	
Letter of Transmittal	1-4
GFOA Certificate of Achievement	5
Organizational Chart	6
Roster of City Officials and Schedule of Salaries and Official Bonds of Principal Officials	7
Financial Section	
Independent Auditors' Report	8-9
Management's Discussion and Analysis	10-16
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements:	
Balance Sheet - Governmental Funds	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	22
Statement of Fund Net Position - Proprietary Fund	23
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	24
Statement of Cash Flows - Proprietary Fund	25
Notes to the Financial Statements	26-43
Required Supplementary Information:	
Schedule of Post-retirement Health Care Benefit Program Funding Progress	44
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS	45
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS	46
Supplemental Information:	
Combining Balance Sheet - Non-major Governmental Funds	47
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-major Governmental Funds	48
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Special Revenue Funds	49-50
Capital Projects Fund	51
Schedule of Expenditures of Federal Awards and State Financial Assistance	52
Schedule of Reserves, Receipts and Disbursements for State Street Aid	53
Schedule of Long-term Debt, Principal, and Interest Requirements	54
Statistical Section	
Statistical Section Table of Contents	55
Financial Trends Information	56-59
Revenue Capacity Information	60-66
Debt Capacity Information	67-70
Demographic and Economic Information	71-72
Operating Information	73-76
Internal Control and Compliance Section	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	77-78

Introductory Section



December 9, 2015

Honorable Mayor,
Members of the Board of Commissioners, and
Citizens of the City of Goodlettsville

State law requires that every general-purpose government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2015.

This report consists of management's representations concerning the finances of the City of Goodlettsville. 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 of Goodlettsville has established a comprehensive internal control framework that is designed both to protect the city's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Goodlettsville's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Goodlettsville'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 of Goodlettsville's financial statements have been audited by Parker, Parker and Associates PLC, 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 of Goodlettsville, 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 concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Goodlettsville's financial statements, for the fiscal year ended June 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require 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 the MD&A and should be read in conjunction with it. The City of Goodlettsville's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY OF GOODLETTSVILLE

The City of Goodlettsville is located both in Sumner County and Metropolitan Nashville-Davidson County. While more than 50% of the land area of Goodlettsville is in Sumner County, approximately sixty percent of its residents live in the Metropolitan Nashville-Davidson County portion of the City. The City of Goodlettsville is one of five satellite cities operating within the Metropolitan Nashville area. It is approximately 16 miles from downtown Nashville, and is served by numerous major transportation systems including Interstate 65, U.S. 41, U.S. 31-W, and State Route 386.

The City of Goodlettsville incorporated in 1958 and operates under the City Commission/City Manager form of government. The Municipality's legislative body is a five member Board of Commissioners that is elected at-large. Each Commissioner is elected to a four-year alternating term with elections conducted every two years. The Mayor is the ceremonial head of the Municipality and presides at meetings of the Board. The City Manager is the chief administrative officer of the Municipality. The City Manager is appointed by the Board of Commissioners and serves at their pleasure.

The City of Goodlettsville provides a wide range of services which include police and fire protection, the construction and maintenance of highways, streets, and other infrastructure, sanitation services, recreational and cultural services, planning and zoning, and general administrative services. In addition, the City operates a sewer collection system that currently serves 4,952 customers as of June 30, 2015. Sewer treatment services are provided by The Metropolitan Government of Nashville and Davidson County.

Nashville Electric Service and Cumberland Electric Membership Corporation provide electric service to the City's residents and Nashville Gas provides natural gas distribution. Water distribution is provided by Madison Suburban Utility District, the White House Utility District, and Metro Water Services. The City contracts for solid waste disposal and recycling with a private contractor.

The Board of Commissioners is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City of Goodlettsville's financial planning and control. A staff budget kick-off meeting is held in January each year. In February, the Board of Commissioners conduct two work sessions to prioritize the city's capital needs. Department Heads then are required to submit their budget requests to the Assistant City Manager/Finance Director. The City Manager conducts departmental meetings in March of each year. The City Manager and Assistant City Manager/Finance Director make revenue estimates for the upcoming year. The budget is submitted to the Board of Commissioners in March/April, with a Board of Commissioners Budget Study Session held in April. First reading of the Budget is usually in May, with a final reading and public hearing by June 30, the close of the City's fiscal year. The budget is prepared by fund (i.e. general), department (i.e. police), and object code. Department heads are authorized to expend funds within total departmental appropriations. However, amendments to the budget that change departmental and/or total appropriations require the adoption of an ordinance by the Board of Commissioners. Budget transfers between departments require approval of the Board of Commissioners. Budget to actual comparisons are provided in this report for each governmental fund for which an appropriated annual budget has been adopted.

LOCAL ECONOMY

The City of Goodlettsville is a growing residential and business community being a portion of the Nashville MSA. The local economy was able to sustain stability through the recent recession and is experiencing growth. New residential development is beginning to rebound and new construction planning and permitting is taking place. Construction has begun on a new 267 single family development

on the Sumner County side of the City and new single housing construction is taking place throughout the city. Local business is also rebounding and has recently seen growth with the expansion of employees at Tyson (Manufacturing), Dollar General (Corporate Office) and several smaller office and manufacturing facilities. New commercial construction is planned or taking place. Commercial construction includes expansions at Tyson Foods, Bus for Sale and Kroger as well as new projects including the Goodlettsville Middle School, Loden Vision's Corporate office, Allied Modular Building Systems, Sky High(Rivergate Mall) and Towne Place by Marriott. In addition, three other Hotels have submitted drawings to the Planning and Codes Department and should begin construction in 2016. Also the city Economic Development staff is working on other projects that are in the advanced planning stage. The population of the City of Goodlettsville has experienced growth from 14,761 in 2000 to 15,921 in 2010. The projected population for the City of Goodlettsville for 2015 is 18,551 (U.S. Department of Census).

This Nashville area, including Goodlettsville, leads the State of Tennessee in economic growth in new business development as well as existing business growth. The Beacon Center of Tennessee ranks the 50 largest communities, on an annual basis, as to their business climate. Goodlettsville is currently (2013) ranked number 11 out of 50 cities for their positive business appeal. This ranking is up from 12 in 2012. Areas looked at for this study include Economic Vitality, Business Tax burden, and Community Allure with subcategories such as violent crime rate, tax rate, population growth, unemployment, median household income, cost of living index and high school graduation.

Though the Tennessee Department of Labor does not report unemployment rates for Goodlettsville, TN the area continues to see below average unemployment rates. The geographical boundaries of Goodlettsville lie in both Metro Nashville Davidson County and Sumner County in Tennessee. According to the TN Department of Labor the October 2015 unemployment rate for Nashville is 4.2% and Sumner County is 4.3%. The reported State of Tennessee average is 5.6 while the U.S. average is 5.0%.

The City of Goodlettsville through the City Manager, Department of Economic and Community Development and various other boards work continually to improve the economic outlook for the future of Goodlettsville and its citizens. Major projects scheduled to aid in future development include a revitalization program for the downtown area as well as an expanded parks and greenway system.

LONG-TERM FINANCIAL PLANNING

The City has numerous capital projects currently funded and under construction. Several of these are: Greenway/Bike/Pedestrian Project, Main Street Revitalization Project, and the Conference Drive Enhancement Project. Many of these projects are being funded wholly or in part by Federal and State grants.

FINANCIAL POLICIES

The City takes a conservative approach toward budgeting revenues in order to lessen the chance of a revenue shortage. This approach will help finance contingencies and unforeseen budget amendments. The City recognizes the importance of a diversified revenue system, and strives rely too heavily on one source. The City routinely reviews its various rates and fees and considers inflation and current market rates.

The City's Board has formally adopted a Fund Balance Policy which indicates that it will strive to maintain an unassigned fund balance in the General Fund in the range of 15% to 20% of operating expenditures. The City's fund balance has grown over the past ten years, to a current unassigned fund balance \$8,840,809 for all governmental funds. This current unassigned fund balance for the General

Fund is \$5,707,142 which represents 42% of the total operating expenditures in the General Fund, significantly exceeding that goal. The City's Board will review the policy every four years, and will monitor the fund balance continually throughout the budget year. The City also has a formally adopted Internal Financial Controls Policy and a Debt Management Policy, which serve to further strengthen its overall fiduciary duties to the citizens of Goodlettsville.

AWARDS AND ACKNOWLEDGEMENTS

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 Goodlettsville for its comprehensive annual financial report for the fiscal year ended June 30, 2014. This was the second consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not have been accomplished without the dedicated services of the highly qualified Administration and Finance staff at the City of Goodlettsville. Credit must also be given to the City Manager and Board of Commissioners for their support of excellence in financial reporting and fiscal integrity. Also, the City is indebted to the staff of Parker, Parker and Associates for their invaluable guidance and assistance.

Respectfully Submitted,



Julie High
Assistant City Manager

105 South Main Street • Goodlettsville TN 37072
Email: jhigh@cityofgoodlettsville.org • Phone: 615.851.2201 • Fax: 615.851.2212

A government committed to operating with efficiency and integrity in all we do as we strive to enhance the quality of life for the community we serve.



Government Finance Officers Association

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

Presented to

**City of Goodlettsville
Tennessee**

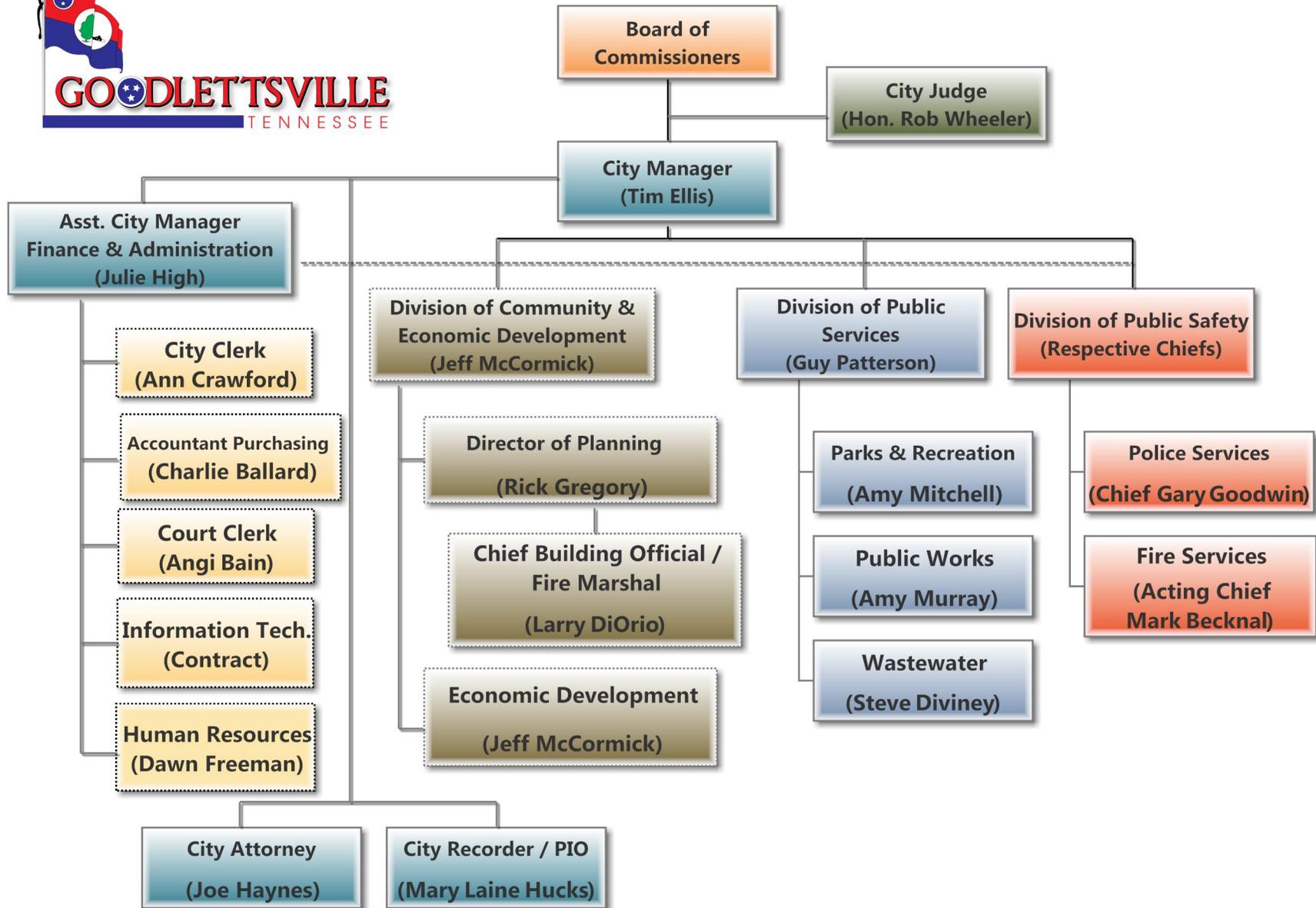
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO



City of Goodlettsville Organizational Chart



CITY OF GOODLETTSVILLE
Roster of City Officials and
Schedule of Salaries and Official Bonds of Principal Officials
June 30, 2015

		<u>Period of Service</u>
City Commissioners		
Mayor	John Coombs	7/1/14 to 6/30/15
Vice Mayor	Jane Birdwell	7/1/14 to 11/13/14
Vice Mayor	Jeff Duncan	11/13/14 to 06/30/15
Commissioner	Jeff Duncan	07/1/14 to 11/13/14
Commissioner	Rusty Tinnin	11/13/14 to 6/30/15
Commissioner	Harry Bell	7/1/14 to 6/30/15
Commissioner	Zach Young	7/1/14 to 6/30/15
City Manager	Tim Ellis	7/1/14 to 6/30/15
City Attorney	Joe Haynes	7/1/14 to 6/30/15
City Judge	Robert Wheeler	7/1/14 to 6/30/15
City Recorder	Mary Laine Hucks	7/1/14 to 6/30/15
Chief of Police	Gary Goodwin	7/1/14 to 6/30/15
Director of Public Services	Guy Patterson	7/1/14 to 6/30/15
Director of Community Services	Jeff McCormick	7/1/14 to 6/30/15
Director of Finance and Administration, Assistant City Manager, CMFO Designee	Julie High	7/1/14 to 6/30/15
Fire Chief	Phillip Gibson	7/1/14 to 01/2/15
Deputy Fire Chief/Interim Fire Chief	Mark Becknal	1/2/15 to 06/30/15

* Salary information has been omitted from this schedule.

** All employees of the City of Goodlettsville are covered under the Property and Crime policy with the TML Risk Management Pool up to \$150,000 crime coverage. The following positions have additional crime coverage under the TML policy:

City Manager	\$150,000
Chief of Police	\$150,000
Director of Finance and Administration	\$400,000

Parker, Parker & Associates, PLC

Certified Public Accountants

1000 NORTHCHASE DRIVE - SUITE 260
GOODLETTSVILLE, TN 37072

STEVEN B. PARKER, CPA
CHARLES N. PARKER, CPA
KAREN R. STEPHENS, CPA
LAUREN S. ALLEN, CPA
J. MATTHEW STAMPER, CPA
JILL C. COLEMAN, CPA
JANA N. LOWE, CPA

TELEPHONE: 615-859-8800
FAX: 615-859-8188
WWW.PARKERCPA.NET

Independent Auditors' Report

To the Honorable Mayor
and the Members of the City Commission
Goodlettsville, 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 aggregate remaining fund information and the budgetary comparison for the General Fund, of the City of Goodlettsville, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City of Goodlettsville, Tennessee's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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, and the aggregate remaining fund information of the City of Goodlettsville, Tennessee, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 3 to the financial statements, in 2015, the City adopted new accounting guidance, 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, schedule of post-retirement health care benefit program funding progress, schedule of changes in net pension liability (asset) and related ratios based on participation in the public employee pension plan of TCRS, and schedule of contributions based on participation in the public employee pension plan of TCRS on pages 10-16 and 44-46 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 Goodlettsville, Tennessee's basic financial statements. The introductory section, supplemental information on pages 47-54, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The supplemental information on pages 47-54 is the responsibility of management and was 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 supplemental information on pages 47-54 is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2015, on our consideration of the City of Goodlettsville, Tennessee's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Goodlettsville, Tennessee's internal control over financial reporting and compliance.

Parker, Parker & Associates

December 9, 2015

CITY OF GOODLETTSVILLE, TENNESSEE
Management's Discussion and Analysis
June 30, 2015

Description of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised 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 Statement of Net Position presents information on all of the City's assets, deferred outflows, liabilities and deferred inflows, with the net difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all activities of the City, including general government and administration, public safety, public works, sanitation, parks and recreation, tourism, and stormwater. The business-type activity of the City includes the sewer operation. The government-wide financial statements can be found on pages 17-18 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 two categories-governmental funds and proprietary 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 current sources and uses 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 effect of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains seven 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, the one major fund. Data from the other six funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 19-22 of this report.

Proprietary Funds

The City maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its sewer operations. Proprietary funds provide the same type of

CITY OF GOODLETTSVILLE, TENNESSEE
Management's Discussion and Analysis – Continued
June 30, 2015

information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 23-25 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 26-43 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 44-46 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information on pensions. Combining and individual statements and schedules can be found on pages 47-48 of this report.

In addition, the City has included numerous statistical schedules as required by the GFOA Certificate of Excellence in Financial Reporting awards program. These schedules may be found on pages 56-76 of this report.

The activities of the City of Goodlettsville are accounted for in eight funds: General Fund, Drug Fund, Solid Waste Fund, Tourism Fund, Electronic Ticket Fund, Capital Projects, Stormwater, and Sewer Fund. In addition, the General Fund is divided into four areas. The Grant, Street Aid, and Tourism sections account for the receipt and expenditure of revenues that are restricted to certain purposes, and the General section accounts for all other General Fund activities.

Condensed Comparative Data

	Primary Government					
	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
ASSETS						
Current and Other Assets	\$ 14,187,830	\$ 13,537,241	\$ 10,308,401	\$ 9,184,638	\$ 24,496,231	\$ 22,721,879
Capital assets	19,149,184	18,550,326	30,525,906	31,474,971	49,675,090	50,025,297
Total assets	<u>33,337,014</u>	<u>32,087,567</u>	<u>40,834,307</u>	<u>40,659,609</u>	<u>74,171,321</u>	<u>72,747,176</u>
DEFERRED OUTFLOWS						
Deferred Outflows	1,269,703	-	79,591	-	1,349,294	-
Total Deferred Outflows	<u>1,269,703</u>	<u>-</u>	<u>79,591</u>	<u>-</u>	<u>1,349,294</u>	<u>-</u>
LIABILITIES						
Other liabilities	638,033	5,608,011	194,151	376,740	832,184	5,984,751
Long-term liabilities	8,078,927	7,341,452	8,790,485	9,550,877	16,869,412	16,892,329
Total liabilities	<u>8,716,960</u>	<u>12,949,463</u>	<u>8,984,636</u>	<u>9,927,617</u>	<u>17,701,596</u>	<u>22,877,080</u>
DEFERRED INFLOWS						
Deferred Inflows	5,683,608	-	86,154	-	5,769,762	-
Total Deferred Inflows	<u>5,683,608</u>	<u>-</u>	<u>86,154</u>	<u>-</u>	<u>5,769,762</u>	<u>-</u>
NET POSITION						
Net Investment in						
Capital Assets	14,693,713	14,221,387	21,932,257	22,085,086	36,625,970	36,306,473
Restricted	1,631,642	540,347	-	-	1,631,642	540,347
Unrestricted	3,880,794	4,376,370	9,910,851	8,646,906	13,791,646	13,023,276
Total net position	<u>\$ 20,206,149</u>	<u>\$ 19,138,104</u>	<u>\$ 31,843,108</u>	<u>\$ 30,731,992</u>	<u>\$ 52,049,257</u>	<u>\$ 49,870,096</u>

CITY OF GOODLETTSVILLE, TENNESSEE
Management's Discussion and Analysis – Continued
June 30, 2015

Functions/Programs:	Change in Net Assets					
	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
Program Revenues						
Charges for Services	\$ 2,686,075	\$ 1,876,485	\$ 5,384,763	\$ 5,170,098	\$ 8,070,838	\$ 7,046,583
Operating grants and contributions	486,551	695,249	-	-	486,551	695,249
Capital grants and contributions	85,251	479,145	37,818	-	123,069	479,145
General Revenues	12,261,206	11,819,139	58,669	56,491	12,319,875	11,875,630
Total Revenues	15,519,083	14,870,018	5,481,250	5,226,589	21,000,333	20,096,607
Expenses						
General government	2,261,558	2,614,421	-	-	2,261,558	2,614,421
Public safety	6,396,791	6,497,320	-	-	6,396,791	6,497,320
Public Works	1,665,390	1,527,196	-	-	1,665,390	1,527,196
Sanitation	917,317	894,450	-	-	917,317	894,450
Parks and recreation	1,499,135	1,553,219	-	-	1,499,135	1,553,219
Tourism	602,624	501,046	-	-	602,624	501,046
Stormwater Utility	99,357	150,981	-	-	99,357	150,981
Interest on long-term debt	117,292	112,537	-	-	117,292	112,537
Sewer	-	-	4,141,980	4,340,130	4,141,980	4,340,130
Total Expenses	13,559,464	13,851,170	4,141,980	4,340,130	17,701,444	18,191,300
Increase (Decrease) in net position before transfers	1,959,619	1,018,848	1,339,270	886,459	3,298,889	1,905,307
Transfers	156,112	152,216	(156,112)	(152,216)	-	-
Increase (Decrease) in net position	2,115,731	1,171,064	1,183,158	734,243	3,298,889	1,905,307
Net Position - Beginning	19,138,104	17,967,040	30,731,992	29,997,749	49,870,096	47,964,789
Prior Period Adjustment	(1,047,686)	-	(72,042)	-	(1,119,728)	-
Net Position - Ending	20,206,149	19,138,104	31,843,108	30,731,992	52,049,257	49,870,096

Overall analysis

The City's overall financial condition remained solid in Fiscal Year 2015. Revenues from governmental activities increased 4.4% and revenues generated by business-type activities increased 4.9% from the prior fiscal year. Expenditures related to governmental activities for fiscal year 2015 decreased 2.1% from 2014, and expenditures related to business-type activities decreased 4.6% from the prior fiscal year. Net position of the governmental activities increased \$1,068,045 and net position of the City's business-type activities which is the Sewer Fund increased \$1,111,116 from the prior fiscal year.

Capital expenditures in the General Fund were less than the prior year. However, the City did complete Phase 1 of 3 of the Playground Equipment Replacement Project, and renovated and opened the "Goodlettsville Event Center", which was the old Goodlettsville library building that Metro gifted to the City. The City also purchased a new 2014 Fire Response Pumper for \$419,000, as well as replaced 8 Police vehicles, as the City completed work under the Local Parks and Recreation Grant which included improvements to the Community Center and new playground equipment. The City also spent approximately \$400,000 on street and infrastructure improvements.

Fund analysis

General Fund - The General Fund is the largest component of the governmental activities. The City relies heavily on local sales tax revenues. The local option sales tax represents approximately 1/3 of the total revenues in the General Fund. The City collected local option sales tax of \$3,917,650 for the fiscal year 2015, compared to \$3,956,919 collected the prior fiscal year, an decrease of \$39,269 or 1.0%.

The City ended the year with a fund balance in the General Fund of \$7,530,698; \$502,805 is assigned to OPEB (Other Post- Employment Benefits) which is medical insurance benefit for retirees, \$1,130,658 is committed to Fleet Maintenance, \$49,316 is assigned to Public Works Projects from the 2013 Bond Issue, \$166,777 is nonspendable, and \$5,681,142 remained Unassigned Fund Balance at June 30, 2015.

CITY OF GOODLETTSVILLE, TENNESSEE
Management's Discussion and Analysis – Continued
June 30, 2015

Drug Fund – The Drug Fund had revenues of \$24,191 in Fiscal Year 2015 and proceeds from the sale of fixed assets of \$2,827. Insurance proceeds resulting from a wrecked K9 vehicle were recorded in the Drug Fund for FY2015 in the amount of \$30,748. Expenditures in the drug fund included \$28,299 to replace the wrecked K9 vehicle and \$23,950 of operating expenditures, mainly related to the Police K-9 officer. The ending fund balance June 30, 2015 for the Drug Fund was \$34,888.

Solid Waste Fund – The City began outsourcing its sanitation services to a private contractor beginning in 2012. The City collected \$714,190 in sanitation fees in Fiscal Year 2015, and \$11,041 in miscellaneous revenues. The City spent \$730,353 for the contracted sanitation and recycling services for the City. In addition, labor and related benefit costs of \$129,018 were incurred mostly related to the operations of an onsite sanitation drop-off facility operated internally by Public Works, as well as other operating expenditures of \$29,203. \$171,000 was transferred from the General Fund to subsidize the Sanitation fund operations. Therefore, the fund balance in the Solid Waste Fund decreased from \$40,729 to an ending balance of \$2,090 at June 30, 2015.

Tourism Fund – Hotel/Motel tax revenue increased \$85,000 (18.6%) in FY 2015 over the prior year. Collections totaled \$542,221 in Hotel/Motel tax revenue in FY 2015. The tourism fund also recorded admission fees and gift shop sales of \$26,652. Other miscellaneous revenues of \$1,715 were recorded as well. Expenditures in the Tourism fund were \$528,853 in Fiscal Year 2015.

Capital Projects Fund – The Capital Projects Fund was established to record construction in progress. Once the capital project is complete, it is then transferred to fixed assets. The City collected \$96,669 related to the Congestion Mitigation Air Quality Program (CMAQ) administered through TDOT. This project was 100% funded through the Federal Highway Administration. This grant requires the recipient to expend the funds and then request reimbursement through TDOT. This project is complete, but as of the date of this report, there is approximately \$285,000 in expenditures that have not yet been reimbursed to the City. The City spent approximately \$62,000 in the Capital Projects Fund related to engineering and design of the Main Street Redevelopment Project and the Conference Drive Enhancement Project, as well as \$7,700 in final costs related to the CMAQ Program.

Stormwater Utility Fund – The Stormwater Utility is responsible for funding the operation, construction and maintenance of stormwater management devices, for stormwater system planning, and management. The stormwater utility generates its revenue through user fees. In FY 2015, revenues generated from stormwater fees were \$919,895. The fund also recorded \$1,100 in interest revenue. Total expenditures related to stormwater operations was \$141,031 in FY 2015. This resulted in a \$779,964 increase to the ending fund balance at June 20, 2015 of \$1,095,996.

Electronic Citation Fund – The Electronic Citation Fund is a special revenue fund that was established to account for the electronic citation fee, which is assigned to each traffic citation resulting in a conviction. These fees are assessed as court costs and paid by traffic offenders. Funds collected may only be used for the maintenance of an electronic citation program or technology related to such a program. Revenues recorded in the Electronic Citation Fund for FY 2015 totaled \$6,008 and the current fund balance at June 30, 2015 is \$6,008.

Sewer Fund - Operating revenues in the Sewer Fund increased during fiscal year 2015, as did operating expenditures. Operating revenues increased \$225,465 (4.4%) from \$5,123,448 in Fiscal Year 2014 to \$5,348,913 for Fiscal Year 2015. Operating expenses decreased \$127,522 (3.15%) from the prior fiscal year of \$4,036,749 to \$3,909,227 in the current fiscal year. As a result, the net position in the Sewer Fund was increased \$1,183,158 during fiscal year 2015 to \$31,843,108.

Budget variances in the General Fund

The General Fund revenues exceeded budgeted revenues by 9.7% (\$1,168,190). Most all of the City's revenue sources exceeded the budgeted revenue due to another year of an improved economy compared to a cautiously conservative budget. Total General Fund expenditures were 6.4% under budget (\$932,227) with all departments in the General Fund Operating Budget for Fiscal Year 2015 being under budget. Debt Service expenditure was over budget \$48,801.

Capital asset and long-term debt activity

The City purchased a Fire Response Pumper, replaced seven police vehicles, and replaced playground equipment with an \$811,000 capital lease agreement in FY 2015. The City renovated a building donated

CITY OF GOODLETTSVILLE, TENNESSEE
Management's Discussion and Analysis – Continued
June 30, 2015

to the City for public use for approximately \$120,000. The City installed high mast lighting at the Vietnam Veterans/Conference Drive Interchange for \$318,800, funded by the 2013 Bond Issue. Annual paving and street improvement costs totaled \$375,000. A vehicle assigned to the Drug Fund was wrecked, insurance proceeds were recorded in this fund, and a replacement vehicle purchased and recorded as a capital expenditure in the Drug Fund. The FY 2014-2015 budget was amended to authorize this purchase. Detailed information related to Capital Assets may be found in Note 7 on pages 37-38; and detailed schedules related to Long-Term Debt and Capital Leases are found in Note 8 and Note 9 on pages 39-41.

Schedule of Changes in Capital Assets

	Balance			Balance
	June 30, 2014	Additions	Disposals	June 30, 2015
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 4,136,838	\$ -	\$ -	\$ 4,136,838
Construction in Progress	200,799	61,663	-	262,463
Total Capital Assets not being Depreciated	\$ 4,337,637	\$ 61,663	\$ -	\$ 4,399,300
Capital Assets being Depreciated				
Buildings	\$ 7,761,630	\$ -	\$ -	\$ 7,761,630
Improvements	7,265,747	244,558	-	7,510,306
Machinery & Equipment	8,783,983	1,058,317	122,176	9,720,124
Infrastructure	7,237,756	683,931	-	7,921,687
Total Capital Assets being Depreciated	\$ 31,049,116	\$ 1,986,807	\$ 122,176	\$ 32,913,747
Business-type Activities				
Capital Assets not being Depreciated				
Land	\$ 2,139,071	\$ -	\$ -	\$ 2,139,071
Construction in Progress	28,150	-	-	28,150
Total Capital Assets not being Depreciated	\$ 2,167,221	\$ -	\$ -	\$ 2,167,221
Capital Assets being Depreciated				
Buildings	\$ 4,332,627	\$ -	\$ -	\$ 4,332,627
Improvements	5,213,308	-	-	5,213,308
Machinery & Equipment	1,874,479	93,056	23,097	1,944,437
Infrastructure	30,365,964	-	-	30,365,964
Total Capital Assets being Depreciated	\$ 41,786,376	\$ 93,056	\$ 23,097	\$ 41,856,336
Governmental Activities				
Accumulated Depreciation				
Buildings	\$ 3,937,546	\$ 182,978	\$ -	\$ 4,120,524
Improvements	2,605,510	333,634	-	2,939,143
Machinery & Equipment	6,895,912	639,591	122,176	7,413,327
Infrastructure	3,397,459	293,410	-	3,690,869
Total Accumulated Depreciation	\$ 16,836,427	\$ 1,449,612	\$ 122,176	\$ 18,163,863
Business-type Activities				
Accumulated Depreciation				
Buildings	\$ 1,682,076	\$ 108,339	\$ -	\$ 1,790,416
Improvements	203,262	107,576	-	310,838
Machinery & Equipment	1,225,929	146,026	23,097	1,348,858
Infrastructure	9,367,359	680,180	-	10,047,539
Total Accumulated Depreciation	\$ 12,478,627	\$ 1,042,121	\$ 23,097	\$ 13,497,651
Total Governmental Activities, Net	\$ 18,550,326	\$ 598,857	\$ -	\$ 19,149,184
Total Business-type Activities, Net	\$ 31,474,971	\$ (949,066)	\$ -	\$ 30,525,905

CITY OF GOODLETTSVILLE, TENNESSEE
Management's Discussion and Analysis – Continued
June 30, 2015

Schedule of Changes to Long-Term Liabilities – Governmental Activities

	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015	Due within 1 Year
Compensated Absences	\$ 664,985	\$ 418,451	\$ 504,336	\$ 579,100	\$ 504,336
Net OPEB Obligation	2,347,528	570,159	256,903	2,660,784	-
Capital Leases	1,374,154	811,000	544,825	1,640,329	517,756
Notes Payable	2,950,810	-	138,628	2,812,182	144,051
Debt Refunding Premium	3,975	-	1,015	2,960	1,015
Net Pension Liability	-	383,572	-	383,572	-
Totals	\$ 7,341,452	\$ 2,183,182	\$ 1,445,707	\$ 8,078,927	\$ 1,167,158

Schedule of Changes to Long-Term Debt – Business-type Activities

	Balance 7/1/2014	Additions	Reductions	Balance 6/30/2015	Due Within 1 Year
Compensated Absences	\$ 20,367	\$ 32,250	\$ 34,426	\$ 18,191	\$ 18,191
Net OPEB Obligation	140,626	33,940	19,964	154,602	-
Revenue Bonds	9,057,347	-	667,427	8,389,920	734,832
Notes Payable	188,281	-	47,665	140,616	48,620
Debt Refunding Premium	144,257	-	81,144	63,113	21,639
Net Pension Liability	-	24,044	-	24,044	-
Totals	\$ 9,550,878	\$ 90,234	\$ 850,626	\$ 8,790,486	\$ 823,282

Other Matters

Fiscal Year 2015 was a year of continued progress toward improving not only the financial position of the City, but also the quality of life for its citizens.

During FY15, the city completed the Vietnam Veterans Parkway and Conference Drive Interchange Lighting Project, which resulted in the installation of \$318,780 high mast lighting fixtures which provide an improvement to the safety of this area, as well as the aesthetics of a major entry point into the City.

The City also completed Phase 1 of a 3 phase playground equipment replacement program for Moss-Wright Park. The City was able to accomplish this \$152,000 improvement by a tax-exempt capital lease agreement. This same lease agreement also allowed the City to purchase a 2014 Fire Response Pumper (\$419,000), and replace 7 police vehicles (\$240,000).

Local Option Sales Tax collections decreased slightly from the prior year (1.0%), from \$3,958,919 in FY 2014 to \$3,917,650 in FY 2015. Staff monitors this closely and routinely requests situs reports from the Tennessee Department of Revenue to verify businesses are coded correctly that are in the City of Goodlettsville.

The city continued funding it's start-up of the fleet management program by allocated \$400,000 to the fund during Fiscal Year 2015. This fund will eventually allow for the procurement of motor vehicles without the need of debt service.

The city continues to utilize lean government principles to identify the most efficient and effective methods in delivering services.

During FY15 the city increased residential sanitation fees by \$2 per month, to adequately fund that operation. The City outsources the garbage pickup and recycling services, while continuing to operate an onsite collection facility.

The city was presented 2015 Excellence in Municipal Government Award from the Tennessee City Managers Association during the Tennessee Municipal League Conference in Nashville.

CITY OF GOODLETTSVILLE, TENNESSEE
Management's Discussion and Analysis – Continued
June 30, 2015

The city was chosen to receive approximately \$2 million in grants during FY15, which brings the total of grants received to approximately \$20 million over the past five years.

Also during FY15, City staff continued to work on the Utility Billing Project. This project will allow the City to bill utility services (Sewer, Sanitation, and Storm Water) in-house, rather than outsourcing to the various Water districts. The goal of this project is to provide citizens with a quality service, and to have a better management of its own utilities, both while saving money for the citizens. The City sent its first utility bills to residents in July 2015.

The City has seen an increase on the Sumner County side of the City in new single housing construction. Local business is also rebounding and has recently seen growth with the expansion of employees at Tyson (Manufacturing), Dollar General (Corporate Office) and several smaller office and manufacturing facilities. New commercial construction is planned or taking place. Commercial construction includes expansions at Tyson Foods, Bus for Sale and Kroger as well as new projects including the Goodlettsville Middle School, Loden Vision's Corporate office, Allied Modular Building Systems, Sky High (Rivergate Mall) and Towne Place by Marriott. In addition, four other Hotels have submitted drawings to the Planning and Codes Department and should begin construction in 2016. Also the city Economic Development staff is working on other projects that are in the advanced planning stage

The city continues to strive to create positive regional partnerships with such organizations as the Metropolitan Planning Organization, Regional Transportation Authority, Sumner County Joint Economic Development Board, Sumner County Council of Governments, Forward Sumner, Metro Nashville Satellite Cities Group and Metropolitan Nashville Government.

Financial Section

CITY OF GOODLETTSVILLE, TENNESSEE
Statement of Net Position
June 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 7,530,234	\$ 9,583,813	\$ 17,114,047
Receivables, Net	6,487,183	719,711	7,206,894
Prepaid Items	170,413	4,777	175,190
Deposits	-	100	100
Subtotal Assets	<u>14,187,830</u>	<u>10,308,401</u>	<u>24,496,231</u>
Capital Assets:			
Land, Land Improvements & Construction in Progress	4,399,301	2,167,221	6,566,522
Other Capital Assets, Net of Depreciation	14,749,883	28,358,685	43,108,568
Total Capital Assets	<u>19,149,184</u>	<u>30,525,906</u>	<u>49,675,090</u>
 Total Assets	 <u>33,337,014</u>	 <u>40,834,307</u>	 <u>74,171,321</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pensions	<u>1,269,703</u>	<u>79,591</u>	<u>1,349,294</u>
 Total Deferred Outflows of Resources	 <u>1,269,703</u>	 <u>79,591</u>	 <u>1,349,294</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	452,624	194,151	646,775
Grant Advance	185,409	-	185,409
Long-term Liabilities:			
Compensated Absences	579,100	18,191	597,291
Net OPEB Obligation	2,660,784	154,602	2,815,386
Current Portion of Long-term Debt	661,807	783,452	1,445,259
Long-term Debt	3,793,664	7,810,196	11,603,860
Net Pension Liability	383,572	24,044	407,616
Total Liabilities	<u>8,716,960</u>	<u>8,984,636</u>	<u>17,701,596</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Property Tax Revenue	4,309,204	-	4,309,204
Deferred Pensions	<u>1,374,404</u>	<u>86,154</u>	<u>1,460,558</u>
 Total Deferred Inflows of Resources	 <u>5,683,608</u>	 <u>86,154</u>	 <u>5,769,762</u>
NET POSITION			
Net Investment in Capital Assets	14,693,713	21,932,257	36,625,970
Restricted for:			
Drug	34,888	-	34,888
Tourism	491,410	-	491,410
Stormwater Utility	1,097,880	-	1,097,880
Solid Waste	1,456	-	1,456
Electronic Citation	6,008	-	6,008
Unrestricted	<u>3,880,794</u>	<u>9,910,851</u>	<u>13,791,645</u>
Total Net Position	<u>\$ 20,206,149</u>	<u>\$ 31,843,108</u>	<u>\$ 52,049,257</u>

See notes to the financial statements.

CITY OF GOODLETTSVILLE, TENNESSEE
Statement of Activities
For the Year Ended June 30, 2015

Functions/Programs: Primary government:	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services		Business-type Activities	
		Operating	Capital	Governmental Activities	Business-type Activities
Governmental activities:					
General government	\$ 2,261,558	\$ 310,502	\$ 36,200	\$ -	\$ (1,829,605)
Public safety	6,396,791	429,923	-	-	(5,966,868)
Public works	1,665,390	5,475	449,988	-	(1,209,927)
Sanitation	917,317	725,196	-	-	(192,121)
Parks and recreation	1,499,135	268,432	-	-	(1,230,703)
Tourism	602,624	26,652	363	-	(575,609)
Stormwater Utility	99,357	919,895	-	-	820,538
Interest on long-term debt	117,292	-	-	-	(117,292)
Total Governmental Activities	13,559,464	2,686,075	486,551	85,251	(10,301,587)
Business-type Activities:					
Sewer	4,141,980	5,384,763	-	1,280,601	1,280,601
Total Business-type Activities	4,141,980	5,384,763	-	1,280,601	1,280,601
Total Primary Government	\$ 17,701,444	\$ 8,070,838	\$ 486,551	\$ 1,280,601	\$ (9,020,986)
General Revenues:					
Property and Personalty Taxes				\$ 4,489,569	\$ 4,489,569
TVA and Other PILOT Taxes				233,630	233,630
Income Taxes				213,942	213,942
Sales Taxes				5,116,401	5,116,401
Alcoholic Beverage Taxes				707,930	707,930
Business Taxes				361,236	361,236
Hospitality Taxes				666,942	666,942
Franchise Taxes				373,024	373,024
Miscellaneous State Taxes				7,114	7,114
Unrestricted Investment Earnings				20,652	30,669
Insurance Proceeds				60,046	60,046
Miscellaneous				10,720	28,000
Transfers, Net				156,112	(156,112)
Total General Revenues, Extraordinary Item and Transfers				12,417,318	(97,443)
Change in Net Position				2,115,731	1,183,158
Net Position - July 1, 2014				19,138,104	30,731,992
Prior Period Adjustments				(1,047,686)	(72,042)
Net Position - June 30, 2015				\$ 20,206,149	\$ 31,843,108
				\$ 31,843,108	\$ 52,049,257

See notes to the financial statements.

CITY OF GOODLETTSVILLE, TENNESSEE

Balance Sheet

Governmental Funds

June 30, 2015

	<u>General Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash in Bank	\$ 6,182,113	\$ 1,348,121	\$ 7,530,234
Receivables, Net	4,676,480	426,559	5,103,039
Intergovernmental Receivables	953,263	-	953,263
Due From Other Funds	203,831	-	203,831
Prepaid Items	166,777	3,638	170,415
Total Assets	<u>\$ 12,182,464</u>	<u>\$ 1,778,318</u>	<u>\$ 13,960,782</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts Payable	\$ 90,534	\$ 77,236	\$ 167,770
Due To Other Funds	-	203,831	203,831
Other Current Liabilities	103,736	172	103,908
Grant Advance	-	185,409	185,409
Accrued Wages	148,292	1,559	149,851
Total Liabilities	<u>342,562</u>	<u>468,207</u>	<u>810,770</u>
Deferred Inflows of Resources - Deferred Property Tax	<u>4,309,204</u>	<u>-</u>	<u>4,309,204</u>
Fund Balances			
Nonspendable:			
Prepaid Items	166,777	3,638	170,415
Restricted For:			
Street Aid	-	-	-
Drug	-	34,888	34,888
Tourism	-	294,967	294,967
Stormwater Utility	-	1,095,287	1,095,287
Solid Waste	-	198	198
Electronic Citation	-	6,008	6,008
Committed To:			
Fleet Maintenance	1,130,658	-	1,130,658
Assigned To:			
OPEB	502,805	-	502,805
Tourism	-	183,337	183,337
2013 Bond Issue	49,316	-	49,316
Unassigned	5,681,142	(308,212)	5,372,930
Total Fund Balances	<u>7,530,698</u>	<u>1,310,111</u>	<u>8,840,809</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 12,182,464</u>	<u>\$ 1,778,318</u>	<u>\$ 13,960,782</u>

Reconciliation of Balance Sheet- Governmental Funds to Statement of Net Assets are different because:

Total Governmental Fund Balances	\$ 8,840,809
Assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	430,881
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	19,149,184
Deferred outflows of resources that are not report in the funds	1,269,703
Some liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds.	(8,110,024)
Deferred inflows of resources that are not reported in the funds	(1,374,404)
Net Position of the Governmental Activities	<u>\$ 20,206,149</u>

CITY OF GOODLETTSVILLE, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2015

	General Fund	Non-major Governmental Funds	Total Governmental Funds
Revenues			
Local Taxes	\$ 9,910,703	\$ -	\$ 9,910,703
Licenses and Permits	295,837	-	295,837
Fines	376,750	-	376,750
Drug and Gambling Revenue	-	24,191	24,191
Intergovernmental Revenues	2,263,258	-	2,263,258
Charges for Services	268,432	1,666,745	1,935,177
Hotel/ Motel Taxes	-	542,221	542,221
Interest	-	2,483	2,483
Contributions and Grants	-	97,032	97,032
Miscellaneous Revenues	66,738	11,010	77,748
Total Revenues	13,181,718	2,343,682	15,525,400
Expenditures			
Current:			
General Government	2,318,405	-	2,318,405
Public Safety	6,158,702	-	6,158,702
Public Works	947,604	-	947,604
Street Lights - Public Works	159,289	-	159,289
Street Maintenance - Public Works	59,046	-	59,046
Solid Waste	-	909,962	909,962
Drug Fund	-	23,950	23,950
Parks and Recreation	1,362,222	-	1,362,222
Tourism	-	492,872	492,872
Stormwater Utility	-	82,020	82,020
Debt Service:			
Principal	683,453	-	683,453
Interest	107,348	-	107,348
Capital Outlay	1,471,499	217,509	1,689,008
Street Paving	365,151	-	365,151
Total Expenditures	13,632,719	1,726,313	15,359,032
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(451,001)</u>	<u>617,369</u>	<u>166,368</u>
Other Financing Sources (Uses)			
Transfers In	156,112	171,000	327,112
Transfers Out	(171,000)	-	(171,000)
Sales of Capital Assets	91,480	2,827	94,307
Capital Leases	811,000	-	811,000
Insurance Recoveries	29,298	30,748	60,046
Total Other Financing Sources (Uses)	916,890	204,575	1,121,465
Net Change in Fund Balances	465,889	821,944	1,287,833
Fund Balance - July 1, 2014	7,064,809	319,075	7,383,884
Prior Period Adjustment	<u>-</u>	<u>169,092</u>	<u>169,092</u>
Fund Balances - June 30, 2015	<u>\$ 7,530,698</u>	<u>\$ 1,310,111</u>	<u>\$ 8,840,809</u>

See notes to the financial statements.

CITY OF GOODLETTSVILLE, TENNESSEE
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2015

Amounts reported for governmental activities in the statement of activities are different from the amounts reported for governmental funds in the statement of revenues, expenditures and changes in fund balances because:

Net change in fund balances - total governmental funds	\$ 1,287,833
--	--------------

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.	598,857
---	---------

Governmental funds report retirement contributions as expenditures. These expenditures are reported as deferred outflows of resources and either pension income or expense in the government-wide financial statements. This is the amount by which pension expenditures exceed pension expense in the current period.	661,005
--	---------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(66,355)
--	----------

The issuance of long-term debt 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 assets. 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.	(138,228)
--	-----------

Some expense 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.	(227,381)
---	-----------

Change in net position of governmental activities	<u>\$ 2,115,731</u>
---	---------------------

CITY OF GOODLETTSVILLE, TENNESSEE
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Major Governmental Funds
For the Year Ended June 30, 2015

	General Fund			Positive (Negative) Variance with Final
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Local Taxes:				
Property and Personalty Taxes	4,254,428	4,254,428	4,494,835	\$ 240,407
Sales Taxes	3,930,000	3,930,000	3,917,650	(12,350)
Alcoholic Beverage Taxes	600,000	600,000	639,236	39,236
Business Taxes	345,000	345,000	361,236	16,236
Hospitality Taxes	155,000	155,000	124,722	(30,278)
Franchise Taxes	-	-	373,024	373,024
Licenses and Permits	156,500	156,500	295,837	139,337
Fines	365,000	365,000	376,750	11,750
Intergovernmental Revenues:				
Sales Taxes	1,080,000	1,080,000	1,198,751	118,751
Gasoline and Motor Fuel Taxes	405,000	405,000	286,304	(118,696)
Gas 1989 Taxes	-	-	45,937	45,937
Gas 3 Cent Taxes	-	-	85,260	85,260
Petroleum Special Taxes	32,000	32,000	32,487	487
Income Taxes	137,000	137,000	221,057	84,057
Alcoholic Beverage Taxes	67,000	67,000	68,695	1,695
TVA - In Lieu of Tax	170,000	170,000	233,630	63,630
Grants	39,600	39,600	91,137	51,537
Charges for Services	230,000	230,000	268,432	38,432
Miscellaneous Revenues	47,000	47,000	66,738	19,738
Total Revenues	12,013,528	12,013,528	13,181,718	1,168,190
Expenditures				
Current:				
General Government:				
Salaries and Benefits	1,344,868	1,344,868	1,421,244	(76,376)
Repairs and Maintenance	67,300	67,300	70,030	(2,730)
Supplies	70,870	70,870	73,301	(2,431)
Retirees Benefits	250,000	250,000	256,903	(6,903)
Other Operating Expenses	583,050	583,050	496,927	86,123
Public Safety - Police:				
Salaries and Benefits	3,715,985	3,715,985	3,823,139	(107,154)
Repairs and Maintenance	110,300	110,300	93,399	16,901
Supplies	125,000	125,000	94,422	30,578
Other Operating Expenses	383,550	383,550	293,780	89,770
Public Safety - Fire:				
Salaries and Benefits	1,649,663	1,649,663	1,576,267	73,396
Repairs and Maintenance	75,000	75,000	71,445	3,555
Supplies	44,000	44,000	42,459	1,541
Other Operating Expenses	160,000	160,000	163,791	(3,791)
Public Works:				
Salaries and Benefits	777,855	777,855	625,621	152,234
Repairs and Maintenance	180,000	180,000	139,403	40,597
Supplies	25,000	25,000	28,417	(3,417)
Street Lighting	133,000	133,000	159,289	(26,289)
Other Operating Expenses	204,500	204,500	213,209	(8,709)
Parks and Recreation:				
Salaries and Benefits	814,405	814,405	813,375	1,030
Repairs and Maintenance	195,000	195,000	178,597	16,403
Supplies	37,500	37,500	34,897	2,603
Other Operating Expenses	318,500	318,500	335,353	(16,853)
Debt Service:				
Principal	625,000	625,000	683,453	(58,453)
Interest	117,000	117,000	107,348	9,652
Capital Outlay	2,557,600	2,557,600	1,836,650	720,950
Total Expenditures	14,564,946	14,564,946	13,632,719	932,227
Excess of Revenues Over (Under) Expenditures				
	(2,551,418)	(2,551,418)	(451,001)	2,100,417
Other Financing Sources (Uses)				
Transfers In	250,000	250,000	156,112	(93,888)
Transfers Out	(5,000)	(205,000)	(171,000)	34,000
Sales of Capital Assets	-	-	91,480	91,480
Capital Leases	804,550	804,550	811,000	6,450
Insurance Recoveries	-	-	29,298	29,298
Total Other Financing Sources (Uses)	1,049,550	849,550	916,890	67,340
Net Change in Fund Balances	(1,501,868)	(1,701,868)	465,889	2,167,757
Fund Balance - July 1, 2014	7,064,809	7,064,809	7,064,809	-
Fund Balances - June 30, 2015	\$ 5,562,941	\$ 5,362,941	\$ 7,530,698	\$ 2,167,757

See notes to the financial statements.

CITY OF GOODLETTSVILLE, TENNESSEE
Statement of Fund Net Position
Proprietary Funds
June 30, 2015

	Enterprise Fund Sewer Fund
Assets	
Current Assets	
Cash	\$ 9,583,813
Accounts Receivable, Less Allowance of \$4,235	719,711
Prepaid Items	4,777
Total Current Assets	10,308,301
Capital Assets	
Capital Assets	44,023,557
Accumulated Depreciation	(13,497,651)
Total Capital Assets	30,525,906
Utility Deposit	
Total Assets	100
Deferred Outflows of Resources	
Deferred Pensions	79,591
Total Deferred Outflows of Resources	79,591
Liabilities	
Current Liabilities	
Accounts Payable	176,479
Accrued Interest Payable	14,117
Accrued Wages, Payroll Taxes and Deductions Payable	3,555
Current Portion of Long-Term Liabilities	783,452
Total Current Liabilities	977,603
Long-Term Liabilities	
Compensated Absences Payable	18,191
Net OPEB Obligation	154,602
Notes Payable	6,545,214
Revenue Bonds Payable	1,264,982
Net Pension Liability	24,044
Total Long-Term Liabilities	8,007,033
Total Liabilities	8,984,636
Deferred Inflows of Resources	
Deferred Pensions	86,154
Total Deferred Inflows of Resources	86,154
Net Position	
Net Investment in Capital Assets	21,932,257
Unrestricted	9,910,851
Total Net Position	\$ 31,843,108

See notes to the financial statements.

CITY OF GOODLETTSVILLE, TENNESSEE
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2015

	Enterprise Fund
	Sewer Fund
Operating Revenues	
Charges for Services:	
Sewer Fees - Davidson County	\$ 4,348,083
Sewer Fees - Sumner County	899,235
Sewer Flow Charges	44,506
Permits/Connection Fees	57,089
Total Operating Revenues	5,348,913
Operating Expenses	
Cost of Services	2,078,162
Administration	757,058
Depreciation and Amortization	953,816
Insurance	16,242
Repairs and Maintenance	103,949
Total Operating Expenses	3,909,227
Operating Income	1,439,686
Non-Operating Revenues (Expenses)	
Interest Revenue	30,669
Interest Expense	(232,047)
Paying Agents Fee	(706)
Rental Income	28,000
Contributions and Grants	37,818
Total Non-Operating Revenues (Expenses)	(136,266)
Income before Contributions and Transfers	1,303,420
Tap Fees - Contributions	35,850
Transfers	(156,112)
Increase in Net Position	1,183,158
Net Position - July 1, 2014	30,731,992
Prior Period Adjustment	(72,042)
Net Position - June 30, 2015	\$ 31,843,108

See notes to the financial statements.

CITY OF GOODLETTSVILLE, TENNESSEE
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2015

	Enterprise Fund
	Sewer Fund
Cash Flows from Operating Activities:	
Cash Received from Customers	\$ 5,231,094
Cash Payments to Suppliers for Goods and Services	(2,694,535)
Cash Payments to Employees for Services	(513,823)
Net Cash Provided by Operating Activities	2,022,737
Cash Flows from Noncapital Financing Activities:	
Increase in Transfer to Other Funds	(156,112)
Net Cash Used by Noncapital Financing Activities	(156,112)
Cash Flows from Capital and Related Financing Activities:	
Principal Paid on Bonds/Notes	(715,092)
Interest Paid on Long-Term Debt	(234,258)
Cash Received from Tap Fees	35,850
Paying Agents Fee	(706)
Acquisition and Construction of Capital Assets	(85,895)
Net Cash Used by Capital and Related Financing Activities	(1,000,101)
Cash Flows from Investing Activities:	
Cash Received from Contributions and Grants	37,818
Cash Received from Billboard Rentals	28,000
Interest Received	30,669
Net Cash Provided by Investing Activities	96,487
Net Increase in Cash	963,011
Cash at Beginning of Year	8,620,802
Cash at End of Year	\$ 9,583,813
Reconciliation of Operating Income to Net Cash Provided	
by Operating Activities:	
Operating Income	\$ 1,439,686
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation and Amortization	953,816
Prior Period Adjustment	(72,042)
(Increase) Decrease in:	
Accounts Receivable	(155,975)
Prepaid Items	(4,777)
Deferred Outflow - Pension	(79,591)
Increase (Decrease) in:	
Accounts Payable	(149,125)
Payroll Liabilities	(4,740)
Deposits Payable	(28,689)
Net OPEB Obligation	13,976
Net Pension Liability	24,044
Deferred Inflow - Pension	86,154
Net Cash Provided by Operating Activities	\$ 2,022,737

See notes to the financial statements.

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements
June 30, 2015

Note 1. Significant Accounting Policies

The City of Goodlettsville's financial statements are prepared in accordance with generally accepted accounting principles (GAAP) The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

A. Reporting Entity

The City of Goodlettsville is a municipality governed by an elected five-member commission. These financial statements present the financial position and activities of the City government only. The City has no component units, thus no blended or discretely presented component units are included in these financial statements.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the City. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Fund Financial Statements

The government uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The City has its funds classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for all or most of a government's general activities including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (capital projects funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

The following is a list of the City's funds:

I. Governmental Fund Types

General Fund - primary operating fund of the City. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service, and interest income.

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 1. Significant Accounting Policies – Continued

B. Government-wide and Fund Financial Statements - Continued

Special Revenue Funds - accounts for revenue derived from specific sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities. The Special Revenue Funds are the Solid Waste Fund, Tourism Fund, Drug Fund, Stormwater Utility Fund and Electronic Citation Fund. The Solid Waste, Tourism, Drug, Stormwater Utility Fund and Electronic Citation Funds are not considered major funds for reporting purposes.

Capital Projects – accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for capital outlays of governmental fund types including the acquisition and construction of capital facilities and other capital assets.

II. Proprietary Fund Types

Enterprise Fund - The Sewer Fund is used to account for the revenues generated from the charges for sanitary sewer services provided to the residential and commercial users of the City.

C. Measurement Focus and Basis of Accounting

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. 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 assessed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all revenues to be available in the period for which levied if they are collected within 60 days of the end of the current fiscal period. Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, interest revenue and charges for services. Fines, permits and parking meter revenues are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Proprietary funds distinguish operating revenues and expenses from non-operating 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. Operating expenses for the proprietary funds include the necessary costs to provide the services including the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating 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. Budgets and Budgetary Accounting

The City uses a modified accrual basis for budgeting in governmental funds and full accrual basis for budgeting in proprietary funds and has established the following procedures with regard to the budgetary data reflected in the financial statements:

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 1. Significant Accounting Policies – Continued
D. Budgets and Budgetary Accounting – Continued

1. Prior to May 15 the proposed operating budgets are presented to the City Commission for review and approval.
2. The budget is legally enacted through the passage of an ordinance which also sets the tax rate.
3. Revisions to the budget during the fiscal year require the City Commission's approval.
4. Budgets for the various funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

E. Cash and Cash Equivalents

The City defines its cash and cash equivalents to include only cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition, including restricted cash. State statutes authorize the City to invest in obligations of the U.S. Treasury, certificates of deposit, certain federal nonconvertible debt securities, repurchase agreements and the State Treasurer's Investment Pool. Cash equivalents are stated at cost.

F. Capital Assets

Capital assets, which includes property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses.

Assets capitalized, not including infrastructure assets, have an original cost of \$5,000 or more and over three years of useful life. Infrastructure assets capitalized have an original cost of \$100,000 or more. Depreciation has been calculated on each class of depreciable property using the straight-line method. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are expensed. Estimated useful lives are as follows:

	Estimated Useful Life (Years)
Buildings	40
Improvements	7 - 40
Machinery & Equipment	5 - 10
Infrastructure	15 - 20

Outlays for capital assets and improvements are capitalized, as projects are constructed, in accordance with the City's capitalization policy. Interest and indirect costs incurred during the construction phase of capital assets of proprietary funds are reflected in the capitalized value of the asset constructed. Depreciation/amortization expense is allocated to functions/programs and included as a direct expense in the Statement of Activities. Capital assets that are under construction or development and have not been completed are put into Construction in Progress and are presented as a capital asset not being depreciated on the Statement of Net Position.

G. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. An employee's total accumulated vacation time may not exceed the following amounts: 120 hours after five years of employment; 160 hours after ten years of employment; and 400 hours after twenty years of employment. Employees may accumulate unused sick time up to 960 hours, of which 50% is paid upon retirement.

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 1. Significant Accounting Policies – Continued

H. Property Tax

Taxes are levied on October 1 and are due and payable on or before February 28 of the following year. Uncollected property taxes attach as an enforceable lien on property as of March 1. Property tax revenues are recognized when levied. An allowance is established for delinquent taxes to the extent that their collectability is doubtful.

Under *GASB Codification of Governmental Accounting and Financial Reporting Standards, Section N50, Non-Exchange Transactions*, property taxes are imposed nonexchange revenue. Assets (accounts receivable) from imposed nonexchange transactions are recorded when the City has an enforceable legal claim to the asset. The enforceable legal claim date for property taxes is the assessment date. The assessment date has been designated in the enabling legislation as of January 1. Therefore, the City has recorded the succeeding year's receivable and deferred inflows of revenue for taxes assessed as of year-end that will not be received until after year-end.

I. Interfund Receivables and Payables

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

J. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Residual amounts due at year-end on quasi-external transactions are show as due to/from other funds.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. All other interfund transfers are reported as operating transfers.

K. Long-Term Liabilities

Long-term liabilities consist of bonds, notes, and other indebtedness including liabilities associated with compensated absences and post-employment benefits. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, 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, long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

L. Fund Balance

The City classifies fund balances in accordance with *GASB Codification of Governmental Accounting and Financial Reporting Standards, Section 1800.142, Fund Balance Reporting*. This statement classifies fund balances into clearly defined categories making the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints as defined in the City's fund balance policy:

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 1. Significant Accounting Policies – Continued
L. Fund Balance - Continued

Nonspendable Fund Balance – Funds that cannot be spent due to their form (e.g. inventories, prepaid items, and long term receivables) or funds that legally or contractually must be maintained intact (e.g. principal of permanent funds).

Restricted Fund Balance – Funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – Funds that are set aside for a specific purpose by the City's highest level of decision-making authority (i.e. Board of Commission) and the highest form of authority (ordinance). This commitment of funds is authorized by ordinance and is binding unless removed by ordinance. Formal action must be taken prior to the end of the fiscal year; however, the actual amount can be determined after the close of the year.

Assigned Fund Balance – Funds that are set aside with the intent to be used for a specific purpose by the City's highest level of decision making authority (i.e. Board of Commission) or a body or official that has been given the authority to assign funds.

Assignment of fund balance is less formal than the commitment of fund balance. It does not require formal action. The City Commission has given no other body or official authority to assign funds.

Unassigned Fund Balance – Excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls. This category is also referred to as "surplus". The general fund is the only fund that reports a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) amounts are available, it shall be the policy of the City to use the restricted amounts first as permitted under the law. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the City to use the committed amounts first, followed by the assigned amounts and then unassigned amounts determined by management.

M. Net Position

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Government-wide and proprietary fund net position are divided into three components:

Net investment in capital assets - consists of the historical cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.

Restricted net position – consist of assets that have limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restrictions from enabling legislation include the State Street Aid fund, Drug fund, Tourism Fund, Stormwater Utility fund, Solid Waste fund and Electronic Citation fund totaling \$1,631,642.

Unrestricted – all other net position is reported in this category.

The government-wide financial statements split the City programs between governmental and business-type activities. The beginning net position amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net position amount for governmental activities reflects fund balance for governmental funds adjusted for the conversion to the accrual basis of accounting from last year.

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 1. Significant Accounting Policies – Continued

N. Inventory and Prepaid Items

Inventory for both governmental and proprietary funds, consisting principally of materials and supplies held for consumption, are valued at cost, approximating market value, using first-in, first-out (FIFO) method. The costs of governmental funds inventories are recorded as expenditures when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. The inventories and prepaid items recorded in the governmental funds do not reflect current appropriable resources and, thus, an equivalent portion of fund balance is reported as nonspendable.

O. Contributions of Capital

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction. Contributions of capital assets are recorded as revenue in the Statement of Revenue, Expenses and Changes in Net Position.

P. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Q. 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 Goodlettsville's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Goodlettsville'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.

Note 2. Cash and Investments

The City has no formal deposit and investment policies other than those prescribed by State of Tennessee statute and explained below.

Deposits in financial institutions are required by State statute to be secured and collateralized by the institutions. The collateral must meet certain requirements and must have a total minimum market value of 105% of the value of the deposits placed in the institutions, less the amount protected by Federal Deposit Insurance Corporation insurance (FDIC). Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool.

As of June 30, 2015, all of the City's deposits and investments were held by financial institutions which participate in the bank collateral pool administered by the Treasurer of the State of Tennessee or in the State of Tennessee Local Government Investment Pool ("LGIP"). Participating banks in the bank collateral pool determine the aggregate balance of their public fund accounts. The amount of collateral required to secure these public deposits must be at least 105% of the average daily balance of public deposits held. Collected securities required to be pledged by the participant banks to protect their public fund accounts are pledged to the State Treasurer on behalf of the bank collateral pool.

The securities pledged to protect these accounts are pledged in the aggregate rather than against each individual account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under the additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of custodial credit risk disclosure.

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 3. Pension Plan

A. General Information about the Pension Plan

Plan Description

Employees of Goodlettsville 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	73
Inactive employees entitled to but not yet receiving benefits	119
Active employees	126
	<u>318</u>

Contributions

Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. As of January 1, 2013, the City of Goodlettsville has elected to discontinue the non-contributory provision for all future hires. This will require all new hires to contribute 5% of salary. Employees who are employed prior to January 1, 2013 will continue to be eligible for the noncontributory provision. Goodlettsville 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 Goodlettsville were \$953,663 based on a rate of 14.98 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Goodlettsville's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 3. Pension Plan – Continued

B. Net Pension Liability (Asset)

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

Actuarial Assumptions

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

Inflation	3.0 percent
Salary increases	Graded salary ranges from 8.97 to 3.71 percent based on age, including inflation averaging 4.25 percent
Investment rate of return	7.5 percent, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustment	2.5 percent

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

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

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

<u>Asset Class</u>	<u>Long-Term Expected Real</u>	<u>Target Allocation</u>
U.S. Equity	6.46%	33%
Developed Market International Equity	6.26%	17%
Emerging Market International Equity	6.40%	5%
Private Equity and Strategic Lending	4.61%	8%
U.S. Fixed Income	0.98%	29%
Real Estate	4.73%	7%
Short-term Securities	0.00%	1%
		<u>100%</u>

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

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 3. Pension Plan – Continued

B. Net Pension Liability (Asset) – Continued

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

C. Changes in Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at 6/30/13	\$ 22,236,780	\$ 20,219,737	\$ 2,017,043
Changes for the year:			
Service cost	359,116	-	359,116
Interest	1,658,224	-	1,658,224
Differences between expected and actual experience	519,740	-	519,740
Contributions - employer	-	795,723	(795,723)
Contributions - employees	-	20,214	(20,214)
Net investment income	-	3,336,100	(3,336,100)
Benefit payments, including refunds of employee contributions	(972,500)	(972,500)	-
Administrative expense	-	(5,530)	5,530
Net changes	1,564,580	3,174,007	(1,609,427)
Balance at 6/30/14	\$ 23,801,360	\$ 23,393,744	\$ 407,616

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

The following presents the net pension liability (asset) of Goodlettsville calculated using the discount rate of 7.5 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 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%)
Goodlettsville's net pension liability (asset)	\$ 3,733,550	\$ 407,616	\$ (2,346,786)

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

Pension Expense

For the year ended June 30, 2015, Goodlettsville recognized pension expense of \$201,363.

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 3. Pension Plan – Continued

D. Pension Expense (Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Continued

Deferred Outflows of Resources and Deferred Inflows of Resources

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 445,491	\$ -
Net difference between projected and actual earnings on pension plan	-	1,460,558
Contributions subsequent to the measurement date of June 30, 2014	903,803	(not applicable)
Total	\$ 1,349,294	\$ 1,460,558

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

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

Year Ended June 30,	Amount
2016	\$ (290,891)
2017	(290,891)
2018	(290,891)
2019	(290,891)
2020	74,249
Thereafter	74,249

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

E. Payable to the Pension Plan

At June 30, 2015, *Goodlettsville* reported a payable of \$69,774 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2015.

Note 4. Deferred Compensation Plan

The City has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by Voya Retirement Insurance and Annuity Company. The plan is available to full time employees after they have been with the City for six months. Employees may defer up to 25% of their gross pay to a maximum amount allowable under current IRS regulations per year. Deferred compensation is not available to employees until termination, retirement, death or financial hardship. The City made matching contributions totaling \$0 to the plan for the year ended June 30, 2015.

Note 5. Post-retirement Health Care Benefits

A. Program Description

The City provides post-retirement health care benefits (medical and life insurance) through a single-employer defined benefit healthcare plan to all employees who retire from the City on or after attaining age 55 with at least 5 years of service, or at any age with at least 25 years of service. Eligibility for continued medical benefits under the City’s plan requires the retired

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 5. Post-retirement Health Care Benefits – Continued

A. Program Description – Continued

employee be eligible for benefits from the Tennessee Consolidated Retirement System (See Note 3). Benefits for retirees under age 65 are deemed to be similar to those benefits provided for actives. The healthcare plan is assumed to be the primary plan of benefits prior to age 65. It is assumed to pay benefits secondary to Medicare after attaining age 65. Participants do not receive prescription drug benefits from the City upon attaining Medicare eligibility except as may be provided under the employer group insurance plan.

B. Funding Policy

The City contribution to the program consists of pay-as-you-go premiums in excess of the retiree contributions. The City provides the benefits by paying a portion of the retirees' insurance premiums for medical and life insurance coverage under fully insured plans. Certain current retirees are grandfathered under the provision of a fixed, non-escalating contribution rate. Other retirees and spouses must pay a percentage of the total premium cost. The percentage of the premium paid by the retirees and spouses depends on the years of service at retirement. It is assumed that all escalating premium contributions will increase in the future with medical trend. Plan members contributed approximately \$43,365 for fiscal 2014, approximately 15% of total premiums. The City contributions to the program for the fiscal year 2015 were \$276,867.

C. Annual OPEB Cost and Net OPEB Obligation

The City's annual other post-employment benefit (OPEB) cost (expense) for the program is calculated based on the annual required contribution ("ARC") of the employer, an amount actuarially determined in accordance with the parameters of GASB *Codification of Governmental Accounting and Financial Reporting Standards, Section P50, Post-employment Benefits Other than Pension Benefits – Employer Reporting*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

	<u>Governmental Activities</u>	<u>Business Activities</u>	<u>Total</u>
Annual required contribution (ARC)	\$ 563,477	\$ 33,543	\$ 597,020
Interest on net OPEB obligation	90,990	5,416	96,406
Adjustments to annual required contributions	<u>(84,307)</u>	<u>(5,019)</u>	<u>(89,326)</u>
Annual OPEB cost (expense)	570,159	33,941	604,100
Contributions made	<u>(256,903)</u>	<u>(19,964)</u>	<u>(276,867)</u>
Increase in net OPEB obligation	313,256	13,976	327,233
Net OPEB obligation - beginning of the year	<u>2,347,528</u>	<u>140,626</u>	<u>2,488,155</u>
Net OPEB obligation - end of the year	<u><u>\$ 2,660,784</u></u>	<u><u>\$ 154,602</u></u>	<u><u>\$ 2,815,387</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 were as follows:

<u>YEAR ENDED JUNE 30,</u>	<u>ANNUAL OPEB COST</u>	<u>ANNUAL EMPLOYER CONTRIBUTION</u>	<u>PERCENTAGE OF ANNUAL OPEB COST CONTRIBUTED</u>	<u>NET ENDING OPEB OBLIGATION/ (ASSET)</u>
2015	\$ 604,100	\$ 276,867	46%	\$ 2,815,387
2014	\$ 604,100	\$ 258,300	43%	\$ 2,488,154
2013	\$ 614,595	\$ 187,999	31%	\$ 2,142,353

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 5. Post-retirement Health Care Benefits – Continued

D. Funded Status and Funding Progress

As of July 1, 2013, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$7,727,606, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$5,465,892, and the ratio of the unfunded actuarial liability to the covered payroll was 141.4%.

Actuarial values of the program involve estimates of the value of reported amounts and assumptions of the probability of occurrences of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the program and the annual required contributions of the employer are subject to continual revision as actual results are compared with 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 multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The City has designated \$500,000 assigned general fund balance plus interest earnings for OPEB obligation. Since the city has not established an irrevocable trust, there are no separate plan assets reported under GASB Codification Section P50.

E. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the program (as understood by the employer and eligible participants) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participants at that point. 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.

In the actuarial valuation performed as of July 1, 2013, the projected individual unit credit actuarial cost method was used. The actuarial assumptions include a 4.5% investment rate of return (compounded annually net after investment expenses) and an annual healthcare cost trend rate of 8% graded to 5% uniformly over 6 years. Both rates include a 3% inflation assumption. The City's unfunded actuarial accrued liability is being amortized as a level dollar of active member payroll over a closed period. The remaining amortization period at July 1, 2013 was 30 years.

Note 6. Property Taxes Receivable

Gross property taxes receivable of \$4,718,346 is summarized in the Revenue Capacity Information portion of the Statistical Section of this report on pages 60-66.

Note 7. Capital Assets

The following is a summary of the changes in capital assets for the fiscal year ended June 30, 2015:

	Balance			Balance
	June 30, 2014	Additions	Disposals	June 30, 2015
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 4,136,838	\$ -	\$ -	\$ 4,136,838
Construction in Progress	200,799	61,663	-	262,463
Total Capital Assets not being Depreciated	<u>\$ 4,337,637</u>	<u>\$ 61,663</u>	<u>\$ -</u>	<u>\$ 4,399,300</u>

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 7. Capital Assets – Continued

Capital Assets being Depreciated				
Buildings	\$ 7,761,630	\$ -	\$ -	\$ 7,761,630
Improvements	7,265,747	244,558	-	7,510,306
Machinery & Equipment	8,783,983	1,058,317	122,176	9,720,124
Infrastructure	7,237,756	683,931	-	7,921,687
Total Capital Assets being Depreciated	\$ 31,049,116	\$ 1,986,807	\$ 122,176	\$ 32,913,747

Business-type Activities

Capital Assets not being Depreciated				
Land	\$ 2,139,071	\$ -	\$ -	\$ 2,139,071
Construction in Progress	28,150	-	-	28,150
Total Capital Assets not being Depreciated	\$ 2,167,221	\$ -	\$ -	\$ 2,167,221

Capital Assets being Depreciated				
Buildings	\$ 4,332,627	\$ -	\$ -	\$ 4,332,627
Improvements	5,213,308	-	-	5,213,308
Machinery & Equipment	1,874,479	93,056	23,097	1,944,437
Infrastructure	30,365,964	-	-	30,365,964
Total Capital Assets being Depreciated	\$ 41,786,376	\$ 93,056	\$ 23,097	\$ 41,856,336

Governmental Activities

Accumulated Depreciation				
Buildings	\$ 3,937,546	\$ 182,978	\$ -	\$ 4,120,524
Improvements	2,605,510	333,634	-	2,939,143
Machinery & Equipment	6,895,912	639,591	122,176	7,413,327
Infrastructure	3,397,459	293,410	-	3,690,869
Total Accumulated Depreciation	\$ 16,836,427	\$ 1,449,612	\$ 122,176	\$ 18,163,863

Business-type Activities

Accumulated Depreciation				
Buildings	\$ 1,682,076	\$ 108,339	\$ -	\$ 1,790,416
Improvements	203,262	107,576	-	310,838
Machinery & Equipment	1,225,929	146,026	23,097	1,348,858
Infrastructure	9,367,359	680,180	-	10,047,539
Total Accumulated Depreciation	\$ 12,478,627	\$ 1,042,121	\$ 23,097	\$ 13,497,651

Total Governmental Activities, Net	\$ 18,550,326	\$ 598,857	\$ -	\$ 19,149,184
Total Business-type Activities, Net	\$ 31,474,971	\$ (949,066)	\$ -	\$ 30,525,905

Depreciation Expense by Function

General Government	151,304
Public Safety	467,487
State Street Aid	521,759
Sanitation	12,614
Parks & Recreation	158,362
Tourism	127,837
Storm Water	7,953
Sewer	1,034,960
	<u>\$ 2,482,275</u>

The City received insurance proceeds in the amount of \$60,046 for the impairment of various capital assets disposed during 2015.

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 8. Long-Term Debt

Below is a condensed schedule of maturities for long-term debt and obligations at June 30, 2015. A detailed Schedule of Long-term Debt, Principal, and Interest Requirements is included on page 54 of this report.

<u>Year Ended</u> <u>June 30,</u>	<u>Principal Due</u>	<u>Interest Due</u>
2016	1,445,259	334,978
2017	1,408,548	297,606
2018	1,263,715	258,444
2019	1,033,819	225,082
2020	542,385	206,643
2021-2025	2,652,819	821,724
2026-2030	2,957,573	454,109
2031-2033	1,678,929	69,125
Total Long-Term Debt	<u>\$ 12,983,047</u>	<u>\$ 2,667,711</u>

Long-term debt and obligations payable at June 30, 2015 are comprised of the following:

Business-type Activities

State Revolving Loan #09-224, Bearing Interest Payments at 2.88% Per Annum, Interest only until construction was 90% complete then Payable in Monthly Installments with the Final Payment Due July 2033 \$ 6,757,101

General Obligation Refunding Bond, Series 2011 Issued to Refinance Existing Debt, Bearing Interest at a Variable Rate ranging from 2.00% to 4.00% per Annum, Payable in Annual Installments with the Final Payment Due September 1, 2018. 1,632,819

Capital Lease Payable to Municipal Leasing Consultants, LLC Bearing Interest at 1.9901% Per Annum, Payable in Annual Installments of \$51,417, Principal and Interest Payments are Based on Total Debt of \$286,431. 140,616

Total Sewer Fund Debt Payable 8,530,536
Less: Current Portion (783,452)

Long-Term Debt Payable - Sewer Fund \$ 7,747,084

The following is a summary of changes to long-term debt in the Business-type activities during the year ended June 30, 2015:

	<u>Balance</u> <u>7/1/2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/2015</u>	<u>Due Within</u> <u>1 Year</u>
Compensated Absences	\$ 20,367	\$ 32,250	\$ 34,426	\$ 18,191	\$ 18,191
Net OPEB Obligation	140,626	33,940	19,964	154,602	-
Revenue Bonds	9,057,347	-	667,427	8,389,920	734,832
Notes Payable	188,281	-	47,665	140,616	48,620
Debt Refunding Premium	144,257	-	81,144	63,113	21,639
Net Pension Liability	-	24,044	-	24,044	-
Totals	<u>\$ 9,550,878</u>	<u>\$ 90,234</u>	<u>\$ 850,626</u>	<u>\$ 8,790,486</u>	<u>\$ 823,282</u>

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 8. Long-Term Debt – Continued

Governmental Activities

Long-term debt and obligations payable at June 30, 2015 are comprised of the following:

General Obligation Refunding Bond, Series 2012 Issued to Refinance Existing Debt, Bearing Interest at a Variable Rate ranging from 2.00% to 3.00% per Annum, Payable in Annual Installments with the Final Payment Due June 30, 2033	\$ 2,740,000
General Obligation Refunding Bond, Series 2011 Issued to Refinance Existing Debt, Bearing Interest at a Variable Rate ranging from 2.00% to 4.00% per Annum, Payable in Annual Installments with the Final Payment Due September 1, 2018	72,182
Capital Lease Payable to Municipal Leasing Consultants, LLC Bearing Interest at 1.9901% Per Annum, Payable in Annual Installments of \$269,908, Principal and Interest Payments are Based on Total Debt of \$1,503,569.	716,865
Capital Lease Payable to Municipal Leasing Consultants, LLC Bearing Interest at 2.39% Per Annum, Payable in Annual Installments of \$65,552, Principal and Interest Payments are Based on Total Debt of \$313,000.	187,617
Capital Lease Payable to Municipal Leasing Consultants, LLC Bearing Interest at 6% Per Annum, Payable in Annual Installments of \$49,451, Principal and Interest Payments are Based on Total Debt of \$140,113.	46,651
Capital Lease Payable to First Freedom Bank for Equipment Bearing Interest at 5.75% Per Annum, Payable in Annual Installments of \$26,052, Principal and Interest Payments are Based on Total Debt of \$116,522.	24,599
Capital Lease Payable to Municipal Leasing Consultants, LLC Bearing Interest at 6% Per Annum, Payable in Annual Installments of \$146,403 Principal and Interest Payments are Based on Total Debt of \$811,000	<u>664,597</u>
Total Governmental Activities Long-Term Obligations	4,452,511
Less: Current Portion	<u>(661,807)</u>
Total Long-Term Governmental Activities Obligations	<u><u>\$ 3,790,704</u></u>

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 8. Long-Term Debt – Continued
Governmental Activities - Continued

The following is a summary of changes to long-term liabilities in the Governmental activities during the year ended June 30, 2015. The compensated absences liability, OPEB obligation and pension liability are attributable to the governmental activities will be liquidated primarily by the General Fund.

	Balance			Balance	Due within
	July 1, 2014	Additions	Reductions	June 30, 2015	1 Year
Compensated Absences	\$ 664,985	\$ 418,451	\$ 504,336	\$ 579,100	\$ 504,336
Net OPEB Obligation	2,347,528	570,159	256,903	2,660,784	-
Capital Leases	1,374,154	811,000	544,825	1,640,329	517,756
Notes Payable	2,950,810	-	138,628	2,812,182	144,051
Debt Refunding Premium	3,975	-	1,015	2,960	1,015
Net Pension Liability	-	383,572	-	383,572	-
Totals	<u>\$ 7,341,452</u>	<u>\$ 2,183,182</u>	<u>\$ 1,445,707</u>	<u>\$ 8,078,927</u>	<u>\$ 1,167,158</u>

The City has not recorded a deferred outflow of resources related to refunding of bonds as it is not considered material to the financial statements.

Note 9. Capital and Operating Leases

The City has ongoing capital lease agreements for the following capital assets as of June 30, 2015:

	Capitalized
	Cost
Public Safety Vehicles	\$ 798,859
General Government Vehicles/Equipment	969,738
Parks and Recreation Equipment	151,925
Public Works Equipment	963,354
Sewer Equipment	286,431
Total Assets in Machinery & Equipment	<u>\$ 3,170,306</u>

These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception dates. The future minimum lease payments and the net present value of the minimum lease payments as of June 30, 2015, are as follows:

Year Ended	Future Minimum
June 30,	Lease Pmts
2016	608,784
2017	533,276
2018	348,406
2019	261,647
2020	64,475
2021	64,476
Total Minimum Lease Payments	<u>1,881,064</u>
Less: Amount Representing Interest	<u>(100,119)</u>
Present Value of Future Minimum Lease Payments	<u>\$ 1,780,945</u>

The City leases various assets under operating lease agreements. Future minimum lease payments are not considered material. Total rent expense/expenditure for the year ended June 30, 2015 was approximately \$55,000.

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 10. Construction Commitments

The City has the following construction projects in progress at June 30, 2015:

<u>Construction Project</u>	<u>Total Estimated Cost</u>	<u>Total Expenses thru FYE 6/30/15</u>
Governmental Activities:		
Greenway	n/a	\$ 200,800
Main Street Redevelopment	n/a	31,905
Conference Drive Enhancement	n/a	29,758
Total Governmental Activities		<u>\$ 262,463</u>
Business Type Activities:		
Sewer Project	n/a	<u>\$ 28,150</u>

Note 11. Interfund Receivables/Payables/Transfers

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

Due From

Due To	General Fund	Total
Solid Waste Fund	\$ 95,041	\$ 95,041
Capital Projects Fund	108,790	108,790
Total	<u>\$ 203,831</u>	<u>\$ 203,831</u>

All interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The composition of interfund transfers for the year ended June 30, 2015, is as follows:

Transfer To

Solid Waste

Transfer From	General Fund	Fund	Total
General Fund	\$ -	\$ 171,000	\$ 171,000
Sewer Fund	156,112	-	156,112
Total	<u>\$ 156,112</u>	<u>\$ 171,000</u>	<u>\$ 327,112</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfer from the sewer fund to the general fund was a result of payments in lieu of tax that do not represent equivalent services provided (1).

Note 12. Contracts

The City has the following contracts for the billing and collection of sewer and sanitation charges for users:

- Madison Suburban Utility District (MSUD) handles the billing and collection of sewer and sanitation charges for users in Davidson County. The City currently pays MSUD \$2.06 for sewer and \$1.25 for sanitation and stormwater plus an adjustment based on Consumer Price Index (CPI) per bill per month.

CITY OF GOODLETTSVILLE, TENNESSEE
Notes to Financial Statements – Continued
June 30, 2015

Note 12. Contracts – Continued

- White House Utility District handles the billing and collection of sewer charges for users of the sewer system in Sumner County for a fee of \$1.50 per customer per month.

- The Department of Water Services of Metropolitan Nashville also provides sewage treatment and disposal for a contracted fee. The utility price is \$1 /100 cubic feet of water flowing through each point of connection with adjustments for minimum and maximum flow levels and points of origin. The agreement also provides for indexed adjustment to the utility price annually. This agreement expires September 2030.

Note 13. 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; injuries to employees; and natural disasters. The City participates in the Tennessee Municipal League Risk Management Pool (TMLRMP), a public entity risk pool currently operating as a common risk management and insurance program for municipalities. The City pays an annual premium to the TMLRMP for its insurance coverage. The TMLRMP is self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. Settled claims of the city have not exceeded insurance coverage in any of the past three fiscal years.

Note 14. Prior Period Adjustments

Prior period adjustments of \$1,047,686 were made to decrease the governmental activities' previously stated net position of \$19,138,104 to the restated net position of \$18,090,418. A decrease to net position of \$1,216,778 was made to reflect the prior period cost related to the implementation of the *GASB Codification of Governmental Accounting and Financial Reporting Standards, Section P20, Pension Activities – Employer Reporting*. An increase to net pension of \$169,092 was made to properly reflect prior period revenue related to storm water receivables.

A prior period adjustment of \$72,042 was made to decrease the business-type activities' previously stated net position of \$30,731,992 to the restated net position of \$30,659,950. The adjustment was made to reflect the prior period cost related to the implementation of the *GASB Codification of Governmental Accounting and Financial Reporting Standards, Section P20, Pension Activities – Employer Reporting*.

CITY OF GOODLETTSVILLE, TENNESSEE
Required Supplementary Information
Schedule of Post-retirement Health Care Benefits Program Funding Progress
(Dollar Amounts in Thousands)
June 30, 2015

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/(c))
July 1, 2013	-	7,728	7,728	0.00%	5,466	141.38%
July 1, 2012	-	7,731	7,731	0.00%	5,466	141.44%
January 1, 2011	-	6,629	6,629	0.00%	5,400	122.76%

The Governmental Accounting Standards Board (GASB) requires the plan to prepare the Schedule of Funding Progress using the entry age actuarial cost method. The unit credit actuarial cost method has been used by the program for funding purposes.

Refer to Footnote 5 for additional information and a description of the program.

CITY OF GOODLETTSVILLE, TENNESSEE
Required Supplementary Information
Schedule of Changes in Goodlettsville's Net Pension Liability (Asset) and
Related Ratios Based on Participation in the
Public Employee Pension Plan of TCRS
Last Fiscal Year ending June 30,

	2014
Total pension liability	
Service Cost	\$ 359,116
Interest	1,658,224
Changes in benefit terms	-
Differences between actual & expected experience	519,740
Change of assumptions	-
Benefit payments, including refunds of employee contributions	(972,500)
Net change in total pension liability	1,564,580
Total pension liability - beginning	22,236,780
Total pension liability - ending (a)	\$ 23,801,360
Plan fiduciary net position	
Contributions - employer	\$ 795,723
Contributions - employee	20,214
Net investment income	3,336,100
Benefit payments, including refunds of employee contributions	(972,500)
Administrative expense	(5,530)
Net change in plan fiduciary net position	3,174,007
Plan fiduciary net position - beginning	20,219,737
Plan fiduciary net position - ending (b)	\$ 23,393,744
Net Pension Liability (Asset) - ending (a) - (b)	\$ 407,616
Plan fiduciary net position as a percentage of total pension liability	98.29%
Covered-employee payroll	\$ 5,468,883
Net pension liability (asset) as a percentage of covered-employee payroll	7.45%

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 future fiscal years until 10 years of information is available.

CITY OF GOODLETTSVILLE, TENNESSEE
Required Supplementary Information
Schedule of Contributions
Based on Participation in the Public Employee Pension Plan of TCRS
Last Fiscal Year ending June 30,

	<u>2014</u>	<u>2015</u>
Actuarially determined contribution	\$ 795,723	\$ 903,803
Contributions in relation to the actuarially determined contribution	<u>795,723</u>	<u>903,803</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 5,468,883	\$ 6,252,601
Contributions as a percentage covered-employee payroll	14.55%	14.45%

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 future fiscal years until 10 years of information is available.

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Frozen initial liability
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period	5 years
Asset valuation	10-year smoothed within a 20 percent corridor to market value
Inflation	3.0 percent
Salary increases	Graded salary ranges from 8.97 to 3.71 percent based on age, including inflation, averaging 4.25 percent
Investment rate of return	7.5 percent, net of investment expense, including inflation
Retirement age	Pattern of retirement determined by experience study
Mortality	Customized table based on actual experience including an adjustment for some anticipated improvement
Cost of living adjustments	2.5 percent

CITY OF GOODLETTSVILLE, TENNESSEE
 Combining Balance Sheet
 Non-major Governmental Funds
 June 30, 2015

	Special Revenue						Total Special Revenue Funds	Capital Projects		Total Non-major Governmental Funds
	Solid Waste Fund	Drug Fund	Tourism Fund	Stormwater Utility Fund	Electronic Citation Fund	Capital Projects Fund		Capital Projects Fund	Total Non-major Governmental Funds	
Assets										
Cash	\$ -	\$ 34,998	\$ 478,569	\$ 828,546	\$ 6,008	\$ 1,348,121	\$ -	\$ -	\$ 1,348,121	
Receivables, Net	158,791	-	-	267,768	-	426,559	-	-	426,559	
Prepaid Items	1,892	-	1,064	682	-	3,638	-	-	3,638	
Total Assets	\$ 160,683	\$ 34,998	\$ 479,633	\$ 1,096,996	\$ 6,008	\$ 1,778,318	\$ -	\$ -	\$ 1,778,318	
Liabilities and Fund Equity										
Liabilities										
Accounts Payable	\$ 61,821	\$ 110	\$ 265	\$ 1,027	\$ -	\$ 63,223	\$ -	\$ 14,013	\$ 77,236	
Due to Other Funds	95,041	-	-	-	-	95,041	-	108,790	203,831	
Other Liabilities	172	-	-	-	-	172	-	-	172	
Grant Advance	-	-	-	-	-	-	-	185,409	185,409	
Accrued Wages	1,559	-	-	-	-	1,559	-	-	1,559	
Total Liabilities	\$ 158,593	\$ 110	\$ 265	\$ 1,027	\$ -	\$ 159,995	\$ -	\$ 308,212	\$ 468,207	
Fund Balances										
Nonspendable:										
Prepaid Items	1,892	-	1,064	682	-	3,638	-	-	3,638	
Restricted For:										
Drug Fund	-	34,888	-	-	-	34,888	-	-	34,888	
Tourism Fund	-	-	294,967	-	-	294,967	-	-	294,967	
Stormwater Utility Fund	-	-	-	1,095,287	-	1,095,287	-	-	1,095,287	
Solid Waste Fund	198	-	-	-	-	198	-	-	198	
Electronic Citation Fund	-	-	-	-	6,008	6,008	-	-	6,008	
Assigned To:										
Tourism Fund	-	-	183,337	-	-	183,337	-	-	183,337	
Unassigned	-	-	-	-	-	-	(308,212)	(308,212)	(308,212)	
Total Fund Balances	\$ 2,090	\$ 34,888	\$ 479,368	\$ 1,095,969	\$ 6,008	\$ 1,618,323	\$ (308,212)	\$ (308,212)	\$ 1,310,111	
Total Liabilities and Fund Balances	\$ 160,683	\$ 34,998	\$ 479,633	\$ 1,096,996	\$ 6,008	\$ 1,778,318	\$ -	\$ -	\$ 1,778,318	

CITY OF GOODLETTSVILLE, TENNESSEE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended June 30, 2015

	Special Revenue					Total Special Revenue Funds	Capital Projects		Total Non-major Governmental Funds
	Solid Waste Fund	Drug Fund	Tourism Fund	Stormwater Utility Fund	Electronic Citation Fund		Capital Projects Fund		
Revenues									
Drug Revenue	\$ -	\$ 24,191	\$ -	\$ -	\$ -	\$ 24,191	\$ -	\$ -	\$ 24,191
Hotel/ Motel Taxes	-	-	542,221	-	-	542,221	-	-	542,221
Charges for Services	714,190	-	26,652	919,895	6,008	1,666,745	-	-	1,666,745
Interest	31	-	1,352	1,100	-	2,483	-	-	2,483
Miscellaneous Revenue	11,010	-	-	-	-	11,010	-	-	11,010
Contributions and Grants	-	-	363	-	-	363	-	-	363
Total Revenues	725,231	24,191	570,588	920,995	6,008	2,247,013	96,669	96,669	2,343,682
Expenditures									
Current:									
Solid Waste Fund	909,962	-	-	-	-	909,962	-	-	909,962
Drug Fund	-	23,950	-	-	-	23,950	-	-	23,950
Tourism Fund	-	-	492,872	-	-	492,872	-	-	492,872
Stormwater Utility Fund	-	-	-	82,020	-	82,020	-	-	82,020
Capital Outlay	24,908	28,299	35,981	59,011	-	148,199	69,310	69,310	217,509
Total Expenditures	934,870	52,249	528,853	141,031	-	1,657,003	69,310	69,310	1,726,313
Excess of Revenues Over (Under) Expenditures	(209,639)	(28,058)	41,735	779,964	6,008	590,010	27,359	27,359	617,369
Other Financing Sources (Uses)									
Proceeds from Sale of Capital Assets	-	2,827	-	-	-	2,827	-	-	2,827
Insurance Proceeds	-	30,748	-	-	-	30,748	-	-	30,748
Transfers In	171,000	-	-	-	-	171,000	-	-	171,000
Total Other Financing Sources (Uses)	171,000	33,575	-	-	-	204,575	-	-	204,575
Net Change in Fund Balances	(38,639)	5,517	41,735	779,964	6,008	794,585	27,359	27,359	821,944
Fund Balance - July 1, 2014	40,729	29,371	437,633	146,913	-	654,646	(335,571)	(335,571)	319,075
Prior Period Adjustment	-	-	-	169,092	-	169,092	-	-	169,092
Fund Balance - June 30, 2015	\$ 2,090	\$ 34,888	\$ 479,368	\$ 1,095,969	\$ 6,008	\$ 1,618,323	\$ (308,212)	\$ (308,212)	\$ 1,310,111

See independent auditors' report.

CITY OF GOODLETTSVILLE, TENNESSEE
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Special Revenue Funds - Nonmajor Funds
For the Year Ended June 30, 2015

	Solid Waste Fund				Drug Fund			
	Original Budgeted	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Original Budgeted	Final Budgeted	Actual	Variance Favorable (Unfavorable)
Revenues								
Drug and Gambling Revenue	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 24,191	\$ 9,191
Charges for Services	748,500	748,500	714,190	(34,310)	-	-	-	-
Interest	-	-	31	31	-	-	-	-
Miscellaneous Revenues	10,000	10,000	11,010	1,010	-	-	-	-
Total Revenues	<u>758,500</u>	<u>758,500</u>	<u>725,231</u>	<u>(33,269)</u>	<u>15,000</u>	<u>15,000</u>	<u>24,191</u>	<u>9,191</u>
Expenditures								
Current:								
Solid Waste								
Salaries and Benefits	102,018	102,018	129,018	(27,000)	-	-	-	-
Supplies	3,500	3,500	4,188	(688)	-	-	-	-
Repairs and Maintenance	3,000	3,000	107	2,893	-	-	-	-
Disposal Fees	675,000	875,000	730,353	144,647	-	-	-	-
Other Operating Expenses	70,500	70,500	46,296	24,204	-	-	-	-
Capital Outlay	30,000	30,000	24,908	5,092	-	-	-	-
Drug and Gambling								
Supplies	-	-	-	-	7,000	7,000	10,641	(3,641)
Other Operating Expenses	-	-	-	-	20,000	20,000	13,309	6,691
Capital Outlay	-	-	-	-	-	-	28,299	1,701
Total Expenditures	<u>884,018</u>	<u>1,084,018</u>	<u>934,870</u>	<u>149,148</u>	<u>27,000</u>	<u>57,000</u>	<u>52,249</u>	<u>4,751</u>
Excess of Revenues Over (Under) Expenditures	(125,518)	(325,518)	(209,639)	115,879	(12,000)	(42,000)	(28,058)	13,942
Other Financing Sources								
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	2,827	2,827
Insurance Proceeds	-	-	-	-	-	30,000	30,748	748
Transfers In	-	200,000	171,000	(29,000)	5,000	5,000	-	(5,000)
Total Other Financing Sources	-	<u>200,000</u>	<u>171,000</u>	<u>(29,000)</u>	<u>5,000</u>	<u>35,000</u>	<u>33,575</u>	<u>(1,425)</u>
Net Change in Fund Balance	(125,518)	(125,518)	(38,639)	86,879	(7,000)	(7,000)	5,517	12,517
Fund Balance - July 1, 2014	<u>40,729</u>	<u>40,729</u>	<u>40,729</u>	<u>-</u>	<u>29,371</u>	<u>29,371</u>	<u>29,371</u>	<u>-</u>
Fund Balance - June 30, 2015	<u>\$ (84,789)</u>	<u>\$ (84,789)</u>	<u>\$ 2,090</u>	<u>\$ 86,879</u>	<u>\$ 22,371</u>	<u>\$ 22,371</u>	<u>\$ 34,888</u>	<u>\$ 12,517</u>

CITY OF GOODLETTSVILLE, TENNESSEE
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Special Revenue Funds - Nonmajor Funds
For the Year Ended June 30, 2015

	Tourism Fund			Stormwater Utility Fund			Electronic Citation Fund			Variance Favorable (Unfavorable)	
	Original Budgeted	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Original Budgeted	Final Budgeted	Actual	Original Budgeted	Final Budgeted		Actual
Revenues											
Hotel/ Motel Tax	\$ 450,000	\$ 450,000	\$ 542,221	\$ 92,221	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	26,700	26,700	26,652	(48)	604,000	604,000	919,895	-	-	6,008	6,008
Interest	700	700	1,352	652	250	250	1,100	-	-	-	-
Contributions and Grants	-	-	363	363	-	-	-	-	-	-	-
Total Revenues	477,400	477,400	570,588	93,188	604,250	604,250	920,995	-	-	6,008	6,008
Expenditures											
Current											
Tourism											
Salaries and Benefits	371,957	371,957	305,965	65,992	-	-	-	-	-	-	-
Supplies	32,000	32,000	30,799	1,201	-	-	-	-	-	-	-
Repairs and Maintenance	65,000	65,000	51,352	13,648	-	-	-	-	-	-	-
Other Operating Expenses	134,000	134,000	104,756	29,244	-	-	-	-	-	-	-
Capital Outlay	57,000	57,000	35,981	21,019	-	-	-	-	-	-	-
Stormwater Utility											
Salaries and Benefits	-	-	-	-	140,463	140,463	43,629	-	-	-	-
Repairs and Maintenance	-	-	-	-	10,000	10,000	939	-	-	-	-
Other Operating Expenses	-	-	-	-	140,000	140,000	37,452	-	-	-	-
Capital Outlay	-	-	-	-	400,000	400,000	59,011	-	-	-	-
Total Expenditures	659,957	659,957	528,853	131,104	690,463	690,463	141,031	-	-	-	-
Net Change in Fund Balance	(182,557)	(182,557)	41,735	224,292	(86,213)	(86,213)	779,964	-	-	6,008	6,008
Fund Balance - July 1, 2014	437,633	437,633	437,633	-	146,913	146,913	146,913	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-	169,092	-	-	-	-
Fund Balance - June 30, 2015	\$ 255,076	\$ 255,076	\$ 479,368	\$ 224,292	\$ 60,700	\$ 60,700	\$ 1,095,969	\$ -	\$ -	\$ 6,008	\$ 6,008

CITY OF GOODLETTSVILLE, TENNESSEE
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
Capital Projects Fund
For the Year Ended June 30, 2015

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>	<u>Project (Over) Under Budget</u>
Revenues					
FEMA Proceeds	\$ 524,811	\$ -	\$ 524,811	\$ -	\$ (524,811)
TDOT Greenway, Etc.	108,534	-	108,534	3,000,000	2,891,466
TDOT Traffic Synchronization/Signalization	-	96,669	96,669	1,885,000	1,788,331
Total Revenues	<u>633,345</u>	<u>96,669</u>	<u>730,014</u>	<u>3,000,000</u>	<u>2,366,655</u>
Expenditures					
Capital Outlay:					
FEMA Home Buyout	598,797	-	598,797	-	(598,797)
TDOT Traffic Synchronization/Signalization	497,920	7,747	505,667	1,885,000	1,379,333
TDOT Greenway/Bike	200,800	(100)	200,700	3,600,000	3,399,300
Main Street Redevelopment	-	31,905	31,905	-	(31,905)
Conference Drive Enhancement	-	29,758	29,758	-	(29,758)
Total Expenditures	<u>1,297,517</u>	<u>69,310</u>	<u>1,366,827</u>	<u>5,485,000</u>	<u>4,179,836</u>
Other Financing Sources (Uses)					
Operating Transfers In	280,000	-	280,000	-	(280,000)
Total Other Financing Sources (Uses)	<u>280,000</u>	<u>-</u>	<u>280,000</u>	<u>-</u>	<u>(280,000)</u>
Net Change in Fund Balances		27,359			
Fund Balance - July 1, 2014		<u>(335,571)</u>			
Fund Balance - June 30, 2015		<u>\$ (308,212)</u>			

Note: The City has adopted project-length budgets for the capital projects fund.

CITY OF GOODLETTSVILLE, TENNESSEE
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2015

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Pass Through Entity	Contract Number	Beginning (Accrued) Deferred	Cash Receipts	Expenditures	Ending (Accrued) Deferred
Federal Awards							
Federal Emergency Management Agency							
<u>Pass-through programs:</u>							
Hazard Mitigation	97.039	Tennessee Emergency Management Agency	DR-1909-0005	103,436	-	-	103,436
Total Federal Emergency Management Agency Department of Transportation				103,436	-	-	103,436
<u>Pass-through programs:</u>							
Congestion Mitigation and Air Quality Improvement	20.205	Tennessee Department of Transportation	CM-174(19), CM-861(10), CM-174(20)	(374,309)	96,669	7,747	(285,387)
Bicycle/Pedestrian Improvements and Greenway Project	20.205	Tennessee Department of Transportation	CM-9321(1)	(132,048)	27,257	(100)	(104,691)
Total Department of Transportation				(506,357)	123,926	7,647	(390,078)
Total Federal Awards				(402,921)	123,926	7,647	(286,642)
State Financial Assistance							
Tennessee Emergency Management Agency							
<u>Pass-through programs:</u>							
Hazard Mitigation	N/A	N/A	DR-1909-005	84,973	-	-	84,973
Total Tennessee Emergency Management Agency	N/A	N/A	DR-1909-0027	(15)	-	-	(15)
Tennessee Department of Environment and Conservation	N/A	N/A	LPRF TDEC-35465	(20,121)	18,121	75,620	(77,620)
Local Parks and Recreation Fund	N/A	N/A	N/A	-	7,800	7,800	-
Commission on Fire Fighting	N/A	N/A	N/A	-	23,400	23,400	-
Commission on Fire Fighting	N/A	N/A	N/A	-	23,400	23,400	-
Tennessee Peace Officers Standards and Training	N/A	N/A	19180-3212-04	(65,500)	65,500	-	-
Peace Officer Standard and Training Commission	N/A	N/A	PT-14-64	-	5,000	5,000	-
Tennessee Department of Transportation	N/A	N/A		(65,500)	70,500	5,000	-
Interchange Lighting							
Governor's Highway Safety Office - Hi Visibility							
Total Tennessee Department of Transportation							
Total State Financial Assistance				(663)	119,821	111,820	7,338
Total Federal Awards and State Financial Assistance				\$ (403,584)	\$ 243,747	\$ 119,467	\$ (279,304)

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Financial Assistance includes the federal and state grant activity of the City of Goodlettsville, Tennessee under the programs of the federal and state governments 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 Goodlettsville, Tennessee, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Goodlettsville, Tennessee.

Note 2. Significant Accounting Policies

(1) 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.

Note 3. Loans Outstanding

At June 30, 2015, there was an outstanding balance of \$6,757,101 on 09-224 State Revolving Loan Fund. There were payments of \$246,055 to the State Revolving Loan Fund during the current fiscal year.

CITY OF GOODLETTSVILLE, TENNESSEE
Schedule of Reserve, Receipts and Disbursements
for State Street Aid
For the Year Ended June 30, 2015

State Street Aid		
Beginning Reserve for State Street Aid	\$	-
Receipts		
Gas Taxes	449,988	
Total Receipts	449,988	449,988
Expenditures		
Street Lights	159,289	
Street Maintenance	59,046	
Street Paving	-	
Long-term Debt	-	
Capital Improvements	231,653	
	449,988	449,988
Ending Reserve for State Street Aid	\$	-

See independent auditors' report.

CITY OF GOODLETTSVILLE, TENNESSEE
 Schedule of Long-Term Debt, Principal, and Interest Requirements
 By Fiscal Year
 June 30, 2015

Fiscal Year Ended June 30, 2016	General Obligation Refunding Bond, Series 2012		2013 Municipal Leasing Consultants Equipment Lease		General Obligation Refunding Bond, Series 2011		2012 Stringfellow, Inc. Equipment Lease		2014 Municipal Leasing Consultants Equipment Lease		2015 Municipal Leasing Consultants Equipment Lease	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2017	125,000	65,065	265,221	1,594	19,051	1,452	24,599	4,484	46,651	2,799	130,217	16,186
2018	130,000	61,305	280,300	1,178	19,475	-	-	3,025	-	-	133,389	13,014
2019	135,000	57,405	110,190	533	20,321	-	-	62,527	-	-	136,637	9,788
2020	140,000	53,505	91,154	-	13,335	-	-	64,022	-	-	139,965	6,438
2021	140,000	50,805	-	-	-	-	-	-	-	-	61,446	3,029
2022	140,000	48,005	-	-	-	-	-	-	-	-	62,943	1,533
2023	145,000	45,205	-	-	-	-	-	-	-	-	-	-
2024	145,000	42,305	-	-	-	-	-	-	-	-	-	-
2025	150,000	39,405	-	-	-	-	-	-	-	-	-	-
2026	150,000	36,405	-	-	-	-	-	-	-	-	-	-
2027	155,000	33,405	-	-	-	-	-	-	-	-	-	-
2028	160,000	30,305	-	-	-	-	-	-	-	-	-	-
2029	160,000	26,905	-	-	-	-	-	-	-	-	-	-
2030	165,000	23,225	-	-	-	-	-	-	-	-	-	-
2031	170,000	19,100	-	-	-	-	-	-	-	-	-	-
2032	175,000	14,850	-	-	-	-	-	-	-	-	-	-
2033	180,000	10,038	-	-	-	-	-	-	-	-	-	-
2034	185,000	5,088	-	-	-	-	-	-	-	-	-	-
Total	\$ 2,740,000	\$ 662,316	\$ 716,865	\$ 3,305	\$ 72,182	\$ 1,452	\$ 24,599	\$ 9,039	\$ 46,651	\$ 2,799	\$ 664,597	\$ 49,566

Fiscal Year Ended June 30, 2016	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	681,807	106,259	36,056	228,719	717,863	335,478
2018	605,691	88,132	26,647	209,474	632,338	297,606
2019	461,170	73,663	180,997	184,781	642,167	258,444
2020	379,454	62,180	459,679	162,902	839,133	225,082
2021	201,446	53,834	301,866	142,860	503,312	206,643
2022	202,943	49,538	-	142,860	345,803	182,398
2023	145,000	45,205	-	132,619	277,619	177,824
2024	145,000	42,305	-	122,081	267,381	164,386
2025	150,000	39,405	-	111,234	261,234	150,639
2026	155,000	36,405	-	100,072	255,077	136,477
2027	160,000	33,405	-	88,583	248,583	121,988
2028	160,000	30,305	-	76,758	236,758	107,963
2029	165,000	26,905	-	64,589	221,589	91,494
2030	170,000	23,225	-	52,064	202,064	75,289
2031	175,000	19,100	-	39,175	184,175	58,275
2032	180,000	14,850	-	25,909	174,150	40,759
2033	185,000	10,038	-	12,257	172,762	22,266
2034	185,000	5,088	-	983	180,083	6,071
Total	\$ 4,452,511	\$ 759,842	\$ 6,757,101	\$ 1,827,201	\$ 11,209,612	\$ 2,667,711

Fiscal Year Ended June 30, 2016	General Obligation Refunding Bond, Series 2011		2013 Municipal Leasing Consultants Equipment Lease		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	430,949	36,056	48,820	2,798	479,769	38,854
2018	440,525	26,647	49,581	1,830	490,106	28,477
2019	459,679	12,067	20,988	844	480,667	12,911
2020	301,866	-	21,427	428	323,293	1,428
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	-	-	-	-
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
Total	\$ 1,632,819	\$ 74,770	\$ 140,616	\$ 5,898	\$ 1,773,435	\$ 80,668

Statistical Section

CITY OF GOODLETTSVILLE, TENNESSEE
Statistical Section - Table of Contents
For the Fiscal Year Ended June 30, 2015

	Page
Financial Trends Information	
Net Position by Component - Last 10 Years	56
Changes in Net Position - Last 10 Years	57
Fund Balance - Governmental Funds - Last 10 Years	58
Changes in Fund Balance - Governmental Funds - Last 10 Years	59
Revenue Capacity Information	
Assessed Value and Estimated Actual Value of Taxable Property - Last 10 Years	60
Property Tax Rates - Direct and Overlapping Governments - Last 10 Years	61
Principal Property Tax Payers - Last 10 Years	62
Property Tax Levies and Collections - Last 10 Years	63
Local Sales Tax Collections - Last 10 Years	64
Local Sales Tax Revenue by Industry, Principal Employer Current Year and 9 years ago	65
Local Sales Tax by Category - Last 10 Years	66
Debt Capacity Information	
Ratios of Outstanding Debt by Type - Last 10 Years	67
Ratios of General Bonded Debt Outstanding - Last 10 Years	68
Direct and Overlapping Governmental Activities Debt - Last 10 Years	69
Legal Debt Margin Information - Last 10 Years	70
Demographic and Economic Information	
Demographic and Economic Statistics - Last 10 Calendar Years	71
Principal Employers - Current Year and 9 Years Ago	72
Operating Information	
Full-Time Equivalent City Government Employees by Function/Program - Last 10 Years	73
Operating Indicators by Function - Last 10 Years	74
Capital Asset Statistics by Function/Program - Last 10 Years	75
Water and Sewer Rates - Current Year	76

City of Goodlettsville
Financial Trends Information
Net Position by Component-Last Ten Fiscal Years
(prepared using the accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net investment in capital assets	12,430,012	12,471,317	12,003,926	12,726,830	12,294,327	11,896,924	11,678,308	11,437,421	14,221,387	14,693,713
Restricted for:										
State Street Aid	384,604	359,790	322,662	104,943	29,752	53,880	-	250,105	-	-
Conference Drive	-	-	-	-	-	600,202	600,911	-	-	-
Drug Fund	-	12,264	2,913	17,100	(5,733)	-	-	-	29,371	34,888
Tourism	177,155	343,259	510,371	707,413	832,935	802,736	963,510	874,573	323,333	491,410
Solid Waste Fund	-	-	-	-	-	-	-	-	40,729	1,456
Stormwater Utility	-	-	-	-	-	-	-	-	146,913	1,097,880
Electronic Citation	-	-	-	-	-	-	-	-	-	6,008
Other Purposes	-	-	-	-	-	-	-	-	-	-
Unrestricted	2,553,398	2,443,297	1,885,139	1,484,644	1,878,211	1,526,506	3,033,833	5,404,946	4,376,371	3,880,794
Total Net Position	15,545,169	15,629,927	14,725,011	15,040,930	15,029,492	14,880,248	16,276,562	17,967,045	19,138,104	20,206,149

Business Type Activities										
Net investment in capital assets	15,122,632	17,149,036	17,599,243	17,813,801	17,808,778	18,953,282	18,953,282	22,302,641	22,085,086	21,932,257
Restricted for:										
State Street Aid	-	-	-	-	-	-	-	-	-	-
Conference Drive	-	-	-	-	-	-	-	-	-	-
Drug Fund	-	-	-	-	-	-	-	-	-	-
Tourism	-	-	-	-	-	-	-	-	-	-
Solid Waste Fund	-	-	-	-	-	-	-	-	-	-
Stormwater Utility	-	-	-	-	-	-	-	-	-	-
Other Purposes	-	-	-	-	-	-	-	-	-	-
Unrestricted	5,324,198	4,553,595	4,343,604	4,145,918	4,390,079	3,422,731	4,951,012	7,695,108	8,646,906	9,910,851
Total Net Position	20,446,830	21,702,631	21,942,847	21,959,719	22,198,857	22,376,013	23,904,294	29,997,749	30,731,992	31,843,108

Primary Government										
Net investment in capital assets	27,552,644	29,620,353	29,603,169	30,540,631	30,103,105	30,850,206	30,631,590	33,740,062	36,306,473	36,625,970
Restricted for:										
State Street Aid	384,604	359,790	322,662	104,943	29,752	53,880	-	250,105	-	-
Conference Drive	-	-	-	-	-	600,202	600,911	-	-	-
Drug Fund	-	12,264	2,913	17,100	(5,733)	-	-	-	29,371	34,888
Tourism	177,155	343,259	510,371	707,413	832,935	802,736	963,510	874,573	323,333	491,410
Solid Waste Fund	-	-	-	-	-	-	-	-	40,729	1,456
Stormwater Utility	-	-	-	-	-	-	-	-	146,913	1,097,880
Electronic Citation	-	-	-	-	-	-	-	-	-	6,008
Other Purposes	-	-	-	-	-	-	-	-	-	-
Unrestricted	7,877,596	6,996,892	6,228,743	5,630,562	6,268,290	4,949,237	7,984,845	13,100,054	13,023,277	13,791,645
Total Net Position	35,991,999	37,332,558	36,667,858	37,000,649	37,228,349	37,256,261	40,180,856	47,964,794	49,870,096	52,049,257

City of Goodlettsville
Financial Trends Information
Changes in Net Position-Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:										
Governmental Activities:										
General government	3,708,549	2,342,184	2,952,980	3,084,557	2,885,572	3,441,250	3,320,663	2,752,406	2,614,421	2,261,558
Public Safety	3,764,760	5,145,295	5,363,001	5,113,792	5,339,890	5,502,153	5,663,684	5,706,302	6,497,320	6,396,791
Public Works	1,152,245	1,104,566	1,214,839	1,216,964	1,142,901	1,245,971	1,053,706	1,272,691	1,527,196	1,665,390
Sanitation	757,549	776,246	754,109	755,411	751,294	845,076	863,007	702,779	894,450	917,317
Parks and recreation	1,084,657	1,476,666	1,542,379	1,589,483	1,251,512	1,313,301	1,291,967	1,424,710	1,553,219	1,499,135
Tourism	322,200	309,084	289,944	173,820	270,514	323,864	383,334	509,145	501,046	602,624
Tornado Relief	423,344	128,001	3,546	-	-	-	-	-	-	-
Stormwater Utility	-	-	-	-	-	-	-	97,702	150,981	99,357
Interest expense on long term debt	53,422	52,857	69,465	56,429	60,363	40,026	32,329	42,212	112,537	117,292
Total governmental activities expenses	11,266,726	11,334,899	12,190,363	11,990,456	11,702,046	12,711,641	12,608,690	12,507,947	13,851,170	13,559,464
Business-Type Activities										
Sewer	2,956,179	2,945,012	3,116,698	3,381,879	3,746,237	4,264,052	3,380,407	4,173,995	4,340,130	4,141,980
Total business-type activities expenses	2,956,179	2,945,012	3,116,698	3,381,879	3,746,237	4,264,052	3,380,407	4,173,995	4,340,130	4,141,980
Total primary government expenses	14,222,905	14,279,911	15,307,061	15,372,335	15,448,283	16,975,693	15,989,097	16,681,942	18,191,300	17,701,444
Program Revenues										
Governmental Activities:										
Charges for Services:										
General government	14,695	412,791	419,824	243,585	221,549	236,453	137,127	197,237	135,681	310,502
Public Safety	185,047	248,452	418,263	374,942	331,612	249,802	377,653	450,102	457,760	429,923
Public Works	197,171	70,931	26,644	11,000	28,647	30,822	4,500	2,100	2,100	5,475
Sanitation	15,825	12,280	13,747	750,628	755,567	822,711	801,298	764,672	730,821	725,196
Parks and recreation	222,322	217,378	255,952	251,078	250,796	249,439	271,804	251,980	326,325	268,432
Tourism	49,790	46,833	39,415	19,813	26,643	26,112	24,315	26,572	24,592	26,652
Stormwater Utility	-	-	-	-	-	-	-	195,936	199,206	919,895
Operating Grants and Contributions	472,132	587,464	580,549	451,559	535,204	467,800	473,505	546,390	695,249	486,551
Capital Grants and Contributions	-	-	-	726,750	83,578	314,946	1,492,334	163,772	479,145	85,251
Total governmental activities program revenues	1,156,982	1,596,129	1,754,394	2,829,355	2,233,596	2,398,085	3,582,536	2,598,761	3,050,879	3,257,877
Business-Type Activities										
Charges for Services:										
Sewer	3,291,138	3,244,761	3,213,085	3,309,267	3,931,217	4,493,710	4,972,421	5,111,824	5,170,098	5,384,763
Capital Grants and Contributions	123	-	-	-	-	-	-	-	-	37,818
Total business-type activities program revenues	3,291,261	3,244,761	3,213,085	3,309,267	3,931,217	4,493,710	4,972,421	5,111,824	5,170,098	5,422,581
Total primary government program revenues	4,448,243	4,840,890	4,967,479	6,138,622	6,164,813	6,891,795	8,554,957	7,710,585	8,220,977	8,680,458
Net (Expense)/Revenue										
Governmental Activities										
	(10,109,744)	(9,738,770)	(10,435,969)	(9,161,101)	(9,468,450)	(10,313,556)	(9,026,154)	(9,909,186)	(10,800,291)	(10,301,587)
Business-Type Activities										
	335,082	299,749	96,387	(72,612)	184,980	229,658	1,592,014	937,829	829,968	1,280,601
Total primary government net expense	(9,774,662)	(9,439,021)	(10,339,582)	(9,233,713)	(9,283,470)	(10,083,898)	(7,434,140)	(8,971,357)	(9,970,323)	(9,020,986)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property and Personality Taxes	2,718,140	2,858,107	2,887,839	2,941,434	3,085,580	3,117,133	3,137,842	4,317,671	4,346,568	4,489,569
TVA and Other PILOT Taxes	-	-	88,596	55,504	162,379	291,630	248,490	282,786	223,155	233,630
Income Taxes	58,929	87,277	148,558	181,943	208,520	98,458	112,017	154,168	178,717	213,942
Sales Taxes	5,095,626	4,850,810	4,926,136	4,629,297	4,468,555	4,934,557	5,023,136	5,015,288	5,091,466	5,116,401
Alcoholic Beverage Taxes	585,423	603,514	658,151	641,687	645,542	658,616	687,506	710,163	687,448	707,930
Business Taxes	319,008	390,419	360,501	346,151	312,670	341,693	338,337	380,080	410,971	361,236
Hospitality Taxes	353,144	393,689	384,460	329,861	342,195	443,718	523,124	546,679	568,057	666,942
Franchise Taxes	-	-	-	-	-	-	-	-	252,384	373,024
Miscellaneous State Taxes	531,184	136,039	144,599	155,243	4,710	4,014	5,813	8,183	-	7,114
Unrestricted Investment Earnings	92,994	156,780	110,367	26,318	8,444	9,127	8,651	15,013	17,398	20,652
Insurance Recoveries and Gain on Disposal of Capital Assets	-	245,789	31,888	-	110,221	98,308	195,157	2,680	13,901	60,046
Miscellaneous	36,277	20,322	52,472	91,754	30,664	28,806	32,315	16,372	29,075	10,720
Transfers, Net	-	80,784	80,784	77,829	77,529	105,359	110,083	150,586	152,216	156,112
Total governmental activities	9,790,725	9,823,530	9,874,351	9,477,021	9,457,009	10,131,419	10,422,471	11,599,669	11,971,356	12,417,318
Business-Type Activities										
Investment Earnings	217,722	271,593	174,078	54,396	22,915	23,384	18,350	25,996	28,491	30,669
Insurance Recoveries and Gain on Disposal of Capital Assets	-	717,564	-	66,691	-	-	-	-	-	-
Miscellaneous	10,000	47,680	50,534	46,225	24,834	29,473	28,000	280,216	28,000	28,000
Extraordinary Item	-	-	-	-	-	-	-	5,000,000	-	-
Transfers, Net	-	(80,784)	(80,784)	(77,829)	(77,529)	(105,359)	(110,083)	(150,586)	(152,216)	(156,112)
Total business-type activities	227,722	956,053	143,828	89,483	(29,780)	(52,502)	(63,733)	5,155,626	(95,725)	(97,443)
Total primary government	10,018,447	10,779,583	10,018,179	9,566,504	9,427,229	10,078,917	10,358,738	16,755,295	11,875,631	12,319,875
Change in Net Position										
Governmental Activities										
	(319,019)	84,760	(561,618)	315,920	(11,441)	(182,137)	1,396,317	1,690,483	1,171,065	2,115,731
Business-Type Activities										
	562,804	1,255,802	240,215	16,871	155,200	177,156	1,528,281	6,093,455	734,243	1,183,158
Total primary government	243,785	1,340,562	(321,403)	332,791	143,759	(4,981)	2,924,598	7,783,938	1,905,308	3,298,889

City of Goodlettsville
Financial Trends Information
Fund Balances, Governmental Funds, Last Ten Years
(prepared using the modified accrual basis of accounting)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Funds:										
General Fund										
Reserved	-	-	-	-	-	1,441,289	1,450,846	1,462,424	1,310,645	1,116,808
Unreserved and undesignated	-	-	-	-	-	2,536,110	1,863,214	1,613,316	2,107,259	2,011,185
Nonspendable	166,777	181,176	154,732	187,562	107,846	-	-	-	-	-
Restricted	-	-	250,105	600,911	654,082	-	-	-	-	-
Committed	1,130,658	639,178	494,462	288,552	417,825	-	-	-	-	-
Assigned	552,121	1,719,322	2,498,074	501,462	500,830	-	-	-	-	-
Unassigned	5,681,142	4,525,133	4,625,329	1,986,638	2,032,259	-	-	-	-	-
Total General Fund	7,530,698	7,064,809	8,022,702	3,565,125	3,712,842	3,977,399	3,314,060	3,075,740	3,417,904	3,127,993
All Other Governmental Funds										
Reserved for Special Revenue Funds	-	-	-	-	-	103,983	17,904	(16,376)	19,426	(6,829)
Reserved for Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Unreserved reported in Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Unreserved reported in Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Restricted reported in Special Revenue Funds	1,310,111	319,075	906,178	931,263	1,067,565	-	-	-	-	-
Restricted reported in Capital Projects Fund	-	-	28,628	(163,938)	-	-	-	-	-	-
Total all other governmental funds	1,310,111	319,075	934,806	767,325	1,067,565	103,983	17,904	(16,376)	19,426	(6,829)
Total	8,840,809	7,383,884	8,957,508	4,332,450	4,780,407	4,081,382	3,331,964	3,059,364	3,437,330	3,121,164

*In 2011 the classifications of fund balance have been changed to reflect the implementation of GASB 54.

City of Goodlettsville
Financial Trends Information
Changes in Fund Balances, Governmental Funds, Last Ten Years

(prepared using the modified accrual basis of accounting)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues:										
Local Taxes	9,910,703	9,686,052	9,358,808	8,178,409	8,210,565	7,642,524	7,901,636	8,182,818	7,985,827	8,113,879
Licenses and Permits	295,837	124,170	196,576	104,264	238,258	158,204	210,480	417,264	448,773	187,990
Fines	376,750	398,256	383,982	314,991	221,503	303,867	276,741	341,525	204,265	143,754
Drug and Gambling Revenue	24,191	28,482	17,185	29,038	27,312	23,127	56,070	32,936	22,810	19,190
Intergovernmental Revenues	2,263,258	2,296,400	2,022,271	1,972,315	2,024,861	1,999,777	2,539,936	1,858,423	1,944,912	1,489,740
Charges for Services	1,935,177	1,303,506	1,276,304	1,108,487	1,091,767	1,037,406	1,197,771	512,939	452,957	428,514
Hotel/Motel Taxes	542,221	457,156	442,943	426,303	362,354	272,081	-	-	-	-
Interest	2,483	2,647	2,554	3,771	1,080	-	-	-	-	-
Contributions and Grants	97,032	120,178	230,334	444,797	-	-	-	5,513	64,357	11,000
Miscellaneous Revenues	77,748	54,557	33,394	46,083	75,457	65,870	119,546	162,839	177,102	215,655
Total Revenues	15,525,400	14,471,404	13,964,351	12,628,458	12,253,157	11,502,856	12,302,180	11,514,257	11,301,003	10,609,722
Expenditures:										
Current:										
General Government	2,318,405	2,245,637	2,571,592	2,750,629	2,525,674	2,324,676	2,368,115	2,707,055	2,028,209	3,549,871
Public Safety	6,158,702	5,944,757	5,194,172	5,006,644	5,039,840	4,862,765	4,768,967	4,993,285	4,818,828	3,439,874
Public Works	1,165,939	1,081,918	940,156	940,662	969,315	960,243	46,980	27,696	31,452	29,299
Solid Waste	909,962	885,152	823,067	803,679	773,941	702,062	940,758	936,324	853,306	661,084
Drug Fund	23,950	4,193	14,125	238,232	36,676	45,960	715,511	686,556	689,125	640,079
Parks and Recreation	1,362,222	1,426,434	1,250,466	1,227,117	1,248,625	1,218,791	1,367,782	1,317,488	1,249,166	899,147
Storm Expenditures	-	-	-	34,415	131,648	57,937	-	34,663	128,001	423,344
Tourism	492,872	466,126	422,642	330,259	286,989	243,412	203,219	298,798	309,084	331,935
Stormwater Utility	82,020	150,981	97,702	-	-	-	-	-	-	-
Debt Service-Principal	683,453	604,672	435,381	391,465	616,030	477,341	404,484	450,845	524,281	510,720
Debt Service-Interest	107,348	120,731	31,839	32,951	55,135	60,784	61,195	59,439	6,210	48,825
Capital Outlay	2,054,159	3,778,257	2,484,254	2,015,897	456,563	734,701	1,230,399	1,045,704	1,315,062	552,986
Total expenditures	15,359,032	16,708,858	14,265,396	13,771,950	12,140,436	11,688,672	12,107,410	12,557,853	11,952,724	11,087,164
Excess of revenues over (under) expenditures	166,368	(2,237,454)	(301,045)	(1,143,492)	112,721	(185,816)	194,770	(1,043,596)	(651,721)	(477,442)
Other Financing Sources & Uses:										
Bonds, notes, and leases	-	-	-	-	-	-	-	-	-	-
Transfers In	811,000	454,688	4,476,411	287,766	152,205	271,818	-	552,957	630,500	174,972
Transfers Out	301,112	152,216	815,813	495,629	105,359	77,529	77,829	755,491	905,205	-
(145,000)	-	(564,000)	(321,000)	-	-	-	-	(674,707)	(824,421)	-
Sale of capital assets	94,307	43,025	195,199	37,982	24,988	-	-	-	44,680	11,541
Insurance recoveries	60,046	13,901	2,680	195,157	98,308	585,889	-	31,888	211,924	-
Total other financing sources (uses)	1,121,465	663,830	4,926,103	695,534	380,860	935,236	77,829	665,629	967,888	186,513
Special Item	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	1,287,833	(1,573,624)	4,625,058	(447,958)	493,581	749,420	272,599	(377,967)	316,167	(290,929)
Debt Service as % of noncapital expenditures	5.94%	5.61%	3.97%	3.61%	5.74%	4.91%	4.28%	4.43%	4.99%	5.31%

City of Goodlettsville
Revenue Capacity Information
Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Years

Tax Year	Fiscal Year	Tangible/					Public Utility Property	Total Assessed Value	Total Direct Tax Rate *	Estimated Actual Taxable Value	Taxable Assessed Value As a Percentage of Actual Taxable Value
		Commercial/Industrial	Residential	Farm/Other Property	Intangible Personal Property	Intangible Property					
2014	2013	223,197,263	219,919,575	4,015,081	28,395,898	12,073,548	487,601,365	\$0.9018	1,576,044,678	30.94%	
2013	2014	224,005,440	226,711,862	5,689,603	29,788,960	11,755,464	497,951,329	\$0.8785	1,612,847,183	30.87%	
2012	2013	219,888,933	229,427,882	4,655,626	30,127,424	12,310,088	496,409,953	\$0.8700	1,628,807,560	30.48%	
2011	2012	221,226,526	227,294,125	3,936,138	30,458,619	12,259,342	495,174,750	\$0.6338	1,609,404,205	30.77%	
2010	2011	205,653,793	225,728,300	4,226,638	29,001,494	11,237,135	475,847,360	\$0.6338	1,555,073,926	30.60%	
2009	2010	202,357,510	220,925,750	4,334,571	30,430,300	11,239,157	469,287,288	\$0.6338	1,541,665,322	30.44%	
2008	2009	187,204,849	203,118,150	3,925,734	25,694,001	10,322,789	430,265,523	\$0.6600	1,588,197,466	27.09%	
2007	2008	183,076,639	198,681,550	4,062,584	30,391,174	10,507,862	426,719,809	\$0.6600	1,508,134,675	28.29%	
2006	2007	180,360,856	193,251,675	4,168,134	30,252,913	11,769,111	419,802,689	\$0.6400	1,368,386,873	30.68%	
2005	2006	178,327,103	173,458,650	4,516,609	30,188,626	11,985,005	398,475,993	\$0.7000	1,322,043,065	30.14%	

* per \$100 of assessed valuation

City of Goodlettsville
Revenue Capacity Information
Direct and Overlapping Property Tax Rates, Last Ten Years

Fiscal Year	Levy Year	Direct Rate*		Overlapping Rates**		Total	
		Sumner City	Davidson City	Sumner County	Davidson County	Sumner City	Davidson City
2006	2005	\$ 0.6600	\$ 0.7000	\$ 2.5900	\$ 4.0400	\$ 3.2500	\$ 4.7400
2007	2006	\$ 0.6900	\$ 0.6400	\$ 2.2800	\$ 4.0400	\$ 2.9700	\$ 4.6800
2008	2007	\$ 0.6600	\$ 0.6600	\$ 2.2800	\$ 4.0400	\$ 2.9400	\$ 4.7000
2009	2008	\$ 0.6600	\$ 0.6600	\$ 2.2800	\$ 4.0400	\$ 2.9400	\$ 4.7000
2010	2009	\$ 0.6338	\$ 0.6338	\$ 2.0208	\$ 3.5600	\$ 2.6546	\$ 4.1938
2011	2010	\$ 0.6338	\$ 0.6338	\$ 2.0208	\$ 3.5600	\$ 2.6546	\$ 4.1938
2012	2011	\$ 0.6338	\$ 0.6338	\$ 2.0208	\$ 3.5600	\$ 2.6546	\$ 4.1938
2013	2012	\$ 0.8700	\$ 0.8700	\$ 2.0208	\$ 4.0400	\$ 2.8908	\$ 4.9100
2014	2013	\$ 0.8785	\$ 0.8785	\$ 2.0208	\$ 3.9200	\$ 2.8993	\$ 4.7985
2015	2014	\$ 0.9018	\$ 0.9018	\$ 2.5000	\$ 3.9240	\$ 3.4018	\$ 4.8258

Source-Tennessee Comptroller of the Treasury

Levied per \$100 of assessed value

*Property tax rate within the City may differ by County

** Property tax rate levied on County Property within the City

**City of Goodlettsville
Revenue Capacity Information
Principal Property Taxpayers**

Taxpayer	2015			2009		
	Total Assessed Value	Rank	Percent of Total Assessed Value	Total Assessed Value	Rank	Percent of Total Assessed Value
Dollar General	18,545,250	1	3.75%	18,419,480	1	3.92%
IBP/Tyson	13,110,068	2	2.65%	14,826,032	2	3.16%
Realty Assoc Iowa Corp	12,001,540	3	2.43%	13,345,560	3	2.84%
Rivergate Mall	10,760,170	4	2.17%	11,095,120	4	2.36%
KC Investors	9,153,560	5	1.85%	7,652,760	5	1.63%
United Fidelity Bank/Pedcor	7,706,840	6	1.56%	6,960,680	6	1.48%
Preston Run	7,597,000	7	1.54%	5,339,320	7	1.14%
Lenoxgate	5,538,000	8	1.12%	5,198,320	8	1.11%
Armed Services Mutual Benefit	3,611,488	9	0.73%	3,736,000	9	0.80%
Piccadilly Apartments	3,336,520	10	0.67%	3,433,601	10	0.73%
Totals	<u>91,360,436</u>		<u>18.46%</u>	<u>90,006,873</u>		<u>19.18%</u>
Total Assessed Value	<u>\$494,898,044</u>			<u>469,287,288</u>		

Source: City Tax Rolls

Note: Historical data for tax year 2005 (nine years ago), is unavailable.

Note: Fiscal Year 2015 reflects Tax Year 2014 and Fiscal Year 2009 reflects 2008 Tax Year

City of Goodlettsville
Revenue Capacity Information
Property Tax Levies and Collections, Last Ten Fiscal Years

Fiscal Year Levy Year	Total Tax Levy	Current		Delinquent Tax Collections	Total Collections	Total		Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Current Levy
		Tax Collections	Percent Collected			Collected as Percent of Current Levy	Collected as Percent of Current Levy		
2006	2,689,609	2,489,396	92.56%	70,241	2,559,637	95.17%	27,371	1.02%	
2007	2,840,113	2,751,356	96.87%	205,131	2,956,487	104.10%	2,624	0.09%	
2008	2,887,879	2,653,397	91.88%	72,216	2,725,613	94.38%	3,354	0.12%	
2009	2,887,879	2,827,316	97.90%	209,409	3,036,725	105.15%	14,570	0.50%	
2010	3,085,580	2,946,791	95.50%	71,386	3,018,177	97.82%	26,982	0.87%	
2011	3,117,133	2,960,454	94.97%	99,747	3,060,201	98.17%	45,597	1.46%	
2012	3,126,381	2,977,789	95.25%	160,052	3,137,841	100.37%	148,593	4.75%	
2013	4,333,550	4,167,047	96.16%	95,036	4,262,083	98.35%	166,503	3.84%	
2014	4,346,390	4,205,129	96.75%	221,623	4,426,752	101.85%	141,261	3.25%	
2015	4,396,889	4,220,729	95.99%	94,085	4,314,814	98.13%	176,160	4.01%	

City of Goodlettsville
Revenue Capacity Information
Local Sales Tax Collections, Last Ten Fiscal Years

Fiscal Year	Total Remittances From State *	City Direct Rate	County Rate**	Local Tax Rate	State Tax Rate	Total Tax Rate
2006	4,179,327	1.125%	1.125%	2.25%	7.00%	9.25%
2007	3,813,886	1.125%	1.125%	2.25%	7.00%	9.25%
2008	3,874,468	1.125%	1.125%	2.25%	7.00%	9.25%
2009	3,656,330	1.125%	1.125%	2.25%	7.00%	9.25%
2010	3,528,506	1.125%	1.125%	2.25%	7.00%	9.25%
2011	3,952,584	1.125%	1.125%	2.25%	7.00%	9.25%
2012	3,953,658	1.125%	1.125%	2.25%	7.00%	9.25%
2013	3,919,097	1.125%	1.125%	2.25%	7.00%	9.25%
2014	3,956,919	1.125%	1.125%	2.25%	7.00%	9.25%
2015	3,917,651	1.125%	1.125%	2.25%	7.00%	9.25%

*Remittances above represent the City's portion of the Local Option Sales Tax collections

**The county rate for both Sumner County and Davidson County has been the same for the past ten years

City of Goodlettsville, Tennessee
Revenue Capacity Information
Local Sales Tax Revenue by Industry, Principal Employers, Fiscal Years 2006 and 2015

Sector	Fiscal Year 2006			Fiscal Year 2015			
	Number of Filers	% of Total	Tax Liability	Number of Filers	% of Total	Tax Liability	% of Total
1 Retail Trade	402	61.28%	\$6,090,018	293	54.77%	\$4,863,555	77.49%
2 Services	144	21.95%	\$552,516	145	27.10%	\$599,438	9.55%
3 Manufacturing	43	6.55%	\$182,588	28	5.23%	\$144,229	2.30%
4 Wholesale Trade	42	6.40%	\$238,297	27	5.05%	\$264,515	4.21%
5 Construction	5	0.76%	\$42,203	6	1.12%	\$64,079	1.02%
6 Finance Insurance Real Estate	unavailable		unavailable	unavailable		unavailable	
7 Transportation and Utilities	4	0.61%	\$29,183	4	0.75%	\$34,471	0.55%
8 Agriculture	unavailable		unavailable	4	0.75%	\$7,860	0.13%
9 Other, Non Classified	10	1.52%	\$86,896	26	4.86%	\$170,297	2.71%
Total	656	100.00%	\$7,283,916	535	100.00%	\$6,276,650	100.00%

Source: Tennessee Department of Revenue, Research Section

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 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 Goodlettsville share of county clerk or out-of-state taxpayer amounts.
5. Totals include data for unavailable categories.

City of Goodlettsville
Revenue Capacity Information
Local Taxable Sales by Category, Last Ten Calendar Years

Category	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1 Apparel Stores	\$23,638,422	\$18,202,400	\$14,501,849	\$13,937,126	\$11,177,219	\$13,091,318	\$15,453,478	\$15,163,327	\$14,690,460	\$9,240,693
2 General Merchandise Stores	\$73,690,657	\$73,426,296	\$70,321,287	\$61,059,296	\$56,717,443	\$57,495,030	\$56,713,043	\$52,234,437	\$51,820,521	\$33,251,276
3 Food Stores	\$45,715,959	\$47,598,732	\$56,340,607	\$59,599,667	\$58,652,022	\$59,847,661	\$63,667,049	\$66,800,404	\$69,476,181	\$71,660,715
4 Eating and Drinking Places	\$40,789,164	\$42,284,576	\$42,998,737	\$42,269,392	\$41,159,929	\$42,109,529	\$42,673,201	\$43,794,512	\$43,411,685	\$41,023,403
5 Furniture Stores	\$17,105,900	\$20,164,197	\$20,715,070	\$20,779,124	\$16,149,990	\$16,371,262	\$15,505,792	\$16,169,382	\$18,634,467	\$20,060,576
6 Building Materials	\$15,725,822	\$15,991,172	\$3,268,267	\$2,227,767	\$2,379,458	\$1,401,986	\$1,043,947	\$958,844	\$1,021,571	\$1,491,112
7 MV Dealers and Service Stations	\$16,225,095	\$15,714,833	\$12,869,674	\$11,958,492	\$12,554,851	\$14,263,250	\$13,658,966	\$14,107,079	\$14,409,443	\$15,424,631
8 Other Retail	\$33,049,249	\$34,992,658	\$33,475,928	\$30,593,859	\$25,638,895	\$26,709,519	\$31,428,412	\$29,801,903	\$32,079,415	\$30,763,078
9 All Other Outlets	\$52,381,933	\$54,825,634	\$53,226,202	\$45,636,755	\$39,655,013	\$50,722,679	\$58,612,437	\$56,001,704	\$54,768,538	\$61,472,251
Total	\$318,322,201	\$323,200,498	\$307,717,621	\$288,061,478	\$264,084,820	\$282,012,234	\$298,756,325	\$295,031,592	\$300,312,281	\$284,387,735

Source: Department of Revenue, Research Section

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

City of Goodlettsville
Debt Capacity Information
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percent of Personal Income*	Debt Per Capita
	Population	General Obligation Bonds	Capital Leases	Capital Notes	General Obligation Bonds	Loan-Wastewater	State	Capital Leases			
2006	14,761	840,000	367,530	-	585,000	-	4,718,842	-	6,511,372	1.57%	441
2007	14,761	1,225,500	126,898	-	510,000	-	4,454,556	-	6,316,954	1.52%	428
2008	14,761	949,600	305,879	200,000	430,000	-	4,153,084	-	6,338,563	1.53%	429
2009	14,761	688,810	178,710	183,336	340,000	-	3,812,044	300,000	5,477,900	1.32%	371
2010	15,921	422,930	246,946	166,667	230,000	-	4,625,014	275,000	5,941,557	1.33%	373
2011	15,921	281,730	256,333	-	3,400,000	-	7,722,973	-	11,661,036	2.61%	732
2012	15,921	126,584	307,780	-	2,863,536	-	11,178,796	-	14,476,696	3.26%	909
2013	15,921	3,078,803	1,396,025	-	2,461,198	-	7,313,392	235,014	14,484,432	3.26%	910
2014	15,921	2,950,810	1,374,154	-	2,054,191	-	7,003,156	188,281	13,570,592	3.05%	852
2015	15,921	2,812,182	1,640,329	-	1,632,819	-	6,757,101	140,616	12,983,047	2.92%	815

Source: Population per the US Census Bureau

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

*See schedule 16 for personal income information

City of Goodlettsville
Debt Capacity Information
Ratios of General Obligation Debt Outstanding, Last Ten Fiscal Years

Tax Year	Fiscal Year	Population	Total Assessed Value	General Obligation Bonds	Capital Leases	Capital Notes	Total	Ratio of General Obligation Debt to Assessed Value	Net General Obligation Debt Per Capita
2005	2006	14,761	398,475,993	840,000	367,530	-	1,207,530	0.30%	82
2006	2007	14,761	419,802,689	1,225,500	126,898	-	1,352,398	0.32%	92
2007	2008	14,761	426,719,809	949,600	305,879	200,000	1,455,479	0.34%	99
2008	2009	14,761	430,265,523	688,810	178,710	183,336	1,050,856	0.24%	71
2009	2010	15,921	469,287,288	422,930	246,946	166,667	836,543	0.18%	53
2010	2011	15,921	475,847,360	281,730	256,333	-	538,063	0.11%	34
2011	2012	15,921	495,174,750	126,584	307,780	-	434,364	0.09%	27
2012	2013	15,921	496,409,953	3,078,803	1,396,025	-	4,474,828	0.90%	281
2013	2014	15,921	497,951,329	2,950,810	1,374,154	-	4,324,964	0.87%	272
2014	2015	15,921	494,898,044	2,812,182	1,640,329	-	4,452,511	0.90%	280

Source: Population data per the US Census Bureau

**City of Goodlettsville
Debt Capacity Information
Direct and Overlapping Governmental Activities Debt**

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable to City *	Amount Applicable to City *
Sumner County	115,515,000	11.86%	\$ 13,702,441
Davidson County	\$ 1,876,079,479	2.44%	\$ 45,745,608
Subtotal, overlapping debt			\$ 59,448,049
City of Goodlettsville direct debt of governmental activities			\$ 2,812,182
Total direct and overlapping debt			<u>\$ 62,260,231</u>

* Based upon Assessed Value of Property in:

Sumner County	\$4,172,113,976
Davidson County	\$20,296,332,593
City of Goodlettsville	\$494,898,044

City of Goodlettsville
Debt Capacity Information
Debt Margin Information, Last Ten Fiscal Years

Fiscal Year	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Assessed Value	\$ 494,898,044	\$ 497,951,329	\$ 496,409,953	495,174,750	475,847,360	469,287,288	430,265,523	426,719,809	419,802,689	398,475,993
General Obligation Debt	\$ 4,462,511	\$ 4,324,964	4,474,828	434,365	538,063	836,542	1,050,852	1,455,479	1,352,399	1,207,529
Debt as % of Assessed Value	0.90%	0.87%	0.90%	0.09%	0.11%	0.18%	0.24%	0.34%	0.32%	0.30%

Note- The City has no legal debt limit

City of Goodlettsville
Demographic and Economic Information
Demographic and Economic Statistics, Last Ten Years

Year	Population	Total Personal Income	Per Capita Personal Income *	Median Age	Education Level in Years of Schooling	Davidson Unemployment Rate**
2006	14,761	414,311,748	28,068	37.00	13.41	4.2
2007	14,761	414,311,748	28,068	37.00	13.41	3.9
2008	14,761	414,311,748	28,068	37.00	13.41	5.5
2009	14,761	414,311,748	28,068	37.00	13.41	9.0
2010	15,921	446,870,628	28,068	39.90	13.62	8.9
2011	15,921	446,870,628	28,068	39.90	13.62	8.2
2012	15,921	444,371,031	27,911	39.90	13.62	6.6
2013	15,921	444,371,031	27,911	39.90	13.62	6.9
2014	15,921	444,371,031	27,911	39.90	13.62	6.9
2015	15,921	444,371,031	27,911	39.90	13.62	6.9

*Total personal income is calculated using population and per capita personal income information.

**U.S. Bureau of Labor and Statistics

**City of Goodlettsville
Demographic and Economic Information
Principal Employers**

Employer	Product/Service	2015		2008	
		Employees	Rank	Employees	Rank
Tyson Foods, Inc	Meat Packing	1,800	1	1,512	1
Dollar General Corporation HDQ	Retail Distribution	1,200	2	900	2
Associated Wholesale Grocers	Food Distribution	400	3	400	3
USF Holland Motor Freight	Distribution	400	4	300	4
City of Goodlettsville	Government	133	5	139	5
Des-Case	Filters	90	6	-	-

Source: City Tax Rolls and Middle Tennessee Industrial Development Association

Note: Historical data (nine years ago) is not available

City of Goodlettsville
Operating Information
Full-time Equivalent City Government by Function, Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government	14	11	12	13	13	11	12	12	10	10
Community Services	5	6	6	7	7	7	7	7	6	6
Police	60.4	56	57	56	57	53	54	54	51	49
Fire	23.75	19	19	19	19	18	18	18	18	18
Hwys and Streets	12.2	15	14	14	14	11	11	12	12	11
Parks and Recreation	23	18	17	17	18	19	19	20	20	19
Sanitation	1.65	0	0	0	5	7	7	7	7	7
Sewer	6.6	6	6	6	6	9	9	9	8	8
Total	146.6	131	131	132	139	135	137	139	132	128

City of Goodlettsville
Operating Information
Operating Indicators by Function/Program

	Fiscal Year			
	2015	2014	2013	2012
Police				
Calls for Service	48,701	41,559	34,780	29,263
Traffic Accidents	833	909	935	1,200
Fire				
Calls for Service	2,837	2,730	2,713	2,651
EMS/Rescue Incidents	1,990	1,772	1,837	1,836
Structure fires	20	10	18	18
Fire Inspections	24	57	73	73
Community Services				
Total Permits Issued	192	181	99	188
Construction Plans				
Reviewed	85	51	12	37
Certificates of				
Occupancy Issued	42	46	73	33
Building Inspections	63	310	271	318

Note: Accurate historical statistical data prior to fiscal year 2012 for these indicators is not available

**City of Goodlettsville
Operating Information
Capital Assets Statistics by Function/Program, Last Ten Fiscal Years**

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Police										
Stations	2	2	2	1	1	1	1	1	1	1
Vehicles	45	50	53	52	*	*	*	*	*	*
Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Trucks	6	6	6	6	6	6	6	5	5	5
Autos and trucks	3	3	3	3	3	3	3	3	3	3
Inflatable boat with motor	1	1	1	1	0	0	0	0	0	0
Public Works										
Streets (miles)	85	85	85	85	85	83	83	83	83	82
Traffic Signals	22	22	21	21	21	20	20	19	19	19
Parks and Recreation										
Acreeage	210	210	210	205.4	205.4	205.4	205.4	205.4	185.9	185.9
Playgrounds	4	4	3	3	3	3	3	3	3	3
Baseball/softball diamonds	12	12	12	12	12	12	12	12	12	12
Soccer/football fields	15	14	14	14	14	14	14	14	14	14
Dog parks	1	1	1	1	1	1	1	1	1	1
Historical sites	2	2	2	2	2	2	2	2	2	2

* Data not available

**City of Goodlettsville
Operating Information
Water and Sewer Rates**

The City of Goodlettsville's Sewer Fund had approximately 4,952 customers at June 30, 2015. Its rate structure was as follows:

Residential <i>(Minimum Charges per Month up to 200 Cubic Feet Usage)</i>	
Meter Size	Rate (\$)
5/8"	10.98
3/4"	31.15
1"	37.52
1 1/2"	55.16
2"	74.28
3"	98.01
4"	159.72
6"	250.80
8"	392.22
10"	392.22

Small Commercial and Industrial <i>(Minimum Charges per Month up to 200 Cubic Feet Usage)</i>	
Meter Size	Rate (\$)
5/8"	12.27
3/4"	34.89
1"	42.02
1 1/2"	61.78
2"	83.19
3"	109.77
4"	178.88
6"	280.91
8"	439.28
10"	439.28

Usage over 200
Cubic Feet 6.82 per 100 cu.ft.

Usage over 200
Cubic Feet 7.64 per 100 cu.ft.

Intermediate Commercial and Industrial <i>(Minimum Charges per Month up to 200 Cubic Feet Usage)</i>	
Meter Size	Rate (\$)
5/8"	40.17
3/4"	55.97
1"	62.41
1 1/2"	77.51
2"	94.68
3"	118.50
4"	187.57
6"	289.60
8"	450.81
10"	450.81

Large Commercial and Industrial <i>(Minimum Charges per Month up to 200 Cubic Feet Usage)</i>	
Meter Size	Rate (\$)
5/8"	1,550.46
3/4"	1,567.22
1"	1,572.67
1 1/2"	1,587.75
2"	1,604.93
3"	1,620.00
4"	1,689.17
6"	1,791.17
8"	1,961.07
10"	1,961.07

Usage over 200
Cubic Feet 6.23 per 100 cu.ft.

Usage over 200
Cubic Feet 4.70 per 100 cu.ft.

The City also had approximately 4,635 Solid waste customers at June 30, 2015 that are charged \$16/month per residential living unit.

Internal Control and Compliance Section

Parker, Parker & Associates, PLC

Certified Public Accountants

1000 NORTHCHASE DRIVE - SUITE 260
GOODLETTSVILLE, TN 37072

STEVEN B. PARKER, CPA
CHARLES N. PARKER, CPA
KAREN R. STEPHENS, CPA
LAUREN S. ALLEN, CPA
J. MATTHEW STAMPER, CPA
JILL C. COLEMAN, CPA
JANA N. LOWE, CPA

TELEPHONE: 615-859-8800
FAX: 615-859-8188
WWW.PARKERCPA.NET

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and the
Members of the City Commission
City of Goodlettsville, 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, and the aggregate remaining fund information and the budgetary comparison for the General Fund of City of Goodlettsville, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise City of Goodlettsville, Tennessee's basic financial statements and have issued our report thereon dated December 9, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Goodlettsville, Tennessee'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 City of Goodlettsville, Tennessee's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Goodlettsville, Tennessee'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 City of Goodlettsville, Tennessee's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described below:

Compliance and Other Matters

2015-001. Budget Overage

Finding: According to Tennessee Code Annotated (TCA) 6-56-203, the City is prohibited from spending money in excess of the budget ordinance within the provisions of the code section.

Actual expenditures for the year exceed budget appropriations for the General Fund as indicated below:

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>(Negative) Variance with Final</u>
	<u>Original</u>	<u>Final</u>		
General Fund				
Debt Service	742,000	742,000	790,801	(48,801)

Recommendation: The City should amend the budget whenever necessary to avoid future expenditures without appropriation.

Purpose of this Report

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

Parker, Parker & Associates

December 9, 2015