

# CITY OF GOODLETTSVILLE, TENNESSEE

Comprehensive Annual Financial Report

For the Year Ended

June 30, 2018



Prepared by: City of Goodlettsville, Department of Finance

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Comprehensive Annual Financial Report**  
**June 30, 2018**

**Prepared by: City of Goodlettsville, Department of Finance**  
**Julie High, Director of Finance and Administration**

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Comprehensive Annual Financial Report**  
**June 30, 2018**

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## **Introductory Section**



December 21, 2018

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, 2018.

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 Blankenship CPA Group, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Goodlettsville, for the fiscal year ended June 30, 2018, 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 unmodified opinion that the City of Goodlettsville's financial statements, for the fiscal year ended June 30, 2018, 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 4,945 customers as of June 30, 2018. 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.

All of the City's Governmental funds are annually appropriated. 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 recession in 2008, and has continued to experience growth, as evidenced by this financial report. Commercial and residential

construction is strong. New commercial construction completed this year includes three new hotels, Candlewood Suites, Hampton Inn and Holiday Inn Express, and new businesses Goodlettsville Pediatrics, Higgs Pediatric Dental, Denham & Blythe Engineering, and Jubilee Hills Assisted Living. Businesses that have submitted plans for construction or are under construction include HCA Administrative Offices within the new Conference Drive Office Park, Keller Williams Office Complex, Northgate Park and Jackson Crossing, both of which are retail and office sites, and residential developments, The Crosley at North Creek Commons apartments, and Parkview Preserve homes and townhomes.

In addition, 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 U.S. Department of Census estimates the current population for the City of Goodlettsville to be 16,867 (U.S. Department of Census, population estimate as of July 1, 2017).

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 September 2018 unemployment rate for Nashville was 2.9% and Sumner County is 3.0%. The reported State of Tennessee average for September 2018 was 3.7% while the U.S. average was the same at 3.7%. Those figures have seen a decrease through the end of calendar year 2018.

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 to not 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. Since the adoption of this policy, the City has consistently exceeded this 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, 2017. This was the fifth 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 Blankenship CPA Group, PLLC for their invaluable guidance and assistance.

Respectfully Submitted,

*Julie High*

Julie High  
Assistant City Manager

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*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

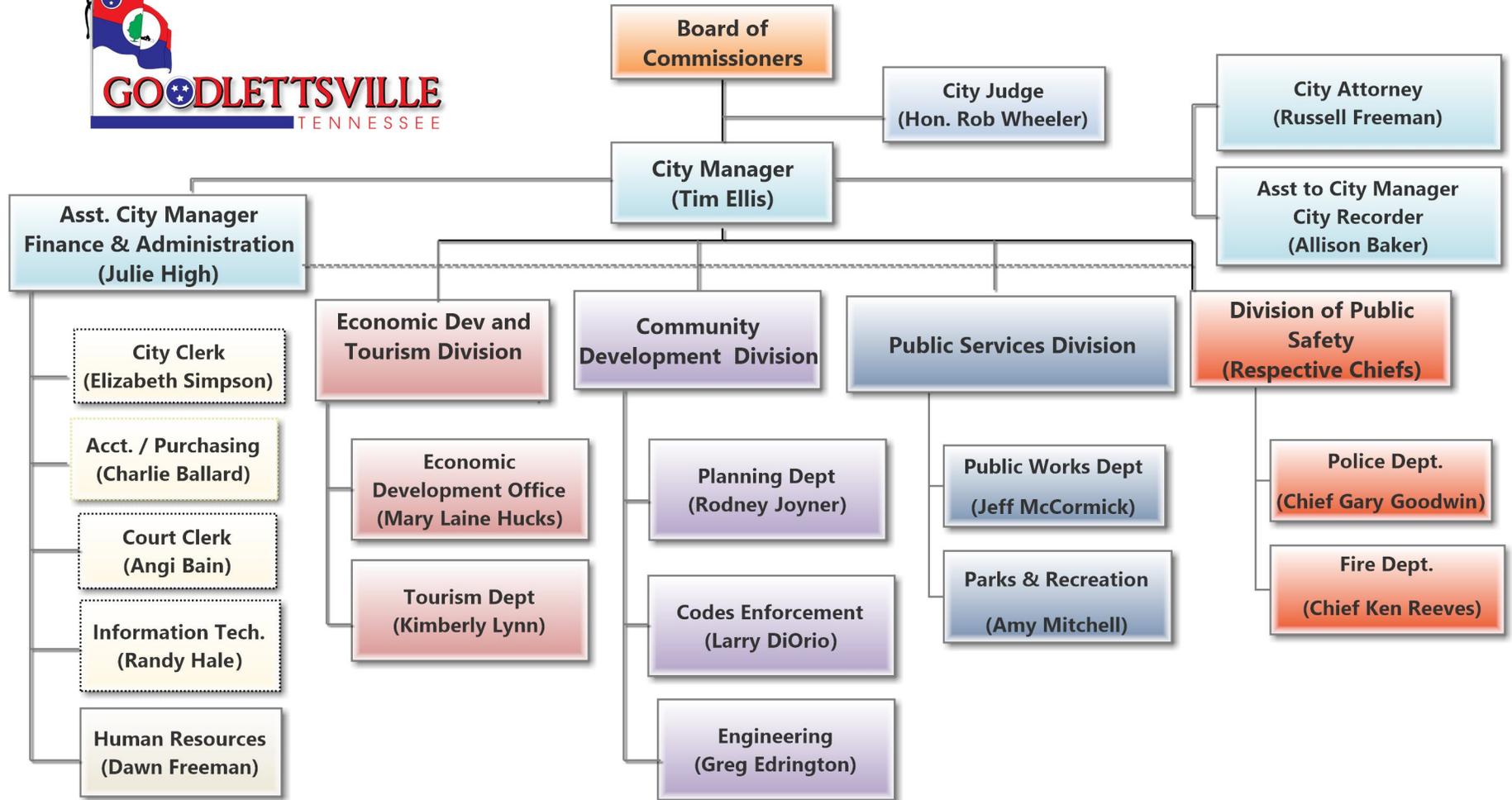
**June 30, 2017**

*Christopher P. Morrill*

Executive Director/CEO



# City of Goodlettsville Organizational Chart



**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Roster of City Officials and**  
**Official Bonds of Principal Officials**  
**June 30, 2018**

		<u>Period of Service</u>
City Commissioners Mayor	John Coombs	7/1/17 to 3/6/18
	Jeff Duncan	3/6/18 to 6/30/18
Vice Mayor	Jeff Duncan	7/1/17 to 3/6/18
	Vacant	3/6/18 to 6/30/18
Commissioner Commissioner Commissioner	Rusty Tinnin	7/1/17 to 6/30/18
	Harry Bell	7/1/17 to 6/30/18
	Zach Young	7/1/17 to 6/30/18
City Manager	Tim Ellis	7/1/17 to 6/30/18
City Attorney	Joe Haynes	7/1/17 to 1/26/18
	Russell Freeman	1/26/18 to 6/30/18
City Judge	Robert Wheeler	7/1/17 to 6/30/18
City Recorder	Allison Baker	7/1/17 to 6/30/18
Chief of Police	Gary Goodwin	7/1/17 to 6/30/18
Director of Public Services	Jeff McCormick	7/1/17 to 6/30/18
Director of Planning and Development Services	Addam McCormick	7/1/17 to 2/9/18
	Rodney Joyner	3/12/18 to 6/30/18
Director of Finance and Administration, Assistant City Manager, CMFO Designee	Julie High	7/1/17 to 6/30/18
Fire Chief	Ken Reeves	7/1/17 to 6/30/18

\* 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

## **Financial Section**

# BLANKENSHIP CPA GROUP, PLLC

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

## Independent Auditors' Report

To the Honorable Mayor and Members of the City Commission  
City of 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, and the aggregate remaining fund information of the City of Goodlettsville, Tennessee (the City), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' 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 auditors' 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 as of June 30, 2018, 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.

### ***Emphasis of a Matter***

As discussed in Note 2, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pension. Our opinion is not modified with respect to this matter.

**Other Matters****Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Pension and OPEB Information on pages 48 to 50 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's basic financial statements. The introductory section, supplementary information on pages 51 to 60, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information on pages 51 to 60 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information on pages 51 to 60 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 21, 2018, on our consideration of the City'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 solely 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 the effectiveness of the City's 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 City's internal control over financial reporting and compliance.

*Blankenship CPA Group, PLLC*

December 21, 2018

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Management's Discussion and Analysis**  
**June 30, 2018**

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, solid waste, 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 19-20 of this report.

Statement Number 75 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, (GASB 75) requires governments to report the net liability on the face of the financial statements for the other postemployment benefits ("OPEB") that they provide. The standard requires retroactive application to the most recent preceding year for comparative financial statements. The City recorded the effects of adopting GASB 75 beginning in July of 2017 through the recognition of a net OPEB liability with a corresponding offset to unrestricted net position of \$6.6 million for the City's governmental activities and \$0.3 million for the City business-type activities. Accordingly, both the fiscal year 2018 and the fiscal year 2017 activities reflect results with this new accounting standard.

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.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Management's Discussion and Analysis - Continued**  
**June 30, 2018**

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 only major fund presented. 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 information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 25-27 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 28-47 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 48-50 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 51-56 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 61-81 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 Fund, Storm Water Fund, 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.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Management's Discussion and Analysis - Continued**  
**June 30, 2018**

Condensed Comparative Data

	Primary Government					
	Governmental		Business-type		Total	
	Activities		Activities			
	2018	2017	2018	2017	2018	2017
<b>ASSETS</b>						
Current and other assets	\$ 16,730,334	\$ 17,146,507	\$ 12,086,041	\$ 12,240,043	\$ 28,816,375	\$ 29,386,550
Capital assets	21,199,294	20,808,121	28,891,631	28,978,448	50,090,925	49,786,569
Total Assets	<u>37,929,628</u>	<u>37,954,628</u>	<u>40,977,672</u>	<u>41,218,491</u>	<u>78,907,300</u>	<u>79,173,119</u>
<b>DEFERRED OUTFLOWS</b>						
<b>OF RESOURCES</b>						
Deferred outflow s	2,008,760	2,287,492	130,029	150,274	2,138,789	2,437,766
Total Deferred Outflow s	<u>2,008,760</u>	<u>2,287,492</u>	<u>130,029</u>	<u>150,274</u>	<u>2,138,789</u>	<u>2,437,766</u>
<b>LIABILITIES</b>						
Other liabilities	961,533	1,412,189	614,767	229,354	1,576,300	1,641,543
Long-term liabilities	17,134,639	16,359,832	6,920,200	7,665,249	24,054,839	24,025,081
Total Liabilities	<u>18,096,172</u>	<u>17,772,021</u>	<u>7,534,967</u>	<u>7,894,603</u>	<u>25,631,139</u>	<u>25,666,624</u>
<b>DEFERRED INFLOWS</b>						
<b>OF RESOURCES</b>						
Deferred Inflow s	4,707,666	4,483,322	200	-	4,707,866	4,483,322
Total Deferred Inflow s	<u>4,707,666</u>	<u>4,483,322</u>	<u>200</u>	<u>-</u>	<u>4,707,866</u>	<u>4,483,322</u>
<b>NET POSITION</b>						
Net Investment in						
capital assets	18,087,883	17,071,758	22,776,340	22,014,305	40,864,223	39,086,063
Restricted	1,709,878	1,546,320	-	-	1,709,878	1,546,320
Unrestricted	(2,663,211)	(631,301)	10,796,194	11,459,857	8,132,983	10,828,556
Total Net Position	<u>\$ 17,134,550</u>	<u>\$ 17,986,777</u>	<u>\$ 33,572,534</u>	<u>\$ 33,474,162</u>	<u>\$ 50,707,084</u>	<u>\$ 51,460,939</u>

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Management's Discussion and Analysis - Continued**  
**June 30, 2018**

**Change in Net Position**

<u>Functions/Programs:</u>	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Program Revenues						
Charges for services	\$ 3,011,205	\$ 3,307,981	\$ 5,746,775	\$ 5,809,005	\$ 8,757,980	\$ 9,116,986
Operating grants and contributions	630,354	511,740	-	-	630,354	511,740
Capital grants and contributions	62,011	349,833	-	-	62,011	349,833
General Revenues	13,602,041	13,015,224	169,296	103,138	13,771,337	13,118,362
Total Revenues	17,305,611	17,184,778	5,916,071	5,912,143	23,221,682	23,096,921
Expenses						
General government	2,408,213	2,757,841	-	-	2,408,213	2,757,841
Public safety	9,418,417	7,521,379	-	-	9,418,417	7,521,379
Public works	1,909,799	1,600,430	-	-	1,909,799	1,600,430
Sanitation	876,534	945,688	-	-	876,534	945,688
Parks and recreation	2,105,983	1,797,012	-	-	2,105,983	1,797,012
Tourism	1,057,754	782,321	-	-	1,057,754	782,321
Stormwater utility	428,107	289,360	-	-	428,107	289,360
Interest on long-term debt	95,104	111,068	-	-	95,104	111,068
Sewer	-	-	5,675,626	4,971,845	5,675,626	4,971,845
Total Expenses	18,299,911	15,805,099	5,675,626	4,971,845	23,975,537	20,776,944
Increase (Decrease) in net position before transfers	(994,300)	1,379,679	240,445	940,298	(753,855)	2,319,977
Transfers	142,073	143,730	(142,073)	(143,730)	-	-
Increase (Decrease) in net position	(852,227)	1,523,409	98,372	796,568	(753,855)	2,319,977
Restatement for GASB 75	-	(6,592,826)	-	(362,125)	-	(6,954,951)
Net Position - Beginning	17,986,777	23,056,194	33,474,162	33,039,719	51,460,939	56,095,913
Net Position - Ending	17,134,550	17,986,777	33,572,534	33,474,162	50,707,084	51,460,939

**Overall analysis**

The City's overall financial condition continues to be very strong. The City's total net position decreased from \$51.5 million in fiscal year 2017 to \$50.7 million in fiscal year 2018 or 1.5%. Governmental activities net position decreased \$852,000 and business-type activities improved by \$98,000 in the current year. Program revenues remained strong, although there was a decrease of charges for services of approximately 9%, \$297,000 from the prior year. This reduction was mainly due to a decrease in building permits issued in fiscal year 2017 for several large construction projects. There was a decrease in Capital grants and contributions due to the timing of certain significant capital projects, and an increase in Operating grants and contributions of \$118,614.

**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. Collections continued to be strong in fiscal year 2018 with \$4,609,216 in revenue, an increase of \$186,286 or 4.21% over the prior year. Property Tax Revenue also represents approximately 1/3 of the total general fund revenues. The City's property tax rate was equalized due to reassessments in the Davidson County portion of the City; and as a result, property tax collections were relatively unchanged from the prior fiscal year. The City recorded \$4,597,000 in property tax revenue for fiscal year 2018. Most all of the revenue types in the general fund exceeded projections.

The City ended the year with a fund balance in the General Fund of \$8,140,346. The unassigned fund balance in the General Fund is \$4,778,309 as of June 30, 2018. The City's Fund Balance Policy has a target of 15%-20% of operating expenditures as unassigned fund balance. The unassigned balance on June 30, 2018 was 32% of the operating expenditures, exceeding that target.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Management's Discussion and Analysis - Continued**  
**June 30, 2018**

*Police Drug Fund* – The Police Drug Fund had operating revenues of \$14,093 in Fiscal Year 2018 and proceeds from the sale of fixed assets of \$32,891. Expenditures in the drug fund were \$8,950 all related to the Police K-9 officer. The ending fund balance June 30, 2018 for the Drug Fund was \$93,215, an increase of \$38,034.

*Solid Waste Fund* – The City began outsourcing its sanitation services to a private contractor beginning in 2012. The City collected \$1,054,125 in sanitation fees in Fiscal Year 2018, and \$6,753 in miscellaneous revenues. The City spent \$712,700 for the contracted sanitation and recycling services for the City in 2018. In addition, labor and related benefit costs of \$73,216 were incurred related to the operations of an onsite sanitation drop-off facility operated internally by Public Works, as well as other operating expenditures of \$44,732 and capital expenditures of \$42,376. The capital expenditures included the purchase of replacement containers to be distributed to residents as needed. Revenues exceeded expenditures in the Solid Waste Fund by \$187,854. The Solid Waste Fund ended fiscal year 2018 with a fund balance of \$307,916.

*Tourism Fund* – Hotel/Motel occupancy tax collections for fiscal year 2018 were \$664,967, an increase over fiscal year 2017 of \$8,564. The tourism fund also recorded admission fees and gift shop sales of \$41,730. Other miscellaneous revenues of \$7,232 were recorded, as well as contributions and grants of \$8,361. Expenditures in the Tourism fund include the operations of the City's Historic Sites, as well as Economic Development and Tourism activities. Those expenditures totaled \$705,460 in Fiscal Year 2018. This was an increase in expenditures of \$167,287. The Tourism Fund ended fiscal year 2018 with a fund balance of \$911,523, an increase of \$16,830.

*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. Revenues of \$298,557 were recorded in the Capital Projects Fund in fiscal year 2018. All of these revenues were reimbursement type grant proceeds. The City received \$97,021 related to the Main Street Project and \$133,332 related to the Conference Drive Enhancement Project. Both of these projects are funded through the Federal Highway Administration and are 80/20 grants. The City also received \$68,204 in reimbursement type grant proceeds related to the Peay Park Splash Pad project. This grant is funded through the State of Tennessee Department of Environment and Conservation Local Parks and Recreation fund and is a 50/50 grant. These grants require the recipient to expend the funds and then request reimbursement through TDOT/TDEC. The City spent \$372,126 in the Capital Projects Fund related to these projects in fiscal year 2018.

*Storm Water Utility Fund* - The Storm Water Utility is responsible for funding the operation, construction and maintenance of storm water management devices, for storm water system planning, and management. The storm water utility generates its revenue through user fees. In FY 2018, revenues generated from storm water fees were \$1,005,410. The fund also recorded \$15,408 in interest revenue. Total expenditures related to storm water operations, repair and maintenance were \$268,105 in FY 2018, with an additional \$525,107 expended toward infrastructure improvement projects. This resulted in a \$227,606 increase in the ending fund balance at June 30, 2018 of \$1,314,464.

*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. Fees collected in the Electronic Citation Fund for FY 2018 totaled \$6,116. There were no expenditures in the Electronic Citation Fund in fiscal year 2018, resulting in an increase in the ending fund balance of \$6,402 at June 30, 2018.

*Sewer Fund* - Operating revenues in the Sewer Fund increased during fiscal year 2018, from \$5,580,205 to \$5,673,775 million. Operating expenses increased in the current year from \$4.8 million to \$5.5 million. Most of that increase was the result of an increase in the Metro Wastewater treatment fees. These fees increased \$434,000 in fiscal year 2018 as a result of the increased volume being treated. Operating income for fiscal year 2018 in the Sewer Fund was \$167,445. The net position in the Sewer Fund increased \$98,372 during fiscal year 2018 to \$33,572,534.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Management's Discussion and Analysis - Continued**  
**June 30, 2018**

Budget variances in the General Fund

The General Fund revenues exceeded budgeted revenues by 8.0% (\$1,063,244). 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. The largest variances were local taxes and intergovernmental revenues, further indication of a strong state and local economy. Total General Fund expenditures were approximately 10.0% under budget (\$1,637,794). Every department in the City operated under budget in fiscal year 2018. The City budgeted a decrease in the general fund balance; however, the positive budget variances resulted in an ending fund balance greater than projected. The ending balance at June 30, 2018 was \$8,140,346.

Capital asset and long-term debt activity

The City purchased property (\$200,002) in 2018 for a future improvement to the intersection of Rivergate Parkway and Main Street. Five police replacement vehicles were purchased for \$152,991. Parks improvements included the addition of new equipment for the fitness area at Moss Wright Park for \$59,000 and paving at Moss Wright Park (\$151,375). The Parks and Recreation master plan was completed with the help of consultants for \$75,000. The City spent \$800,000 paving city streets in fiscal year 2018. A new Sewer vacuum truck was purchased to replace an old vacuum truck for \$399,400 in the Sewer Fund, as well as a replacement pick-up truck for \$30,000. The City also spent over \$500,000 in fiscal year 2018 on sewer line rehabilitation. All of these capital asset additions were purchased by operating funds. Detailed information related to Capital Assets may be found in Note 8 on pages 41-42; and detailed schedules related to Long-Term Debt and Capital Leases are found in Note 9 and Note 10 on pages 42-46.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Management's Discussion and Analysis - Continued**  
**June 30, 2018**

**Schedule of Changes in Capital Assets**

	Balance 6/30/2017	Additions	Disposals	Transfers	Balance 6/30/2018
<b>Governmental Activities</b>					
Capital Assets not being Depreciated					
Land	\$ 4,136,838	\$ 200,002	\$ 82,388	\$ -	\$ 4,254,452
Construction in Progress	1,188,346	372,126	-	-	1,560,472
<b>Total Capital Assets not being Depreciated</b>	<b>\$ 5,325,184</b>	<b>\$ 572,128</b>	<b>\$ 82,388</b>	<b>\$ -</b>	<b>\$ 5,814,924</b>
Capital Assets being Depreciated					
Buildings	\$ 7,806,410	\$ -	\$ -	\$ -	\$ 7,806,410
Improvements	7,642,182	212,021	-	-	7,854,203
Machinery & Equipment	9,868,608	402,277	157,378	-	10,113,507
Infrastructure	10,450,519	1,323,547	-	-	11,774,066
<b>Total Capital Assets being Depreciated</b>	<b>\$ 35,767,719</b>	<b>\$ 1,937,845</b>	<b>\$ 157,378</b>	<b>\$ -</b>	<b>\$ 37,548,186</b>
<b>Business-type Activities</b>					
Capital Assets not being Depreciated					
Land	\$ 2,154,521	\$ -	\$ -	\$ -	\$ 2,154,521
Construction in Progress	179,753	68,388	-	-	248,141
<b>Total Capital Assets not being Depreciated</b>	<b>\$ 2,334,274</b>	<b>\$ 68,388</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,402,661</b>
Capital Assets being Depreciated					
Buildings	\$ 4,332,627	\$ -	\$ -	\$ -	\$ 4,332,627
Improvements	5,213,308	-	-	-	5,213,308
Machinery & Equipment	1,887,594	429,400	-	-	2,316,994
Infrastructure	30,698,607	506,929	-	-	31,205,536
<b>Total Capital Assets being Depreciated</b>	<b>\$ 42,132,136</b>	<b>\$ 936,329</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 43,068,465</b>
<b>Governmental Activities</b>					
Accumulated Depreciation					
Buildings	\$ 4,487,013	\$ 189,375	\$ -	\$ -	\$ 4,676,388
Improvements	3,640,601	385,662	-	-	4,026,263
Machinery & Equipment	7,732,712	891,933	157,378	-	8,467,267
Infrastructure	4,424,457	569,441	-	-	4,993,898
<b>Total Accumulated Depreciation</b>	<b>\$ 20,284,783</b>	<b>\$ 2,036,411</b>	<b>\$ 157,378</b>	<b>\$ -</b>	<b>\$ 22,163,816</b>
<b>Business-type Activities</b>					
Accumulated Depreciation					
Buildings	\$ 2,007,094	\$ 108,339	\$ -	\$ -	\$ 2,115,433
Improvements	525,990	107,576	-	-	633,566
Machinery & Equipment	1,561,301	169,335	-	-	1,730,636
Infrastructure	11,393,577	706,283	-	-	12,099,860
<b>Total Accumulated Depreciation</b>	<b>\$ 15,487,962</b>	<b>\$ 1,091,533</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,579,495</b>
<b>Total Governmental Activities, Net</b>	<b>\$ 20,808,120</b>	<b>\$ 473,562</b>	<b>\$ 82,388</b>	<b>\$ -</b>	<b>\$ 21,199,294</b>
<b>Total Business-type Activities, Net</b>	<b>\$ 28,978,448</b>	<b>\$ (86,816)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,891,631</b>

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Management's Discussion and Analysis - Continued**  
**June 30, 2018**

**Schedule of Changes to Long-Term Liabilities – Governmental Activities**

	<b>Balance</b>			<b>Balance</b>		<b>Due within</b>
	<b>June 30, 2017</b>	<b>Additions</b>	<b>Reductions</b>	<b>June 30, 2018</b>	<b>1 Year</b>	
Compensated Absences	\$ 745,073	\$ 223,575	\$ 351,256	\$ 617,392	\$ 351,256	
Other postemployment benefits	9,857,715	625,420	402,244	10,080,891	-	
Capital Leases	1,221,904	-	488,429	733,475	414,855	
Bonds Payable	2,518,656	13,800	154,520	2,377,936	157,936	
Net Pension Liability	2,020,684	1,304,261	-	3,324,945	-	
<b>Totals</b>	<b>\$ 16,364,032</b>	<b>\$ 2,167,056</b>	<b>\$ 1,396,449</b>	<b>\$ 17,134,639</b>	<b>\$ 924,047</b>	

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

	<b>Balance</b>			<b>Balance</b>		<b>Due Within</b>
	<b>June 30, 2017</b>	<b>Additions</b>	<b>Reductions</b>	<b>June 30, 2018</b>	<b>1 Year</b>	
Compensated Absences	\$ 28,688	\$ 7,598	\$ 15,746	\$ 20,540	\$ 15,746	
Other postemployment benefits	541,456	36,679	-	578,135	-	
State Revolving Loan	6,140,540	-	347,941	5,792,599	331,272	
General Obligation Refunding Bond	761,345	-	460,079	301,266	301,266	
Capital Leases	42,422	-	20,996	21,426	21,426	
Debt Refunding Premium	19,836	-	19,836	-	-	
Net Pension Liability	130,962	75,272	-	206,234	-	
<b>Totals</b>	<b>\$ 7,665,249</b>	<b>\$ 119,549</b>	<b>\$ 864,598</b>	<b>\$ 6,920,200</b>	<b>\$ 669,710</b>	

Other matters

Fiscal Year 2018 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.

The city continued funding its start-up of the fleet management program by its continued commitment of \$400,000 to the program during Fiscal Year 2018. At June 30, 2018, \$2,345,988 of the General Fund is committed to the fleet maintenance program. The use of funds as a part of the fleet management program allows the City to procure motor vehicles without the need of debt service.

The City created its first Tourism Department, which is funded by the City Hotel Occupancy Tax revenue. All of the activities of the Tourism Department are recorded in the Tourism Fund. Those activities include the operation of the City's Historic Sites, as well as Economic Development and Tourism activities. Hotel Occupancy tax collections were \$664,967 in fiscal year 2018, which was a 5% increase over the previous year. It is expected that a continual increase in this fund will occur over the next several years with the construction of four new hotels and the city's tourism department continually works to attract more visitation to the city.

Local Option Sales Tax collections increased in fiscal year 2018 due to another year of a strong economy. Collections for the year were up 4% over the prior fiscal year. The City continues to experience improved sales tax collections year after year. This is the third straight year of increases. Since fiscal year 2010, the City has either experienced an increase in the sales tax collections or a slight decrease of less than 2% (2013 -0.77%, 2015 -1.11%). Staff monitors local option sales tax collections very 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's Economic Development efforts are focused on bringing high quality businesses into Goodlettsville, while retaining the many successful businesses that are currently in the City.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Management's Discussion and Analysis - Continued**  
**June 30, 2018**

The City continued work on various grant funded capital projects in fiscal year 2018. Those projects included the Main Street Re-Development project, the Streambank Stabilization Project, the Traffic Signal Synchronization project, and the Conference Drive Enhancement project. Other grants received during the year included the Tree Planting TAEP grant, the Oil Waste Collection grant, and the Tourism Marketing grant. These grants allow the City to make improvements in the community for its residents, while protecting its property tax rate. City staff will continue to explore and apply for grants as they are made available.

For the fifth consecutive year, the City of Goodlettsville received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017. The City will submit this report to the GFOA for consideration of this prestigious award for 2018.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Statement of Net Position**  
**June 30, 2018**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 10,116,494	\$ 11,111,215	\$ 21,227,709
Receivables, Net	6,304,946	656,977	6,961,923
Unbilled Revenues	74,405	308,324	382,729
Prepaid Items	234,489	9,525	244,014
Subtotal Assets	<u>16,730,334</u>	<u>12,086,041</u>	<u>28,816,375</u>
Capital Assets:			
Land, Land Improvements, & Construction in Progress	5,814,924	2,402,661	8,217,585
Other Capital Assets, Net of Depreciation	15,384,370	26,488,970	41,873,340
Total Capital Assets	<u>21,199,294</u>	<u>28,891,631</u>	<u>50,090,925</u>
 Total Assets	 <u>37,929,628</u>	 <u>40,977,672</u>	 <u>78,907,300</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Pensions	<u>2,008,760</u>	<u>130,029</u>	<u>2,138,789</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Current Liabilities	961,533	614,767	1,576,300
Long-term Liabilities:			
Compensated Absences	617,392	20,540	637,932
Current Portion of Long-term Debt	572,791	653,964	1,226,755
Long-term Debt	2,538,620	5,461,327	7,999,947
Net Other Postemployment Benefits Liability	10,080,891	578,135	10,659,026
Net Pension Liability	3,324,945	206,234	3,531,179
Total Liabilities	<u>18,096,172</u>	<u>7,534,967</u>	<u>25,631,139</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Property Tax Revenue	4,704,019	-	4,704,019
Deferred Pensions	<u>3,647</u>	<u>200</u>	<u>3,847</u>
 Total Deferred Inflows of Resources	 <u>4,707,666</u>	 <u>200</u>	 <u>4,707,866</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	18,087,883	22,776,340	40,864,223
Restricted for:			
Drug	93,215	-	93,215
Tourism	714,585	-	714,585
Stormwater Utility	592,711	-	592,711
Solid Waste	302,965	-	302,965
Electronic Citation	6,402	-	6,402
Unrestricted	<u>(2,663,211)</u>	<u>10,796,194</u>	<u>8,132,983</u>
Total Net Position	<u>\$ 17,134,550</u>	<u>\$ 33,572,534</u>	<u>\$ 50,707,084</u>

See notes to the financial statements.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Statement of Activities**  
**For the Year Ended June 30, 2018**

<b>Functions/Programs:</b>	<b>Program Revenues</b>				<b>Net (Expense) Revenue and Changes in Net Position</b>		
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Primary Government</b>		
					<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Primary government:</b>							
Governmental activities:							
General Government	\$ 2,408,213	\$ 291,507	\$ -	\$ 62,011	\$ (2,054,695)	\$ -	\$ (2,054,695)
Public Safety	9,418,417	258,512	62,007	-	(9,097,898)	-	(9,097,898)
Public Works	1,909,799	-	559,986	-	(1,349,813)	-	(1,349,813)
Solid Waste	876,534	1,060,878	-	-	184,344	-	184,344
Parks and Recreation	2,105,983	347,052	-	-	(1,758,931)	-	(1,758,931)
Tourism	1,057,754	41,730	8,361	-	(1,007,663)	-	(1,007,663)
Stormwater Utility	428,107	1,005,410	-	-	577,303	-	577,303
Electronic Citation	-	6,116	-	-	6,116	-	6,116
Interest on Long-term Debt	95,104	-	-	-	(95,104)	-	(95,104)
<b>Total Governmental Activities</b>	<b>18,299,911</b>	<b>3,011,205</b>	<b>630,354</b>	<b>62,011</b>	<b>(14,596,341)</b>	<b>-</b>	<b>(14,596,341)</b>
Business-type Activities:							
Sewer	5,675,626	5,746,775	-	-	-	71,149	71,149
<b>Total Primary Government</b>	<b>\$ 23,975,537</b>	<b>\$ 8,757,980</b>	<b>\$ 630,354</b>	<b>\$ 62,011</b>	<b>\$ (14,596,341)</b>	<b>\$ 71,149</b>	<b>\$ (14,525,192)</b>
<b>General Revenues:</b>							
Property and Personalty Taxes					\$ 4,571,391	\$ -	\$ 4,571,391
TVA and Other PILOT Taxes					198,018	-	198,018
Income Taxes					197,779	-	197,779
Sales Taxes					5,960,960	-	5,960,960
Alcoholic Beverage Taxes					577,726	-	577,726
Business Taxes					475,860	-	475,860
Hospitality Taxes					664,967	-	664,967
Cable Taxes					123,952	-	123,952
Franchise Taxes					549,492	-	549,492
Miscellaneous State Taxes					27,168	-	27,168
Unrestricted Investment Earnings					84,621	141,296	225,917
Insurance Proceeds					107,138	-	107,138
Drug and Gambling Revenue					14,092	-	14,092
Miscellaneous					48,877	28,000	76,877
<b>Transfers, Net</b>					<b>142,073</b>	<b>(142,073)</b>	<b>-</b>
Total General Revenues and Transfers					<b>13,744,114</b>	<b>27,223</b>	<b>13,771,337</b>
<b>Change in Net Position</b>					<b>(852,227)</b>	<b>98,372</b>	<b>(753,855)</b>
<b>Net Position - July 1, 2017, as restated</b>					<b>17,986,777</b>	<b>33,474,162</b>	<b>51,460,939</b>
<b>Net Position - June 30, 2018</b>					<b>\$ 17,134,550</b>	<b>\$ 33,572,534</b>	<b>\$ 50,707,084</b>

See notes to the financial statements.

**CITY OF GOODLETTSVILLE, TENNESSEE**

**Balance Sheet  
Governmental Funds  
June 30, 2018**

	<b>General Fund</b>	<b>Non-major Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
Cash in Bank	\$ 7,455,370	\$ 2,661,124	\$ 10,116,494
Receivables, Net	4,729,019	437,595	5,166,614
Intergovernmental Receivables	905,223	-	905,223
Prepaid Items	228,420	6,069	234,489
Total Assets	<u>\$ 13,318,032</u>	<u>\$ 3,104,788</u>	<u>\$ 16,422,820</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 394,607	\$ 234,649	\$ 629,256
Other Current Liabilities	38,821	2,200	41,021
Accrued Wages and Taxes	260,936	8,721	269,657
Total Liabilities	<u>694,364</u>	<u>245,570</u>	<u>939,934</u>
<b>Deferred Inflows of Resources - Deferred Property Tax</b>	<u>4,483,322</u>	<u>-</u>	<u>4,483,322</u>
<b>Fund Balances</b>			
Nonspendable:			
Prepaid Items	228,420	6,069	234,489
Restricted For:			
Drug	-	93,215	93,215
Tourism	-	601,656	601,656
Stormwater Utility	-	1,291,206	1,291,206
Solid Waste	-	297,368	297,368
Electronic Citation	-	6,402	6,402
Committed To:			
Fleet Maintenance	2,345,988	-	2,345,988
Assigned To:			
OPEB	513,508	-	513,508
Tourism	-	305,238	305,238
Capital Projects	274,121	225,699	499,820
Solid Waste	-	9,107	9,107
Stormwater Utility	-	23,258	23,258
Unassigned	4,778,309	-	4,778,309
Total Fund Balances	<u>8,140,346</u>	<u>2,859,218</u>	<u>10,999,564</u>
Total Liabilities, Deferred Inflows, of Resources and Fund Balances	<u>\$ 13,318,032</u>	<u>\$ 3,104,788</u>	<u>\$ 16,422,820</u>

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

Total Governmental Fund Balances	\$ 10,999,564
Assets are not available to pay for current-period expenditures and, therefore, are not reported in the funds.	307,514
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	21,199,294
Deferred outflows of resources and inflows of resources that are not report in the funds	1,784,416
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(17,156,238)
Net Position of the Governmental Activities	<u>\$ 17,134,550</u>

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2018**

	<u>General Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>			
Local Taxes	\$ 10,886,148	\$ -	\$ 10,886,148
Licenses and Permits	265,681	-	265,681
Fines	258,512	-	258,512
Drug and Gambling Revenue	-	14,093	14,093
Intergovernmental Revenues	2,444,016	-	2,444,016
Charges for Services	347,054	2,107,381	2,454,435
Hotel / Motel Taxes	-	664,967	664,967
Interest	-	24,169	24,169
Contributions and Grants	-	306,918	306,918
Miscellaneous Revenues	101,833	5,223	107,056
Total Revenues	<u>14,303,244</u>	<u>3,122,751</u>	<u>17,425,995</u>
<b>Expenditures</b>			
Current:			
General Government	2,635,033	-	2,635,033
Public Safety	7,326,259	-	7,326,259
Public Works	827,271	-	827,271
Street Lights - Public Works	186,757	-	186,757
Street Maintenance - Public Works	36,944	-	36,944
Solid Waste	-	830,648	830,648
Drug Fund	-	8,950	8,950
Parks and Recreation	1,668,439	-	1,668,439
Tourism	-	697,860	697,860
Stormwater Utility	-	268,105	268,105
Debt Service:			
Principal	642,947	-	642,947
Interest	92,342	-	92,342
Capital Outlay	1,562,765	947,209	2,509,974
Total Expenditures	<u>14,978,757</u>	<u>2,752,772</u>	<u>17,731,529</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(675,513)</u>	<u>369,979</u>	<u>(305,534)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In (Out)	142,073	-	142,073
Sales of Capital Assets	58,525	32,891	91,416
Insurance Recoveries	107,138	-	107,138
Total Other Financing Sources (Uses)	<u>307,736</u>	<u>32,891</u>	<u>340,627</u>
<b>Net Change in Fund Balances</b>	<b>(367,777)</b>	<b>402,870</b>	<b>35,093</b>
<b>Fund Balance - July 1, 2017</b>	<u>8,508,123</u>	<u>2,456,348</u>	<u>10,964,471</u>
<b>Fund Balance - June 30, 2018</b>	<u>\$ 8,140,346</u>	<u>\$ 2,859,218</u>	<u>\$ 10,999,564</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, 2018**

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	\$ 35,093
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, net of disposals. This is the amount by which capital outlay expenditures of \$2,427,587 exceeded depreciation expense, net of disposals, of \$2,036,414 in the current period.	391,174
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.	(1,809,816)
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 position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	640,185
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.	(108,863)
	\$ (852,227)

See notes to the financial statements.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**Major Governmental Fund**  
**For the Year Ended June 30, 2018**

	General Fund			Positive (Negative) Variance with Final
	Budgeted Amounts		Actual	
	Original	Final		
<b>Revenues</b>				
Local Taxes:				
Property and Personalty Taxes	\$ 4,310,000	\$ 4,310,000	\$ 4,597,217	\$ 287,217
Sales Taxes	4,400,000	4,400,000	4,609,216	209,216
Alcoholic Beverage Taxes	530,000	530,000	530,412	412
Business Taxes	360,000	360,000	475,860	115,860
Cable Taxes	120,000	120,000	123,952	3,952
Franchise Taxes	450,000	450,000	549,492	99,492
Licenses and Permits	322,500	322,500	265,681	(56,819)
Fines	328,000	328,000	258,512	(69,488)
Intergovernmental Revenues:				
Sales Taxes	1,200,000	1,200,000	1,351,744	151,744
Gasoline and Motor Fuel Taxes	400,000	400,000	449,913	49,913
Petroleum Special Taxes	32,000	32,000	110,073	78,073
Income Taxes	160,600	160,600	224,947	64,347
Alcoholic Beverage Taxes	57,200	57,200	47,314	(9,886)
TVA - In Lieu of Tax	237,000	237,000	198,018	(38,982)
Grants	34,200	34,200	62,007	27,807
Charges for Services	273,500	273,500	347,053	73,553
Miscellaneous Revenues	25,000	25,000	101,833	76,833
Total Revenues	<u>13,240,000</u>	<u>13,240,000</u>	<u>14,303,244</u>	<u>1,063,244</u>
<b>Expenditures</b>				
Current:				
General Government:				
Salaries and Benefits	1,625,441	1,625,441	1,600,933	24,508
Repairs and Maintenance	80,750	80,750	72,425	8,325
Supplies	60,300	60,300	86,385	(26,085)
Retirees Benefits	450,000	450,000	340,233	109,767
Other Operating Expenses	625,050	625,050	535,056	89,994
Public Safety - Police:				
Salaries and Benefits	4,291,802	4,293,802	4,309,274	(15,472)
Repairs and Maintenance	255,000	255,000	220,476	34,524
Supplies	148,000	148,000	157,877	(9,877)
Other Operating Expenses	425,100	425,100	335,080	90,020
Public Safety - Fire:				
Salaries and Benefits	1,856,659	1,856,659	1,982,801	(126,142)
Repairs and Maintenance	75,000	84,525	88,517	(3,992)
Supplies	92,000	92,000	109,874	(17,874)
Other Operating Expenses	197,618	197,618	122,362	75,256
Public Works:				
Salaries and Benefits	544,941	544,941	533,683	11,258
Repairs and Maintenance	190,000	190,000	133,856	56,144
Supplies	34,000	34,000	35,211	(1,211)
Street Lighting	175,000	175,000	186,757	(11,757)
Other Operating Expenses	196,500	196,500	161,465	35,035
Parks and Recreation:				
Salaries and Benefits	1,051,662	1,051,662	1,072,535	(20,873)
Repairs and Maintenance	190,000	190,000	186,373	3,627
Supplies	31,500	31,500	30,434	1,066
Other Operating Expenses	392,500	392,500	379,096	13,404
Capital Outlay	2,294,458	2,686,458	1,562,765	1,123,693
Debt Service:				
Principal	793,903	793,903	642,947	150,956
Interest	135,842	135,842	92,342	43,500
Total Expenditures	<u>16,213,026</u>	<u>16,616,551</u>	<u>14,978,757</u>	<u>1,637,794</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,973,026)</u>	<u>(3,376,551)</u>	<u>(675,513)</u>	<u>2,701,038</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In (Out)	287,288	687,288	142,073	(545,215)
Sales of Capital Assets	-	-	58,525	58,525
Insurance Recoveries	-	9,525	107,138	97,613
Total Other Financing Sources (Uses)	<u>287,288</u>	<u>696,813</u>	<u>307,736</u>	<u>(389,077)</u>
<b>Net Change in Fund Balances</b>	<u>(2,685,738)</u>	<u>(2,679,738)</u>	<u>(367,777)</u>	<u>2,311,961</u>
<b>Fund Balance - July 1, 2017</b>	<u>8,508,123</u>	<u>8,508,123</u>	<u>8,508,123</u>	<u>-</u>
<b>Fund Balance - June 30, 2018</b>	<u>\$ 5,822,385</u>	<u>\$ 5,828,385</u>	<u>\$ 8,140,346</u>	<u>\$ 2,311,961</u>

See notes to the financial statements.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Statement of Fund Net Position**  
**Proprietary Fund**  
**June 30, 2018**

	<b>Enterprise Fund</b>
	<b>Sewer Fund</b>
<b>Assets</b>	
<b>Current Assets</b>	
Cash	\$ 11,111,215
Accounts Receivable, Less Allowance of \$46,353	656,977
Unbilled Revenues	308,324
Prepaid Items	9,525
Total Current Assets	12,086,041
<b>Capital Assets</b>	
Capital Assets	45,471,126
Accumulated Depreciation	(16,579,495)
Total Capital Assets	28,891,631
Total Assets	40,977,672
<b>Deferred Outflows of Resources</b>	
Deferred Pensions	130,029
<b>Liabilities</b>	
Accounts Payable	602,822
Accrued Interest Payable	2,141
Accrued Wages, Payroll Taxes, and Deductions Payable	9,513
Other Current Liabilities	291
Current Portion of Long-term Liabilities	653,964
Total Current Liabilities	1,268,731
<b>Long-Term Liabilities</b>	
Compensated Absences Payable	20,540
Bonds Payable	5,461,327
Net Other Postemployment Benefits Liability	578,135
Net Pension Liability	206,234
Total Long-term Liabilities	6,266,236
Total Liabilities	7,534,967
<b>Deferred Inflows of Resources</b>	
Deferred Pensions	200
<b>Net Position</b>	
Net Investment in Capital Assets	22,776,340
Unrestricted	10,796,194
Total Net Position	\$ 33,572,534

See notes to the financial statements.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Fund**  
**For the Year Ended June 30, 2018**

	<b>Enterprise Fund</b>
	<b>Sewer Fund</b>
<b>Operating Revenues</b>	
Charges for Services:	
Sewer Fees	\$ 5,487,483
Sewer Flow Charges	143,817
Permits/Connection Fees	42,475
Total Operating Revenues	5,673,775
<b>Operating Expenses</b>	
Cost of Services	3,200,179
Administration	985,877
Depreciation and Amortization	1,091,533
Insurance	24,793
Repairs and Maintenance	190,271
Total Operating Expenses	5,492,653
Operating Income	181,122
<b>Non-Operating Revenues (Expenses)</b>	
Interest Revenue	141,296
Rental Revenue	28,000
Interest Expense	(182,973)
Total Non-Operating Revenues (Expenses)	(13,677)
Income before Contributions and Transfers	167,445
<b>Tap Fees - Contributions</b>	73,000
<b>Transfers</b>	(142,073)
<b>Increase in Net Position</b>	98,372
<b>Net Position - July 1, 2017, as restated</b>	33,474,162
<b>Net Position - June 30, 2018</b>	\$ 33,572,534

See notes to the financial statements.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**For the Year Ended June 30, 2018**

	<b>Enterprise Fund</b>
	<b>Sewer Fund</b>
<b>Cash Flows from Operating Activities:</b>	
Cash Received from Customers	\$ 5,285,745
Cash Payments to Suppliers for Goods and Services	(3,364,448)
Cash Payments to Employees for Services	(608,420)
Net Cash Provided by Operating Activities	1,312,877
<b>Cash Flows from Noncapital Financing Activities:</b>	
Increase in Transfer to Other Funds	(142,073)
Net Cash Used by Noncapital Financing Activities	(142,073)
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Principal Paid on Bonds/Notes	(829,016)
Interest Paid on Long-Term Debt	(182,973)
Cash Received from Tap Fees	73,000
Acquisition and Construction of Capital Assets	(942,985)
Net Cash Used by Capital and Related Financing Activities	(1,881,974)
<b>Cash Flows from Investing Activities:</b>	
Cash Received from Billboard Rentals	28,000
Interest Received	141,296
Net Cash Provided by Investing Activities	169,296
<b>Net Decrease in Cash</b>	(541,874)
<b>Cash at Beginning of Year</b>	11,653,089
<b>Cash at End of Year</b>	\$ 11,111,215
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Operating Income	\$ 181,122
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation and Amortization	1,091,533
Amortization of Bond Premium	(19,836)
(Increase) Decrease in:	
Accounts Receivable	(79,706)
Unbilled Revenue	(308,324)
Prepaid Items	158
Deferred Outflow - Pension	20,245
Increase (Decrease) in:	
Accounts Payable	320,582
Accrued Wages, Payroll Taxes, and Deductions Payable	3,100
Compensated Absences Payable	(8,148)
Other Postemployment Benefits Liability	36,679
Net Pension Liability	75,272
Deferred Inflow - Pension	200
Net Cash Provided by Operating Activities	\$ 1,312,877
<b>Supplemental Disclosure of Noncash Capital and Related Financing Activities:</b>	
Purchase of Capital Assets Financed with Accounts Payable	\$ 61,731

See notes to the financial statements.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements**  
**June 30, 2018**

**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 (the City) 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. As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's utilities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. 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 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 – This fund is the primary operating fund of the City and 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 the Financial Statements – Continued**  
**June 30, 2018**

**Note 1. Significant Accounting Policies – Continued**

**B. Government-wide and Fund Financial Statements - Continued**

Special Revenue Funds – These 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, Stormwater Utility, Tourism, Drug, and Electronic Citation Funds are not considered major funds for reporting purposes.

Capital Projects Fund – This fund 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 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 the Financial Statements – Continued**  
**June 30, 2018**

**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 reported at acquisition value. 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 and 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 the Financial Statements – Continued**  
**June 30, 2018**

**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 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. 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 the Financial Statements – Continued**  
**June 30, 2018**

**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, Police Drug Fund, Tourism Fund, Stormwater Utility Fund, Solid Waste Fund, and Electronic Citation Fund totaling \$1,546,320.

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 the Financial Statements – Continued**  
**June 30, 2018**

**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 appropriate 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 the City's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from the City'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 the TCRS. Investments are reported at fair value.

**Note 2. Restatement of Beginning Net Position – Implementation of GASB Statement 75**

Statement Number 75 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, (GASB 75) requires governments to report the net liability on the face of the financial statements for the other postemployment benefits ("OPEB") that they provide. The standard required retroactive application to the most recent preceding year for comparative financial statements. The City recorded the effects of adopting GASB 75 beginning in July of 2017 through the recognition of a net OPEB liability with a corresponding offset to unrestricted net position. The most significant impact of the adoption of this standard is increasing the OPEB liability by \$6,592,826 for governmental activities and \$362,125 for business-type activities at July 1, 2017.

The accounting for OPEB activity under the new standard results in deferred outflows and deferred inflows. All deferred investment income changes whether favorable or unfavorable are combined together for a net balance sheet presentation. These changes will be amortized into net OPEB expense over five years for investment related deferrals, and approximately six years for actuarially determined deferrals beginning in the year that the inflow or outflow is initially recognized.

Statement Number 85 of the Governmental Accounting Standards Board, *Omnibus 2017*, (GASB 85) addresses a number of practice issues identified during the implementation and application of certain GASB statements. This standard did not have any impact on net position. The main impact of this standard is expanded disclosures related to postemployment benefits.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements – Continued**  
**June 30, 2018**

**Note 3. 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, 2018, 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.

**Note 4. Pension Plan**

**A. General Information about the Pension Plan**

*Plan Description*

Employees of the City 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.state.tn.gov/tcrs](http://www.treasury.state.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.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements – Continued**  
**June 30, 2018**

**Note 4. Pension Plan – Continued**  
**A. General Information about the Pension Plan - Continued**

*Employees Covered by Benefit Terms*

At the measurement date of June 30, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	91
Inactive employees entitled to but not yet receiving benefits	155
Active employees	128
	374

*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 has elected to discontinue the non-contributory provision for all future hires. This will require all new hires to contribute 5 percent of salary. Employees who are employed prior to January 1, 2013 will continue to be eligible for the noncontributory provision. The City makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2018, employer contributions for the City were \$1,099,753 based on a rate of 16.73 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept the City'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.

**B. Net Pension Liability (Asset)**

The City's net pension liability (asset) was measured as of June 30, 2017, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions*

The total pension liability as of June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary Increases	Graded salary ranges from 8.72 to 3.46 percent based on age, including inflation, averaging 4.00 percent
Investment Rate of Return	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustment	2.25 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2017 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012 through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

*Changes of assumptions*

In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements - Continued**  
**June 30, 2018**

**Note 4. Pension Plan – Continued**  
**B. Net Pension Liability (Asset) – Continued**

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, 2016 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation 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	5.69%	31%
Developed Market International Equity	5.29%	14%
Emerging Market International Equity	6.36%	4%
Private Equity and Strategic Lending	5.79%	20%
U.S. Fixed Income	2.01%	20%
Real Estate	4.32%	10%
Short-term Securities	0.00%	1%
		<hr/> 100%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the three factors described above.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.25 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 the City 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.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements - Continued**  
**June 30, 2018**

**Note 4. Pension Plan – Continued**  
**C. Changes in Net Pension Liability (Asset)**

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (Asset) (a) - (b)</b>
<b>Balance at June 30, 2016</b>	\$ 26,612,778	\$ 24,461,132	\$ 2,151,646
<b>Changes for the Year:</b>			
Service Cost	458,837	-	458,837
Interest	1,982,393	-	1,982,393
Change of Benefit Terms	2,176,025	-	2,176,025
Differences Between Expected and Actual Experience	9,554	-	9,554
Change in Assumption	591,276	-	591,276
Contributions - Employer	-	999,605	(999,605)
Contributions - Employees	-	89,460	(89,460)
Net Investment Income	-	2,760,409	(2,760,409)
Benefit Payments, Including Refunds of Employee Contributions	(1,279,426)	(1,279,426)	-
Administrative Expense	-	(10,922)	10,922
Other Changes	-	-	-
<b>Net Changes</b>	<b>3,938,659</b>	<b>2,559,126</b>	<b>1,379,533</b>
<b>Balance at June 30, 2017</b>	<b>\$ 30,551,437</b>	<b>\$ 27,020,258</b>	<b>\$ 3,531,179</b>

*Changes of benefit terms*

In the June 30, 2017 actuarial valuation, benefit terms were changed to authorize the establishment of a mandatory retirement at age 60 for all public safety officers. This benefit option allows unreduced retirement benefits (service retirement) upon attainment of age 55 with 25 years of public safety officer service. It allows a supplemental bridge benefit that will begin at age 55 and continue through age 62.

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

The following presents the net pension liability (asset) of the City calculated using the discount rate of 7.25 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 (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Net Pension Liability	\$ 7,635,717	\$ 3,531,179	\$ 134,748

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements – Continued**  
**June 30, 2018**

**Note 4. Pension Plan – Continued**

**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, 2018, the City recognized pension expense of \$2,847,901.

*Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences Between Expected and Actual Experience	\$ 546,306	\$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	3,847
Changes in Assumptions	492,730	
Contributions Subsequent to the Measurement Date of June 30, 2018	1,099,753	-
Total	<b>\$ 2,138,789</b>	<b>\$ 3,847</b>

The amount shown above for “Contributions subsequent to the measurement date of June 30, 2017,” 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:

<b>Year Ended June 30,</b>	<b>Amount</b>
2019	\$ 136,221
2020	501,361
2021	295,084
2022	(10,978)
2023	113,501
Thereafter	-

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

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements – Continued**  
**June 30, 2018**

**Note 5. Deferred Compensation Plans**

*401k Plan*

On December 1, 2017, the City began participation in the State of Tennessee Deferred Compensation Plan II - 401(k) (the 401k plan), created in accordance with Internal Revenue Code Section 401(k) which covers substantially all employees providing services to the City. Employees may defer a portion of their gross pay to a maximum amount allowable under current IRS regulations each year. The plan is administered by the State of Tennessee, Department of the Treasury. There were no plan forfeitures for the year ended June 30, 2018. The City does not make matching or non-matching contributions to the plan.

*457 Plans*

On December 1, 2017, the City began participation in the State of Tennessee Deferred Compensation Plan I - 457(b), created in accordance with Internal Revenue Code Section 457(b) which covers substantially all employees providing services to the City. Employees may defer a portion of their gross pay to a maximum amount allowable under current IRS regulations each year. The plan is administered by the State of Tennessee, Department of the Treasury. There were no plan forfeitures for the year ended June 30, 2018. The City does not make matching or non-matching contributions to the 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 does not make matching or non-matching contributions to the plan.

**Note 6. Other Postemployment Health Care Benefits**

**A. Program Description**

The City administers a single-employer defined benefit postemployment healthcare plan (the Plan) to provide medical and supplemental medical insurance coverage to retired employees of the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75. The City currently funds the postemployment healthcare benefits on a pay-as-you-go basis. The City Commission has the authority for establishing and amending benefits and funding policy.

**B. Benefits Provided**

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 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.

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.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements - Continued**  
**June 30, 2018**

**Note 6. Other Postemployment Health Care Benefits – Continued**

**C. Employees Covered by Benefit Terms**

At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	51
Active employees	118
	169

**D. Total OPEB Liability**

The City's total OPEB liability of \$10,659,026 was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions* - The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Inflation Rate	3.00 percent
Discount Rate	3.88 percent
Health Care Cost Trend	5.00 percent level
Salary Increases	3.50 percent
Retirement Age	Retirement through TCRS after age 60 with 5 years of service or 30 years of service without regard to age.

The discount rate was based on the Bond Buyer GO-20 bond index.

Mortality rates were based on RHP-2014 Total Mortality Table with the MP-2017 Mortality Projection.

The actuarial assumptions used in the June 30, 2018 valuation were based on plan data and costs presented by the City with concurrence by the actuary.

**Changes in Total OPEB Liability**

	<b>Total OPEB Liability</b>
Balance at July 1, 2017	\$ 10,399,171
Changes for the year:	
Service cost	256,464
Interest	405,635
Benefit payments	(402,244)
Net Changes	259,855
Balance at June 30, 2018	\$ 10,659,026

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* - The following presents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements – Continued**  
**June 30, 2018**

**Note 6. Other Postemployment Health Care Benefits – Continued**  
**D. Total OPEB Liability - Continued**

	1% Decrease (2.88%)	Current Discount Rate (3.88%)	1% Increase (4.88%)
Total OPEB Liability	\$ 12,683,414	\$ 10,659,026	\$ 9,078,008

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates* - The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (4.00%)	Current Trend Rate (5.00%)	1% Decrease (6.00%)
Total OPEB Liability	\$ 8,889,939	\$ 10,659,026	\$ 12,981,858

OPEB expense and deferred outflows/inflows of resources

For the year ended June 30, 2018 the District recognized OPEB expense of \$662,099. At June 30, 2018, the District did not report deferred inflows of resources or deferred outflows of resources related to the OPEB plan.

**Note 7. Property Taxes Receivable**

Gross property taxes receivable of \$4,799,198 is summarized in the Revenue Capacity Information portion of the Statistical Section of this report on pages 65-71.

**Note 8. Capital Assets**

The following is a summary of the changes in capital assets for the fiscal year ended June 30, 2018:

	Balance June 30, 2017	Additions	Disposals	Balance June 30, 2018
<b>Governmental Activities</b>				
Capital Assets not being Depreciated				
Land	\$ 4,136,838	\$ 200,002	\$ (82,388)	\$ 4,254,452
Construction in Progress	1,188,346	372,126	-	1,560,472
Total Capital Assets not being Depreciated	\$ 5,325,184	\$ 572,128	\$ (82,388)	\$ 5,814,924
Capital Assets being Depreciated				
Buildings	\$ 7,806,410	\$ -	\$ -	\$ 7,806,410
Improvements	7,642,182	212,022	-	7,854,204
Machinery and Equipment	9,868,608	402,278	(157,378)	10,113,508
Infrastructure	10,450,519	1,323,548	-	11,774,067
Total Capital Assets being Depreciated	\$ 35,767,719	\$ 1,937,848	\$ (157,378)	\$ 37,548,189

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements - Continued**  
**June 30, 2018**

**Note 8. Capital Assets – Continued**

	Balance 6/30/2017	Additions	Disposals	Balance 6/30/2018
<b>Business-type Activities</b>				
Capital Assets not being Depreciated				
Land	\$ 2,154,521	\$ -	\$ -	\$ 2,154,521
Construction in Progress	179,753	68,388	-	248,141
Total Capital Assets not being Depreciated	<u>\$ 2,334,274</u>	<u>\$ 68,388</u>	<u>\$ -</u>	<u>\$ 2,402,662</u>
Capital Assets being Depreciated				
Buildings	\$ 4,332,627	\$ -	\$ -	\$ 4,332,627
Improvements	5,213,308	-	-	5,213,308
Machinery and Equipment	1,887,594	429,400	-	2,316,994
Infrastructure	30,698,607	506,928	-	31,205,535
Total Capital Assets being Depreciated	<u>\$ 42,132,136</u>	<u>\$ 936,328</u>	<u>\$ -</u>	<u>\$ 43,068,464</u>
<b>Governmental Activities</b>				
Accumulated Depreciation				
Buildings	\$ 4,487,013	\$ 189,375	\$ -	\$ 4,676,388
Improvements	3,640,601	385,662	-	4,026,263
Machinery and Equipment	7,732,712	891,936	(157,378)	8,467,270
Infrastructure	4,424,457	569,441	-	4,993,898
Total Accumulated Depreciation	<u>\$ 20,284,783</u>	<u>\$ 2,036,414</u>	<u>\$ (157,378)</u>	<u>\$ 22,163,819</u>
<b>Business-type Activities</b>				
Accumulated Depreciation				
Buildings	\$ 2,007,094	\$ 108,339	\$ -	\$ 2,115,433
Improvements	525,990	107,576	-	633,566
Machinery and Equipment	1,561,301	169,335	-	1,730,636
Infrastructure	11,393,577	706,283	-	12,099,860
Total Accumulated Depreciation	<u>\$ 15,487,962</u>	<u>\$ 1,091,533</u>	<u>\$ -</u>	<u>\$ 16,579,495</u>
<b>Total Governmental Activities, Net</b>	<u>\$ 20,808,120</u>	<u>\$ 473,562</u>	<u>\$ (82,388)</u>	<u>\$ 21,199,294</u>
<b>Total Business-type Activities, Net</b>	<u>\$ 28,978,448</u>	<u>\$ (86,817)</u>	<u>\$ -</u>	<u>\$ 28,891,631</u>

**Depreciation Expense by Function**

General Government	\$ 145,872
Public Safety	635,949
State Street Aid	759,407
Sanitation	21,176
Parks & Recreation	229,313
Tourism	129,159
Storm Water	115,538
	<u>\$ 2,036,414</u>
Sewer	<u>\$ 1,091,533</u>

The City received insurance proceeds in the amount of \$107,138 for the impairment of various capital assets disposed during 2018.

**Note 9. Long-Term Debt**

Below is a condensed schedule of maturities for long-term debt and obligations at June 30, 2018. A detailed Schedule of Long-term Debt, Principal, and Interest Requirements is included on pages 59 – 60 of this report.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements – Continued**  
**June 30, 2018**

**Note 9. Long-Term Debt – Continued**

Year Ended	Principal Due	Interest Due
<u>June 30,</u>		
2019	\$ 1,226,755	\$ 237,270
2020	708,342	212,570
2021	582,114	193,669
2022	506,128	177,824
2023	516,664	164,386
2024-2028	2,802,496	607,661
2029-2023	2,884,203	202,689
Total Long-Term Debt	<u>\$ 9,226,702</u>	<u>\$ 1,796,069</u>

**Business-type Activities**

Long-term debt and obligations payable at June 30, 2018 are comprised of the following:

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 \$ 5,792,599

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. 301,266

Capital Lease Payable to Municipal Leasing Consultants, LLC Bearing Interest at 1.99% Per Annum, Payable in Annual Installments of \$51,417, Principal and Interest Payments are Based on Total Debt of \$286,431. 21,426

Total Sewer Fund Debt Payable 6,115,291  
Less: Current Portion (653,964)

Long-Term Debt Payable - Sewer Fund \$ 5,461,327

The following is a summary of changes to long-term liabilities in the Business-type activities during the year ended June 30, 2018:

	Balance			Balance	Due Within
	<u>June 30, 2017</u>	Additions	Reductions	<u>June 30, 2018</u>	<u>1 Year</u>
Compensated Absences	\$ 28,688	\$ 7,598	\$ 15,746	\$ 20,540	\$ 15,746
State Revolving Loan	6,140,540	-	347,941	5,792,599	331,272
General Obligation Refunding Bond	761,345	-	460,079	301,266	301,266
Capital Leases	42,422	-	20,996	21,426	21,426
Debt Refunding Premium	19,836	-	19,836	-	-
Net OPEB Liability	541,456	36,679	-	578,135	-
Net Pension Liability	130,962	75,272	-	206,234	-
Totals	<u>\$ 7,665,249</u>	<u>\$ 119,549</u>	<u>\$ 864,598</u>	<u>\$ 6,920,200</u>	<u>\$ 669,710</u>

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements – Continued**  
**June 30, 2018**

**Note 9. Long-Term Debt – Continued**  
**Governmental Activities**

Long-term debt and obligations payable at June 30, 2018 are comprised of the following:

General Obligation Public Improvement Bonds, Series 2013 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 March 1, 2033	\$ 2,355,000
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	9,136
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.	91,154
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	261,281
Capital Lease Payable to Municipal Leasing Consultants, LLC Bearing Interest at 3.09% Per Annum, Payable in Annual Installments of \$91,737 Principal and Interest Payments are Based on Total Debt of \$432,000	164,836
Capital Lease Payable to Ford Motor Credit Company LLC Bearing Interest at 6.00% Per Annum, Payable in Annual Installments of \$11,104 Principal and Interest Payments are Based on Total Debt of \$31,462 with the final payment due in December 2018	10,476
Capital Lease Payable to Magnolia Bank, Inc. Bearing Interest at 3.03% Per Annum, Payable in Annual Installments of \$5,606 Principal and Interest Payments are Based on Total Debt of \$21,445 with the final payment due in November 2019	10,668
Capital Lease Payable to Magnolia Bank, Inc. Bearing Interest at 3.18% Per Annum, Payable in Annual Installments of \$12,973 Principal and Interest Payments are Based on Total Debt of \$49,504 with the final payment due in June 2020	24,739
Capital Lease Payable to Magnolia Bank, Inc. Bearing Interest at 3.00% Per Annum, Payable in Annual Installments of \$42,112 Principal and Interest Payments are Based on Total Debt of \$161,158 with the final payment due in August 2019	79,877
Capital Lease Payable to PACCAR Financial Corp. Bearing Interest at 4.05% Per Annum, Payable in Annual Installments of \$32,624 Principal and Interest Payments are Based on Total Debt of \$147,842 with the final payment due in April 2021	90,444

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements – Continued**  
**June 30, 2018**

**Note 9. Long-Term Debt – Continued**  
**Governmental Activities - Continued**

Public Building Authority Local Government Loan Program Bond, due in annual payments of principal ranging from \$158,000 through \$248,000 and semi-annual interest payments at 3.24%.  
Maturity date is April 1, 2031.

	13,800
Total Governmental Activities Long-Term Obligations	3,111,411
Less: Current Portion	(572,791)
Total Long-Term Governmental Activities Obligations	\$ 2,538,620

The following is a summary of changes to long-term liabilities in the Governmental Activities during the year ended June 30, 2018. The compensated absences liability, OPEB obligation, and pension liability are attributable to the governmental activities will be liquidated primarily by the General Fund.

	Balance June 30, 2017	Additions	Reductions	Balance June 30, 2018	Due within 1 Year
Compensated Absences	\$ 745,073	\$ 223,575	\$ 351,256	\$ 617,392	\$ 351,256
Capital Leases	1,221,904	-	488,429	733,475	414,855
Bonds Payable	2,518,656	13,800	154,520	2,377,936	157,936
Net OPEB Liability	9,857,715	625,420	402,244	10,080,891	-
Net Pension Liability	2,020,684	1,304,261	-	3,324,945	-
Totals	\$ 16,364,032	\$ 2,167,056	\$ 1,396,449	\$ 17,134,639	\$ 924,047

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 10. Capital Leases**

The City has ongoing capital lease agreements for the following capital assets as of June 30, 2018:

	Capitalized Cost
Public Safety Vehicles	\$ 1,114,656
General Government Vehicles/Equipment	1,023,341
Parks and Recreation Equipment	151,925
Public Works Equipment	1,137,565
Sewer Equipment	286,431
Total Assets in Machinery and Equipment	\$ 3,713,918

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, 2018, are as follows:

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements - Continued**  
**June 30, 2018**

**Note 10. Capital Leases – Continued**

Year Ended June 30,	Future Minimum Lease Pmts
2019	\$ 457,569
2020	236,354
2021	94,027
Total Minimum Lease Payments	787,950
Less: Amount Representing Interest	(33,049)
Present Value of Future Minimum Lease Payments	\$ 754,901

**Note 11. Commitments**

The City has the following construction projects in progress at June 30, 2018:

Construction Project	Total Estimated Cost	Total Expenses Through FYE 6/30/18
Governmental Activities:		
Greenway	n/a	\$ 200,800
Main Street Redevelopment	n/a	754,358
Conference Drive Enhancement	n/a	95,427
Conference Drive CMAQ	n/a	269,767
Splashpad	n/a	135,559
Stream Bank	n/a	64,561
Hwy 31/41	n/a	40,000
Total Governmental Activities		\$ 1,560,472
Business Type Activities:		
Sewer Project	n/a	\$ 248,140

At June 30, 2018, the City had outstanding borrowings of \$13,800 on a \$3,000,000 Public Building Authority Local Government Loan Program Bond to fund future projects.

**Note 12. Interfund Receivables/Payables/Transfers**

There are no Interfund Receivables and Payables as of June 30, 2018.

The composition of interfund transfers for the year ended June 30, 2018, consisted of \$142,073 transfer from the Sewer Fund to the General Fund.

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 13. Contracts**

The City has contracts and/or agreements with White House Utility District, Madison Suburban Utility District, Department of Water Services of Metropolitan Nashville, and Waste Industries, Inc. to provide utility and solid waste services in Sumner and Davidson counties. These providers, with the exception of Waste Industries, Inc., are sole-source suppliers for utility services.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Notes to the Financial Statements – Continued**  
**June 30, 2018**

**Note 14. 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.

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Total Pension Liability</b>				
Service Cost	\$ 359,116	\$ 404,575	\$ 419,564	\$ 458,837
Interest	1,658,224	1,775,558	1,890,070	1,982,393
Changes in Benefit Terms	-	-	-	2,176,025
Differences Between Actual and Expected Experience	519,740	435,324	93,581	9,554
Change of Assumptions	-	-	-	591,276
Benefit Payments, Including Refunds of Employee Contributions	(972,500)	(1,063,650)	(1,143,604)	(1,279,426)
<b>Net Change in Total Pension Liability</b>	<u>1,564,580</u>	<u>1,551,807</u>	<u>1,259,611</u>	<u>3,938,659</u>
<b>Total Pension Liability - Beginning</b>	<u>22,236,780</u>	<u>23,801,360</u>	<u>25,353,167</u>	<u>26,612,778</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 23,801,360</u>	<u>\$ 25,353,167</u>	<u>\$ 26,612,778</u>	<u>\$ 30,551,437</u>
<b>Plan Fiduciary Net Position</b>				
Contributions - Employer	\$ 795,723	\$ 902,048	\$ 919,489	\$ 999,605
Contributions - Employee	20,214	49,280	67,883	89,460
Net investment income	3,336,100	718,665	634,180	2,760,409
Benefit Payments, Including Refunds of Employee Contributions	(972,500)	(1,063,650)	(1,143,604)	(1,279,426)
Administrative Expense	(5,530)	(6,476)	(9,681)	(10,922)
Other	-	(746)	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<u>3,174,007</u>	<u>599,121</u>	<u>468,267</u>	<u>2,559,126</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>20,219,737</u>	<u>23,393,744</u>	<u>23,992,865</u>	<u>24,461,132</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 23,393,744</u>	<u>\$ 23,992,865</u>	<u>\$ 24,461,132</u>	<u>\$ 27,020,258</u>
<b>Net Pension Liability - Ending (a) - (b)</b>	<u>\$ 407,616</u>	<u>\$ 1,360,302</u>	<u>\$ 2,151,646</u>	<u>\$ 3,531,179</u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	98.29%	94.63%	91.91%	88.44%
<b>Covered-Employee Payroll</b>	\$ 5,468,883	\$ 6,021,684	\$ 6,138,715	\$ 6,234,019
<b>Net Pension Liability as a Percentage of Covered-Employee Payroll</b>	7.45%	22.59%	35.05%	56.64%

**Notes to Schedule:**

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.

*Changes of Assumptions.* In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, salary growth, and mortality improvements.

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially Determined Contribution	\$ 795,723	\$ 902,048	\$ 919,489	\$ 1,035,427	\$ 985,528
Contributions in Relation to the Actuarially Determined Contribution	<u>795,723</u>	<u>902,048</u>	<u>919,489</u>	<u>999,605</u>	<u>1,099,753</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,822</u>	<u>\$ (114,225)</u>
Covered-Employee Payroll	\$ 5,468,883	\$ 6,021,684	\$ 6,138,715	\$ 6,234,019	\$ 6,574,569
Contributions as a Percentage Covered-Employee Payroll	14.55%	14.98%	14.98%	16.03%	16.73%

**Notes to Schedules:**

GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from TCRS GASB website for prior years' data, if needed.

*Valuation Date:* Actuarially determined contribution rates for the year ended June 30, 2018 were calculated based on the June 30, 2017 actuarial valuation.

*Methods and assumptions used to determine contribution rates:*

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period	Varies by Year
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

See independent auditors' report.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Required Supplementary Information**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
**Last Fiscal Year ending June 30,**

	<b>2018</b>
<b>Total OPEB Liability</b>	
Service Cost	\$ 256,464
Interest	405,635
Benefit Payments, net	(402,244)
<b>Net Change in Total OPEB Liability</b>	259,855
<b>Total OPEB Liability - Beginning</b>	10,399,171
<b>Total OPEB Liability - Ending</b>	\$ 10,659,026
<b>Covered-Employee Payroll</b>	\$ 5,538,868
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	192.44%

**Notes to Schedule:**

There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB 75 related to this OPEB plan.

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**  
**Combining Balance Sheet**  
**Non-major Governmental Funds**  
**June 30, 2018**

	<u>Special Revenue</u>					<u>Total Special Revenue Funds</u>	<u>Capital Projects</u>	<u>Total Non-major Governmental Funds</u>
	<u>Solid Waste Fund</u>	<u>Stormwater Utility Fund</u>	<u>Drug Fund</u>	<u>Tourism Fund</u>	<u>Electronic Citation Fund</u>		<u>Capital Projects Fund</u>	
<b>Assets</b>								
Cash	\$ 145,057	\$ 1,257,882	\$ 93,782	\$ 926,921	\$ 6,402	\$ 2,430,044	\$ 231,080	\$ 2,661,124
Receivables, Net	239,457	181,153	-	-	-	420,610	16,985	437,595
Prepaid Items	1,440	-	-	4,629	-	6,069	-	6,069
Total Assets	<u>\$ 385,954</u>	<u>\$ 1,439,035</u>	<u>\$ 93,782</u>	<u>\$ 931,550</u>	<u>\$ 6,402</u>	<u>\$ 2,856,723</u>	<u>\$ 248,065</u>	<u>\$ 3,104,788</u>
<b>Liabilities and Fund Equity</b>								
<b>Liabilities</b>								
Accounts Payable	\$ 75,210	\$ 122,132	\$ 567	\$ 14,374	\$ -	\$ 212,283	\$ 22,366	\$ 234,649
Other Liabilities	-	796	-	1,404	-	2,200	-	2,200
Accrued Wages and Taxes	2,829	1,643	-	4,249	-	8,721	-	8,721
Total Liabilities	<u>78,039</u>	<u>124,571</u>	<u>567</u>	<u>20,027</u>	<u>-</u>	<u>223,204</u>	<u>22,366</u>	<u>245,570</u>
<b>Fund Balances</b>								
Nonspendable:								
Prepaid Items	1,440	-	-	4,629	-	6,069	-	6,069
Restricted For:								
Drug Fund	-	-	93,215	-	-	93,215	-	93,215
Tourism Fund	-	-	-	601,656	-	601,656	-	601,656
Stormwater Utility Fund	-	1,291,206	-	-	-	1,291,206	-	1,291,206
Solid Waste Fund	297,368	-	-	-	-	297,368	-	297,368
Electronic Citation Fund	-	-	-	-	6,402	6,402	-	6,402
Assigned To:								
Tourism Fund	-	-	-	305,238	-	305,238	-	305,238
Capital Projects	-	-	-	-	-	-	225,699	225,699
Solid Waste	9,107	-	-	-	-	9,107	-	9,107
Stormwater	-	23,258	-	-	-	23,258	-	23,258
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	<u>307,915</u>	<u>1,314,464</u>	<u>93,215</u>	<u>911,523</u>	<u>6,402</u>	<u>2,633,519</u>	<u>225,699</u>	<u>2,859,218</u>
Total Liabilities and Fund Balances	<u>\$ 385,954</u>	<u>\$ 1,439,035</u>	<u>\$ 93,782</u>	<u>\$ 931,550</u>	<u>\$ 6,402</u>	<u>\$ 2,856,723</u>	<u>\$ 248,065</u>	<u>\$ 3,104,788</u>

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Non-major Governmental Funds**  
**For the Year Ended June 30, 2018**

	Special Revenue					Total	Capital Projects	Total
	Solid Waste Fund	Stormwater Utility Fund	Drug Fund	Tourism Fund	Electronic Citation Fund	Special Revenue Funds	Capital Projects Fund	Non-major Governmental Funds
<b>Revenues</b>								
Drug Revenue	\$ -	\$ -	\$ 14,093	\$ -	\$ -	\$ 14,093	\$ -	\$ 14,093
Hotel / Motel Taxes	-	-	-	664,967	-	664,967	-	664,967
Charges for Services	1,054,125	1,005,410	-	41,730	6,116	2,107,381	-	2,107,381
Interest	1,559	15,408	-	7,202	-	24,169	-	24,169
Contributions and Grants	-	-	-	8,361	-	8,361	298,557	306,918
Miscellaneous Revenue	5,193	-	-	30	-	5,223	-	5,223
<b>Total Revenues</b>	<u>1,060,877</u>	<u>1,020,818</u>	<u>14,093</u>	<u>722,290</u>	<u>6,116</u>	<u>2,824,194</u>	<u>298,557</u>	<u>3,122,751</u>
<b>Expenditures</b>								
Current:								
Solid Waste Fund	830,648	-	-	-	-	830,648	-	830,648
Drug Fund	-	-	8,950	-	-	8,950	-	8,950
Tourism Fund	-	-	-	697,860	-	697,860	-	697,860
Stormwater Utility Fund	-	268,105	-	-	-	268,105	-	268,105
Capital Outlay	42,376	525,107	-	7,600	-	575,083	372,126	947,209
<b>Total Expenditures</b>	<u>873,024</u>	<u>793,212</u>	<u>8,950</u>	<u>705,460</u>	<u>-</u>	<u>2,380,646</u>	<u>372,126</u>	<u>2,752,772</u>
Excess of Revenues Over (Under) Expenditures	187,853	227,606	5,143	16,830	6,116	443,548	(73,569)	369,979
<b>Other Financing Sources</b>								
Proceeds from Sale of Capital Assets	-	-	32,891	-	-	32,891	-	32,891
<b>Net Change in Fund Balances</b>	187,853	227,606	38,034	16,830	6,116	476,439	(73,569)	402,870
<b>Fund Balance - July 1, 2017</b>	120,062	1,086,858	55,181	894,693	286	2,157,080	299,268	2,456,348
<b>Fund Balance - June 30, 2018</b>	<u>\$ 307,915</u>	<u>\$ 1,314,464</u>	<u>\$ 93,215</u>	<u>\$ 911,523</u>	<u>\$ 6,402</u>	<u>\$ 2,633,519</u>	<u>\$ 225,699</u>	<u>\$ 2,859,218</u>

See independent auditors' report.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**Special Revenue Funds - Non-major Funds**

	Solid Waste Fund				Drug Fund			
	Original Budgeted	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Original Budgeted	Final Budgeted	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>								
Drug and Gambling Revenue	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ 14,093	\$ (5,907)
Charges for Services	1,025,500	1,025,500	1,054,125	28,625	-	-	-	-
Miscellaneous Revenues	3,500	3,500	5,193	1,693	-	-	-	-
Total Revenues	<u>1,029,000</u>	<u>1,029,000</u>	<u>1,060,877</u>	<u>31,877</u>	<u>20,000</u>	<u>20,000</u>	<u>14,093</u>	<u>(5,907)</u>
<b>Expenditures</b>								
Current:								
Solid Waste								
Salaries and Benefits	83,732	83,732	73,216	10,516	-	-	-	-
Supplies	4,000	4,000	1,065	2,935	-	-	-	-
Repairs and Maintenance	3,000	3,000	998	2,002	-	-	-	-
Solid Waste Contract	750,000	750,000	712,700	37,300	-	-	-	-
Other Operating Expenses	103,500	103,500	42,669	60,831	-	-	-	-
Capital Outlay	60,000	60,000	42,376	17,624	-	-	-	-
Drug and Gambling								
Supplies	-	-	-	-	5,000	5,000	375	4,625
Other Operating Expenses	-	-	-	-	5,000	5,000	8,575	(3,575)
Debt Service:								
Principal	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,004,232</u>	<u>1,004,232</u>	<u>873,024</u>	<u>131,208</u>	<u>10,000</u>	<u>10,000</u>	<u>8,950</u>	<u>1,050</u>
Excess of Revenues Over (Under) Expenditures	24,768	24,768	187,853	163,085	10,000	10,000	5,143	(4,857)
<b>Other Financing Sources</b>								
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	32,891	32,891
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,891</u>	<u>32,891</u>
Net Change in Fund Balance	24,768	24,768	187,853	163,085	10,000	10,000	38,034	28,034
<b>Fund Balance - July 1, 2017</b>	<u>120,062</u>	<u>120,062</u>	<u>120,062</u>	<u>-</u>	<u>55,181</u>	<u>55,181</u>	<u>55,181</u>	<u>-</u>
<b>Fund Balance - June 30, 2018</b>	<u>\$ 144,830</u>	<u>\$ 144,830</u>	<u>\$ 307,915</u>	<u>\$ 163,085</u>	<u>\$ 65,181</u>	<u>\$ 65,181</u>	<u>\$ 93,215</u>	<u>\$ 28,034</u>

See independent auditors' report.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**Special Revenue Funds - Non-major Funds**

	Tourism Fund				Electronic Citation Fund			
	Original Budgeted	Final Budgeted	Actual	Variance Favorable (Unfavorable)	Original Budgeted	Final Budgeted	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>								
Hotel / Motel Tax	\$ 650,000	\$ 650,000	\$ 664,967	\$ 14,967	\$ -	\$ -	\$ -	\$ -
Charges for Services	19,000	19,000	41,730	22,730	8,500	8,500	6,116	(2,384)
Interest	2,000	2,000	7,202	5,202	-	-	-	-
Contributions and Grants	-	-	8,361	8,361	-	-	-	-
Miscellaneous Revenues	-	-	30	30	-	-	-	-
Total Revenues	<u>671,000</u>	<u>671,000</u>	<u>722,290</u>	<u>51,290</u>	<u>8,500</u>	<u>8,500</u>	<u>6,116</u>	<u>(2,384)</u>
<b>Expenditures</b>								
Current:								
Tourism								
Salaries and Benefits	439,389	439,389	443,729	(4,340)	-	-	-	-
Supplies	51,500	51,500	51,632	(132)	-	-	-	-
Repairs and Maintenance	40,000	40,000	39,513	487	-	-	-	-
Other Operating Expenses	163,100	178,100	162,986	15,114	-	-	-	-
Capital Outlay	16,700	16,700	7,600	9,100	-	-	-	-
Electronic Citation								
Supplies	-	-	-	-	-	-	-	-
Total Expenditures	<u>710,689</u>	<u>725,689</u>	<u>705,460</u>	<u>20,229</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	(39,689)	(54,689)	16,830	71,519	8,500	8,500	6,116	(2,384)
<b>Other Financing Sources</b>								
Contributions and Grants	-	15,000	-	(15,000)	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(39,689)	(39,689)	16,830	56,519	8,500	8,500	6,116	(2,384)
<b>Fund Balance - July 1, 2017</b>	<u>894,693</u>	<u>894,693</u>	<u>894,693</u>	<u>-</u>	<u>286</u>	<u>286</u>	<u>286</u>	<u>-</u>
<b>Fund Balance - June 30, 2018</b>	<u>\$ 855,004</u>	<u>\$ 855,004</u>	<u>\$ 911,523</u>	<u>\$ 56,519</u>	<u>\$ 8,786</u>	<u>\$ 8,786</u>	<u>\$ 6,402</u>	<u>\$ (2,384)</u>

See independent auditors' report.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**Special Revenue Funds - Non-major Funds**

	<b>Stormwater Utility Fund</b>			<b>Variance Favorable (Unfavorable)</b>
	<b>Original Budgeted</b>	<b>Final Budgeted</b>	<b>Actual</b>	
<b>Revenues</b>				
Charges for Services	\$ 926,500	\$ 926,500	\$ 1,005,410	\$ 78,910
Interest	5,000	5,000	15,408	10,408
Total Revenues	<u>931,500</u>	<u>931,500</u>	<u>1,020,818</u>	<u>89,318</u>
<b>Expenditures</b>				
Current:				
Stormwater Utility				
Salaries and Benefits	201,562	201,562	167,624	33,938
Supplies	10,000	10,000	9,902	98
Repairs and Maintenance	5,000	5,000	12,887	(7,887)
Other Operating Expenses	170,000	170,000	77,692	92,308
Capital Outlay	1,480,000	1,480,000	525,107	954,893
Debt Service:				
Principal	-	-	-	-
Total Expenditures	<u>1,866,562</u>	<u>1,866,562</u>	<u>793,212</u>	<u>1,073,350</u>
Excess of Revenues Over (Under) Expenditures	(935,062)	(935,062)	227,606	1,162,668
<b>Other Financing Sources</b>				
Proceeds from Sale of Capital Assets	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(935,062)	(935,062)	227,606	1,162,668
<b>Fund Balance - July 1, 2017</b>	<u>1,086,858</u>	<u>1,086,858</u>	<u>1,086,858</u>	<u>-</u>
<b>Fund Balance - June 30, 2018</b>	<u>\$ 151,796</u>	<u>\$ 151,796</u>	<u>\$ 1,314,464</u>	<u>\$ 1,162,668</u>

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**Capital Projects Fund**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>	<u>Project (Over) Under Budget</u>
<b>Revenues</b>					
Main Street Redevelopment Grant	\$ 449,205	\$ 97,021	\$ 546,226	\$ 8,896,175	\$ 8,349,949
Conference Drive Enhancement	180,612	133,332	313,944	2,257,560	1,943,616
I65 at Hwy 31/41	-	-	-	450,000	450,000
Splash Pad	-	68,204	68,204	300,000	231,796
Total Revenues	<u>629,817</u>	<u>298,557</u>	<u>928,374</u>	<u>11,903,735</u>	<u>10,975,361</u>
<b>Expenditures</b>					
Capital Outlay:					
TDOT Greenway/Bike	200,700	-	200,700	100,000	(100,700)
Main Street Redevelopment	623,974	130,384	754,358	11,120,219	10,365,861
Conference Drive Enhancement	259,010	106,183	365,193	2,226,985	1,861,792
Splash Pad	-	135,559	135,559	600,000	464,441
I65 at Hwy 31/41	40,000	-	40,000	900,000	860,000
Total Expenditures	<u>1,123,684</u>	<u>372,126</u>	<u>1,495,810</u>	<u>14,947,204</u>	<u>13,451,394</u>
<b>Other Financing Sources</b>					
Debt Issuance	-	-	-	2,846,199	2,846,199
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,846,199</u>	<u>2,846,199</u>
<b>Net Change in Fund Balances</b>		(73,569)			
<b>Fund Balance - July 1, 2017</b>		<u>299,268</u>			
<b>Fund Balance - June 30, 2018</b>		<u>\$ 225,699</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**  
**June 30, 2018**

Federal Grantor / Pass-Through Grantor / Program Title	CFDA Number	Pass Through Entity	Contract Number	Expenditures
<b>Federal Awards</b>				
<b>U.S. Department of Transportation</b>				
<u>Pass-through programs:</u>				
Main Street Redevelopment Project	20.205	Tennessee Department of Transportation	PIN 120326 Contract 140052 STP-M-NH-11 (74)	\$ 97,021
Conference Drive CMAQ	20.205	Tennessee Department of Transportation	CM-9321(2);19LPLM-F3-137 PIN120327 Contract 140053	89,475
Conference Drive Enhancement	20.205	Tennessee Department of Transportation	STP-M-445(2)	37,272
Highway Safety Grant	20.600	Tennessee Department of Transportation	PF-17	3,479
Total U.S. Department of Transportation				<u>227,247</u>
Total Federal Awards				<u>227,247</u>
<b>State Financial Assistance</b>				
<b>Commission on Fire Fighting</b>				
Commission on Fire Fighting	N/A	N/A	N/A	9,600
<b>Tennessee Peace Officers Standards and Training</b>				
State Used Oil Grant	N/A	N/A	N/A	17,290
Peace Officer Standard and Training Commission	N/A	N/A	N/A	22,200
				<u>39,490</u>
<b>Tennessee Department of Environment and Conservation</b>				
Local Parks and Recreation Fund	N/A	N/A	N/A	57,804
Total State Financial Assistance				<u>106,894</u>
Total Federal Awards and State Financial Assistance				<u>\$ 334,141</u>

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance summarized the expenditures of the City under programs of the federal and state governments for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 2. Loans Outstanding**

At June 30, 2018, there was an outstanding balance of \$5,792,599 on 09-224 State Revolving Loan Fund. There were payments of \$347, 941 to the State Revolving Loan Fund during the current fiscal year.

**Note 3. Indirect Cost Rate**

The City has not elected to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

See independent auditors' report.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Schedule of Reserve, Receipts, and Disbursements**  
**for State Street Aid**  
**For the Year Ended June 30, 2018**

**State Street Aid**

Beginning Reserve for State Street Aid	\$	-
Receipts		
Gas Taxes	559,986	
Total Receipts	559,986	559,986
Expenditures		
Street Lights	186,757	
Street Maintenance	36,944	
Capital Improvements	336,285	
		559,986
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, 2018**

Fiscal Year Ended June 30,	Governmental Activities											
	General Obligation Public Improvement Bonds, Series 2013		2013 Municipal Leasing Consultants Equipment Lease		General Obligation Refunding Bond, Series 2011		2015 Municipal Leasing Consultants Equipment Lease		2016 Municipal Leasing Consultants Equipment Lease			
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 135,000	\$ 53,505	\$ 91,154	\$ 2,237	\$ 9,136	\$ -	\$ 139,965	\$ 6,438	\$ 86,320	\$ 5,417		
2020	140,000	50,805	-	-	-	-	61,446	3,029	78,516	2,750		
2021	140,000	48,005	-	-	-	-	59,870	1,533	-	-		
2022	145,000	45,205	-	-	-	-	-	-	-	-		
2023	145,000	42,305	-	-	-	-	-	-	-	-		
2024	150,000	39,405	-	-	-	-	-	-	-	-		
2025	150,000	36,405	-	-	-	-	-	-	-	-		
2026	155,000	33,405	-	-	-	-	-	-	-	-		
2027	160,000	30,305	-	-	-	-	-	-	-	-		
2028	160,000	26,905	-	-	-	-	-	-	-	-		
2029	165,000	23,225	-	-	-	-	-	-	-	-		
2030	170,000	19,100	-	-	-	-	-	-	-	-		
2031	175,000	14,850	-	-	-	-	-	-	-	-		
2032	180,000	10,038	-	-	-	-	-	-	-	-		
2033	185,000	5,088	-	-	-	-	-	-	-	-		
<b>Total</b>	<b>\$ 2,355,000</b>	<b>\$ 478,551</b>	<b>\$ 91,154</b>	<b>\$ 2,237</b>	<b>\$ 9,136</b>	<b>\$ -</b>	<b>\$ 261,281</b>	<b>\$ 11,000</b>	<b>\$ 164,836</b>	<b>\$ 8,167</b>		

Fiscal Year Ended June 30,	Governmental Activities													
	Ford Motor Credit Master Equipment Lease		Magnolia Bank Equipment Lease		Magnolia Bank Equipment Lease		Magnolia Bank Equipment Lease		Paccar Financial Equipment Lease		Local Government Loan Program Bond Series 2016			
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 10,476	\$ 629	\$ 5,344	\$ 235	\$ 12,173	\$ 800	\$ 40,464	\$ 1,442	\$ 28,959	\$ 3,665	\$ 13,800	\$ -		
2020	-	-	5,324	70	12,566	406	39,413	209	30,133	2,492	-	-		
2021	-	-	-	-	-	-	-	-	31,352	1,271	-	-		
2022	-	-	-	-	-	-	-	-	-	-	-	-		
2023	-	-	-	-	-	-	-	-	-	-	-	-		
2024	-	-	-	-	-	-	-	-	-	-	-	-		
2025	-	-	-	-	-	-	-	-	-	-	-	-		
2026	-	-	-	-	-	-	-	-	-	-	-	-		
2027	-	-	-	-	-	-	-	-	-	-	-	-		
2028	-	-	-	-	-	-	-	-	-	-	-	-		
2029	-	-	-	-	-	-	-	-	-	-	-	-		
2030	-	-	-	-	-	-	-	-	-	-	-	-		
2031	-	-	-	-	-	-	-	-	-	-	-	-		
2032	-	-	-	-	-	-	-	-	-	-	-	-		
2033	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total</b>	<b>\$ 10,476</b>	<b>\$ 629</b>	<b>\$ 10,668</b>	<b>\$ 305</b>	<b>\$ 24,739</b>	<b>\$ 1,206</b>	<b>\$ 79,877</b>	<b>\$ 1,651</b>	<b>\$ 90,444</b>	<b>\$ 7,428</b>	<b>\$ 13,800</b>	<b>\$ -</b>		

See independent auditors' report.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Schedule of Long-Term Debt, Principal, and Interest Requirements**  
**By Fiscal Year**  
**June 30, 2018**

Fiscal Year Ended June 30,	Governmental Activities				Business-type Activities								Total	
	Total Governmental Activities		SRL 2010 \$12.5 Million Loan		General Obligation Refunding Bond, Series 2011		2013 Municipal Leasing Consultants Equipment Lease		Total Business-type Activities		Total			
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2019	\$ 572,791	\$ 74,368	\$ 331,272	\$ 162,476	\$ 301,266	\$ -	\$ 21,426	\$ 426	\$ 653,964	\$ 162,902	\$ 1,226,755	\$ 237,270		
2020	367,398	59,761	340,944	152,809	-	-	-	-	340,944	152,809	708,342	212,570		
2021	231,222	50,809	350,892	142,860	-	-	-	-	350,892	142,860	582,114	193,669		
2022	145,000	45,205	361,128	132,619	-	-	-	-	361,128	132,619	506,128	177,824		
2023	145,000	42,305	371,664	122,081	-	-	-	-	371,664	122,081	516,664	164,386		
2024	150,000	39,405	382,512	111,234	-	-	-	-	382,512	111,234	532,512	150,639		
2025	150,000	36,405	393,672	100,072	-	-	-	-	393,672	100,072	543,672	136,477		
2026	155,000	33,405	405,168	88,583	-	-	-	-	405,168	88,583	560,168	121,988		
2027	160,000	30,305	416,988	76,758	-	-	-	-	416,988	76,758	576,988	107,063		
2028	160,000	26,905	429,156	64,589	-	-	-	-	429,156	64,589	589,156	91,494		
2029	165,000	23,225	441,684	52,064	-	-	-	-	441,684	52,064	606,684	75,289		
2030	170,000	19,100	454,572	39,175	-	-	-	-	454,572	39,175	624,572	58,275		
2031	175,000	14,850	467,844	25,909	-	-	-	-	467,844	25,909	642,844	40,759		
2032	180,000	10,038	481,488	12,257	-	-	-	-	481,488	12,257	661,488	22,295		
2033	185,000	5,088	163,615	983	-	-	-	-	163,615	983	348,615	6,071		
<b>Total</b>	<b>\$ 3,111,411</b>	<b>\$ 511,174</b>	<b>\$ 5,792,599</b>	<b>\$ 1,284,469</b>	<b>\$ 301,266</b>	<b>\$ -</b>	<b>\$ 21,426</b>	<b>\$ 426</b>	<b>\$ 6,115,291</b>	<b>\$ 1,284,895</b>	<b>\$ 9,226,702</b>	<b>\$ 1,796,069</b>		

See independent auditors' report.

**Statistical Section**

**City of Goodlettsville**  
**Statistical Section Summary Page**  
**June 30, 2018**

**Statistical Section Summary Page:**

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

	<u>Page</u>
<b>Financial Trends Information</b> <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	61
<b>Revenue Capacity Information</b> <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	65
<b>Debt Capacity Information</b> <i>These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.</i>	72
<b>Demographic and Economic Information</b> <i>These schedules present information to help the reader understand the environment within which the government's financial activities take place.</i>	76
<b>Operating Information</b> <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	78

Except where noted, the information in these schedules is derived from the City's Comprehensive Annual Financial Reports for the relevant years. The information has been restated, where applicable and feasible, for the adoption of new GASB pronouncements.

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Financial Trends Information**  
**Net Position by Component-Last Ten Fiscal Years**  
(prepared using the accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 12,726,830	\$ 12,294,327	\$ 11,896,924	\$ 11,678,308	\$ 11,437,421	\$ 14,221,387	\$ 14,693,713	\$ 15,527,487	\$ 17,071,758	\$ 18,087,883
Restricted for:										
State Street Aid	104,943	29,752	53,880	-	250,105	-	-	-	-	-
Conference Drive	-	-	600,202	600,911	-	-	-	-	-	-
Drug Fund	17,100	(5,733)	-	-	-	29,371	34,888	31,803	59,664	93,215
Tourism	707,413	832,935	802,736	963,510	874,573	323,333	491,410	739,279	780,318	714,585
Stormwater Utility	-	-	-	-	-	40,729	1,456	59,533	627,397	592,711
Solid Waste Fund	-	-	-	-	-	146,913	1,097,880	1,819,394	78,655	302,965
Electronic Citation Fund	-	-	-	-	-	-	6,008	16,085	286	6,402
Other Purposes	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,484,644	1,878,211	1,526,506	3,033,833	5,404,946	4,376,371	3,880,794	4,862,609	5,961,525	(2,663,211)
Total Net Position	<u>\$ 15,040,930</u>	<u>\$ 15,029,492</u>	<u>\$ 14,880,248</u>	<u>\$ 16,276,562</u>	<u>\$ 17,967,045</u>	<u>\$ 19,138,104</u>	<u>\$ 20,206,149</u>	<u>\$ 23,056,190</u>	<u>\$ 24,579,603</u>	<u>\$ 17,134,550</u>
<b>Business Type Activities</b>										
Net Investment in Capital Assets	\$ 17,813,801	\$ 17,808,778	\$ 18,953,282	\$ 18,953,282	\$ 22,302,641	\$ 22,085,086	\$ 21,932,257	\$ 21,759,049	\$ 22,014,305	\$ 22,776,340
Restricted for:										
State Street Aid	-	-	-	-	-	-	-	-	-	-
Conference Drive	-	-	-	-	-	-	-	-	-	-
Drug Fund	-	-	-	-	-	-	-	-	-	-
Tourism	-	-	-	-	-	-	-	-	-	-
Stormwater Utility	-	-	-	-	-	-	-	-	-	-
Solid Waste Fund	-	-	-	-	-	-	-	-	-	-
Electronic Citation	-	-	-	-	-	-	-	-	-	-
Other Purposes	-	-	-	-	-	-	-	-	-	-
Unrestricted	4,145,918	4,390,079	3,422,731	4,951,012	7,695,108	8,646,906	9,910,851	11,280,670	11,821,982	10,796,194
Total Net Position	<u>\$ 21,959,719</u>	<u>\$ 22,198,857</u>	<u>\$ 22,376,013</u>	<u>\$ 23,904,294</u>	<u>\$ 29,997,749</u>	<u>\$ 30,731,992</u>	<u>\$ 31,843,108</u>	<u>\$ 33,039,719</u>	<u>\$ 33,836,287</u>	<u>\$ 33,572,534</u>
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 30,540,631	\$ 30,103,105	\$ 30,850,206	\$ 30,631,590	\$ 33,740,062	\$ 36,306,473	\$ 36,625,970	\$ 37,286,536	\$ 39,086,063	\$ 40,864,223
Restricted for:										
State Street Aid	104,943	29,752	53,880	-	250,105	-	-	-	-	-
Conference Drive	-	-	600,202	600,911	-	-	-	-	-	-
Drug Fund	17,100	(5,733)	-	-	-	29,371	34,888	31,803	59,664	93,215
Tourism	707,413	832,935	802,736	963,510	874,573	323,333	491,410	739,279	780,318	714,585
Stormwater Utility	-	-	-	-	-	40,729	1,456	59,533	627,397	592,711
Solid Waste Fund	-	-	-	-	-	146,913	1,097,880	1,819,394	78,655	302,965
Electronic Citation	-	-	-	-	-	-	6,008	16,085	286	6,402
Other Purposes	-	-	-	-	-	-	-	-	-	-
Unrestricted	5,630,562	6,268,290	4,949,237	7,984,845	13,100,054	13,023,277	13,791,645	16,143,279	17,783,507	8,132,983
Total Net Position	<u>\$ 37,000,649</u>	<u>\$ 37,228,349</u>	<u>\$ 37,256,261</u>	<u>\$ 40,180,856</u>	<u>\$ 47,964,794</u>	<u>\$ 49,870,096</u>	<u>\$ 52,049,257</u>	<u>\$ 56,095,909</u>	<u>\$ 58,415,890</u>	<u>\$ 50,707,084</u>

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Financial Trends Information**  
**Changes in Net Position-Last Ten Fiscal Years**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses:</b>										
<b>Governmental Activities:</b>										
General government	\$ 3,084,557	\$ 2,885,572	\$ 3,441,250	\$ 3,320,663	\$ 2,752,406	\$ 2,614,421	\$ 2,261,558	\$ 2,367,320	\$ 2,757,841	\$ 2,408,213
Public Safety	5,113,792	5,339,890	5,502,153	5,663,684	5,706,302	6,497,320	6,396,791	7,217,111	7,521,379	9,418,417
Public Works	1,216,964	1,142,901	1,245,971	1,053,706	1,272,691	1,527,196	1,665,390	1,618,968	1,600,430	1,909,799
Solid Waste	755,411	751,294	845,076	863,007	702,779	894,450	917,317	893,407	945,688	876,534
Parks and recreation	1,589,483	1,251,512	1,313,301	1,291,967	1,424,710	1,553,219	1,499,135	1,765,258	1,797,012	2,105,983
Tourism	173,820	270,514	323,864	383,334	509,145	501,046	602,624	665,425	782,321	1,057,754
Tornado Relief	-	-	-	-	-	-	-	-	-	-
Stormwater Utility	-	-	-	-	97,702	150,981	99,357	263,846	289,360	428,107
Electronic Citation	-	-	-	-	-	-	-	-	-	-
Interest expense on long term debt	56,429	60,363	40,026	32,329	42,212	112,537	117,292	88,910	111,068	95,104
Total governmental activities expenses	11,990,456	11,702,046	12,711,641	12,608,690	12,507,947	13,851,170	13,559,464	14,880,245	15,805,099	18,299,911
<b>Business-Type Activities</b>										
Sewer	3,381,879	3,746,237	4,264,052	3,380,407	4,173,995	4,340,130	4,141,980	4,643,832	4,971,845	5,675,626
Total business-type activities expenses	3,381,879	3,746,237	4,264,052	3,380,407	4,173,995	4,340,130	4,141,980	4,643,832	4,971,845	5,675,626
Total primary government expenses	\$ 15,372,335	\$ 15,448,283	\$ 16,975,693	\$ 15,989,097	\$ 16,681,942	\$ 18,191,300	\$ 17,701,444	\$ 19,524,077	\$ 20,776,944	\$ 23,975,537
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services:										
General Government	\$ 243,585	\$ 221,549	\$ 236,453	\$ 137,127	\$ 197,237	\$ 135,681	\$ 310,502	\$ 270,842	\$ 685,533	\$ 291,507
Public Safety	374,942	331,612	249,802	377,653	450,102	457,760	429,923	460,072	340,545	258,512
Public Works	11,000	28,647	30,822	4,500	2,100	2,100	5,475	-	-	-
Solid Waste	750,628	755,567	822,711	801,298	764,672	730,821	725,196	997,912	1,014,831	1,060,878
Parks and recreation	251,078	250,796	249,439	271,804	251,980	326,325	268,432	316,550	334,350	347,052
Tourism	19,813	26,643	26,112	24,315	26,572	24,592	26,652	29,713	24,889	41,730
Stormwater Utility	-	-	-	-	195,936	199,206	919,895	972,130	899,364	1,005,410
Electronic Citation	-	-	-	-	-	-	-	10,077	8,469	6,116
Operating Grants and Contributions	451,559	535,204	467,800	473,505	546,390	695,249	486,551	507,891	511,740	630,354
Capital Grants and Contributions	726,750	83,578	314,946	1,492,334	163,772	479,145	85,251	970,273	349,833	62,011
Total governmental activities program revenues	2,829,355	2,233,596	2,398,085	3,582,536	2,598,761	3,050,879	3,257,877	4,535,460	4,169,554	3,703,570
<b>Business-Type Activities</b>										
Charges for Services:										
Sewer	3,309,267	3,931,217	4,493,710	4,972,421	5,111,824	5,170,098	5,384,763	5,895,504	5,809,005	5,746,775
Capital Grants and Contributions	-	-	-	-	-	-	37,818	-	-	-
Total business-type activities program revenues	3,309,267	3,931,217	4,493,710	4,972,421	5,111,824	5,170,098	5,422,581	5,895,504	5,809,005	5,746,775
Total primary government program revenues	6,138,622	6,164,813	6,891,795	8,554,957	7,710,585	8,220,977	8,680,458	10,430,964	9,978,559	9,450,345
<b>Net (Expense)/Revenue</b>										
<b>Governmental Activities</b>	(9,161,101)	(9,468,450)	(10,313,556)	(9,026,154)	(9,909,186)	(10,800,291)	(10,301,587)	(10,344,785)	(11,635,545)	(14,596,341)
<b>Business-Type Activities</b>	(72,612)	184,980	229,658	1,592,014	937,829	829,968	1,280,601	1,251,672	837,160	71,149
Total primary government net expense	(9,233,713)	(9,283,470)	(10,083,898)	(7,434,140)	(8,971,357)	(9,970,323)	(9,020,986)	(9,093,113)	(10,798,385)	(14,525,192)
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
Property and Personality Taxes	2,941,434	3,085,580	3,117,133	3,137,842	4,317,671	4,346,568	4,489,569	4,407,136	4,538,409	4,571,391
TVA and Other PILOT Taxes	55,504	162,379	291,630	248,490	282,786	223,155	233,630	236,541	197,136	198,018
Income Taxes	181,943	208,520	98,458	112,017	154,168	178,717	213,942	240,438	149,424	197,779
Sales Taxes	4,629,297	4,468,555	4,934,557	5,023,136	5,015,288	5,091,466	5,116,401	5,543,325	5,742,902	5,960,960
Alcoholic Beverage Taxes	641,687	645,542	658,616	687,506	710,163	687,448	707,930	647,773	599,933	577,726
Business Taxes	346,151	312,670	341,693	338,337	380,080	410,971	361,236	386,698	440,116	475,860
Hospitality Taxes	329,861	342,195	443,718	523,124	546,679	568,057	666,942	625,861	656,403	664,967
Franchise Taxes	-	-	-	-	-	252,384	373,024	593,473	545,430	673,444
Miscellaneous State Taxes	155,243	4,710	4,014	5,813	8,183	-	7,114	11,660	14,913	27,168
Unrestricted Investment Earnings	26,318	8,444	9,127	8,651	15,013	17,398	20,652	30,937	42,575	84,621
Insurance Recoveries and Gain on Disposal of Capital Assets	-	110,221	98,308	195,157	2,680	13,901	60,046	253,110	13,551	107,138
Miscellaneous	91,754	30,664	28,806	32,315	16,372	29,075	10,720	82,349	74,432	62,969
Transfers, Net	77,829	77,529	105,359	110,083	150,586	152,216	156,112	135,525	143,730	142,073
Total governmental activities	9,477,021	9,457,009	10,131,419	10,422,471	11,599,669	11,971,356	12,417,318	13,194,826	13,158,954	13,744,114
<b>Business-Type Activities</b>										
Investment Earnings	54,396	22,915	23,384	18,350	25,996	28,491	30,669	52,464	71,988	141,296
Insurance Recoveries and Gain on Disposal of Capital Assets	66,691	-	-	-	-	-	-	-	-	-
Miscellaneous	46,225	24,834	29,473	28,000	280,216	28,000	28,000	28,000	31,150	28,000
Extraordinary Item	-	-	-	-	5,000,000	-	-	-	-	-
Transfers, Net	(77,829)	(77,529)	(105,359)	(110,083)	(150,586)	(152,216)	(156,112)	(135,525)	(143,730)	(142,073)
Total business-type activities	89,483	(29,780)	(52,502)	(63,733)	5,155,626	(95,725)	(97,443)	(55,061)	(40,592)	27,223
Total primary government	9,566,504	9,427,229	10,078,917	10,358,738	16,755,295	11,875,631	12,319,875	13,139,765	13,118,362	13,771,337
<b>Change in Net Position</b>										
<b>Governmental Activities</b>	315,920	(11,441)	(182,137)	1,396,317	1,690,483	1,171,065	2,115,731	2,850,041	1,523,409	(852,227)
<b>Business-Type Activities</b>	16,871	155,200	177,156	1,528,281	6,093,455	734,243	1,183,158	1,196,611	796,568	98,372
<b>Total primary government</b>	\$ 332,791	\$ 143,759	\$ (4,981)	\$ 2,924,598	\$ 7,783,938	\$ 1,905,308	\$ 3,298,889	\$ 4,046,652	\$ 2,319,977	\$ (753,855)

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Financial Trends Information**  
**Fund Balances, Governmental Funds - Last Ten Years**  
(prepared using the modified accrual basis of accounting)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Governmental Funds:</b>										
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,441,289	\$ 1,450,846
Unreserved and undesignated	-	-	-	-	-	-	-	-	2,536,110	1,863,214
Nonspendable	228,420	205,508	192,073	166,777	181,176	154,732	187,562	107,846	-	-
Restricted	-	-	-	-	-	250,105	600,911	654,082	-	-
Committed	2,345,988	2,040,454	1,606,580	1,130,658	639,178	494,462	288,552	417,825	-	-
Assigned	787,629	506,818	503,949	552,121	1,719,322	2,498,074	501,462	500,830	-	-
Unassigned	4,778,309	5,755,343	5,907,910	5,681,142	4,525,133	4,625,329	1,986,638	2,032,259	-	-
Total General Fund	<u>\$ 8,140,346</u>	<u>\$ 8,508,123</u>	<u>\$ 8,210,512</u>	<u>\$ 7,530,698</u>	<u>\$ 7,064,809</u>	<u>\$ 8,022,702</u>	<u>\$ 3,565,125</u>	<u>\$ 3,712,842</u>	<u>\$ 3,977,399</u>	<u>\$ 3,314,060</u>
All Other Governmental Funds										
Reserved for Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,983	\$ 17,904
Reserved for Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Unreserved reported in Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Unreserved reported in Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	6,070	2,249	1,116	-	-	-	-	-	-	-
Restricted reported in Special Revenue Funds	2,289,848	1,895,154	2,113,290	1,310,111	319,075	906,178	931,263	1,067,565	-	-
Restricted reported in Capital Projects Fund	-	-	-	-	-	28,628	(163,938)	-	-	-
Assigned reported in Special Revenue Funds	337,602	259,677	216,075	-	-	-	-	-	-	-
Assigned reported in the Capital Projects Fund	225,699	299,268	185,729	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 2,859,219</u>	<u>\$ 2,456,348</u>	<u>\$ 2,516,210</u>	<u>\$ 1,310,111</u>	<u>\$ 319,075</u>	<u>\$ 934,806</u>	<u>\$ 767,325</u>	<u>\$ 1,067,565</u>	<u>\$ 103,983</u>	<u>\$ 17,904</u>
Total	<u>\$ 10,999,565</u>	<u>\$ 10,964,471</u>	<u>\$ 10,726,722</u>	<u>\$ 8,840,809</u>	<u>\$ 7,383,884</u>	<u>\$ 8,957,508</u>	<u>\$ 4,332,450</u>	<u>\$ 4,780,407</u>	<u>\$ 4,081,382</u>	<u>\$ 3,331,964</u>

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

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Financial Trends Information**  
**Changes in Fund Balances, Governmental Funds - Last Ten Years**

(Prepared using the modified accrual basis of accounting)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Revenues:</b>										
Local Taxes	\$ 10,886,148	\$ 10,511,884	\$ 10,255,979	\$ 9,910,703	\$ 9,686,052	\$ 9,358,808	\$ 8,178,409	\$ 8,210,565	\$ 7,642,524	\$ 7,901,636
Licenses and Permits	265,681	630,271	229,301	295,837	124,170	196,576	104,264	238,258	158,204	210,480
Fines	258,512	340,545	405,552	376,750	398,256	383,982	314,991	221,503	303,867	276,741
Drug and Gambling Revenue	14,093	22,917	22,788	24,191	28,482	17,185	29,038	27,312	23,127	56,070
Intergovernmental Revenues	2,444,016	2,265,235	2,649,138	2,263,258	2,296,400	2,022,271	1,972,315	2,024,861	1,999,777	2,539,936
Charges for Services	2,454,435	2,292,855	2,322,335	1,935,177	1,303,506	1,276,304	1,108,487	1,091,767	1,037,406	1,197,771
Hotel/Motel Taxes	664,967	656,403	625,861	542,221	457,156	442,943	426,303	362,354	272,081	-
Interest	24,169	3,669	8,239	2,483	2,647	2,554	3,771	1,080	-	-
Contributions and Grants	306,918	-	775,551	97,032	120,178	230,334	444,797	-	-	-
Miscellaneous Revenues	107,057	58,564	98,309	77,748	54,557	33,394	46,083	75,457	65,870	119,546
<b>Total Revenues</b>	<b>17,425,996</b>	<b>16,782,343</b>	<b>17,393,053</b>	<b>15,525,400</b>	<b>14,471,404</b>	<b>13,964,351</b>	<b>12,628,458</b>	<b>12,253,157</b>	<b>11,502,856</b>	<b>12,302,180</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General Government	2,635,033	2,532,488	2,431,952	2,318,405	2,245,637	2,571,592	2,750,629	2,525,674	2,324,676	2,368,115
Public Safety	7,326,259	6,884,319	6,754,191	6,158,702	5,944,757	5,194,172	5,006,644	5,039,840	4,862,765	4,768,967
Public Works	1,050,972	955,780	1,043,591	1,165,939	1,081,918	940,156	940,662	969,315	960,243	46,980
Solid Waste	830,648	916,764	883,355	909,962	885,152	823,067	803,679	773,941	702,062	940,758
Drug Fund	8,950	1,436	28,141	23,950	4,193	14,125	238,232	36,676	45,960	715,511
Parks and Recreation	1,668,439	1,581,887	1,579,708	1,362,222	1,426,434	1,250,466	1,227,117	1,248,625	1,218,791	1,367,782
Storm Expenditures	-	-	-	-	-	-	34,415	131,648	57,937	-
Tourism	697,860	504,082	393,344	492,872	466,126	422,642	330,259	286,989	243,412	203,219
Stormwater Utility	268,105	242,258	255,083	82,020	150,981	97,702	-	-	-	-
Debt Service-Principal	642,947	867,803	803,403	683,453	604,672	435,381	391,465	616,030	477,341	404,484
Debt Service-Interest	92,342	134,168	101,667	107,348	120,731	31,839	32,951	55,135	60,784	61,195
Capital Outlay	2,509,974	3,034,433	2,131,529	2,054,159	3,778,257	2,484,254	2,015,897	456,563	734,701	1,230,399
<b>Total expenditures</b>	<b>17,731,529</b>	<b>17,655,418</b>	<b>16,405,964</b>	<b>15,359,032</b>	<b>16,708,858</b>	<b>14,265,396</b>	<b>13,771,950</b>	<b>12,140,436</b>	<b>11,688,672</b>	<b>12,107,410</b>
Excess of revenues over (under) expenditures	(305,533)	(873,075)	987,089	166,368	(2,237,454)	(301,045)	(1,143,492)	112,721	(185,816)	194,770
<b>Other Financing Sources &amp; Uses:</b>										
Bonds, notes, and leases	-	917,771	432,000	811,000	454,688	4,476,411	287,766	152,205	271,818	-
Transfers In	142,073	143,730	195,000	301,112	152,216	815,813	495,629	105,359	77,529	77,829
Transfers Out	-	-	(59,475)	(145,000)	-	(564,000)	(321,000)	-	-	-
Sale of capital assets	91,416	35,772	78,190	94,307	43,025	195,199	37,982	24,988	-	-
Insurance recoveries	107,138	13,551	253,110	60,046	13,901	2,680	195,157	98,308	585,889	-
<b>Total other financing sources (uses)</b>	<b>340,627</b>	<b>1,110,824</b>	<b>898,825</b>	<b>1,121,465</b>	<b>663,830</b>	<b>4,926,103</b>	<b>695,534</b>	<b>380,860</b>	<b>935,236</b>	<b>77,829</b>
Special Item	-	-	-	-	-	-	-	-	-	-
<b>Net Change in Fund Balance</b>	<b>\$ 35,094</b>	<b>\$ 237,749</b>	<b>\$ 1,885,914</b>	<b>\$ 1,287,833</b>	<b>\$ (1,573,624)</b>	<b>\$ 4,625,058</b>	<b>\$ (447,958)</b>	<b>\$ 493,581</b>	<b>\$ 749,420</b>	<b>\$ 272,599</b>
Debt Service as % of noncapital expenditures	4.83%	6.85%	6.34%	5.94%	5.61%	3.97%	3.61%	5.74%	4.91%	4.28%

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Revenue Capacity Information**  
**Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Years**

<b>Tax Year</b>	<b>Fiscal Year</b>	<b>Commercial/Industrial</b>	<b>Residential</b>	<b>Farm/Other Property</b>	<b>Tangible/Intangible Personal Property</b>	<b>Public Utility Property</b>	<b>Total Assessed Value</b>	<b>Total Direct Tax Rate *</b>	<b>Estimated Actual Taxable Value</b>	<b>Taxable Assessed Value As a Percentage of Actual Taxable Value</b>
2017	2018	\$ 289,940,071	\$ 251,568,300	\$ 4,714,492	\$ 35,737,274	\$ 12,284,296	\$ 594,244,433	\$0.8163 Sumner \$0.7484 Davidson **	\$ 1,953,716,561	30.42%
2016	2017	253,841,541	223,067,775	4,390,030	28,788,186	11,162,404	521,249,936	\$0.9018	1,785,551,958	29.19%
2015	2016	220,329,471	220,903,475	4,218,174	27,580,460	11,399,097	484,430,677	\$0.9018	1,696,106,610	28.56%
2014	2015	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%

\* Per \$100 of assessed valuation

\*\* Split certified rate between the two Counties due to reappraisals

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Revenue Capacity Information**  
**Property Tax Rates - Direct and Overlapping Governments - Last Ten Years**

Fiscal Year	Levy Year	Direct Rate*		Overlapping Rates**		Total	
		Sumner City	Davidson City	Sumner County	Davidson County	Sumner City	Davidson City
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
2016	2015	\$ 0.9018	\$ 0.9018	\$ 2.5000	\$ 3.9240	\$ 3.4018	\$ 4.8258
2017	2016	\$ 0.9018	\$ 0.9018	\$ 2.5000	\$ 3.9240	\$ 3.4018	\$ 4.8258
2018	2017	\$ 0.8163	\$ 0.7484	\$ 2.5000	\$ 2.7550	\$ 3.3163	\$ 3.5034

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, TENNESSEE**  
**Revenue Capacity Information**  
**Principal Property Taxpayers**

Taxpayer	2018			Taxpayer	2009		
	Total Assessed Value	Rank	Percent of Total Assessed Value		Total Assessed Value	Rank	Percent of Total Assessed Value
Dollar General	\$ 18,254,488	1	3.14%	Rivergate Mall	\$ 18,419,480	1	4.28%
IBP/Tyson	14,371,252	2	2.47%	IBP/Tyson	14,826,032	2	3.45%
Associated Wholesale Grocers	8,459,665	3	1.46%	Dollar General	13,345,560	3	3.10%
Piccadilly Apartments	7,764,425	4	1.34%	Realty Associates Iowa Corp	9,261,840	4	2.15%
KDI Rivergate Mall	7,753,709	5	1.33%	KC Investors	7,652,760	5	1.78%
Milburn SPN, LLC	7,106,675	6	1.22%	Piccadilly	6,960,680	6	1.62%
Preston Run	6,500,000	7	1.12%	Lenoxgate	5,339,320	7	1.24%
United Fidelity Bank/Pedcor	5,467,900	8	0.94%	Preston Run	5,198,320	8	1.21%
TopValco	4,874,973	9	0.84%	May Department Stores	4,818,804	9	1.12%
Timberland Nashville, LLC	3,364,300	10	0.58%	Armed Services	3,433,601	10	0.80%
<b>Totals</b>	<b>\$ 83,917,387</b>		<b>14.44%</b>		<b>\$ 89,256,397</b>		<b>20.74%</b>
<b>Total Assessed Value</b>	<b>\$ 581,171,439</b>				<b>\$ 430,265,523</b>		

Source: City Tax Rolls

Note: Fiscal Year 2018 reflects Tax Year 2017 and Fiscal Year 2009 reflects 2008 Tax Year

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Revenue Capacity Information**  
**Property Tax Levies and Collections - Last Ten Fiscal Years**

Fiscal Year	Levy Year	Total Tax Levy	Current Tax Collections	Percent Collected	Delinquent Tax Collections	Total Collections	Total Collected as Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Current Levy
2009	2008	\$ 2,887,879	\$ 2,827,316	97.90%	\$ 114,118	\$ 2,941,434	101.85%	\$ 14,570	0.50%
2010	2009	3,085,580	2,946,791	95.50%	71,386	3,018,177	97.82%	26,982	0.87%
2011	2010	3,117,133	2,960,454	94.97%	99,747	3,060,201	98.17%	45,597	1.46%
2012	2011	3,126,381	2,977,789	95.25%	159,552	3,137,341	100.35%	148,593	4.75%
2013	2012	4,333,550	4,167,047	96.16%	95,036	4,262,083	98.35%	166,503	3.84%
2014	2013	4,346,390	4,205,129	96.75%	141,439	4,346,568	100.00%	141,261	3.25%
2015	2014	4,396,889	4,220,729	95.99%	94,085	4,314,814	98.13%	176,160	4.01%
2016	2015	4,356,673	4,229,162	97.07%	121,064	4,350,226	99.85%	127,511	2.93%
2017	2016	4,457,970	4,356,546	97.72%	185,360	4,541,906	101.88%	101,424	2.28%
2018	2017	4,556,079	4,459,299	97.88%	112,557	4,571,856	100.35%	96,780	2.12%

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**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
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%
2016	4,262,318	1.125%	1.125%	2.25%	7.00%	9.25%
2017	4,422,930	1.125%	1.125%	2.25%	7.00%	9.25%
2018	4,609,216	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 2009 and 2018**

Sector	Fiscal Year 2009				Fiscal Year 2018			
	Number of Filers	% of Total	Tax Liability	% of Total	Number of Filers	% of Total	Tax Liability	% of Total
1 Retail Trade	335	57.76%	\$5,228,755	86.58%	237	44.30%	\$5,722,787	73.41%
2 Services	153	26.38%	\$434,448	7.19%	121	22.62%	\$720,138	9.24%
3 Manufacturing	37	6.38%	\$96,038	1.59%	28	5.23%	\$157,750	2.02%
4 Wholesale Trade	36	6.21%	\$188,241	3.12%	21	3.93%	\$308,333	3.96%
5 Construction	5	0.86%	\$44,029	0.73%	7	1.31%	\$67,238	0.86%
6 Finance Insurance Real Estate					5	0.93%	\$332,075	4.26%
7 Transportation and Utilities					5	0.93%	\$42,611	0.55%
8 Agriculture								
9 Other, Non Classified	14	2.41%	\$47,515	0.79%	111	20.75%	\$444,975	5.71%
<b>Total</b>	<b>580</b>	<b>100.00%</b>	<b>\$6,039,026</b>	<b>100.00%</b>	<b>535</b>	<b>100.00%</b>	<b>\$7,795,907</b>	<b>100.00%</b>

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, TENNESSEE**  
**Revenue Capacity Information**  
**Local Taxable Sales by Category - Last Ten Calendar Years**

Category	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
1 Apparel Stores	\$13,937,126	\$11,177,219	\$13,091,318	\$15,453,478	\$15,163,327	\$14,690,460	\$9,240,693	\$8,806,722	\$10,532,155	\$6,579,437
2 General Merchandise Stores	\$61,059,296	\$56,717,443	\$57,495,030	\$56,713,043	\$52,234,437	\$51,820,521	\$33,251,276	\$44,758,460	\$45,891,155	\$43,404,108
3 Food Stores	\$59,599,667	\$58,652,022	\$59,847,661	\$63,667,049	\$66,800,404	\$69,476,181	\$71,660,715	\$74,109,506	\$83,921,513	\$87,878,409
4 Eating and Drinking Places	\$42,269,392	\$41,159,929	\$42,109,529	\$42,673,201	\$43,794,512	\$43,411,685	\$41,023,403	\$42,526,373	\$43,360,207	\$45,195,050
5 Furniture Stores	\$20,779,124	\$16,149,990	\$16,371,262	\$15,505,792	\$16,169,382	\$18,634,467	\$20,060,576	\$20,232,835	\$21,315,240	\$20,557,948
6 Building Materials	\$2,227,767	\$2,379,458	\$1,401,986	\$1,043,947	\$958,844	\$1,021,571	\$1,491,112	\$1,873,552	\$2,039,008	\$2,074,417
7 MV Dealers and Service Stations	\$11,958,492	\$12,554,851	\$14,263,250	\$13,658,966	\$14,107,079	\$14,409,443	\$15,424,631	\$15,095,978	\$15,619,174	\$14,952,628
8 Other Retail	\$30,593,859	\$25,638,895	\$26,709,519	\$31,428,412	\$29,801,903	\$32,079,415	\$30,763,078	\$32,748,315	\$36,811,222	\$40,582,739
9 All Other Outlets	\$45,636,755	\$39,655,013	\$50,722,679	\$58,612,437	\$56,001,704	\$54,768,538	\$61,472,251	\$67,893,955	\$71,998,053	\$76,706,582
<b>Total</b>	<b>\$288,061,478</b>	<b>\$264,084,820</b>	<b>\$282,012,234</b>	<b>\$298,756,325</b>	<b>\$295,031,592</b>	<b>\$300,312,281</b>	<b>\$284,387,735</b>	<b>\$308,045,696</b>	<b>\$331,487,727</b>	<b>\$337,931,318</b>

Source: Department of Revenue, Research Section

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

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Debt Capacity Information**  
**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years**

	Population **	Governmental Activities			Business-Type Activities				Total Primary Government	Percent of Personal Income*	Debt Per Capita
		General Obligation Bonds	Capital Leases	Capital Notes	General Obligation Bonds	State Loan-Wastewater	Capital Leases	Capital Notes			
2009	14,761	\$ 688,810	\$ 178,710	\$ 183,336	\$ 340,000	\$ 3,812,044	-	\$ 275,000	\$ 5,477,900	1.32%	371
2010	15,921	422,930	246,946	166,667	230,000	4,625,014	-	250,000	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
2016	15,921	2,668,131	1,400,958	-	1,201,870	6,427,229	92,003	-	11,790,191	2.65%	741
2017	15,921	2,514,457	1,221,902	-	761,345	6,140,541	42,422	-	10,680,667	2.40%	671
2018	15,921	2,364,136	733,475	13,800	301,266	5,792,599	21,426	-	9,226,702	2.08%	580

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, TENNESSEE**  
**Debt Capacity Information**  
**Ratios of General Obligation Debt Outstanding - Last Ten Fiscal Years**

Tax Year	Fiscal Year	Population	Total Assessed Value	General Obligation Bonds	Ratio of General Obligation Debt to Assessed Value	Net General Obligation Debt Per Capita
2008	2009	14,761	\$ 430,265,523	\$ 688,810	0.16%	\$ 47
2009	2010	15,921	469,287,288	422,930	0.09%	27
2010	2011	15,921	475,847,360	281,730	0.06%	18
2011	2012	15,921	495,174,750	126,584	0.03%	8
2012	2013	15,921	496,409,953	3,078,803	0.62%	193
2013	2014	15,921	497,951,329	2,950,810	0.59%	185
2014	2015	15,921	487,568,037	2,812,182	0.58%	177
2015	2016	15,921	487,227,976	2,668,131	0.55%	168
2016	2017	15,921	495,249,426	2,518,656	0.51%	158
2017	2018	15,921	594,244,433	2,364,136	0.40%	148

Source: Population data per the US Census Bureau

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Debt Capacity Information**  
**Direct and Overlapping Governmental Activities Debt**

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable to City *	Amount Applicable to City *
Sumner County	\$ 158,010,000	13.25%	\$ 20,941,679
Davidson County	\$ 2,457,830,196	1.92%	<u>\$ 47,154,003</u>
Subtotal, overlapping debt			\$ 68,095,682
City of Goodlettsville direct debt of governmental activities			\$ 3,111,411
Total direct and overlapping debt			<u><u>\$ 71,207,093</u></u>

\* Based upon Assessed Value of Property in:

Sumner County	\$ 4,483,716,987
Davidson County	\$ 30,974,081,241
City of Goodlettsville	\$ 594,244,433

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Debt Capacity Information**  
**Legal Debt Margin Information - Last Ten Fiscal Years**

Fiscal Year	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Assessed Value	\$ 594,244,433	\$ 495,249,426	\$ 484,430,677	\$ 487,568,037	\$ 497,951,329	\$ 496,409,953	\$ 495,174,750	\$ 475,847,360	\$ 469,287,288	\$ 430,265,523
General Obligation Debt	\$ 3,111,411	\$ 3,736,360	\$ 4,069,089	\$ 4,452,511	\$ 4,324,964	\$ 4,474,828	\$ 434,365	\$ 538,063	\$ 836,542	\$ 1,050,852
Debt as % of Assessed Value	0.52%	0.75%	0.84%	0.91%	0.87%	0.90%	0.09%	0.11%	0.18%	0.24%

Note- The City has no legal debt limit

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**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**	Sumner Unemployment Rate**
2009	14,761	\$ 414,311,748	\$ 28,068	37.00	13.41	9.0	9.9
2010	15,921	446,870,628	28,068	39.90	13.62	8.9	8.8
2011	15,921	446,870,628	28,068	39.90	13.62	8.2	8.1
2012	15,921	444,371,031	27,911	39.90	13.62	6.6	6.7
2013	15,921	444,371,031	27,911	39.90	13.62	6.9	6.8
2014	15,921	444,371,031	27,911	39.90	13.62	6.9	6.8
2015	15,921	444,371,031	27,911	39.90	13.62	6.9	6.8
2016	15,921	459,113,877	28,837	37.00	13.62	3.8	4.1
2017	15,921	464,288,202	29,162	43.10	13.62	2.7	2.9
2018	15,921	460,132,821	28,901	42.50	13.62	2.2	2.4

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

\*\*Tennessee Department of Labor and Workforce Development

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Demographic and Economic Information**  
**Principal Employers**

Employer	Product/Service	2018		2009			
		Employees	Rank	Employees	Rank		
Tyson Foods, Inc	Meat Packing	1,993	1	53%	1,512	1	40%
Dollar General Corporation HDQ	Retail Distribution	1,100	2	29%	900	2	24%
Associated Wholesale Grocers	Food Distribution	315	3	8%	162	3	4%
City of Goodlettsville	Government	140	4	4%	137	4	4%
Des-Case	Filters	90	5	2%			
Richards & Southern	Entertainment Marketing	48	7	1%			
Prevost Motorcar	High-end luxury motor coaches	52	6	1%			
		3,738			2,711		

Source: City Tax Rolls and Middle Tennessee Industrial Development Association

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Operating Information**  
**Full-time Equivalent City Government by Function - Last Ten Fiscal Years**

Function	Full-time Equivalent Employees as of June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government	11.9	11.0	12.0	14.0	11.0	12.0	13.0	13.0	11.0	12.0
Community Services	5.0	6.0	6.0	5.0	6.0	6.0	7.0	7.0	7.0	7.0
Police	61.1	55.2	63.6	60.4	56.0	57.0	56.0	57.0	53.0	54.0
Fire	28.4	26.0	23.0	23.8	19.0	19.0	19.0	19.0	18.0	18.0
Hwys and Streets	9.2	10.7	8.3	12.2	15.0	14.0	14.0	14.0	11.0	11.0
Tourism *	15.2	29.0	20.0	23.0	18.0	17.0	17.0	18.0	19.0	19.0
Parks and Recreation	6.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sanitation	1.0	1.0	1.0	1.7	0.0	0.0	0.0	5.0	7.0	7.0
Sewer	8.6	7.7	8.3	6.6	6.0	6.0	6.0	6.0	9.0	9.0
Stormwater	2.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>149.1</b>	<b>148.6</b>	<b>144.2</b>	<b>146.6</b>	<b>131.0</b>	<b>131.0</b>	<b>132.0</b>	<b>139.0</b>	<b>135.0</b>	<b>137.0</b>

\* 2018 reflects new Tourism Department

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Operating Information**  
**Operating Indicators by Function**

	Fiscal Year						
	2018	2017	2016	2015	2014	2013	2012
<b>Police</b>							
Calls for Service	45,584	45,367	46,794	48,701	41,559	34,780	29,263
Traffic Accidents	886	845	911	833	909	935	1,200
<b>Fire</b>							
Calls for Service	3,637	3,670	3,156	2,837	2,730	2,713	2,651
EMS/Rescue Incidents	2,589	2,525	2,203	1,990	1,772	1,837	1,836
Structure fires	8	11	17	20	10	18	18
Fire Inspections	10	32	29	24	57	73	73
<b>Community Services</b>							
Total Permits Issued	355	438	306	192	181	99	188
Construction Plans							
Reviewed	13	30	81	85	51	12	37
Certificates of							
Occupancy Issued	69	86	98	42	46	73	33
Building Inspections	1,205	1,096	657	353	310	271	318

Source: City Departmental Statistical Data

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

**CITY OF GOODLETTSVILLE, TENNESSEE**  
**Operating Information**  
**Capital Assets Statistics by Function - Last Ten Fiscal Years**

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police										
Stations	1	1	2	2	2	2	1	1	1	1
Vehicles	50	50	45	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	6	6	6
Autos and trucks	3	3	3	3	3	3	3	3	3	3
Inflatable boat	1	1	1	1	1	1	1	0	0	0
Public Works										
Streets (miles)	85	85	85	85	85	85	85	85	83	83
Traffic Signals	21	21	21	22	22	21	21	21	20	20
Parks and Recreation										
Acreage	210	210	210	210	210	210	205.4	205.4	205.4	205.4
Playgrounds	5	5	5	4	4	3	3	3	3	3
Baseball/softball diamonds	12	12	12	12	12	12	12	12	12	12
Soccer/football fields	15	15	15	15	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  
Utility Rate Structure**

The City of Goodlettsville's Sewer Fund had approximately 4,767 customers at June 30, 2018. Its rate structure was as follows:

<b>Residential</b> <i>(Minimum Charges per Month up to 200 Cubic Feet Usage)</i>		<b>Small Commercial and Industrial</b> <i>(Minimum Charges per Month up to 200 Cubic Feet Usage)</i>	
Meter Size	Rate (\$)	Meter Size	Rate (\$)
5/8"	10.98	5/8"	12.27
3/4"	31.15	3/4"	34.89
1"	37.52	1"	42.02
1 1/2"	55.16	1 1/2"	61.78
2"	74.28	2"	83.19
3"	98.01	3"	109.77
4"	159.72	4"	178.88
6"	250.80	6"	280.91
8"	392.22	8"	439.28
10"	392.22	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.

<b>Intermediate Commercial and Industrial</b> <i>(Minimum Charges per Month up to 200 Cubic Feet Usage)</i>		<b>Large Commercial and Industrial</b> <i>(Minimum Charges per Month up to 200 Cubic Feet Usage)</i>	
Meter Size	Rate (\$)	Meter Size	Rate (\$)
5/8"	40.17	5/8"	1,550.46
3/4"	55.97	3/4"	1,567.22
1"	62.41	1"	1,572.67
1 1/2"	77.51	1 1/2"	1,587.75
2"	94.68	2"	1,604.93
3"	118.50	3"	1,620.00
4"	187.57	4"	1,689.17
6"	289.60	6"	1,791.17
8"	450.81	8"	1,961.07
10"	450.81	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 4,969 Solid waste customers at June 30, 2018 that are charged \$16/month per residential living unit - standard rate. Overall rates range from \$8 to \$24.

**Internal Control and Compliance Section**

# BLANKENSHIP CPA GROUP, PLLC

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

## **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 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 of the City of Goodlettsville, Tennessee (the City), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 21, 2018.

### **Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

**Purpose of this Report**

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

Blankenship CPA Group, PLLC

December 21, 2018

**City of Goodlettsville, Tennessee**  
**Summary Schedule of Prior Audit Findings**  
**June 30, 2018**

**Financial Statement Findings**

<b>Finding Number</b>	<b>Finding Title</b>	<b>Status</b>
N/A	None Identified	N/A

**Federal Award Findings and Questioned Costs**

<b>Finding Number</b>	<b>Finding Title</b>	<b>Status</b>
N/A	None Identified	N/A

**Compliance and Other Matters**

<b>Finding Number</b>	<b>Finding Title</b>	<b>Status</b>
2017-0001	Issuance of Capital Leases	Corrected