

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**BEDFORD COUNTY, TENNESSEE**

**FOR THE YEAR ENDED JUNE 30, 2019**



**DIVISION OF LOCAL GOVERNMENT AUDIT**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**BEDFORD COUNTY, TENNESSEE**  
**FOR THE YEAR ENDED JUNE 30, 2019**

*COMPTROLLER OF THE TREASURY*  
*JUSTIN P. WILSON*

*DIVISION OF LOCAL GOVERNMENT AUDIT*  
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*Director*

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*State Auditors*

*ROBERT DANIEL, CPA*  
*Finance Director*  
*Bedford County, Tennessee*

This financial report is available at [www.comptroller.tn.gov](http://www.comptroller.tn.gov)

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**BEDFORD COUNTY, TENNESSEE**  
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# ***Summary of Audit Findings***

Annual Financial Report  
Bedford County, Tennessee  
For the Year Ended June 30, 2019

## ***Scope***

We have audited the basic financial statements of Bedford County as of and for the year ended June 30, 2019.

## ***Results***

Our report on Bedford County's financial statements is unmodified.

Our audit resulting in no findings.

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# INTRODUCTORY SECTION

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## **BEDFORD COUNTY, TENNESSEE**

### **Letter of Transmittal**

October 29, 2019

To the Honorable Chad Graham, County Mayor,  
Board of County Commissioners, and Citizens of  
Bedford County, Tennessee

The Comprehensive Annual Financial Report of Bedford County, Tennessee, for the year ended June 30, 2019, is hereby submitted as required by state statutes. These statutes require that all local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by the State of Tennessee's Comptroller of the Treasury, Division of Local Government Audit, or by independent public accountants within six months of the close of each fiscal year. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Bedford County, Tennessee. This report was prepared by the county's Finance Department in conjunction with the above state agency.

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

The State of Tennessee's Comptroller of the Treasury, Division of Local Government Audit has issued an unmodified ("clean") opinion on the financial statements of Bedford County, Tennessee, for the fiscal year ended June 30, 2019. The independent auditor's report is presented at the front of the financial section of this report.

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



## ***Profile of the Government***

Bedford County was established on December 4, 1807, by Public Act of the State of Tennessee. The county is named after Thomas Bedford, Jr., an American Revolutionary War hero. One odd fact about Bedford County is that, if the state senate journal is accurate, in the rush of business to pass the bill to create the county, the state senate failed to read and adopt the bill on three readings on three separate days, which was required by state constitutional provisions to create a Tennessee county. Bedford County is in the southern middle part of the state and borders Rutherford, Lincoln, Coffee, Moore, and Marshall counties. The county has a land mass of approximately 303,148 acres (474 square miles) and serves an estimated population of 49,038.

Bedford County operates as a political subdivision of the state as provided by the Tennessee Constitution. Bedford County, as a political subdivision of the state, is subject to control by the Tennessee General Assembly, and the county has no authority except that expressly given by state statutes. Bedford County is empowered to levy a property tax on both real and personal properties located within its boundaries.

Bedford County operates under a County Mayor – County Commission form of government as provided by state statutes. The Bedford County Commission consists of an 18-member board elected in nine districts within the county. Policymaking and legislative authority is vested in the Bedford County Commission. The County Commission is responsible for various tasks, including but not limited to, adopting the annual budget, setting the property tax levy, appointing various boards and committees, and passing local ordinances. The county mayor is popularly elected for a four-year term and is the county's manager and chief financial officer. He is responsible for carrying out policies and ordinances of the County Commission, overseeing the day-to-day operations of the government, and appointing or recommending for appointment various department heads. In addition, he serves as chairperson of the County Commission and as a member of most committees.

Bedford County provides a full range of essential services, including police and fire protection; solid waste disposal; emergency medical services; emergency management planning; and construction and maintenance of highways, streets, and other infrastructure. Bedford County also is financially responsible for a legally separate school district, which is reported separately within its financial statements. Additional information on this legally separate entity along with the county's other discretely presented component unit can be found in Note I.A. in the notes to the financial statements.

Bedford County is required to adopt an annual budget in compliance with state statutes. The annual budget serves as the foundation for Bedford County's financial planning and control. As required, each department submits an itemized statement of appropriations needed for the upcoming year to the director of finance. Each fiscal year, the director of finance submits a consolidated budget to the Financial Management Committee. According to Section 5-21-110, *Tennessee Code Annotated*, "in preparing the budget, the budget committee may revise, as it deems necessary, the estimates or requests made by the various department officials, offices, institutions, and agencies of the county, but any county official or employee shall be entitled to a hearing before the budget committee with reference to any contemplated changes in the county official's or employee's budget requests or estimates." The proposed budget of the Financial Management Committee is published in a

paper of general circulation at least ten days before the Financial Management Committee conducts a public hearing on the budget. The county commission may alter or revise the budget before adoption except for debt service. The county commission adopts a budget before the end of July. The county director of finance, upon the request of a department head, except for salary and benefit related line-items, may transfer appropriations between line-items within a department. Transfers of appropriations between line-items, including salary and related line-items, within a department may be made by the Financial Management Committee. Transfers between departments require the approval of the Bedford County Commission.

### ***Local Economy***

Bedford County is predominately a manufacturing and agricultural county. Major industries located within the Bedford County's boundaries include a hospital, nursing homes, deep chill processing and perishable food distributor, manufacturers of writing instruments, school supplies, printing and engraving supplies, automobile cooling/heating exhausts, retail stores, and several financial institutions. The school system and Bedford County also have a significant economic presence, employing 1,061 teachers, professionals and support staff.

As of July 2019, Bedford County had an estimated labor force of 21,285 with 20,229 employed resulting in a 5.0 percent unemployment rate. Bedford County's unemployment rate is slightly above the state average of 3.5 percent.

Median household incomes within Bedford County are lower than the state as a whole. According to the latest estimate from the US Census Bureau, the state's median household income was \$48,708 and the county's was \$47,117 in 2018. Bedford County had a population of 49,038. This is an increase of 8.8 percent since the 2010 census. The median price of a single home in Bedford County was \$129,700.

Due to its strong financial position, Bedford County received a credit rating of AA from S&P Global Ratings in 2019. Bedford County has maintained a credit rating of Aa3 from Moody's Investor Service since 2011, which is the highest bond rating in the history of the county and shows the county has a very strong capacity to meet its financial commitments.

There are many significant factors that will undoubtedly contribute to the continued growth of our economy. One factor is that Bedford County is within a day's drive of 75 percent of the nation's markets and only minutes from three major interstates.

Bedford County is experiencing a boom in construction. A new Jail/Justice Center is projected to be completed in December of 2019. The new Cascade High School was completed in August 2019. There are also plans by the state for a roundabout at the Cascade intersection of Fairfield Pike and State Route 269. Also under construction is an additional wing at Learning Way Elementary School. Phase one is nearing completion of Uncle Nearest, a whiskey production facility, tasting room, retail store and bottling house on Highway 231 North of Shelbyville. The plans also include a new fire station to be built on the property and will be available to serve the area. Land is being made available in the new 231 North Business Park for a new campus for the Tennessee College of Applied Technology (TCAT). The TCAT campus would be one of three proposed for Tennessee. Bedford County recently received a \$30,000 grant for a business

incubator through the state's ThreeStar program. The Shelbyville Municipal Airport has undergone \$6.3 million in runway construction and improvements in 2019. Construction is currently underway for a 3 1/2-mile segment of Highway 41A, from State Route 276 (Thompson Creek Road) to Jenkins Road, for a cost of \$31.8 million. Completion of the current segment is expected by May 2020.

### ***Long-term Financial Planning and Major Initiatives***

Unassigned fund balance in the General Fund at year end was 11.28 percent of total General Fund current-year expenditures and exceeds the amount set by policy (three percent of current-year expenditures). The excess is available to cover revenue shortfalls, unanticipated expenditures, and to ensure stable tax rates.

To better serve the needs of the commission and the public, the commission adopted a fund balance policy in the General Debt Service Fund. The policy requires a minimum of three percent of expenditures. The General Debt Service Fund policy requires revenues meet the actual debt requirements. Additionally, the policy of the county requires that at the beginning of each fiscal year, the county will maintain an adequate amount in cash or investments in the debt service fund that will meet cash flow needs. Also, the Bedford County Commission and the Bedford County Financial Management Committee has adopted a county Debt Policy.

Current initiatives include the construction of a new elementary school north of Shelbyville and a business incubator in the current Bedford County Business Complex.

Bedford County adopted the County Financial Management System of 1981 in November 2006. This local option law created a county financial management office. In April 2007, the county hired a certified public accountant as its first director of finance. Through great efforts by the director of finance and his staff, the county prepared financial statements in accordance with Generally Accepted Accounting Principles (GAAP) and received its first unqualified financial statement audit in at least 20 years.

### ***Relevant Financial Policies***

Bedford County has adopted a set of financial management policies. During the current year, none of the policies were particularly relevant. However, the State of Tennessee requires the adoption of a balanced operating budget (i.e. estimated revenues equal to or in excess of appropriations). Estimated revenues were less than appropriations (\$19,930,000 v. \$23,479,526). In such cases, the appropriation of fund balance is used to close the gap. The amount necessary for this purpose in the original budget was \$3,255,270, which increased to \$3,549,526 in the final amended budget. However, thanks to increases in revenues and measures taken during the year to control expenditures, Bedford County ultimately had to spend only \$329,912 to close the operating deficit for the year.

### ***Awards and Acknowledgments***

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Bedford County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2018. This was the tenth

consecutive year that Bedford County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the county had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report could not have been possible without the skill, effort and dedication of the entire Department of Finance. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit is due to the county mayor and the commission for their unfailing support for maintaining the highest standards of professionalism in the management of Bedford County.

Sincerely,

A handwritten signature in black ink that reads "Robert Daniel". The signature is written in a cursive style with a large initial "R".

Robert Daniel, CPA, CGFM  
Director of Finance



Government Finance Officers Association

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

Presented to

**Bedford County  
Tennessee**

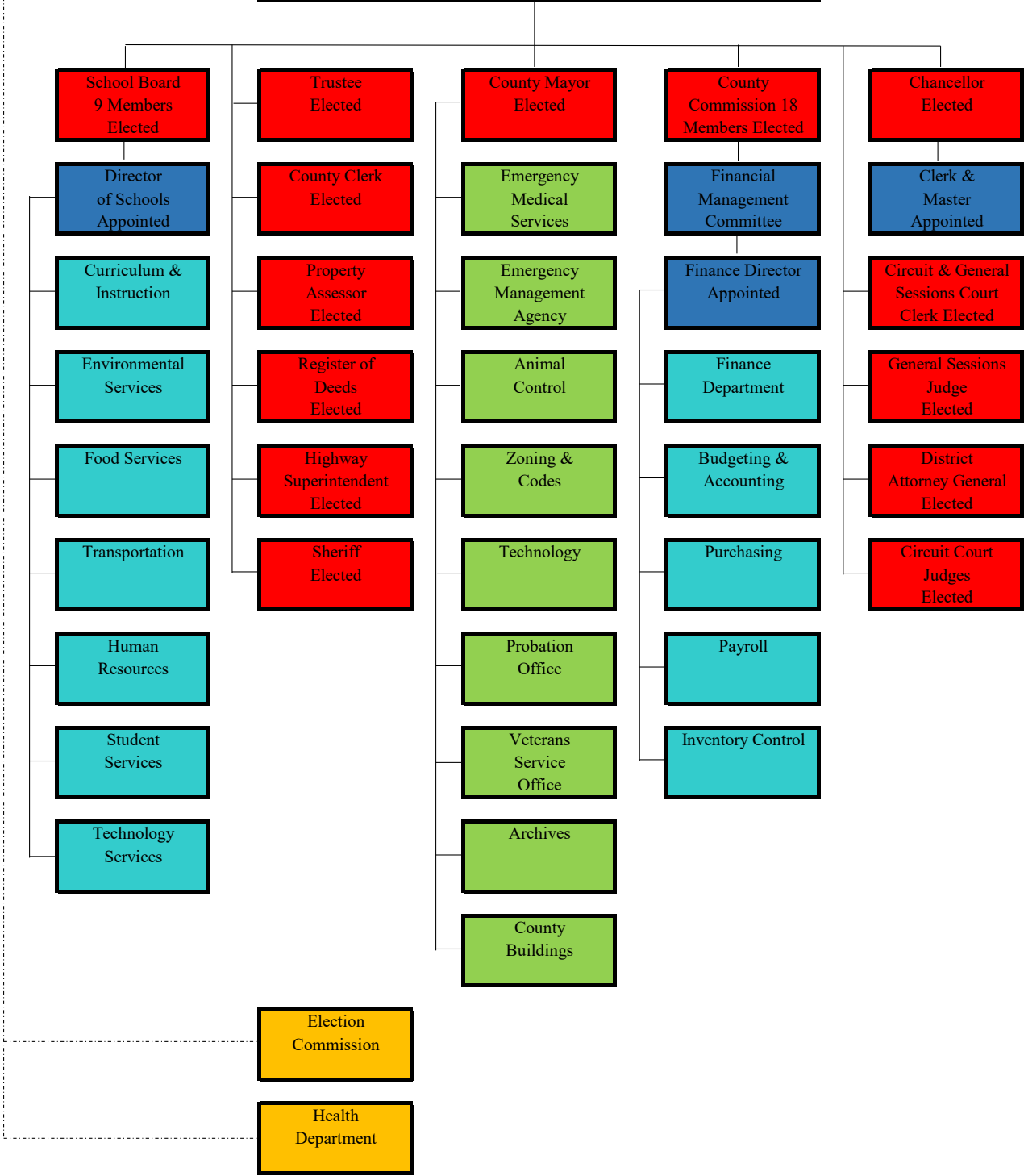
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO

# Citizens of Bedford County



Note(s):  
 ..... : Denotes state appointment

Bedford County Officials  
June 30, 2019

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**Officials**

Chad Graham, County Mayor  
Mark Clanton, Highway Superintendent  
Don Embry, Superintendent of Schools  
Tonya Davis, Trustee  
Ronda Clanton, Assessor of Property  
Donna Thomas, County Clerk  
Michelle Murray, Circuit and General Sessions Courts Clerk  
Curt Cobb, Clerk and Master  
John H. Reed, Jr., Register of Deeds  
Austin Swing, Sheriff  
Robert Daniel, Director of Finance

**Board of County Commissioners**

Chad Graham, County Mayor, Chairman	Tony Smith
Don Gallagher	Julie Sanders
Greg Vick	Brent Smith
Jimmy Patterson	Brian Farris
Ed Castleman	Linda Yockey
Anita Epperson	William Anderson
Janice Brothers	Chasity Gunn
Jeff Sweeney	John Brown
Phillip Farrar	Mark Thomas
Sylvia Pinson	

**Financial Management Committee**

Chad Graham, County Mayor, Chairman	Linda Yockey
Mark Clanton, Highway Superintendent	Don Gallagher
Don Embry, Superintendent of Schools	Tony Smith
Janice Brothers	

**Audit Committee**

Bailey Little, Chairman	Sheila Orrell
Virgil Johnson	

(Continued)

## Bedford County Officials (Cont.)

### **Board of Education**

John Boutwell, Chairman  
David Brown  
Brian Crews  
Michael Cook  
Diane Neeley

Andrea Anderson  
Nicole Cashion  
Dan Reed  
Glenn Forsee



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## FINANCIAL SECTION

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JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

## Independent Auditor's Report

Bedford County Mayor and  
Board of County Commissioners  
Bedford, Tennessee

To the County Mayor and Board of County Commissioners:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bedford County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented Bedford County Emergency Communications District, which represent two percent, two percent, and one percent; respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented Bedford County Emergency Communications District, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's

preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bedford County, Tennessee, as of June 30, 2019, and the respective changes in financial position and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of changes in the county's and school's net pension liability (asset) and related ratios, schedules of the county's and school's contributions, schedule of school's proportionate share of the net pension liability, and schedules of county and school changes in the total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Bedford County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Bedford County School Department (a discretely presented component unit), miscellaneous schedules and the other information such as the introductory section, management's corrective action plan, and statistical section are presented for purposes of additional analysis and are

not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

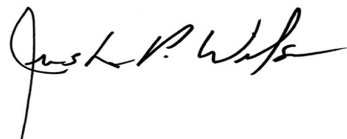
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Bedford County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Bedford County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section, management’s corrective action plan, and statistical section 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 October 29, 2019, on our consideration of Bedford County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Bedford County’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 Bedford County’s internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

October 29, 2019

JPW/yu

**Bedford County, Tennessee**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2019**

As management for Bedford County, Tennessee, we offer readers of Bedford County's financial statements, this narrative overview and analysis of the financial activities of Bedford County for the year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**Financial Highlights**

- The assets and deferred outflows of Bedford County exceeded liabilities and deferred inflows at the close of the most recent fiscal year by \$8,113,225 (net position). Of this amount, a negative \$29,596,448 represents unrestricted net position.
- Bedford County's total net position decreased by \$2,613,193 (net of restatement).
- At the close of the current fiscal year, Bedford County's governmental funds reported combined fund balances of \$34,737,518, an increase of \$5,095,023 in comparison with the prior year. Approximately seven percent of this amount or \$2,430,214 is available for spending at the county's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the General Fund was \$11,154,371, or approximately 51.8 percent of total General Fund expenditures.
- Bedford County's total outstanding long-term debt increased by \$35,563,062 or approximately 60.49 percent during the current fiscal year.

**Overview of the Financial Statements**

The discussion and analysis provided here are intended to serve as an introduction to Bedford County's basic financial statements. Bedford County's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

The *statement of net position* presents information on all of Bedford County's assets, liabilities, and deferred inflows/outflows of resources, with the 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 Bedford County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Bedford County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Bedford County include general government; finance; administration of justice; public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; highway/public works; education; and interest on long-term debt.

The government-wide financial statements include not only Bedford County government itself (known as the *primary government*), but also a legally separate school system for which the Bedford County government is financially accountable. These statements also include a legally separate E-911 district. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on Exhibits A and B of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Bedford County maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement

of revenues, expenditures, and changes in fund balances for the General, Highway/Public Works, General Debt Service, and General Capital Projects funds, which are considered to be major funds. Data from the other four governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules of this report.

Bedford County adopts an annual appropriated budget for the primary government's General Fund, most special revenue funds, the General Debt Service Fund, the General Capital Projects Fund, the discretely presented School Department's General Purpose School Fund and special revenue funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with their budgets.

The basic governmental fund financial statements can be found in Exhibits C-1 through C-6 of this report.

***Proprietary funds.*** Bedford County does not maintain any proprietary funds.

***Fiduciary funds.*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reported in the government-wide financial statements because the resources of those funds are *not* available to support Bedford County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statement can be found on Exhibit D of this report.

**Notes to the financial statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found in the table of contents.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning pension information and other postemployment benefits information. This required information has been presented in the required supplementary information section of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the required supplementary information. Combining and individual fund statements and schedules can be found in the table of contents.

### **Government-wide Overall Financial Analysis**

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of Bedford County, assets and deferred outflows exceeded liabilities and deferred inflows by \$8,113,225 at the close of the most recent fiscal year. The Constitution for the State of Tennessee only allows the local legislative body authorization to issue debt. Therefore, whenever the Bedford County Board of Education requires additional money to fund school construction and equipment, the related debt must be issued by the

Bedford County government. As of June 30, 2019, Bedford County had outstanding debt totaling \$61,047,891 (including unamortized premiums on debt) for capital purposes of the Bedford County Board of Education, but the capital assets are reported in the financial statements of the Bedford County Board of Education. Bedford County has incurred the related liability increasing its unrestricted net position with a corresponding increase in the county's capital assets.

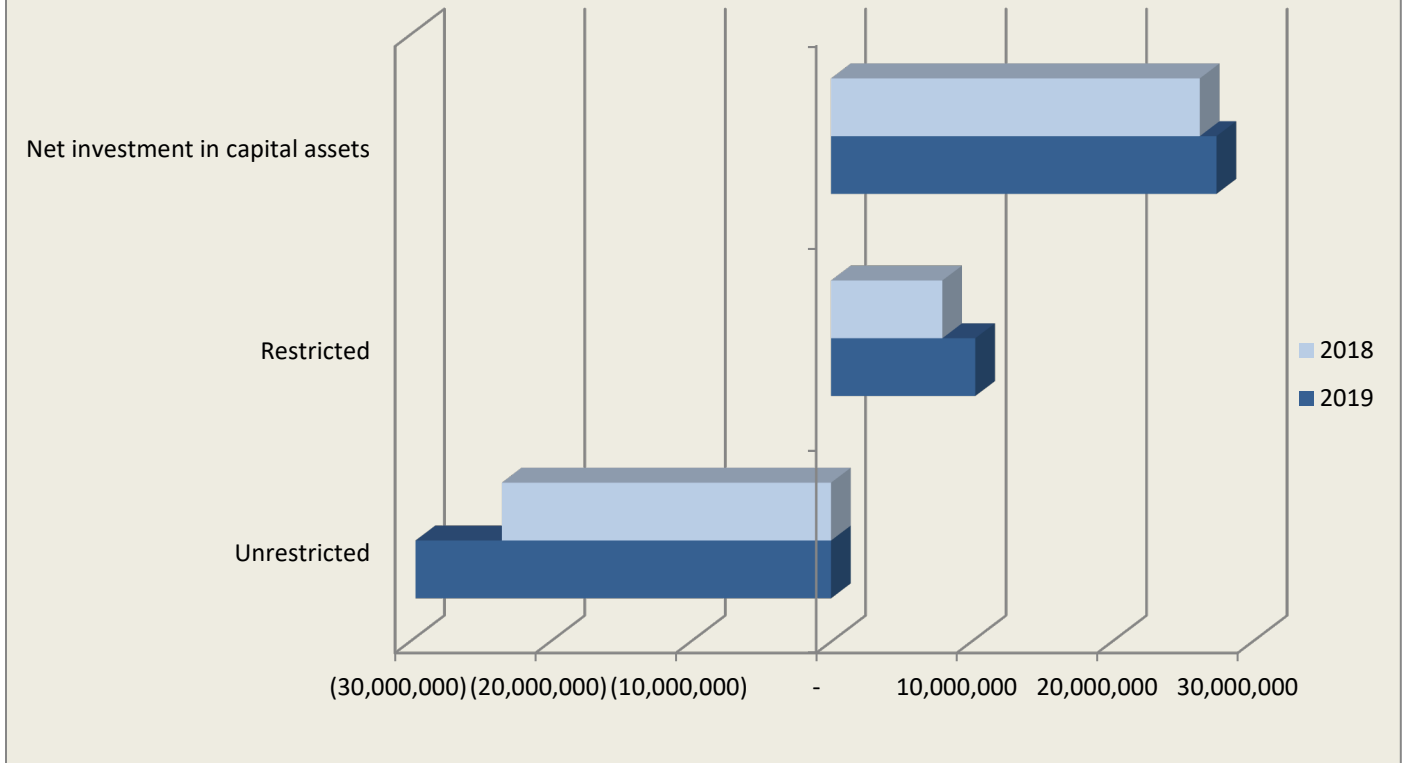
	Activities	
	2018-19	2017-18
Current and Other Assets	\$ 61,756,291	\$ 52,955,236
Capital Assets	60,737,798	34,375,816
Total Assets	<u>\$ 122,494,089</u>	<u>\$ 87,331,052</u>
Total Deferred Outflows of Resources	\$ 1,083,519	\$ 1,280,151
Long-term Liabilities	\$ 95,286,739	\$ 59,615,258
Other Liabilities	4,396,958	3,236,611
Total Liabilities	<u>\$ 99,683,697</u>	<u>\$ 62,851,869</u>
Total Deferred Inflows of Resources	\$ 15,780,686	\$ 15,032,916
Net Position:		
Net Investment in Capital Assets	\$ 27,435,479	\$ 26,247,537
Restricted	10,274,194	7,925,164
Unrestricted	(29,596,448)	(23,446,283)
Total Net Position	<u>\$ 8,113,225</u>	<u>\$ 10,726,418</u>

By far, the largest portion of Bedford County's net position totaling \$27,435,479 reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure). Bedford County uses these capital assets to provide a variety of services to citizens. Accordingly, these assets are not available for future spending. Although Bedford County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of Bedford County's net position totaling \$10,274,194 represents resources that are subject to external restrictions on how they may be used. Any balance remaining is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.



## BEDFORD COUNTY'S Net Position June 30, 2018 and 2019



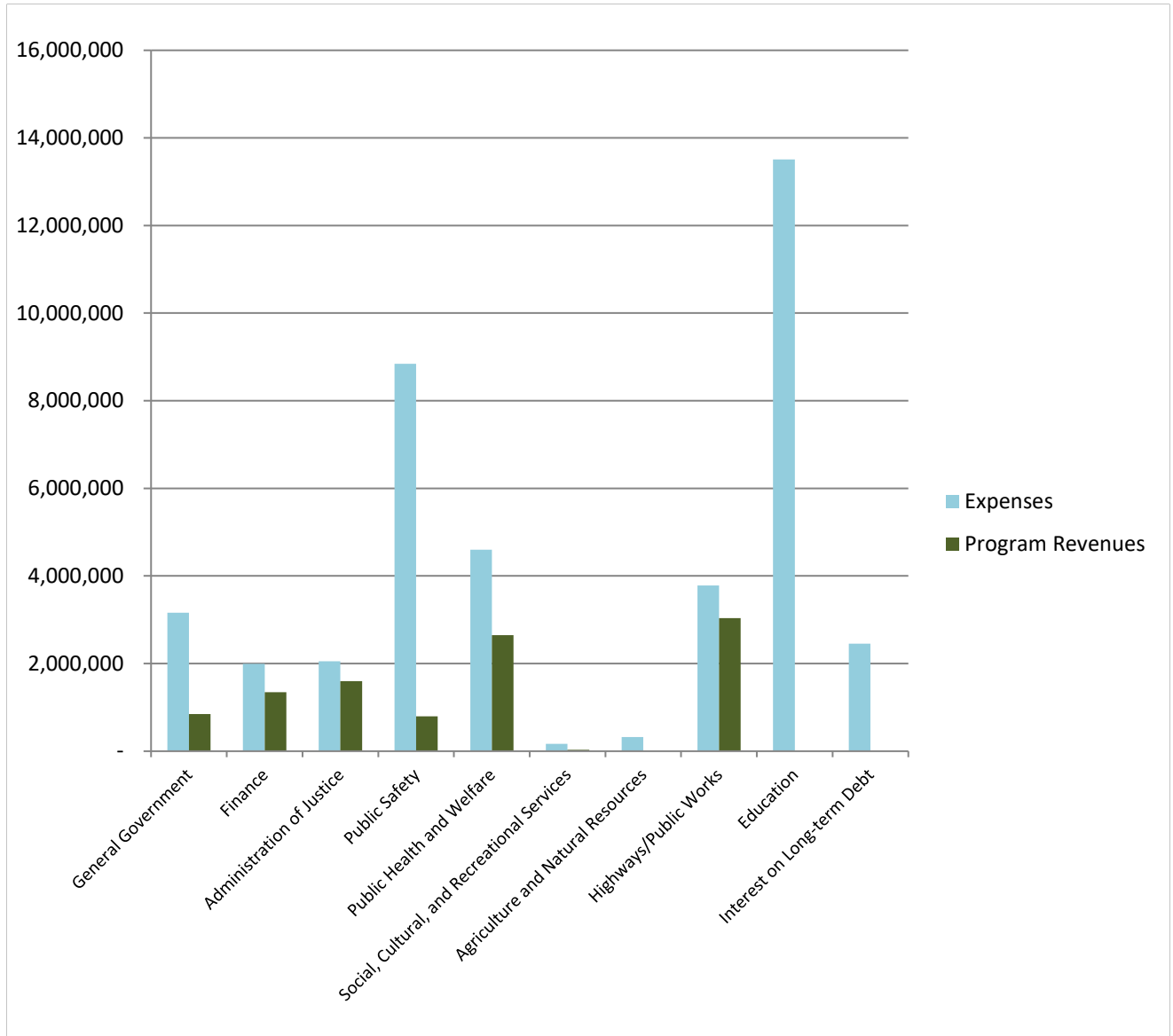
Bedford County's overall net position decreased \$2,613,193 (net of restatement) from the prior fiscal year. The reason for this overall decrease is discussed in the following section for governmental activities.

**Governmental activities.** During the current fiscal year, net position for governmental activities decreased \$2,613,193 (net of restatement) from the prior fiscal year for an ending balance of \$8,113,225. The decrease in the overall net position of governmental activities is primarily the result of an increase in contributions to the discretely presented Bedford County School Department for the construction of a new school.

## Bedford County's Changes in Net Position

	Governmental Activities	
	2018-19	2017-18
Revenues:		
Program Revenues:		
Charges for Services	\$ 6,748,794	\$ 6,661,154
Operating Grants and Contributions	3,482,421	3,090,324
Capital Grants and Contributions	95,375	1,062,913
General Revenues:		
Property Taxes	14,974,347	14,552,720
Local Option Sales Taxes	7,465,948	6,752,499
Other Taxes	1,902,471	1,773,540
Grants and Contributions Not Restricted to Specific Programs	1,514,623	1,469,832
Unrestricted Investment Earnings	1,306,193	669,988
Miscellaneous	684,378	277,069
Pension Income	109,861	
Gain on Sale of Capital Assets		48,422
Total Revenues	<u>\$ 38,284,411</u>	<u>\$ 36,358,461</u>
Expenses:		
General Government	\$ 3,163,715	\$ 2,546,090
Finance	1,997,461	1,787,627
Administration of Justice	2,054,551	1,832,216
Public Safety	8,845,070	6,383,430
Public Health and Welfare	4,599,922	4,582,425
Social, Cultural, and Recreational Services	169,065	2,451,654
Agriculture and Natural Resources	320,662	420,259
Highway/Public Works	3,780,207	4,875,194
Education (Payment to CU)	13,510,000	8,911,000
Interest on Long-term Debt	2,456,951	2,537,110
Total Expenses	<u>\$ 40,897,604</u>	<u>\$ 36,327,005</u>
Increase (Decrease) in Net Position	\$ (2,613,193)	\$ 31,456
Restatement	0	(14,716)
Net position, July 1	<u>10,726,418</u>	<u>10,709,678</u>
Net position, June 30	<u>\$ 8,113,225</u>	<u>\$ 10,726,418</u>

## Expenses and Program Revenues – Governmental Activities

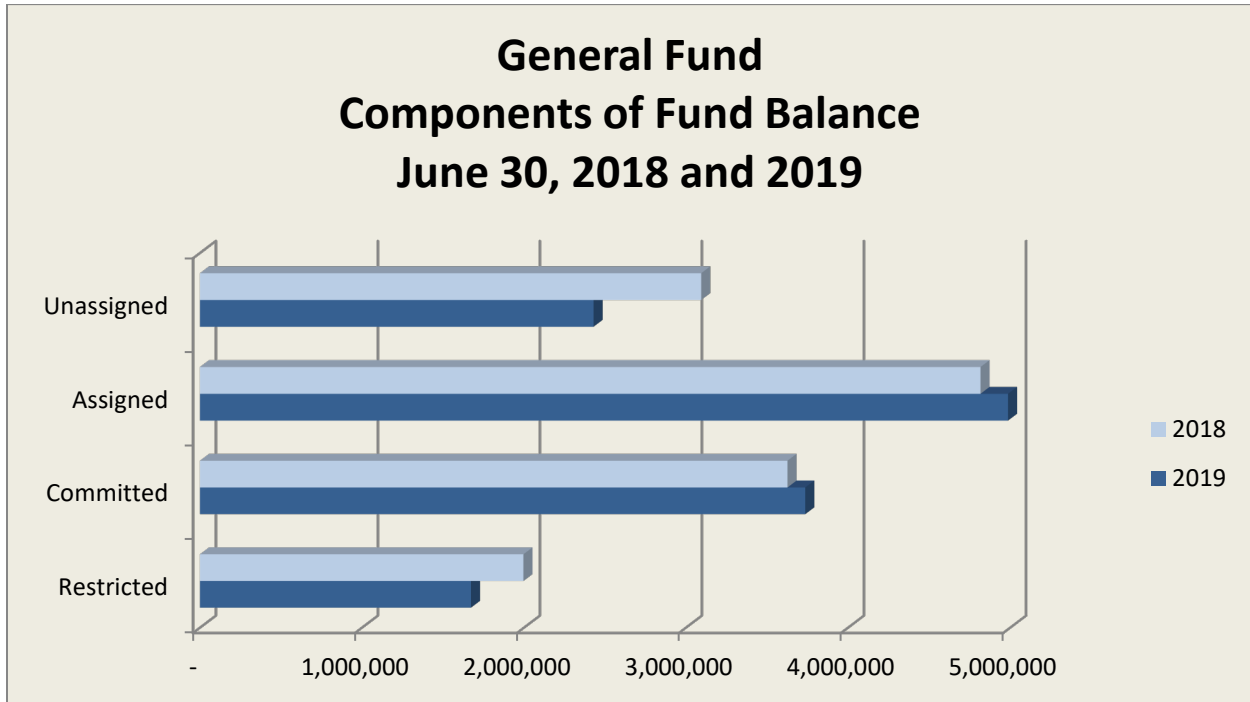


### Financial Analysis of the Government’s Funds

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

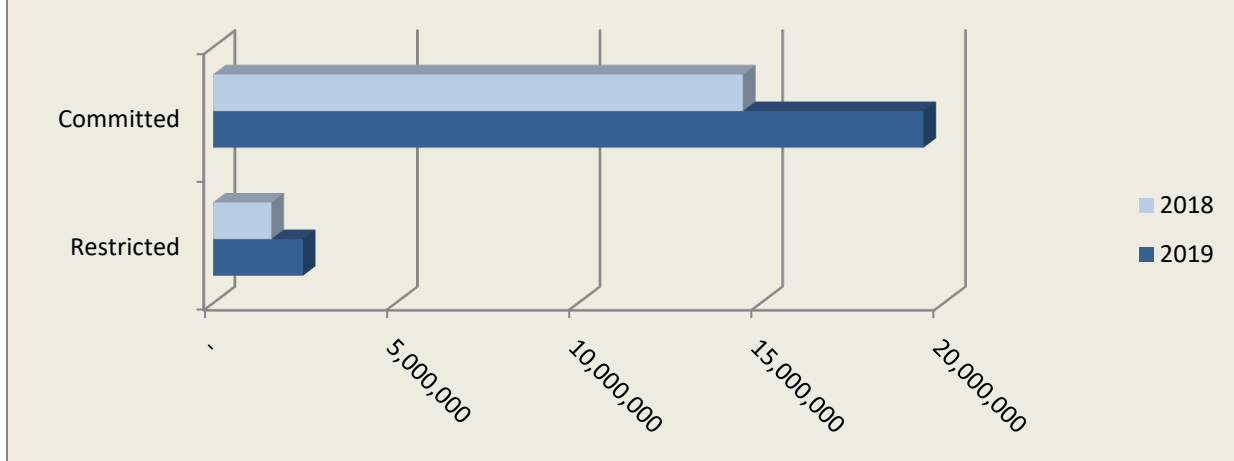
**Governmental funds.** The focus of Bedford County’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Bedford County government’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose by either an external party, Bedford County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Bedford County Commission.

At June 30, 2019, Bedford County’s governmental funds reported combined ending fund balances of \$34,737,518, an increase of \$5,095,023, in comparison with the prior year. Approximately seven percent of this amount or \$2,430,214 *constitutes unassigned fund balance*, which is available for spending at the government’s discretion. The remainder of fund balance is either restricted, committed, or assigned to indicate that it is 1) restricted for particular purposes (\$4,133,343); 2) committed for particular purposes (\$23,186,514); or 3) assigned for particular purposes (\$4,987,447).



The General Fund is the chief operating fund of Bedford County. At the end of the current fiscal year, unassigned fund balance was \$2,430,214, while total fund balance decreased to \$12,828,001. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 11.28 percent of total General Fund expenditures, while total fund balance represents approximately 59.5 percent of that same amount.

## Other Governmental Funds Components of Fund Balance June 30, 2018 and 2019



The fund balance of Bedford County’s General Fund decreased by \$708,741 during the current fiscal year. The decrease was primarily due to an increase in Public Safety positions and renovations of the former Regions Bank Building for county offices.

The General Debt Service Fund had an increase in fund balance during the current year of \$4,500,050 to bring the year-end fund balance to \$19,010,806. This increase was primarily due to a reduction of outstanding debt balances and a previous tax increase to fund new projects.

### General Fund Budgetary Highlights

**Original budget compared to final budget.** During the fiscal year, there were increases to original estimated revenues and original budgeted appropriations. The increase in estimated revenues was not significant except for an increase in Charges for Current Services and other local revenues, which were increased by \$83,311 and \$104,242, respectively. Generally, the movement of the appropriations between the departments was not significant. The exceptions were the appropriation for the County Buildings in the General Government function, which was increased by \$400,261 and for Other Emergency Management expenditures in the Public Safety function, which was increased by \$87,648.

The increase in the County Buildings budget was primarily due to \$352,211 in renovations to the former Regions Bank Building for county offices, \$18,810 for courthouse security equipment related to a grant and \$15,000 for ADA compliance. The increase in Other Emergency Management expenditures was due to an increase of \$27,421 related to a Homeland Security Grant for equipment, \$13,750 for Special Response Team equipment reimbursed by the city, and \$37,000 for a new vehicle.

**Final budget compared to actual results.** The most significant differences between estimated revenues and actual revenues in the final budget were in Charges for Current

Services of \$155,822 and Fees Received from County Officials with \$238,298 more than anticipated.

At the close of the fiscal year, General Fund revenues were \$905,339 more than budgetary estimates. This favorable variance was due primarily to conservative budget estimates for local taxes in anticipation of the current appeals.

A review of actual expenditures compared with the appropriations in the final budget yields no significant variances. At the close of the fiscal year, actual expenditures and encumbrances were \$2,314,275 less than budgetary estimates. Most of the unspent appropriation is in the personnel and benefit line items. The county typically budgets all positions as being filled for the entire year. Because of turnovers, appropriations are normally left unspent in those cost categories. Since public safety and public health and welfare have most of the full-time employment, these functions typically will have more unspent appropriations than the other functions.

### Capital Assets and Debt Administration

**Capital assets.** Bedford County’s investment in capital assets for its governmental funds as of June 30, 2019, totals \$60,737,798 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, other capital assets (includes equipment), and infrastructure (roads, highways, and bridges). The total increase in capital assets for the current fiscal year was approximately 76.69 percent.

#### Bedford County’s Capital Assets (net of depreciation)

	Governmental Activities	
	2019	2018
Land	\$ 1,231,127	\$ 1,251,127
Construction in Progress	30,211,353	3,316,704
Buildings and Improvements	5,862,751	6,202,864
Other Capital Assets	2,079,399	1,441,022
Infrastructure	21,353,168	22,164,099
Total	<u>\$ 60,737,798</u>	<u>\$ 34,375,816</u>

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

- Construction in Progress for a new Jail/Justice Center totaling \$26,894,649.
- Sheriff vehicles at a cost of \$386,701.
- Emergency Management Agency vehicle and equipment at a total cost of \$91,502.
- An ambulance at a cost of \$129,495.
- A vehicle for the Codes Department at a cost of \$25,097.

Additional information on Bedford County’s capital assets can be found in Note IV.B. of the notes to the financial statements.

**Long-term debt.** At the end of the current fiscal year, Bedford County government had total debt outstanding of \$94,350,210. All debt is backed by the full faith and credit of the government.

**Bedford County’s Outstanding Debt**

	Governmental Activities	
	2019	2018
General Obligation Bonds	\$ 41,972,260	\$ 44,518,919
Notes Payable	1,400,000	930,279
Other Debt Payable	50,977,950	13,337,950
<b>Total</b>	<b>\$ 94,350,210</b>	<b>\$ 58,787,148</b>

Bedford County’s total debt increased by \$35,563,062 (60.49 percent) during the current fiscal year.

Currently, state statutes do not limit the amount of general obligation debt a government entity may issue. Due to its strong financial position, Bedford County received a credit rating of AA from S&P Global Ratings in 2019. Bedford County has maintained a credit rating from Moody’s Investor Services of Aa3 since October 2011.

Additional information on Bedford County government’s long-term debt can be found in Exhibits J-1, J-2, and Note IV.E. of this report.

**Economic Factors and Next Year’s Budget and Rates**

The following economic factors currently affect Bedford County and were considered in developing the 2019-20 fiscal year budget.

- The unemployment rate for Bedford County is currently 5.0 percent, which is 0.4 percent more than the rate was a year ago.
- Bedford County has experienced an upturn in the housing market, which affects several revenue items including excess fees from the register of deeds, development tax, building related permit fees, and an increase in local option sales tax collections.
- Interest rates are expected to remain at low levels throughout fiscal year 2019-20.

**Request for Information**

This financial report is designed to provide a general overview of Bedford County’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Bedford County Director of Finance, 200 Dover Street, Suite 102, Shelbyville, TN 37160.

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

Bedford County, Tennessee  
Statement of Net Position  
June 30, 2019

	Primary Government Governmental Activities	Component Units	
		Bedford County School Department	Emergency Communications District
<u>ASSETS</u>			
Cash	\$ 575	\$ 4,539	\$ 2,295,034
Equity in Pooled Cash and Investments	32,887,593	26,596,922	0
Inventories	0	42,894	0
Accounts Receivable	3,514,869	47,355	0
Allowance for Uncollectible	(1,760,391)	(24,271)	0
Due from Other Governments	2,615,952	1,997,317	0
Due from Primary Government	0	525,000	36,289
Note Proceeds Receivable	3,525,000	0	0
Property Taxes Receivable	15,737,048	9,051,532	0
Allowance for Uncollectible Property Taxes	(325,307)	(192,510)	0
Prepaid Items	0	0	52,959
Net Pension Asset - Agent Plan	5,560,952	3,414,115	0
Net Pension Asset - Teacher Retirement Plan	0	317,790	0
Net Pension Asset - Teacher Legacy Pension Plan	0	2,579,203	0
Restricted Assets:	0	0	0
Security Deposits	0	0	100
Amounts Accumulated for Pension Benefits	0	158,233	0
Capital Assets:			
Assets Not Depreciated:			
Land	1,231,127	2,775,891	0
Construction in Progress	30,211,353	23,281,005	0
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	5,862,751	73,698,261	0
Other Capital Assets	2,079,399	3,355,800	290,105
Infrastructure	21,353,168	0	0
Total Assets	<u>\$ 122,494,089</u>	<u>\$ 147,629,076</u>	<u>\$ 2,674,487</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension Changes in Experience	\$ 154,824	\$ 634,398	\$ 0
Pension Changes in Investment Earnings	0	0	0
Pension Contributions After Measurement Date	497,065	3,113,147	20,557
Pension Changes in Proportionate Share of NPL	0	109,486	0
Pension Changes in Assumptions	401,061	1,784,511	0
OPEB Changes in Assumptions	24,269	121,350	0
OPEB Changes in Proportionate Share of NPL	0	38,791	0
OPEB Benefits Paid After Measurement Date	6,300	223,675	0
Total Deferred Outflows of Resources	<u>\$ 1,083,519</u>	<u>\$ 6,025,358</u>	<u>\$ 20,557</u>

(Continued)

Exhibit A

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

	Primary Government Governmental Activities	Component Units	
		Bedford County School Department	Emergency Communications District
<b><u>LIABILITIES</u></b>			
Accounts Payable	\$ 130,114	\$ 616,953	\$ 65
Accrued Payroll	14,306	17,726	17,168
Accrued Interest Payable	855,582	0	0
Compensated Absences Payable	0	0	30,559
Payroll Deductions Payable	1,687	1,451,015	5,037
Contracts Payable	2,662,523	477,418	0
Retainage Payable	168,471	47,583	0
Due to Component Units	561,289	0	0
Due to State of Tennessee	2,986	0	0
Noncurrent Liabilities:			
Due Within One Year - Debt	5,714,000	0	0
Due Within One Year - Other	21,432	0	0
Due in More Than One Year - Debt	88,636,210	0	0
Due in More Than One Year - Other	915,097	4,385,447	13,041
Total Liabilities	<u>\$ 99,683,697</u>	<u>\$ 6,996,142</u>	<u>\$ 65,870</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Deferred Property Taxes, Levied for Subsequent Period	\$ 15,045,243	\$ 8,635,436	\$ 0
Pension Changes in Experience	527,698	3,816,184	0
Pension Changes in Investment Earnings	156,312	675,260	116
Pension Changes in Proportionate Share of NPL	0	58,190	0
Pension Changes in Assumptions	0	0	0
OPEB Changes in Experience	30,735	1,143,974	0
OPEB Changes in Assumptions	20,698	215,585	0
Total Deferred Inflows of Resources	<u>\$ 15,780,686</u>	<u>\$ 14,544,629</u>	<u>\$ 116</u>
<b><u>NET POSITION</u></b>			
Net Investment in Capital Assets	\$ 27,435,479	\$ 103,110,957	\$ 290,105
Restricted for:			
General Government	105,680	0	0
Finance	67,454	0	0
Administration of Justice	1,125,400	0	0
Public Safety	78,359	0	0
Public Health and Welfare	310,161	0	0
Pensions	5,560,952	158,233	0
Highway/Public Works	2,280,980	0	0
Education	0	9,680,177	0
Capital Projects	745,208	0	0
Unrestricted	(29,596,448)	19,164,296	2,338,953
Total Net Position	<u>\$ 8,113,225</u>	<u>\$ 132,113,663</u>	<u>\$ 2,629,058</u>

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

Exhibit B

Bedford County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2019

Functions/Programs						Net (Expense) Revenue and Changes in Net Position		
	Expenses	Program Revenues			Primary Governmental Activities	Component Units		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Bedford County School Department	Emergency Communica- tions District	
Primary Government:								
Governmental Activities:								
General Government	\$ 3,163,715	\$ 828,150	\$ 20,833	\$ 0	\$ (2,314,732)	\$ 0	\$ 0	
Finance	1,997,461	1,345,888	0	0	(651,573)	0	0	
Administration of Justice	2,054,551	1,576,541	9,000	16,575	(452,435)	0	0	
Public Safety	8,845,070	708,814	59,392	24,417	(8,052,447)	0	0	
Public Health and Welfare	4,599,922	2,231,341	373,653	44,619	(1,950,309)	0	0	
Social, Cultural, and Recreational Services	169,065	28,507	0	0	(140,558)	0	0	
Agriculture and Natural Resources	320,662	13,750	0	0	(306,912)	0	0	
Highways	3,780,207	15,803	3,019,543	0	(744,861)	0	0	
Education	13,510,000	0	0	9,764	(13,500,236)	0	0	
Interest on Long-term Debt	2,456,951	0	0	0	(2,456,951)	0	0	
<b>Total Primary Government</b>	<b>\$ 40,897,604</b>	<b>\$ 6,748,794</b>	<b>\$ 3,482,421</b>	<b>\$ 95,375</b>	<b>\$ (30,571,014)</b>	<b>\$ 0</b>	<b>\$ 0</b>	
Component Units:								
Bedford County School Department	\$ 72,141,967	\$ 802,910	\$ 8,745,584	\$ 0	\$ 0	\$ (62,593,473)	\$ 0	
Emergency Communications District	1,112,655	721,417	0	0	0	0	(391,238)	
<b>Total Component Units</b>	<b>\$ 73,254,622</b>	<b>\$ 1,524,327</b>	<b>\$ 8,745,584</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (62,593,473)</b>	<b>\$ (391,238)</b>	

(Continued)

Exhibit B

Bedford County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Units	
						Bedford County School Department	Emergency Communications District
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes				\$ 11,595,972	\$ 9,151,870	\$ 0	0
Property Taxes Levied for Debt Service				3,378,375	0	0	0
Local Option Sales Tax				7,465,948	2,722,361	0	0
Business Tax				502,057	0	0	0
Litigation Tax - General				269,228	0	0	0
Wholesale Beer Tax				177,732	0	0	0
Adequate Facilities/Development Tax				523,660	0	0	0
Litigation Tax - Courtroom Security				118,600	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse				162,082	0	0	0
Mineral Severance Tax				147,488	0	0	0
Other Local Taxes				1,624	23,648	0	0
Grants and Contributions Not Restricted to Specific Programs				1,514,623	67,204,783	423,532	
Unrestricted Investment Income				1,306,193	13,749	46,882	
Miscellaneous				684,378	58,585	19,834	
Gain on Sale of Capital Assets				0	58,894	0	
Pension Income				109,861	0	0	
<b>Total General Revenues</b>				<u>\$ 27,957,821</u>	<u>\$ 79,233,890</u>	<u>\$ 490,248</u>	
Change in Net Position				\$ (2,613,193)	\$ 16,640,417	\$ 99,010	
Net Position, July 1, 2018				10,726,418	115,473,246	2,530,048	
Net Position, June 30, 2019				<u>\$ 8,113,225</u>	<u>\$ 132,113,663</u>	<u>\$ 2,629,058</u>	

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

Exhibit C-1

Bedford County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2019

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>ASSETS</u>						
Cash	\$ 575	\$ 0	\$ 0	\$ 0	\$ 0	\$ 575
Equity in Pooled Cash and Investments	12,128,899	1,422,214	18,344,809	624,287	367,384	32,887,593
Accounts Receivable	3,271,820	1,956	156,055	0	85,038	3,514,869
Allowance for Uncollectibles	(1,759,593)	0	(798)	0	0	(1,760,391)
Due from Other Governments	503,001	894,077	1,218,874	0	0	2,615,952
Note Proceeds Receivable	0	0	0	3,525,000	0	3,525,000
Property Taxes Receivable	12,081,198	746,518	2,909,332	0	0	15,737,048
Allowance for Uncollectible Property Taxes	(242,857)	(15,877)	(66,573)	0	0	(325,307)
Total Assets	\$ 25,983,043	\$ 3,048,888	\$ 22,561,699	\$ 4,149,287	\$ 452,422	\$ 56,195,339
<u>LIABILITIES</u>						
Accounts Payable	\$ 43,434	\$ 1,680	\$ 0	\$ 85,000	\$ 0	\$ 130,114
Accrued Payroll	14,306	0	0	0	0	14,306
Payroll Deductions Payable	1,687	0	0	0	0	1,687
Contracts Payable	0	0	0	2,662,523	0	2,662,523
Retainage Payable	36,915	0	0	131,556	0	168,471
Due to Component Units	36,289	0	0	525,000	0	561,289
Due to State of Tennessee	2,986	0	0	0	0	2,986
Total Liabilities	\$ 135,617	\$ 1,680	\$ 0	\$ 3,404,079	\$ 0	\$ 3,541,376
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 11,573,264	\$ 712,201	\$ 2,759,778	\$ 0	\$ 0	\$ 15,045,243
Deferred Delinquent Property Taxes	249,542	17,359	78,117	0	0	345,018

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Other Deferred/Unavailable Revenue	\$ 1,196,619	\$ 616,567	\$ 712,998	\$ 0	\$ 0	\$ 2,526,184
Total Deferred Inflows of Resources	\$ 13,019,425	\$ 1,346,127	\$ 3,550,893	\$ 0	\$ 0	\$ 17,916,445
<u>FUND BALANCES</u>						
Restricted:						
Restricted for General Government	\$ 105,680	\$ 0	\$ 0	\$ 0	\$ 0	\$ 105,680
Restricted for Finance	67,454	0	0	0	0	67,454
Restricted for Administration of Justice	1,125,400	0	0	0	0	1,125,400
Restricted for Public Safety	64,935	0	0	0	13,424	78,359
Restricted for Public Health and Welfare	310,161	0	0	0	0	310,161
Restricted for Highways/Public Works	0	1,701,081	0	0	0	1,701,081
Restricted for Capital Projects	0	0	0	745,208	0	745,208
Committed:						
Committed for General Government	3,676,606	0	0	0	0	3,676,606
Committed for Finance	1,140	0	0	0	0	1,140
Committed for Administration of Justice	2,016	0	0	0	0	2,016
Committed for Agriculture and Natural Resources	56,948	0	0	0	0	56,948
Committed for Debt Service	0	0	19,010,806	0	0	19,010,806
Committed for Capital Projects	0	0	0	0	438,998	438,998
Assigned:						
Assigned for Capital Projects	4,987,447	0	0	0	0	4,987,447
Unassigned	2,430,214	0	0	0	0	2,430,214
Total Fund Balances	\$ 12,828,001	\$ 1,701,081	\$ 19,010,806	\$ 745,208	\$ 452,422	\$ 34,737,518
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 25,983,043	\$ 3,048,888	\$ 22,561,699	\$ 4,149,287	\$ 452,422	\$ 56,195,339

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

Exhibit C-2

Bedford County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
June 30, 2019

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

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$ 34,737,518
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 1,231,127	
Add: construction in progress	30,211,353	
Add: buildings and improvements net of accumulated depreciation	5,862,751	
Add: other capital assets net of accumulated depreciation	2,079,399	
Add: infrastructure net of accumulated depreciation	<u>21,353,168</u>	60,737,798
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: notes payable	\$ (1,400,000)	
Less: other loans payable	(50,977,950)	
Less: bonds payable	(40,159,273)	
Less: compensated absences payable	(428,639)	
Less: other postemployment benefits liability	(507,890)	
Less: accrued interest on notes, other loans, and bonds	(855,582)	
Less: unamortized premium on debt	<u>(1,812,987)</u>	(96,142,321)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension expense and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$ 1,052,950	
Add: deferred outflows of resources related to OPEB	30,569	
Less: deferred inflows of resources related to pensions	(684,010)	
Less: deferred inflows of resources related to OPEB	<u>(51,433)</u>	348,076
(4) Net pension assets of the county agent plan are not current financial resources and therefore are not reported in the governmental funds.		5,560,952
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>2,871,202</u>
Net position of governmental activities (Exhibit A)		<u>\$ 8,113,225</u>

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

Exhibit C-3

Bedford County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2019

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>						
Local Taxes	\$ 13,140,379	\$ 941,602	\$ 11,172,185	\$ 0	\$ 0	\$ 25,254,166
Licenses and Permits	350,738	0	0	0	0	350,738
Fines, Forfeitures, and Penalties	402,945	0	0	0	3,705	406,650
Charges for Current Services	2,503,633	0	0	0	2,580	2,506,213
Other Local Revenues	681,438	20,030	1,306,216	0	100	2,007,784
Fees Received From County Officials	2,366,404	0	0	0	0	2,366,404
State of Tennessee	1,306,050	2,622,253	0	0	0	3,928,303
Federal Government	83,752	0	0	0	24,619	108,371
Other Governments and Citizens Groups	0	568	9,764	0	0	10,332
<b>Total Revenues</b>	<b>\$ 20,835,339</b>	<b>\$ 3,584,453</b>	<b>\$ 12,488,165</b>	<b>\$ 0</b>	<b>\$ 31,004</b>	<b>\$ 36,938,961</b>
<u>Expenditures</u>						
Current:						
General Government	\$ 2,433,317	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,433,317
Finance	2,047,227	0	0	0	0	2,047,227
Administration of Justice	2,117,802	0	0	0	2,580	2,120,382
Public Safety	9,078,693	0	0	0	12,500	9,091,193
Public Health and Welfare	4,476,641	0	0	0	0	4,476,641
Social, Cultural, and Recreational Services	169,065	0	0	0	0	169,065
Agriculture and Natural Resources	255,158	0	0	0	0	255,158
Other Operations	966,177	7,000	0	0	38	973,215
Highways	0	3,344,151	0	0	0	3,344,151
Debt Service:						
Principal on Debt	0	0	5,366,006	0	0	5,366,006
Interest on Debt	0	0	2,518,547	0	0	2,518,547
Other Debt Service	0	0	491,919	0	0	491,919

(Continued)



Exhibit C-3

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 39,199,853	\$ 585,621	\$ 39,785,474
Total Expenditures	\$ 21,544,080	\$ 3,351,151	\$ 8,376,472	\$ 39,199,853	\$ 600,739	\$ 73,072,295
Excess (Deficiency) of Revenues Over Expenditures	\$ (708,741)	\$ 233,302	\$ 4,111,693	\$ (39,199,853)	\$ (569,735)	\$ (36,133,334)
<u>Other Financing Sources (Uses)</u>						
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,000,000	\$ 1,000,000
Refunding Debt Issued	0	0	34,735,000	0	0	34,735,000
Premiums on Debt Sold	0	0	1,833,357	0	0	1,833,357
Other Loans Issued	0	0	0	39,840,000	0	39,840,000
Payments to Refunded Debt Escrow Agent	0	0	(36,180,000)	0	0	(36,180,000)
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 388,357	\$ 39,840,000	\$ 1,000,000	\$ 41,228,357
Net Change in Fund Balances	\$ (708,741)	\$ 233,302	\$ 4,500,050	\$ 640,147	\$ 430,265	\$ 5,095,023
Fund Balance, July 1, 2018	13,536,742	1,467,779	14,510,756	105,061	22,157	29,642,495
Fund Balance, June 30, 2019	\$ 12,828,001	\$ 1,701,081	\$ 19,010,806	\$ 745,208	\$ 452,422	\$ 34,737,518

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

Bedford County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended June 30, 2019

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

Net change in fund balances - total governmental funds (Exhibit C-3)		\$ 5,095,023
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 27,871,878	
Less: current-year depreciation expense	<u>(1,489,896)</u>	26,381,982
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Less: book value of capital assets disposed		(20,000)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2019	\$ 2,871,202	
Less: deferred delinquent property taxes and other deferred June 30, 2018	<u>(2,151,991)</u>	719,211
(4) The issuance of long-term debt (e.g., bonds, notes, and other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:		
Add: principal payments on bonds	\$ 2,635,727	
Add: principal payments on notes	530,279	
Add: principal payments on other loans	2,200,000	
Less: note proceeds	(1,000,000)	
Less: other loan proceeds	(39,840,000)	
Less: refunding bond proceeds	(34,735,000)	
Add: bonds refunded	36,180,000	
Less: change in premium on debt issuances	<u>(1,534,068)</u>	(35,563,062)
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in accrued interest payable	\$ 61,596	
Change in other postemployment benefits liability	(29,137)	
Change in compensated absences payable	(79,282)	
Change in net pension asset	1,411,588	
Change in deferred outflows of resources related to pensions	(219,926)	
Change in deferred outflows of resources related to OPEB	23,294	
Change in deferred inflows of resources related to pensions	(367,157)	
Change in deferred inflows of resources related to OPEB	<u>(27,323)</u>	773,653
Change in net position of governmental activities (Exhibit B)		<u>\$ (2,613,193)</u>

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

Exhibit C-5

Bedford County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 13,140,379	\$ 0	\$ 0	\$ 13,140,379	\$ 12,455,476	\$ 12,455,476	\$ 684,903
Licenses and Permits	350,738	0	0	350,738	275,870	275,870	74,868
Fines, Forfeitures, and Penalties	402,945	0	0	402,945	455,800	455,800	(52,855)
Charges for Current Services	2,503,633	0	0	2,503,633	2,264,500	2,347,811	155,822
Other Local Revenues	681,438	0	0	681,438	667,850	772,092	(90,654)
Fees Received From County Officials	2,366,404	0	0	2,366,404	2,128,106	2,128,106	238,298
State of Tennessee	1,306,050	0	0	1,306,050	1,414,164	1,421,574	(115,524)
Federal Government	83,752	0	0	83,752	45,850	73,271	10,481
<b>Total Revenues</b>	<b>\$ 20,835,339</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 20,835,339</b>	<b>\$ 19,707,616</b>	<b>\$ 19,930,000</b>	<b>\$ 905,339</b>
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 126,394	\$ 0	\$ 0	\$ 126,394	\$ 126,183	\$ 132,975	\$ 6,581
Board of Equalization	840	0	0	840	8,000	8,000	7,160
Beer Board	150	0	0	150	1,000	1,000	850
Budget and Finance Committee	2,913	0	0	2,913	3,026	3,026	113
County Mayor/Executive	282,898	0	0	282,898	301,568	325,760	42,862
County Attorney	58,915	0	0	58,915	65,000	65,000	6,085
Election Commission	211,108	0	0	211,108	240,883	241,165	30,057
Register of Deeds	313,949	0	0	313,949	319,563	319,563	5,614
Planning	127,033	0	0	127,033	137,084	137,744	10,711
Codes Compliance	137,356	0	0	137,356	153,577	163,080	25,724
County Buildings	1,171,761	(406,738)	24,753	789,776	770,782	1,171,043	381,267
<u>Finance</u>							
Accounting and Budgeting	504,254	0	0	504,254	617,852	542,457	38,203
Property Assessor's Office	346,364	0	1,140	347,504	382,822	382,822	35,318
Reappraisal Program	124,565	0	0	124,565	127,952	127,952	3,387
County Trustee's Office	363,981	0	0	363,981	351,293	368,454	4,473
County Clerk's Office	495,208	0	0	495,208	498,285	506,126	10,918
Data Processing	212,855	0	0	212,855	259,812	259,834	46,979

(Continued)

Exhibit C-5

Bedford County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Administration of Justice</u>							
Circuit Court	\$ 657,370	\$ 0	\$ 2,016	\$ 659,386	\$ 731,224	\$ 731,459	\$ 72,073
General Sessions Court	229,987	0	0	229,987	232,833	232,833	2,846
Chancery Court	316,160	0	0	316,160	343,127	343,137	26,977
Juvenile Court	208,543	0	0	208,543	217,426	217,613	9,070
Judicial Commissioners	197,333	0	0	197,333	192,697	197,732	399
Other Administration of Justice	124,681	0	0	124,681	129,503	129,503	4,822
Probation Services	383,728	0	0	383,728	396,398	396,398	12,670
<u>Public Safety</u>							
Sheriff's Department	3,624,054	0	0	3,624,054	3,926,082	3,941,428	317,374
Traffic Control	33,506	0	0	33,506	43,681	43,681	10,175
Jail	1,908,592	0	0	1,908,592	1,986,604	1,979,386	70,794
Workhouse	934,644	0	0	934,644	994,466	995,966	61,322
Juvenile Services	461,858	0	0	461,858	497,927	497,927	36,069
Other Emergency Management	1,661,682	0	0	1,661,682	1,701,682	1,789,330	127,648
County Coroner/Medical Examiner	30,825	0	0	30,825	25,000	34,000	3,175
Other Public Safety	423,532	0	0	423,532	478,053	478,053	54,521
<u>Public Health and Welfare</u>							
Local Health Center	418,834	0	0	418,834	674,961	665,689	246,855
Rabies and Animal Control	288,849	0	0	288,849	284,454	337,296	48,447
Ambulance/Emergency Medical Services	2,572,618	0	0	2,572,618	2,869,363	2,844,946	272,328
Other Local Health Services	65,349	0	0	65,349	65,350	65,350	1
Regional Mental Health Center	12,900	0	0	12,900	12,900	12,900	0
Appropriation to State	39,392	0	0	39,392	54,000	52,522	13,130
General Welfare Assistance	90,070	0	0	90,070	90,670	90,670	600
Convenience Centers	988,629	0	0	988,629	1,143,944	1,155,468	166,839
<u>Social, Cultural, and Recreational Services</u>							
Adult Activities	7,600	0	0	7,600	7,600	7,600	0
Senior Citizens Assistance	16,000	0	0	16,000	16,000	16,000	0
Libraries	145,465	0	0	145,465	145,465	145,465	0

(Continued)

Exhibit C-5

Bedford County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	\$ 119,708	\$ 0	\$ 0	\$ 119,708	\$ 137,314	\$ 137,314	\$ 17,606
Soil Conservation	58,000	0	0	58,000	58,000	58,000	0
Other Agriculture and Natural Resources	77,450	0	0	77,450	92,962	92,962	15,512
<u>Other Operations</u>							
Tourism	3,948	0	0	3,948	3,948	3,948	0
Veterans' Services	62,483	0	0	62,483	75,819	79,819	17,336
Other Charges	323,795	0	0	323,795	352,000	328,000	4,205
Contributions to Other Agencies	127,449	0	0	127,449	129,000	129,000	1,551
Miscellaneous	448,502	0	0	448,502	487,751	492,130	43,628
Total Expenditures	\$ 21,544,080	\$ (406,738)	\$ 27,909	\$ 21,165,251	\$ 22,962,886	\$ 23,479,526	\$ 2,314,275
Excess (Deficiency) of Revenues Over Expenditures							
	\$ (708,741)	\$ 406,738	\$ (27,909)	\$ (329,912)	\$ (3,255,270)	\$ (3,549,526)	\$ 3,219,614
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 83,901	\$ 0	\$ 0
Total Other Financing Sources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 83,901	\$ 0	\$ 0
Net Change in Fund Balance							
Fund Balance, July 1, 2018	\$ (708,741)	\$ 406,738	\$ (27,909)	\$ (329,912)	\$ (3,171,369)	\$ (3,549,526)	\$ 3,219,614
	13,536,742	(406,738)	0	13,130,004	10,627,663	13,047,247	82,757
Fund Balance, June 30, 2019	\$ 12,828,001	\$ 0	\$ (27,909)	\$ 12,800,092	\$ 7,456,294	\$ 9,497,721	\$ 3,302,371

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

Exhibit C-6

Bedford County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 941,602	\$ 906,700	\$ 906,700	\$ 34,902
Other Local Revenues	20,030	20,000	22,500	(2,470)
State of Tennessee	2,622,253	2,825,000	2,825,000	(202,747)
Other Governments and Citizens Groups	568	35,000	35,000	(34,432)
Total Revenues	<u>\$ 3,584,453</u>	<u>\$ 3,786,700</u>	<u>\$ 3,789,200</u>	<u>\$ (204,747)</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
Contributions to Other Agencies	\$ 7,000	\$ 7,000	\$ 7,000	\$ 0
<u>Highways</u>				
Administration	246,811	278,384	297,768	50,957
Highway and Bridge Maintenance	1,397,151	1,824,085	1,824,085	426,934
Operation and Maintenance of Equipment	451,311	523,132	523,132	71,821
Litter and Trash Collection	81,640	92,739	92,739	11,099
Other Charges	159,937	191,130	191,130	31,193
Employee Benefits	50,928	83,430	83,430	32,502
Capital Outlay	956,373	880,000	1,194,477	238,104
Total Expenditures	<u>\$ 3,351,151</u>	<u>\$ 3,879,900</u>	<u>\$ 4,213,761</u>	<u>\$ 862,610</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 233,302</u>	<u>\$ (93,200)</u>	<u>\$ (424,561)</u>	<u>\$ 657,863</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 0	\$ 20,000	\$ 17,500	\$ (17,500)
Transfers Out	0	(19,384)	0	0
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 616</u>	<u>\$ 17,500</u>	<u>\$ (17,500)</u>
Net Change in Fund Balance	\$ 233,302	\$ (92,584)	\$ (407,061)	\$ 640,363
Fund Balance, July 1, 2018	1,467,779	537,773	1,467,779	0
Fund Balance, June 30, 2019	<u>\$ 1,701,081</u>	<u>\$ 445,189</u>	<u>\$ 1,060,718</u>	<u>\$ 640,363</u>

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

Exhibit D

Bedford County, Tennessee  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2019

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,690,166
Accounts Receivable	415
Due from Other Governments	<u>787,654</u>
Total Assets	<u>\$ 2,478,235</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 787,654
Due to Litigants, Heirs, and Others	<u>1,690,581</u>
Total Liabilities	<u>\$ 2,478,235</u>

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

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**BEDFORD COUNTY, TENNESSEE**  
**Index of Notes to the Financial Statements**

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**BEDFORD COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Bedford County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

The following are the more significant accounting policies of Bedford County:

**A. Reporting Entity**

Bedford County is a public municipal corporation governed by an elected 18-member board. As required by GAAP, these financial statements present Bedford County (the primary government) and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationship with the county.

**Discretely Presented Component Units** – The following entities meet the criteria for discretely presented component units of the county. They are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the county.

The Bedford County School Department operates the public school system in the county, and the voters of Bedford County elect its board. The School Department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the County Commission's approval. The School Department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Emergency Communications District of Bedford County provides a simplified means of securing emergency services through a uniform emergency number for the residents of Bedford County, and the Bedford County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the County Commission's approval.

The Bedford County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the School Department are included in this report as listed in the table of contents. Complete financial statements of the Emergency Communications

District of Bedford County can be obtained from its administrative office at the following address:

Administrative Office:

Emergency Communications District  
of Bedford County  
843 Union Street  
Shelbyville, TN 37160

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

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. However, the primary government of Bedford County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Bedford County School Department component unit only reports governmental activities in the government-wide financial statements.

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

Bedford County issues all debt for the discretely presented Bedford County School Department. Net debt issues totaling \$13,510,000 were contributed by the county to the School Department during the year ended June 30, 2019.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary funds financial statements, except for agency funds, which have no measurement focus. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements of Bedford County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Bedford County has no proprietary funds to report.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Bedford County considers grants and similar revenues to be available if they are collected within 30 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current period. Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not measurable

(reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

Fiduciary fund financial statements are reported using the economic resources measurement focus, except for agency funds, which have no measurement focus, and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Bedford County reports the following major governmental funds:

**General Fund** – This is the county’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Highway/Public Works Fund** – This special revenue fund accounts for transactions of the county’s Highway Department. Local and state gasoline/fuel taxes are the foundational revenues of this fund.

**General Debt Service Fund** – This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

**General Capital Projects Fund** – This fund is used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

Additionally, Bedford County reports the following fund type:

**Agency Funds** – These funds account for amounts collected in an agency capacity by the constitutional officers and local sales taxes received by the state to be forwarded to the various cities in Bedford County. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

The discretely presented Bedford County School Department reports the following major governmental funds:

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

**Education Capital Projects Fund** – The Education Capital Projects Fund is used to account for the receipt of debt issued by Bedford County and contributed to the School Department for building construction and renovations.

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

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

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

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

**1. Deposits and Investments**

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Bedford County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments are assigned to the General Debt Service Fund. Bedford County and the School Department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost. Investments in the State Treasurer's Investment Pool are reported at amortized cost using a Stable Net Asset Value. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

## **2. Receivables and Payables**

All ambulance, property taxes, and adequate facilities taxes receivables are shown with an allowance for uncollectibles. Ambulance and adequate facilities taxes receivables allowance for uncollectibles are based on historical collection data. The allowance for uncollectible property taxes is equal to one percent of total taxes levied.

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

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

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

Retainage payable in the primary government's General Capital Projects and the school department's Education Capital Projects funds represent amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the General Capital Projects and Education Capital Projects funds.

## **3. Inventories**

Inventories of the discretely presented School Department are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when

consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

**4. Restricted Assets**

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Bedford County School Department's Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used for the benefit of the Bedford County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Bedford County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the School Department.

**5. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$25,000 or more and an estimated useful life of more than three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, equipment, and infrastructure of the primary government and the discretely presented school department are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	10 - 40
Other Capital Assets	5 - 30
Infrastructure:	
Roads	40 - 50
Bridges	20 - 40

**6. Deferred Outflows/Inflows of Resources**

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

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue, etc.) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current property taxes; pension changes in experience, changes in investment earnings, and changes in proportionate share of net pension asset, changes in assumptions which do not meet the availability criteria for governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**7. Compensated Absences**

**Primary Government**

It is the policy of the county to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Bedford County does not have policies to pay any amounts when employees separate from service



with the government. Personnel of the Highway Department are compensated for any unused sick leave days at year end. All vacation pay is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

### **Discretely Presented Bedford County School Department**

General policy of the School Department for all professional personnel (teachers) permits the unlimited accumulation of unused sick leave days. The granting of sick leave for professional personnel has no guaranteed payment attached and therefore requires no accrual or recording. Non-certificated personnel of the School Department are compensated for any unused sick-leave days at year end.

## **8. Long-term Debt and Long-term Obligations**

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

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

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

**9. Net Position and Fund Balance**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

The government-wide Statement of Net Position reports \$1,125,400 of restricted net position for Administration of Justice, of which \$983,187 is restricted by enabling legislation for courthouse security.

As of June 30, 2019, Bedford County had \$61,047,891 (including unamortized premiums on debt) in outstanding debt for capital purposes for the discretely presented Bedford County School Department. This debt is a liability of Bedford County, but the capital assets acquired are reported in the financial statements of the School Department. Therefore, Bedford County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

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

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

**10. Minimum Fund Balance Policy**

To provide management with appropriate guidelines and direction to assist in making sound decisions related to managing the fund balance of certain governmental funds, the following minimum fund balance policy exists and consists of the sum of committed, assigned, and unassigned fund balances:

General Fund – Three percent of the next year's budget is to be maintained in unassigned fund balance.

Debt Service Fund – An amount equal to the first two months of principal and interest expense of the total indebtedness of the county for the upcoming year is to be maintained in committed fund balance.

**E. Pension Plans**

**Primary Government**

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

**Discretely Presented Bedford County School Department**

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

**F. Other Postemployment OPEB) Plans**

**Primary Government**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by Bedford County. For this purpose, Bedford County recognizes benefit payments when due and payable in accordance with the benefit terms. Bedford County's OPEB plan is not administered through a trust.

**Discretely Presented Bedford County School Department**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the Bedford County School Department. For this purpose, the School Department recognizes benefit payments when due and payable in accordance with the

benefit terms. The School Department's OPEB plan is not administered through a trust.

## **II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

### **A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position**

#### **Primary Government**

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

#### **Discretely Presented Bedford County School Department**

Exhibit I-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

### **B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities**

#### **Primary Government**

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

#### **Discretely Presented Bedford County School Department**

Exhibit I-5 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

## **III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

### **Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (special revenue fund), which is not budgeted. All annual appropriations lapse at fiscal year end.

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

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

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

At June 30, 2019, Bedford County reported the following significant encumbrances:

<u>Fund</u>	<u>Amount</u>
Primary Government:	
Major Fund:	
General	\$ 27,909
Nonmajor Fund:	
Other Capital Projects	83,089
Discretely Presented School Department:	
Major Fund:	
General Purpose School	721,737
Nonmajor Fund:	
Central Cafeteria	34,342

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

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

## Deposits

**Legal Provisions.** All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

## Investments

**Legal Provisions.** Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool and in repurchase agreements. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

**Investment Balances.** As of June 30, 2019, Bedford County had the following investment carried at amortized cost using a Stable Net Asset Value, which approximates fair value as established by generally accepted

accounting principles. All investments are in the county trustee’s investment pool. Separate disclosures concerning pooling investments cannot be made for Bedford County and the discretely presented Bedford County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)	Maturities	Amortized Cost
Investments at Amortized Cost:			
State Treasurer's Investment Pool	1 to 86	N/A	\$ 47,200,000

**TCRS Stabilization Trust**

**Legal Provisions.** The Bedford County School Department is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The School Department has placed funds into the irrevocable trust as authorized by statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member’s funds are restricted for the payment of retirement benefits of that member’s employees. Trust funds are not subject to the claims of general creditors of the School Department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Bedford County School Department may not impose any restrictions on investments placed by the trust on their behalf.

**Investment Balances.** Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool’s underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares.

Investments are reported at fair value or amortized which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair Securities and securities transactions are recorded in the financial statements on a trade-date basis. The fair value of assets of the TRGT held at June 30, 2019, represents the price that would be received to sell an asset or paid to transfer a liability in an orderly



transaction between market participants. Assets held are categorized for fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.
- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.
- Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments using the Net Asset Value (“NAV”) per share have no readily determinable fair value and have been determined using amortized cost which approximates fair value.

Where inputs used in the measurement of fair value fall into different levels of the hierarchy, fair value of the instrument in its entirety is categorized based on the lowest level input that is significant to the valuation. This assessment requires professional judgement and as such management of the TRGT developed a fair value committee that worked in conjunction with the plan’s custodian and investment professionals to make these valuations. All assets held were valued individually and aggregated into classes to be represented in the table below.

Short-term securities generally include investments in money market-type securities reported at cost plus accrued interest.

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

U.S. Treasury Bills, Bonds, Notes and Futures classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Debt and debt derivative securities classified in Level 2 are valued using a bid-ask spread price from multiple independent brokers, dealers, or market principals, which are known to be actively involved in the market. Level 3 debt securities are valued using

proprietary information, a single pricing source, or other unobservable inputs related to similar assets or liabilities.

Real estate investments classified in Level 3 are valued using the last valuations provided by external investment advisors or independent external appraisers. Generally, all direct real estate investments are appraised by a qualified independent appraiser(s) with the professional designation of Member of the Appraisal Institute (“MAI”), or its equivalent, every three (3) years beginning from the acquisition date of the property. The appraisals are performed using generally accepted valuation approaches applicable to the property type.

Investments in private mutual funds, traditional private equity funds, strategic lending funds and real estate funds that report using GAAP, the fair value, as well as the unfunded commitments, were determined using the prior quarter’s NAV, as reported by the fund managers, plus the current cash flows. These assets were then categorized by investment strategy. In instances where the fund investment reported using non-GAAP standards, the investment was valued using the same method, but was classified in Level 3.

At June 30, 2019, the Bedford County School Department had the following investments held by the trust on its behalf.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 49,052
Developed Market International Equity	N/A	N/A	22,153
Emerging Market International Equity	N/A	N/A	6,329
U.S. Fixed Income	N/A	N/A	31,647
Real Estate	N/A	N/A	15,823
Short-term Securities	N/A	N/A	1,582
Investments at Amortized Cost using the NAV:			
Private Equity and Strategic Lending	N/A	N/A	<u>31,647</u>
Total			<u>\$ 158,233</u>

Investment by fair value level	Fair Value 6-30-19	Fair Value Measurements Using			Amortized Cost
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
U.S. Equity Developed Market	\$ 49,052	\$ 49,052	0	0	0
International Equity Emerging Market	22,153	22,153	0	0	0
International Equity	6,329	6,329	0	0	0
U.S. Fixed Income Real Estate	31,647 15,823	0 0	31,647 0	0 15,823	0 0
Short-term Securities	1,582	0	1,582	0	0
Private Equity and Strategic Lending	31,647	0	0	0	31,647
<b>Total</b>	<b>\$ 158,233</b>	<b>\$ 77,534</b>	<b>\$ 33,229</b>	<b>\$ 15,823</b>	<b>\$ 31,647</b>

**Risks and Uncertainties.** The trust's investments include various types of investment funds, which in turn invest in any combination of stock, bonds and other investments exposed to various risks, such as interest rate, credit, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported for trust investments.

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Bedford County School Department does not have the ability to limit trust investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Bedford County School Department does not have the ability to limit the credit ratings of individual investments made by the trust.

**Concentration of Credit Risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Bedford County School Department places no limit on the amount the county may invest in one issuer.

**Custodial Credit Risk.** Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county

will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the Bedford County School Department to pay retirement benefits of the School Department employees.

For further information concerning the School Department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2019/ag18092.pdf>

**B. Capital Assets**

Capital assets activity for the year ended June 30, 2019, was as follows:

**Primary Government – Governmental Activities:**

	Balance 7-1-18	Increases	Decreases	Balance 6-30-19
Capital Assets Not Depreciated:				
Land	\$ 1,251,127	\$ 0	\$ (20,000)	\$ 1,231,127
Construction in Progress	3,316,704	26,894,649	0	30,211,353
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 4,567,831</b>	<b>\$ 26,894,649</b>	<b>\$ (20,000)</b>	<b>\$ 31,442,480</b>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 13,633,944	\$ 0	\$ 0	\$ 13,633,944
Other Capital Assets	8,814,738	977,229	0	9,791,967
Infrastructure	32,484,914	0	0	32,484,914
<b>Total Capital Assets Depreciated</b>	<b>\$ 54,933,596</b>	<b>\$ 977,229</b>	<b>\$ 0</b>	<b>\$ 55,910,825</b>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 7,431,080	\$ 340,113	\$ 0	\$ 7,771,193
Other Capital Assets	7,373,716	338,852	0	7,712,568
Infrastructure	10,320,815	810,931	0	11,131,746
<b>Total Accumulated Depreciation</b>	<b>\$ 25,125,611</b>	<b>\$ 1,489,896</b>	<b>\$ 0</b>	<b>\$ 26,615,507</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 29,807,985</b>	<b>\$ (512,667)</b>	<b>\$ 0</b>	<b>\$ 29,295,318</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 34,375,816</b>	<b>\$ 26,381,982</b>	<b>\$ (20,000)</b>	<b>\$ 60,737,798</b>

Depreciation expense was charged to functions of the primary government as follows:

**Governmental Activities:**

General Government	\$ 105,196
Public Safety	192,643
Public Health and Welfare	309,635
Agriculture and Natural Resources	7,000
Highway/Public Works	<u>875,422</u>

Total Depreciation Expense - Governmental Activities \$ 1,489,896

**Discretely Presented Bedford County School Department**

**Governmental Activities:**

	Balance 7-1-18	Increases	Decreases	Balance 6-30-19
Capital Assets Not Depreciated:				
Land	\$ 2,775,891	\$ 0	\$ 0	\$ 2,775,891
Construction in Progress	9,600,065	14,213,199	(532,259)	<u>23,281,005</u>
Total Capital Assets Not Depreciated	<u>\$ 12,375,956</u>	<u>\$ 14,213,199</u>	<u>\$ (532,259)</u>	<u>\$ 26,056,896</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 120,711,530	\$ 1,155,437	\$ 0	\$ 121,866,967
Other Capital Assets	12,404,037	662,554	(817,558)	<u>12,249,033</u>
Total Capital Assets Depreciated	<u>\$ 133,115,567</u>	<u>\$ 1,817,991</u>	<u>\$ (817,558)</u>	<u>\$ 134,116,000</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 45,307,070	\$ 2,861,636	\$ 0	\$ 48,168,706
Other Capital Assets	8,906,548	771,897	(785,212)	<u>8,893,233</u>
Total Accumulated Depreciation	<u>\$ 54,213,618</u>	<u>\$ 3,633,533</u>	<u>\$ (785,212)</u>	<u>\$ 57,061,939</u>
Total Capital Assets Depreciated, Net	<u>\$ 78,901,949</u>	<u>\$ (1,815,542)</u>	<u>\$ (32,346)</u>	<u>\$ 77,054,061</u>
Governmental Activities Capital Assets, Net	<u>\$ 91,277,905</u>	<u>\$ 12,397,657</u>	<u>\$ (564,605)</u>	<u>\$ 103,110,957</u>

Depreciation expense was charged to functions of the discretely presented Bedford County School Department as follow:

**Governmental Activities:**

Instruction	\$ 2,815,292
Support Services	785,052
Operation of Non-instructional Services	<u>33,189</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 3,633,533</u></u>

**C. Construction Commitments**

At June 30, 2019, the General Capital Projects and Education Capital Projects funds had uncompleted construction contracts of approximately \$8,460,279 for the construction of a jail/justice center and approximately \$384,300 for the construction of a school, respectively. Funding for these future expenditures is expected to be received from draws on other loans already secured by the primary government.

**D. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2019, was as follows:

**Due to/from Primary Government and Component Unit:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Component Unit:	Primary Government:	
School Department:		
Education Capital Projects	General Capital Projects	\$ 525,000
Emergency Communications District	General	36,289

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2019, consisted of the following amount:

**Discretely Presented Bedford County School Department**

Transfers Out	Transfers In	
	General Purpose School Fund	Nonmajor Governmental Funds
General Purpose School Fund	\$ 0	\$ 200,000
Nonmajor governmental funds	18,000	0
<b>Total</b>	<b>\$ 18,000</b>	<b>\$ 200,000</b>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. During the year ended June 30, 2019, the General Purpose School Fund transferred \$200,000 to the School Federal Projects Fund to fund operations and the School Federal Projects Fund transferred \$18,000 to the General Purpose School Fund to reimburse for indirect costs.

**E. Long-term Debt**

**Primary Government**

**General Obligation Bonds, Notes, and Other Loans**

General Obligation Bonds - Bedford County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented School Department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 18 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2019, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Bedford County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented School Department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were issued for original terms of up to seven years for notes and up to 20 years for other loans. Repayment terms are generally structured with increasing

amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2019, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes and other loans outstanding as of June 30, 2019, for governmental activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-19
General Obligation				
Bonds - Refunding	2.09 to 5.00	4-1-37	45,750,000 \$	40,159,273
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	1.53 to 2.98	3-1-26	3,000,000	1,400,000
Other Loans	2.33 to 2.65	12-1-37	53,177,950	50,977,950

In prior years, Bedford County entered into loan agreements with the City of Clarksville Public Building Authority. These loan agreements provided for the authority to make \$32,750,000, \$19,275,000, \$5,000,000, and \$4,500,000 available for loan to Bedford County on an as-needed basis for various renovation and construction projects. Bedford County had borrowed \$29,953,000, \$19,275,000, \$50,000, and \$3,899,950, respectively, of the authorized amount of the loans. These loans are repayable at fixed interest rates of 2.33, 2.43, 2.65, and 2.55 percent, respectively.

The annual requirements to amortize all general obligation bonds, notes and other loans outstanding as of June 30, 2019, including interest payments, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2020	\$ 2,695,000	\$ 1,394,718	\$ 4,089,718
2021	2,785,000	1,331,808	4,116,808
2022	2,920,000	1,225,545	4,145,545
2023	3,039,273	1,113,936	4,153,209
2024	2,150,000	997,480	3,147,480
2025-2029	10,025,000	3,533,010	13,558,010
2030-2034	9,890,000	1,905,600	11,795,600
2035-2037	6,655,000	403,050	7,058,050
Total	\$ 40,159,273	\$ 11,905,147	\$ 52,064,420



Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2020	\$ 530,000	\$ 33,274	\$ 563,274
2021	135,000	25,926	160,926
2022	140,000	21,903	161,903
2023	145,000	17,731	162,731
2024	145,000	13,410	158,410
2025-2026	305,000	13,708	318,708
Total	\$ 1,400,000	\$ 125,952	\$ 1,525,952

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2020	\$ 2,489,000	\$ 1,266,428	\$ 3,755,428
2021	2,497,000	1,206,342	3,703,342
2022	2,557,000	1,146,184	3,703,184
2023	2,618,000	1,084,564	3,702,564
2024	2,681,000	1,021,476	3,702,476
2025-2029	14,388,000	4,107,460	18,495,460
2030-2034	16,185,000	2,289,384	18,474,384
2035-2037	7,562,950	318,888	7,881,838
Total	\$ 50,977,950	\$ 12,440,726	\$ 63,418,676

There is \$19,010,806 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita including unamortized debt premiums totaled \$932, based on the 2010 federal census. Total debt per capita, including bonds, notes, other loans, and unamortized debt premiums totaled \$2,094 based on the 2010 federal census.

#### Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2019, was as follows:

Governmental Activities:

	Bonds	Notes - Direct Placement	Other Loans - Direct Placement
Balance, June 30, 2018	\$ 44,240,000	\$ 930,279	\$ 13,337,950
Additions	34,735,000	1,000,000	39,840,000
Reductions	(38,815,727)	(530,279)	(2,200,000)
Balance, June 30, 2019	<u>\$ 40,159,273</u>	<u>\$ 1,400,000</u>	<u>\$ 50,977,950</u>
Balance Due Within One Year	<u>\$ 2,695,000</u>	<u>\$ 530,000</u>	<u>\$ 2,489,000</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2019	\$ 92,537,223
Less: Balance Due Within One Year - Debt	(5,714,000)
Add: Unamortized Premium on Debt	<u>1,812,987</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 88,636,210</u>

Current Refunding

On April 12, 2019, Bedford County refunded two general obligation bond issues with a separate general obligation bond issue. The county issued \$34,735,000 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust to generate resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered defeased, and the liability has been removed from the county's long-term debt. Because of the refunding, total debt service payments over the next 18 years will be reduced by \$6,442,043, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$5,085,656 was obtained.

**F. Long-term Obligations**

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2019, was as follows:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2018	\$ 349,357	\$ 478,753
Additions	715,508	70,604
Reductions	(636,226)	(41,468)
	<hr/>	<hr/>
Balance, June 30, 2019	<u>\$ 428,639</u>	<u>\$ 507,890</u>
Balance Due Within One Year	<u>\$ 21,432</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2019	\$ 936,529
Less: Balance Due Within One Year - Other	<u>(21,432)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 915,097</u>

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

**Discretely Presented Bedford County School Department**

Changes in Long-term Obligation

Long-term obligation activity for the discretely presented Bedford County School Department for the year ended June 30, 2019, was as follows:

Governmental Activities:

	Other Postemployment Benefits
Balance, July 1, 2018	\$ 5,152,316
Additions	877,342
Reductions	(1,644,211)
	<hr/>
Balance, June 30, 2019	<u>\$ 4,385,447</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2019	\$ 4,385,447
Less: Balance Due Within One Year - Other	<u>0</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 4,385,447</u>

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

**G. On-Behalf Payments – Discretely Presented Bedford County School Department**

**Discretely Presented Bedford County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Bedford County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are administered by the State of Tennessee and reported in the state’s Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2019, were \$123,948. The School Department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**V. OTHER INFORMATION**

**A. Risk Management**

Bedford County and the discretely presented Bedford County School Department are exposed to various risks related to general liability, property, casualty, and workers’ compensation losses. Bedford County and the School Department decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, casualty, and workers’ compensation coverage. Bedford County and the School Department joined the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. Bedford County and the School Department pay an annual premium to the TN-RMT for their general liability, property, casualty, and workers’ compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

## **Bedford County**

### **Employee Health Insurance**

Bedford County participates in the Local Government Group Insurance Fund (LGGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local governments and quasi-governmental entities that was established for the primary purpose of providing services for or on behalf of state and local governments. In accordance with Section 8-27-207, *Tennessee Code Annotated (TCA)*, all local governments and quasi-governmental entities described above are eligible to participate. The LGGIF is included in the Comprehensive Annual Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. The state statute provides for the LGGIF to be self-sustaining through member premiums.

### **Discretely Presented Bedford County School Department**

The discretely presented Bedford County School Department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *TCA*, all local education agencies are eligible to participate. The LEGIF is included in the Comprehensive Annual Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

## **B. Accounting Changes**

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 83, *Certain Asset Retirement Obligations*; Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placements* became effective for the year ended June 30, 2019. In addition, Bedford County early implemented the provisions of GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*.

GASB Statement No. 83, *Certain Asset Retirement Obligations* establishes accounting and reporting requirements for certain asset retirement obligations (AROs) associated with tangible capital assets. The scope of this statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, and expense/expenditures. In addition, this standard establishes note disclosure requirements for AROs.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements* addresses note disclosure requirements related to debt, including direct borrowings and direct

placements. It also clarifies which liabilities governments should report when disclosing information related to debt. These required disclosures include direct borrowings and direct placements, unused lines of credit, assets pledged as collateral for debt, terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant acceleration clauses.

GASB Statement No. 89 *Accounting for Interest Costs Incurred Before the End of a Construction Period* amends paragraphs 5 through 22 of GASB Statement No. 62. This standard establishes that interest cost incurred before the end of a construction period should be recognized as an expense/expenditure. The changes adopted to conform with this standard are to be applied prospectively.

**C. Contingent Liabilities**

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

**D. Changes in Administration**

On August 31, 2018, Eugene Ray left the Office of County Mayor and was succeeded by Chad Graham. On January 31, 2019, Stanley Smotherman left the Office of Highway Superintendent and was succeeded by Mark Clanton.

**E. Joint Ventures**

**Primary Government**

The Shelbyville-Bedford County Public Library is jointly owned by Bedford County and the City of Shelbyville and operates under Tennessee state law and the rules and regulations of the Highland Rim Regional Library. The library is governed by a voluntary 14-member board of directors, seven appointed by the county and seven by the city. Bedford County has control over budgeting and financing of the joint venture only to the extent of representation by the seven board members appointed. Bedford County contributed \$145,465 to the operations of the library during the year ended June 30, 2019.

The Joint Economic Development Board is a joint venture between Bedford County and the cities of Bell Buckle, Normandy, Shelbyville, and Wartrace. The board comprises the city mayor or city manager, if so designated by the city's governing board of each member's municipality, the Bedford County mayor, three members of the City of Shelbyville Industrial Development Board, two residents of the unincorporated area of Bedford County, and a

private citizen who owns greenbelt property. The purpose of the board is to foster communication and facilitate economic and community development between and among governmental entities, industry, and private citizens. The cities and county will provide the majority of funding for the board based on the percentage of their population compared to the total census of the county. Bedford County did not contribute to the Joint Economic Development Board for the year ended June 30, 2019.

The Seventeenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Seventeenth Judicial District, Marshall, Lincoln, Moore, and Bedford counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors, including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within the judicial district. Bedford County did not contribute to the DTF for the year ended June 30, 2019.

The Interlocal Solid Waste Authority was formed by joint resolution of the counties of Bedford, Franklin, Moore and Lincoln and the municipalities of Tullahoma and Fayetteville to develop a solid waste regional plan. Each participating County Commission or City Council appointed the authority's board for varying terms of office. Bedford County made no contribution to the Interlocal Solid Waste Authority for the year ended June 30, 2019.

Bedford County does not retain an equity interest in any of the above-noted joint ventures.

Complete financial statements for the Shelbyville-Bedford County Public Library, the Joint Economic Development Board, the Seventeenth Judicial District Drug Task Force, and the Interlocal Solid Waste Authority can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Shelbyville-Bedford County Public Library  
220 South Jefferson Street  
Shelbyville, TN 37160

Joint Economic Development Board  
c/o City Hall  
201 North Spring Street  
Shelbyville, TN 37160

Office of District Attorney General  
Seventeenth Judicial District Drug Task  
Force P.O. Box 878  
Fayetteville, TN 37334

Interlocal Solid Waste Authority  
c/o City of Tullahoma  
P.O. Box 807  
Tullahoma, TN 37388

### **Discretely Presented Bedford County School Department**

The discretely presented School Department participates in the Volunteer State Cooperative (VOLCO), which represents a cost-sharing arrangement. The cooperative was established through a contractual agreement between the Boards of Education of Bedford County, Coffee County, Dickson County, Fayetteville City, Hickman County, Houston County, Humphreys County, Lincoln County, Manchester City, Marshall County, and Stewart County. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated*. The cooperative was established to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a coordinating district (Dickson County School Department) and a service provider to provide these services. The cooperative is governed by a Representative Committee, comprising one representative from each of the member districts; and an Executive Council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the Representative Committee.

Complete financial statements for VOLCO can be obtained from its administrative office at the following address:

Administrative Office:

Volunteer State Cooperative  
220 McLemore Street  
Dickson, TN 37055

### **F. Jointly Governed Organization**

The Bedford Railroad Authority was created November 22, 1984, pursuant to Section 7-56-201, et seq., *Tennessee Code Annotated*, to provide for the continuation of rail service on a section of existing rail spur line located within Bedford County between the cities of Shelbyville and Wartrace. The authority's board includes the mayor of Shelbyville, a city councilman, the county mayor, a county commissioner, the mayor of Wartrace, and a citizen residing in Wartrace; however, the county and cities do not have any ongoing financial interest or responsibility for the entity.



**G. Retirement Commitments**

**1. Tennessee Consolidated Retirement System (TCRS)**

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Bedford County and non-certified employees of the discretely presented Bedford County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 61.96 percent and the non-certified employees of the discretely presented School Department comprise 38.04 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

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

Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in

the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2018, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	330
Inactive Employees Entitled to But Not Yet Receiving Benefits	926
Active Employees	655
Total	<u><u>1,911</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Bedford County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2019, the employer contribution for Bedford County was \$817,292 based on a rate of 4.45 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Bedford County’s state shared taxes if required employer contributions are not remitted. The employer’s actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

**Net Pension Liability (Asset)**

Bedford County’s net pension liability (asset) was measured as of June 30, 2018, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2018, 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.

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 historic 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 investments 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 weighing the expected future real rates of return by the target 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 class are summarized in the following table:

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

## Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
<b>Primary Government</b>			
Balance, July 1, 2017	\$ 32,992,046	\$ 37,326,806	\$ (4,334,760)
Changes for the Year:			
Service Cost	\$ 1,084,317	\$ 0	\$ 1,084,317
Interest	2,413,278	0	2,413,278
Differences Between Expected and Actual Experience	(655,519)	0	(655,519)
Changes in Assumptions	0	0	0
Contributions-Employer	0	485,387	(485,387)
Contributions-Employees	0	545,382	(545,382)
Net Investment Income	0	3,074,052	(3,074,052)
Benefit Payments, Including Refunds of Employee Contributions	(1,579,559)	(1,579,559)	0
Administrative Expense	0	(36,554)	36,554
Other Changes	0	0	0
Net Changes	\$ 1,262,517	\$ 2,488,708	\$ (1,226,191)
Balance, June 30, 2018	\$ 34,254,563	\$ 39,815,514	\$ (5,560,951)
<b>School Department</b>			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, July 1, 2017	\$ 20,255,284	\$ 22,916,586	\$ (2,661,302)
Changes for the Year:			
Service Cost	\$ 665,711	\$ 0	\$ 665,711
Interest	1,481,618	0	1,481,618
Differences Between Expected and Actual Experience	(402,453)	0	(402,453)
Changes in Assumptions	0	0	0
Contributions-Employer	0	298,000	(298,000)
Contributions-Employees	0	334,834	(334,834)
Net Investment Income	0	1,887,297	(1,887,297)
Benefit Payments, Including Refunds of Employee Contributions	(969,761)	(969,761)	0
Administrative Expense	0	(22,442)	22,442
Other Changes	0	0	0
Net Changes	\$ 775,115	\$ 1,527,928	\$ (752,813)
Balance, June 30, 2018	\$ 21,030,399	\$ 24,444,514	\$ (3,414,115)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Bedford County 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 one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
<b>Primary Government</b>	6.25%	7.25%	8.25%
Net Pension Liability	\$ (1,241,188)	\$ (5,560,951)	\$ (9,123,585)

	1% Decrease	Current Discount Rate	1% Increase
<b>School Department</b>	6.25%	7.25%	8.25%
Net Pension Liability	\$ (762,021)	\$ (3,414,115)	\$ (5,601,375)

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

*Pension Expense or Negative Pension Expense.* For the year ended June 30, 2019, Bedford County recognized negative pension expense of Bedford County recognized negative pension expense of \$109,861 for the primary government and \$67,448 the non-certified employees of the discretely presented School Department.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, Bedford County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Primary Government</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 154,824	\$ 527,698
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	156,312
Changes in Assumptions	401,061	0
Contributions Subsequent to the Measurement Date of June 30, 2018 (1)	497,065	N/A
<b>Total</b>	<b>\$ 1,052,950</b>	<b>\$ 684,010</b>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2018,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

<b>School Department</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 95,054	\$ 323,977
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	95,967
Changes in Assumptions	246,229	0
Contributions Subsequent to the Measurement Date of June 30, 2018 (1)	320,227	N/A
<b>Total</b>	<b>\$ 661,510</b>	<b>\$ 419,944</b>

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2018,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

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

**Primary Government**

Year Ending June 30		Amount
2020	\$	350,195
2021		99,396
2022		(499,901)
2023		(77,816)
2024		0
Thereafter		0

**School Department**

Year Ending June 30		Amount
2020	\$	215,001
2021		61,024
2022		(306,911)
2023		(47,774)
2024		0
Thereafter		0

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

**Discretely Presented Bedford County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Bedford County and non-certified employees of the discretely presented Bedford County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 61.96 percent and the non-certified employees of the discretely presented School Department comprise 38.04 percent of the plan based on contribution data.



## **Certified Employees**

### **Teacher Retirement Plan**

#### **General Information About the Pension Plan**

*Plan Description.* Teachers of the Bedford County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who

leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2019, to the Teacher Retirement Plan were \$141,493, which is 1.94 percent of covered payroll. In addition, employer contributions of \$150,245, which is 2.06 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liabilities (Assets).* At June 30, 2019, the School Department reported a liability (asset) of (\$317,790) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2018, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The School Department's proportion of the net pension liability (asset) was based on the School Department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2018, the School Department's proportion was .700707 percent. The proportion as of June 30, 2017, was .717920 percent.

*Pension Expense.* For the year ended June 30, 2019, the School Department recognized pension expense of \$108,627.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 17,999	\$ 12,658
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	17,951
Changes in Assumptions	14,992	0
Changes in Proportion of Net Pension Liability (Asset)	5,810	4,629
LEA's Contributions Subsequent to the Measurement Date of June 30, 2018 (1)	141,493	N/A
Total	<u>\$ 180,294</u>	<u>\$ 35,238</u>

The School Department's employer contributions of \$141,493, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension asset in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2020	\$ (2,227)
2021	(2,796)
2022	(5,355)
2023	(664)
2024	1,727
Thereafter	12,878

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2018, actuarial valuation was determined using the following

actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2018, 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.

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 historic 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 investments 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 weighing the expected future real rates of return by the target 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 class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
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
		100 %
Total		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 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 assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the School Department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the School Department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability	\$ 49,131	\$ (317,790)	\$ (588,124)

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

### **Teacher Legacy Pension Plan**

#### **General Information About the Pension Plan**

*Plan Description.* Teachers of the Bedford County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

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

benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Bedford County School Department for the year ended June 30, 2019, to the Teacher Legacy Pension Plan were \$2,651,427, which is 10.46 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liability (Assets).* At June 30, 2019, the School Department reported a liability (asset) of (\$2,579,203) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The School Department's proportion of the net pension liability (asset) was based on the School Department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2018, the School Department's

proportion was .732954 percent. The proportion measured at June 30, 2017, was .726872 percent.

*Pension Expense.* For the year ended June 30, 2019, the School Department recognized (negative) pension expense of (\$737,064).

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 521,345	\$ 3,479,549
Changes in Assumptions	1,523,290	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	561,342
Changes in Proportion of Net Pension Liability (Asset)	103,676	53,561
LEA's Contributions Subsequent to the Measurement Date of June 30, 2018	2,651,427	N/A
Total	<u>\$ 4,799,738</u>	<u>\$ 4,094,452</u>

The School Department's employer contributions of \$2,651,427 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:



Year Ending June 30	Amount
2020	\$ 532,933
2021	(822,429)
2022	(1,422,342)
2023	(234,304)
2024	0
Thereafter	0

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

*Actuarial Assumptions.* The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2018, 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.

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 historic 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 investments 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 weighing the expected future real rates of return by the target 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 class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity Developed Market	5.69	%	31	%
International Equity Emerging Market	5.29		14	
International Equity Private Equity and Strategic Lending	6.36		4	
U.S. Fixed Income	5.79		20	
Real Estate	2.01		20	
Short-term Securities	4.32		10	
	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the 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 assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the School Department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the School Department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one

percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease	Current Discount Rate	1% Increase
	6.25%	7.25%	8.25%

Net Pension Liability    \$ 19,882,120    \$ (2,579,203)    \$ (21,162,818)

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

**H. Other Postemployment Benefits (OPEB) Plans**

Bedford County and the discretely presented Bedford County School Department provide OPEB benefits to its retirees under various OPEB plans. These include OPEB provided through state administered public entity risk pools and commercial health insurance plans. For reporting purposes the plans are considered single employer defined benefit OPEB plans based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). The plans are funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

**OPEB Provided through State Administered Public Entity Risk Pools**

**Primary Government**

Retirees of Bedford County are provided healthcare under a Local Government Plan (LGP) until they reach Medicare eligibility.

The county's total OPEB liability was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and other inputs.* The total OPEB liability in the June 30, 2018, actuarial valuation of each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2018, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.62%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.75% for the 2019 calendar year, and gradually decreasing over a 32-year period to an ultimate trend rate of 3.53% with 0.28% added to approximate the effect of the excise tax
Retirees Share of Benefit	
Related Cost	Discussed under each plan

The discount rate was 3.62 percent, based on the daily rate of Fidelity's 20-Year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2018, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2018, valuations were the same as those employed in the July 1, 2018, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the RP-2014 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2016. Post-retirement tables are Blue Collar and adjusted with a 2 percent load for males and a -3 percent load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load.

*Changes in Assumptions.* The discount rate changed from 3.56 percent as of the beginning of the measurement period to 3.62 percent as of the measurement date of June 30, 2018. The assumed initial costs and premium amounts were revised to reflect rates adopted for the 2019 plan year. The assumed initial trend rate applicable to the 2019 plan year was revised from 5.4 percent to 6.75 percent.

**Local Government OPEB Plan (Primary Government)**

*Plan Description.* Employees of Bedford County are provided with pre-65 retiree health insurance benefits through the closed Local Government Plan (LGP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired employees and disability participants of local governments, who choose coverage, participate in the LGP.

*Benefits Provided.* Bedford County offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-701 establishes and amends the benefit terms of the LGP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members, of the LGP, receives the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. Bedford County does not provide a direct subsidy and is only subject to the implicit subsidy.

**Employees Covered by Benefit Terms**

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

	<u>Total</u>
Retirees and Beneficiaries	1
Inactive, Nonretired Members	0
Active Members Eligible for Future Benefits	272
Active Members Not Eligible for Future Benefits	<u>21</u>
Total	<u><u>294</u></u>

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using

actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2019, the county paid \$6,300 to the LGP for OPEB benefits as they came due.

**Changes in the Total OPEB Liability – As of the Measurement Date**

	<u>Bedford County</u>
Balance July 1, 2017	<u>\$ 478,753</u>
Changes for the Year:	
Service Cost	\$ 25,518
Interest	17,827
Changes in Benefit Terms	0
Difference between Expected and Actuarial Experience	(34,227)
Changes in Assumption and Other Inputs	27,026
Benefit Payments	<u>(7,007)</u>
Net Changes	<u>\$ 29,137</u>
Balance June 30, 2018	<u><u>\$ 507,890</u></u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the county recognized OPEB expense of \$59,908, including the discretely presented Emergency Communications District of Bedford County's share of the expense. At June 30, 2019, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 0	\$ 30,735
Changes of Assumptions and Other Inputs	24,269	20,698
Net Difference Between Projected and Benefits paid after the measurement date	<u>6,300</u>	<u>0</u>
Total	<u><u>\$ 30,569</u></u>	<u><u>\$ 51,433</u></u>

Amounts reported as deferred inflows and deferred outflows of resources

(excluding benefits paid after the measurement date) related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	Bedford County
2020	\$ (3,259)
2021	(3,259)
2022	(3,259)
2023	(3,259)
2024	(3,259)
Thereafter	(10,869)

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

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability of the county calculated using the current discount rate as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Bedford County	2.62%	3.62%	4.62%
Total OPEB Liability	\$ 553,665	\$ 507,890	\$ 465,206

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the total OPEB liability of the county calculated using the current healthcare cost trend rate, as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Bedford County	5.75 to 2.81%	6.75 to 3.81%	7.75 to 4.81%
Total OPEB Liability	\$ 440,263	\$ 507,890	\$ 589,148

## Discretely Presented Bedford County School Department

The Bedford County School Department provides healthcare benefits to its certified retirees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of Bedford County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. However, the School Department does not provide any subsidy (direct or indirect) to this plan and therefore does not recognize any OPEB liability associated with the TNM.

The School Department's total OPEB liability for the plan was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2018, actuarial valuation of the plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2018 TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.62%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.75% for the 2019 calendar year, and gradually decreasing over a 32-year period to an ultimate trend of rate of 3.53% with .32% added to approximate the effect of the excise tax
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 3.62%, based on the daily rate of Fidelity's 20-year Municipal GO AA index closest to but not later than the measurement date.

Mortality rates were based on the results of a statewide experience study undertaken on behalf of the Tennessee Consolidated Retirement System (TCRS). These mortality rates were used in the July 1, 2018, actuarial valuation of the TCRS.

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2018, valuations were the same as those employed in the July 1, 2018, Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30,



2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the RP-2014 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2016. Post-retirement tables are Blue Collar and adjusted with a 2 percent load for males and a -3 percent load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load.

*Changes in Assumptions.* The discount rate changed from 3.56 percent as of the beginning of the measurement period to 3.62 percent as of the measurement date of June 30, 2018. The assumed initial costs and premium amounts were revised to reflect rates adopted for the 2019 plan year. The healthcare cost trend rate changed from 5.40 percent to 6.75 percent as of the measurement date of June 30, 2018.

#### **Closed Local Education (LEP) OPEB Plan (Discretely Presented School Department)**

*Plan Description.* Employees of the Bedford County School Department who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Local Education Plan (LEP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired teachers, support staff, and disability participants of local education agencies, who choose coverage, participate in the LEP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

*Benefits Provided.* The Bedford County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. Bedford County does not provide a direct subsidy and is only subject to the implicit subsidy.

Employees Covered by Benefit Terms

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

	<u>School Department</u>
Retirees and Beneficiaries	35
Inactive, Nonretired Members	0
Active Members Eligible for Future Benefits	729
Active Members Not Eligible for Future Benefits	92
Total	<u><u>856</u></u>

A state insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the School Department paid \$223,675 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability – As of the Measurement Date

	<u>Share of Collective Liability</u>		
	<u>Bedford County School Department</u> 65.0415%	<u>State of TN</u> 34.9585%	<u>Total OPEB Liability</u>
Balance July 1, 2017	\$ 5,152,316	\$ 2,838,656	\$ 7,990,972
Changes for the Year:			
Service Cost	\$ 353,741	\$ 120,738	\$ 474,479
Interest	192,628	103,533	296,161
Changes in Benefit Terms	0	0	0
Difference between Expected and Actuarial Experience	(1,256,128)	(675,144)	(1,931,272)
Changes in Assumption and Other Inputs	133,247	71,617	204,864
Benefit Payments	(190,356)	(102,312)	(292,668)
Net Changes	<u>\$ (766,869)</u>	<u>\$ (481,567)</u>	<u>\$ (1,248,436)</u>
Balance June 30, 2018	<u>\$ 4,385,447</u>	<u>\$ 2,357,089</u>	<u>\$ 6,742,536</u>

The Bedford County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Bedford County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The School Department recognized \$198,547 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for School Department retirees.

During the year, the Bedford County School Department's proportionate share of the collective OPEB liability was 65.0415 percent and the State of Tennessee's share was 34.9585 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the School Department recognized OPEB expense of \$578,830, including the state's share of the expense. At June 30, 2019, the School Department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>Resources</u>	<u>Resources</u>
Difference Between Expected and Actual Experience	\$ 0	\$ 1,143,974
Changes of Assumptions and Other Inputs	121,350	215,585
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employee and Nonemployer Contributors As Benefits Came Due	38,791	0
Benefits Paid After the Measurement Date	<u>223,675</u>	<u>0</u>
Total	<u>\$ 383,816</u>	<u>\$ 1,359,559</u>

The amount shown above for "Contributions Subsequent to the Measurement Date" of June 30, 2018, will be recognized as a reduction to net pension liability in the following measurement period.

Amounts reported as deferred inflows and deferred outflows of resources (excluding benefits paid after the measurement date) related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30</u>	<u>School Department</u>
2020	\$ (120,953)
2021	(120,953)
2022	(120,953)
2023	(120,953)
2024	(120,953)
Thereafter	(594,653)

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

*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate.* The following presents the School Department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
	2.62%	3.62%	4.62%

Proportionate Share of the Collective Total OPEB Liability	\$ 4,714,668	\$ 4,385,447	\$ 4,073,016
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*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the School Department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

Healthcare Cost Trend Rate

	1% Decrease	Current Rate	1% Increase
	5.75 to 2.85%	6.75 to 3.85%	7.75 to 4.85%

Proportionate Share of the  
Collective Total OPEB  
Liability

\$ 3,882,316 \$ 4,385,447 \$ 4,983,943

**I. Office of Central Accounting, Budgeting, and Purchasing**

Bedford County operates under provisions of the County Financial Management System of 1981. This act provides for a central system of accounting, budgeting, and purchasing covering all county departments. The act provides for the creation of a Finance Department operated under the direction of the finance director.

**J. Purchasing Laws**

Office of Director of Finance

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by him to serve as the county purchasing agent. The finance director serves as the purchasing agent for Bedford County. All purchase orders are issued by the Finance Department. Purchases exceeding \$25,000 for the Office of County Mayor, the Office of Highway Superintendent, and the discretely presented School Department are required to be competitively bid.

**K. Subsequent Events**

On October 2, 2019, Bedford County issued capital outlay notes totaling \$1,650,000 for various county projects.

**VI. OTHER NOTES – DISCRETELY PRESENTED EMERGENCY COMMUNICATIONS DISTRICT OF BEDFORD COUNTY**

**A. Summary of Significant Accounting Policies**

General Information – On May 15, 1984, the Tennessee state legislature approved the “Tennessee Emergency Communications District Law” (Acts 1984, ch. 867), which enables a county, upon approval by voters, to create a district to provide local emergency telephone service. Subsequently, in July 1987, the county legislative body of Bedford County, Tennessee, approved the establishment of a district for their county, the Emergency Communications District of Bedford County. As provided by the act, the district operates as a governmental organization through the directives of a

nine-member board of directors and provides enhanced 9-1-1 emergency telephone services for its service area. The directors serve without compensation for terms of three to four years.

Financial Reporting Entity – Component Unit – Legally, the district is a separate governmental entity that has considerable legal, financial, and administrative autonomy. However, as the governing board is not elected but instead is entirely appointed by the Bedford County Mayor and approved by the Bedford County Commission, the district is considered a component unit of Bedford County.

Pursuant to *Tennessee Code Annotated (TCA)*, Section 7-86-114, before issuing negotiable bonds, the district must have approval of the legislative body of the county wherein the district is established. It also must have approval before making purchase contracts, lease agreements, and notes payable of over five years' duration. In addition, the Bedford County Commission has the ability to adjust the district's service charges.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – The district does not have the authority to levy or collect taxes but is supported instead by the fees collected from telephone subscribers who benefit from the availability of its service. It recovers the cost of providing its services from its customers. Consequently, the district functions in a manner similar to a private business enterprise.

The accounts of the district are organized on the basis of a proprietary fund type, specifically an enterprise fund. The activities of this fund are accounted for with a separate set of self-balancing accounts that comprise the district's assets, liabilities, net position, revenues, and expenses. Proprietary fund types are reported using the economic resources measurement focus and the accrual basis of accounting. The aim of this measurement focus is to report all inflows, outflows, and balances affecting or reflecting the entity's net position. Revenues are recognized when earned, and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Operating revenues in proprietary fund types are those revenues generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Budgetary Law and Practice – The treasurer of the district files an annual budget with the mayor of Bedford County in accordance with *TCA*, Title 7, Chapter 86, Part 1. In March of each year, the treasurer presents a preliminary budget to the board of directors. The budget is then discussed and amended as necessary for approval by the board.

The budget for operations is prepared on the cash receipts and disbursements basis by line-item accounts. Revenues are budgeted in the year receipts are expected, and disbursements are budgeted in the year that the disbursements are expected to occur. Capital asset purchases and capital lease payments are budgeted in total.

Capital Assets – Capital assets are stated at cost or estimated historical cost if actual cost is not available. Maintenance, repairs, and minor renewals are expensed while major renewals and betterments are capitalized. The district defines capital assets as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of three years. When items of property are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included as non-operating revenue or loss.

Depreciation is provided over estimated useful lives ranging from five to 40 years by the straight-line method.

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

Cash Flow – Cash and Cash Equivalents – The district presents its cash flow statement using the direct method. For purposes of cash flow presentation, the district considers cash in operating bank accounts, cash on hand, amounts invested in State Treasurer’s Investment Pool, and certificates of deposit with an original maturity of 90 days or less to be cash and cash equivalents. At June 30, 2018, the district did not hold any certificates of deposit.

Use of Facilities – The district conducts its operations in a building owned by Bedford County at no cost to the district. The measurement of the contribution from Bedford County is not considered significant for disclosure as in-kind support and expense in the accompanying Statement of Revenues, Expenses, and Changes in Net Position.

Net Position Flow Assumption – The district will on occasion fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the district’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Deferred Outflows/Inflows of Resources – In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The district has one item that qualifies for reporting in this category resulting from the pension plan. See note VI.F. for information concerning deferred outflows related to the pension plan.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The district has one item that qualifies for reporting in this category resulting from the pension plan. See VI.F. for further information concerning deferred inflows related to the pension plan.

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

## **B. Cash and Cash Equivalents**

### Cash and Cash Equivalents

Legal Provisions – The district follows state statutes requiring all deposits with financial institutions to be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. The Tennessee Bank Collateral Pool is a multiple financial institution collateral pool to which member financial institutions holding public funds pledge collateral securities. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. Public fund accounts covered by the pool are considered to be insured for purposes of custodial credit risk exposure. The pool also has the ability to make additional assessments on a pro rata basis to the members of the pool if the value of collateral is inadequate to cover a loss.



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

At June 30, 2019, the carrying amount of cash deposits was \$1,252,883, and the bank balance was \$1,255,431. At June 30, 2019, the entire bank balance was covered by federal depository insurance, or by collateral held in the Tennessee Bank Collateral Pool.

### Investments

Legal Provisions – State statutes authorize the district to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer’s Investment Pool; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; and nonconvertible debt securities of certain federal government sponsored enterprises. These investments may not have a maturity greater than two years. The district has no investment policy that would further limit its investment choices.

Investments in the State Treasurer’s Investment Pool are reported at amortized cost. State statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. As of June 30, 2019, the district had \$1,042,151 held in the State Treasurer’s Investment Pool. As of June 30, 2019, the district held no investments required to be reported at fair value.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. U.S. obligations are implicitly guaranteed by the U.S. government and therefore are not considered to have credit risk. Governmental accounting standards required disclosure of credit quality rating for external pools; however, the State Treasurer’s Investment Pool is unrated.

Cash and cash equivalents are presented in the financial statements as follows:

<u>Cash Accounts</u>	<u>Interest Rate</u>	<u>Carrying Amount</u>
Pinnacle Bank checking	2.35%	\$ 1,252,883
State Treasurer's Investment Pool	2.38%	<u>1,042,151</u>
Total		<u>\$ 2,295,034</u>

**C. Risk Management**

The district 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 district obtains insurance coverage covering the above risks of loss through a public entity risk entity pool, Tennessee Risk Management Trust (TRMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The creation of the TRMT provides for it to be self-sustaining through member premiums. Settled claims have not exceeded the coverage in any of the past three fiscal years.

**D. Interlocal Agreement**

The district and Bedford County have entered into an agreement dated January 15, 2004. The agreement acknowledges the district's authority to manage communications at the central public safety answering point (PSAP) as well as to take the steps considered necessary for the purpose of attaining financial self-sufficiency. Significant terms include the district's responsibility to pay all costs that relate to maintenance of the PSAP equipment, annual budgets of the district will only be approved after acceptance by the county, and provides that the employees of the district shall receive benefits generally provided to the employees of the county. Under the agreement the county must provide funding to the district equal to the net amount of money required to be paid to the district after contributions of the district and other funding sources have been applied. The agreement will automatically renew unless either party give the other written notice subject to certain specifications set out in the agreement.

Though not required by the interlocal agreement, the county has agreed to provide funding to the district equal to the cost of the dispatchers' salaries, including benefits. Contributions from the county totaled \$423,532 for the year ended June 30, 2019.

**E. Capital Assets**

Capital assets are summarized as follows:

	Balance 7-1-18	Increases	Decreases	Balance 6-30-19
Capital Assets				
Depreciated:				
Building and				
Improvements	\$ 253,799	\$ 0	\$ 0	\$ 253,799
Furniture and Fixtures	81,322	0	(16,569)	64,753
Office Equipment	24,129	0	(13,699)	10,430
Communications Equipment	864,144	0	(604,591)	259,553
Vehicle	45,150	0	0	45,150
Intangibles	29,152	0	0	29,152
Other Capital Assets	54,274	0	(54,274)	0
Total Capital Assets				
Depreciated	\$ 1,351,970	\$ 0	\$ (689,133)	\$ 662,837
Less Accumulated				
Depreciation For:				
Building and				
Improvements	\$ 60,927	\$ 7,540	\$ 0	\$ 68,467
Furniture and Fixtures	81,009	313	(16,569)	64,753
Office Equipment	24,128	0	(13,698)	10,430
Communications Equipment	749,092	19,997	(604,592)	164,497
Vehicle	45,150	0	0	45,150
Intangibles	16,770	2,916	(251)	19,435
Other Capital Assets	54,023	0	(54,023)	0
Total Accumulated				
Depreciation	\$ 1,031,099	\$ 30,766	\$ (689,133)	\$ 372,732
Total Capital Assets				
Depreciated, Net	\$ 320,871	\$ (30,766)	\$ 0	\$ 290,105

**F. General Information About the Pension Plan**

*Plan Description.* Employees of Bedford County Emergency 911 Communications District of Bedford County 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 (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

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

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2018, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	0
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	10
 Total Employees	 <hr style="width: 100%;"/> <hr style="width: 100%;"/> 10

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. The district makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2019, employer contributions for the district were \$19,640 based on a rate of 4.45 percent of covered payroll. By law, employer contributions are required to be paid. The employer’s actuarially determined contribution (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

## Net Pension Liability (Asset)

*Pension Liabilities.* The district's net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

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

The actuarial assumptions used in the June 30, 2018, 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.

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 historic 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 investments 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 weighing the expected future real rates of return by the target 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 class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income Real Estate	5.79	20
	2.01	20
	4.32	10
Short-term Securities	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 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 district 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.

	Increase (Decrease)		
	Total	Plan	Net
	Pension Liability (a)	Fiduciary Net Position (b)	Pension Liability (a)-(b)
Balance, July 1, 2017	\$ 0	\$ 0	\$ 0
Changes for the Year:			
Service Cost	\$ 0	\$ 0	\$ 0
Interest	0	0	0
Differences Between Expected and Actual Experience	0	0	0
Changes in Benefit Terms	41,771	0	41,771
Changes in Assumptions	0	0	0
Contributions-Employer	0	13,353	(13,353)
Contributions-Employees	0	15,003	(15,003)
Net Investment Income	0	1,141	(1,141)
Benefit Payments, Including Refunds of Employee Contributions	(126)	(126)	0
Administrative Expense	0	(767)	767
Other Changes	0	0	0
Net Changes	\$ 41,645	\$ 28,604	\$ 13,041
Balance, June 30, 2018	\$ 41,645	\$ 28,604	\$ 13,041

*Sensitivity of the Net Position Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of the district 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 one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1%	Current	1%
	Decrease	Discount Rate	Increase
	6.25%	7.25%	8.25%
Emergency 911 Communications District of Bedford County			
Net Pension Liability (Asset) \$	21,673	\$ 13,041	\$ 6,223

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions**

*Pension Expense.* For the year ended June 30, 2019, the district recognized pension expense of \$26,510.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the district reported deferred outflows of resources

and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 0	\$ 0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	116
Changes in proportion of Net Pension Liability (Asset)	0	0
Difference between the employer's actual contributions and its proportionate share of total employer contributions	0	0
Change in Assumptions	0	0
Contributions Subsequent to the Measurement Date of June 30, 2018	<u>20,557</u>	<u>N/A</u>
Total	<u>\$ 20,557</u>	<u>\$ 116</u>

The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2018,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

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

Year Ending June 30	Amount
2020	\$ (29)
2021	(29)
2022	(29)
2023	(29)
2024	0
Thereafter	0

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



**G. Other Postemployment Benefits (OPEB)**

The district provides benefits to its retirees under an OPEB plan. Retirees are provided healthcare until they reach Medicare eligibility. Retired plan members receive the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. The district does not provide a direct subsidy and thus is only subject to the implicit subsidy. Any liability due to the implicit subsidy is not significant; thus, no liability is recorded.

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# REQUIRED SUPPLEMENTARY INFORMATION

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Bedford County, Tennessee  
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on  
Participation in the Public Employee Pension Plan of TCRS  
Primary Government  
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018
<b>Total Pension Liability</b>					
Service Cost	\$ 1,162,247	\$ 1,414,370	\$ 1,450,381	\$ 1,470,531	\$ 1,084,317
Interest	3,246,232	3,321,126	3,483,276	3,669,452	2,413,278
Changes in Benefit Terms	0	0	0	0	0
Differences Between Actual and Expected Experience	(1,525,931)	(425,077)	(232,790)	499,758	(655,519)
Changes in Assumptions	0	0	0	1,294,582	0
Benefit Payments, Including Refunds of Employee Contributions	(2,095,624)	(2,176,520)	(2,192,355)	(2,284,977)	(1,579,559)
Net Change in Total Pension Liability	\$ 786,924	\$ 2,133,899	\$ 2,508,512	\$ 4,649,346	\$ 1,262,517
Total Pension Liability, Beginning	43,168,649	43,955,573	46,089,472	48,597,984	32,992,046
Total Pension Liability, Ending (a)	\$ 43,955,573	\$ 46,089,472	\$ 48,597,984	\$ 53,247,330	\$ 34,254,563
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	\$ 976,847	\$ 855,335	\$ 868,096	\$ 903,034	\$ 485,387
Contributions - Employee	820,131	814,438	826,764	861,679	545,382
Net Investment Income	7,503,925	1,612,760	1,417,431	6,161,321	3,074,052
Benefit Payments, Including Refunds of Employee Contributions	(2,095,624)	(2,176,520)	(2,192,355)	(2,284,977)	(1,579,559)
Administrative Expense	(25,646)	(30,951)	(46,819)	(53,669)	(36,554)
Other	0	0	70,557	0	0
Net Change in Plan Fiduciary Net Position	\$ 7,179,633	\$ 1,075,062	\$ 943,674	\$ 5,587,388	\$ 2,488,708
Plan Fiduciary Net Position, Beginning	45,457,635	52,637,268	53,712,330	54,656,004	37,326,806
Plan Fiduciary Net Position, Ending (b)	\$ 52,637,268	\$ 53,712,330	\$ 54,656,004	\$ 60,243,392	\$ 39,815,514
Net Pension Liability (Asset), Ending (a - b)	\$ (8,681,695)	\$ (7,622,858)	\$ (6,058,020)	\$ (6,996,062)	\$ (5,560,951)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	119.75%	116.54%	112.47%	113.14%	116.23%
Covered Payroll	\$ 16,389,781	\$ 16,292,092	\$ 16,558,426	\$ 17,233,469	\$ 10,907,565
Net Pension Liability (Asset) as a Percentage of Covered Payroll	52.97%	46.79%	36.59%	(40.6)%	(50.98)%

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

Note: Data presented for 2014 - 2017 includes primary government, discretely presented Bedford County Emergency Communications District, and non-certified employees of the discretely presented School Department.

Note: 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.

Exhibit E-2

Bedford County, Tennessee  
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on  
Participation in the Public Employee Pension Plan of TCRS  
Discretely Presented Bedford County School Department  
For the Fiscal Year Ended June 30

	<u>2018</u>
<b>Total Pension Liability</b>	
Service Cost	\$ 665,711
Interest	1,481,618
Changes in Benefit Terms	0
Differences Between Actual and Expected Experience	(402,453)
Changes in Assumptions	0
Benefit Payments, Including Refunds of Employee Contributions	(969,761)
Net Change in Total Pension Liability	<u>\$ 775,115</u>
Total Pension Liability, Beginning	<u>20,255,284</u>
Total Pension Liability, Ending (a)	<u>\$ 21,030,399</u>
<b>Plan Fiduciary Net Position</b>	
Contributions - Employer	\$ 298,000
Contributions - Employee	334,834
Net Investment Income	1,887,297
Benefit Payments, Including Refunds of Employee Contributions	(969,761)
Administrative Expense	(22,442)
Other	0
Net Change in Plan Fiduciary Net Position	<u>\$ 1,527,928</u>
Plan Fiduciary Net Position, Beginning	<u>22,916,586</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 24,444,514</u>
Net Pension Liability (Asset), Ending (a - b)	<u>\$ (3,414,115)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	116.23%
Covered Payroll	\$ 6,696,639
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(50.98)%

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

Note: Data presented for 2014 - 2017 is on Exhibit E-1 in aggregate with primary government and discretely presented Bedford County Emergency Communications District.

Exhibit E-3

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

	2014	2015	2016	2017	2018	2019
Actuarially Determined Contribution	\$ 976,847	\$ 850,688	\$ 868,096	\$ 903,034	\$ 485,387	\$ 497,065
Less Contributions in Relation to the						
Actuarially Determined Contribution	(976,847)	(850,688)	(868,096)	(903,034)	(485,387)	(497,065)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 16,389,781	\$ 16,292,092	\$ 16,558,426	\$ 17,233,469	\$ 10,907,565	\$ 11,170,000
Contributions as a Percentage of						
Covered Payroll	5.96%	5.25%	5.25%	5.24%	4.45%	4.45%

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

Note: Data presented for 2014 - 2017 includes primary government, discretely presented Bedford County Emergency Communications District, and non-certified employees of the discretely presented School Department.

Exhibit E-4

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

	2018	2019
Actuarially Determined Contribution	\$ 298,000	\$ 320,227
Less Contributions in Relation to the Actuarially Determined Contribution	(298,000)	(320,227)
Contribution Deficiency (Excess)	\$ 0	\$ 0
 Covered Payroll	 \$ 6,696,639	 \$ 7,196,112
 Contributions as a Percentage of Covered Payroll	 4.45%	 4.45%

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

Note: Data presented for 2014 - 2017 is on Exhibit E-3 in aggregate with primary government and discretely presented Bedford County Emergency Communications District.

Exhibit E-5

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

	2015	2016	2017	2018	2019
Contractually Required Contribution	\$ 63,047	\$ 118,384	\$ 188,479	\$ 244,934	\$ 141,493
Less Contributions in Relation to the Actuarially Required Contribution	(63,047)	(118,384)	(188,479)	(244,934)	(141,493)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 1,576,186	\$ 2,959,624	\$ 4,710,400	\$ 6,114,083	\$ 7,293,447
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.01%	1.94%

Note: In FY 2019 the School Department placed the actuarially determined contribution rate (1.94%) of covered payroll into the pension plan and placed 2.06 percent of covered payroll into the Pension Stabilization Reserve Trust.

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

Exhibit E-6

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

	2014	2015	2016	2017	2018	2019
Contractually Required Contribution	\$ 2,545,755	\$ 2,436,317	\$ 2,374,480	\$ 2,322,788	\$ 2,330,442	\$ 2,651,427
Less Contributions in Relation to the Actuarially Required Contribution	(2,545,755)	(2,436,317)	(2,374,480)	(2,322,788)	(2,330,442)	(2,651,427)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 28,668,412	\$ 26,777,158	\$ 26,266,356	\$ 25,696,405	\$ 25,674,782	\$ 25,348,250
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%

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



Exhibit E-7

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

	2015	2016	2017	2018
School Department's Proportion of the Net Pension Asset	0.758599%	0.672630%	0.717920%	0.700707%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (30,518) \$	(70,023) \$	(189,412) \$	(317,790)
Covered Payroll	\$ 1,576,186 \$	2,959,624 \$	4,710,400 \$	6,114,083
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.20)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%	126.97%

\* The amounts presented were determined as of June 30 of the prior fiscal year.

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

Exhibit E-8

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

	2014	2015	2016	2017	2018
School Department's Proportion of the Net Pension Liability (Asset)	0.730407%	0.718594%	0.727641%	0.726872%	0.732954%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (118,688)	\$ 294,361	\$ 4,547,353	\$ (237,821)	\$ (2,579,203)
Covered Payroll	\$ 26,668,412	\$ 26,777,158	\$ 26,266,356	\$ 25,696,405	\$ 25,674,782
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%

\* The amounts presented were determined as of June 30 of the prior fiscal year.

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

Exhibit E-9

Bedford County, Tennessee  
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Government Plan  
For the Fiscal Year Ended June 30 \*

Measurement Date, June 30	2017	2018
<b>Total OPEB Liability</b>		
Service Cost	\$ 47,367	\$ 25,518
Interest	14,401	17,827
Changes in Benefit Terms	0	0
Differences Between Actual and Expected Experience	0	(34,227)
Changes in Assumptions or Other Inputs	(26,731)	27,026
Benefit Payments	(4,238)	(7,007)
Net Change in Total OPEB Liability	\$ 30,799	\$ 29,137
Total OPEB Liability, Beginning	447,954	478,753
Total OPEB Liability, Ending	\$ 478,753	\$ 507,890
Covered Employee Payroll	\$ 11,103,805	\$ 11,572,056
Net OPEB Liability as a Percentage of Covered Employee Payroll	0.04311612	0.04388935

\* The amounts presented were determined as of June 30 of the prior fiscal year.

Note 1: Ten years of data will be presented when available.

Note 2. Changes in assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2017	2.92%
2018	3.56%
2019	3.62%

Exhibit E-10

Bedford County, Tennessee  
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan  
Discretely Presented Bedford County School Department  
For the Fiscal Year Ended June 30 \*

	2017	2018
<b>Total OPEB Liability</b>		
Service Cost	\$ 513,228	\$ 474,479
Interest	242,043	296,161
Changes in Benefit Terms	0	0
Differences Between Actual and Expected Experience	0	(1,931,272)
Changes in Assumptions or Other Inputs	(406,789)	204,864
Benefit Payments	(266,838)	(292,668)
Net Change in Total OPEB Liability	\$ 81,644	\$ (1,248,436)
Total OPEB Liability, Beginning	7,909,328	7,990,972
Total OPEB Liability, Ending	<u>\$ 7,990,972</u>	<u>\$ 6,742,536</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 2,838,657	\$ 2,357,089
Employer Proportionate Share of the Total OPEB Liability	5,152,315	4,385,447
Covered Employee Payroll	\$ 38,005,340	\$ 39,609,896
Net OPEB Liability as a Percentage of Covered Employee Payroll	0.13556819	0.11071594

\* The amounts presented were determined as of June 30 of the prior fiscal year.

Note 1: Ten years of data will be presented when available.

Note 2. Changes in assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2017	2.92%
2018	3.56%
2019	3.62%

**BEDFORD COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2019**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2019 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% Corridor to Market Value
Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including Projection of Mortality Improvement Using Scale MP-2016 (static projection to 6 years beyond the valuation date)
Cost of Living Adjustments	2.25%

*Changes in Assumptions:* In 2017, the following assumptions were changed: (1) decreased the inflation rate from 3.0 to 2.5 percent; (2) decreased the investment rate from 7.5 to 7.25 percent; (3) decreased the cost-of-living adjustment from 2.5 to 2.25 percent; (4) decreased the salary growth rate graded ranges from an average of 4.25 to 4.0 percent; and (5) modified the mortality assumptions.

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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

Constitutional Officers - Fees Fund – The Constitutional Officers - Fees Fund is used to account for operating expenses paid directly from the fee and commission accounts of the trustee, clerks, register of deeds, and sheriff.

## Capital Projects Funds

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

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Community Development/Industrial Park Fund – The Community Development/Industrial Park Fund is used to account for grants proceeds to extend water lines in the county.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for note proceeds received during the year for courthouse annex capital expenditures.

Exhibit F-1

Bedford County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2019

	Special Revenue Fund	Capital Projects Other Capital Projects	Total Nonmajor Governmental Funds
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 13,386	\$ 353,998	\$ 367,384
Accounts Receivable	38	85,000	85,038
	<hr/>		
Total Assets	<u>\$ 13,424</u>	<u>\$ 438,998</u>	<u>\$ 452,422</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Public Safety	\$ 13,424	\$ 0	\$ 13,424
Committed:			
Committed for Capital Projects	0	438,998	438,998
	<hr/>		
Total Fund Balances	<u>\$ 13,424</u>	<u>\$ 438,998</u>	<u>\$ 452,422</u>



Exhibit F-2

Bedford County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2019

	Special Revenue Funds			Capital Projects Funds
	Drug Control	Constitu - tional Officers - Fees	Total	Community Development/ Industrial Park
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 3,705	\$ 0	\$ 3,705	\$ 0
Charges for Current Services	0	2,580	2,580	0
Other Local Revenues	100	0	100	0
Federal Government	0	0	0	24,619
Total Revenues	<u>\$ 3,805</u>	<u>\$ 2,580</u>	<u>\$ 6,385</u>	<u>\$ 24,619</u>
<u>Expenditures</u>				
Current:				
Administration of Justice	\$ 0	\$ 2,580	\$ 2,580	\$ 0
Public Safety	12,500	0	12,500	0
Other Operations	38	0	38	0
Capital Projects	0	0	0	24,619
Total Expenditures	<u>\$ 12,538</u>	<u>\$ 2,580</u>	<u>\$ 15,118</u>	<u>\$ 24,619</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (8,733)</u>	<u>\$ 0</u>	<u>\$ (8,733)</u>	<u>\$ 0</u>
<u>Other Financing Sources (Uses)</u>				
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ (8,733)	\$ 0	\$ (8,733)	\$ 0
Fund Balance, July 1, 2018	22,157	0	22,157	0
Fund Balance, June 30, 2019	<u>\$ 13,424</u>	<u>\$ 0</u>	<u>\$ 13,424</u>	<u>\$ 0</u>

(Continued)

Exhibit F-2

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

	Capital Projects Funds (Cont.)		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
<u>Revenues</u>			
Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 3,705
Charges for Current Services	0	0	2,580
Other Local Revenues	0	0	100
Federal Government	0	24,619	24,619
Total Revenues	<u>\$ 0</u>	<u>\$ 24,619</u>	<u>\$ 31,004</u>
<u>Expenditures</u>			
Current:			
Administration of Justice	\$ 0	\$ 0	\$ 2,580
Public Safety	0	0	12,500
Other Operations	0	0	38
Capital Projects	561,002	585,621	585,621
Total Expenditures	<u>\$ 561,002</u>	<u>\$ 585,621</u>	<u>\$ 600,739</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (561,002)</u>	<u>\$ (561,002)</u>	<u>\$ (569,735)</u>
<u>Other Financing Sources (Uses)</u>			
Notes Issued	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Total Other Financing Sources (Uses)	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
Net Change in Fund Balances	\$ 438,998	\$ 438,998	\$ 430,265
Fund Balance, July 1, 2018	0	0	22,157
Fund Balance, June 30, 2019	<u>\$ 438,998</u>	<u>\$ 438,998</u>	<u>\$ 452,422</u>

Exhibit F-3

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Drug Control Fund  
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 3,705	\$ 6,700	\$ 6,700	\$ (2,995)
Other Local Revenues	100	0	0	100
Total Revenues	<u>\$ 3,805</u>	<u>\$ 6,700</u>	<u>\$ 6,700</u>	<u>\$ (2,895)</u>
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 12,500	\$ 0	\$ 14,400	\$ 1,900
<u>Other Operations</u>				
Miscellaneous	38	100	100	62
Total Expenditures	<u>\$ 12,538</u>	<u>\$ 100</u>	<u>\$ 14,500</u>	<u>\$ 1,962</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (8,733)</u>	<u>\$ 6,600</u>	<u>\$ (7,800)</u>	<u>\$ (933)</u>
Net Change in Fund Balance	\$ (8,733)	\$ 6,600	\$ (7,800)	\$ (933)
Fund Balance, July 1, 2018	<u>22,157</u>	<u>14,980</u>	<u>22,157</u>	<u>0</u>
Fund Balance, June 30, 2019	<u>\$ 13,424</u>	<u>\$ 21,580</u>	<u>\$ 14,357</u>	<u>\$ (933)</u>

Exhibit F-4

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Community Development/Industrial Park Fund  
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 24,619	\$ 0	\$ 24,619	\$ 0
Total Revenues	\$ 24,619	\$ 0	\$ 24,619	\$ 0
<u>Expenditures</u>				
<u>    Capital Projects</u>				
Public Health and Welfare Projects	\$ 24,619	\$ 0	\$ 24,619	\$ 0
Total Expenditures	\$ 24,619	\$ 0	\$ 24,619	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Fund Balance, July 1, 2018	0	0	0	0
Fund Balance, June 30, 2019	\$ 0	\$ 0	\$ 0	\$ 0

Exhibit F-5

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Other Capital Projects Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>						
<u>Capital Projects</u>						
General Administration Projects	\$ 561,002	\$ 83,089	\$ 644,091	\$ 0	\$ 813,086	\$ 168,995
Total Expenditures	\$ 561,002	\$ 83,089	\$ 644,091	\$ 0	\$ 813,086	\$ 168,995
Excess (Deficiency) of Revenues Over Expenditures	\$ (561,002)	\$ (83,089)	\$ (644,091)	\$ 0	\$ (813,086)	\$ 168,995
<u>Other Financing Sources (Uses)</u>						
Notes Issued	\$ 1,000,000	\$ 0	\$ 1,000,000	\$ 0	\$ 1,000,000	\$ 0
Total Other Financing Sources	\$ 1,000,000	\$ 0	\$ 1,000,000	\$ 0	\$ 1,000,000	\$ 0
Net Change in Fund Balance	\$ 438,998	\$ (83,089)	\$ 355,909	\$ 0	\$ 186,914	\$ 168,995
Fund Balance, July 1, 2018	0	0	0	0	0	0
Fund Balance, June 30, 2019	\$ 438,998	\$ (83,089)	\$ 355,909	\$ 0	\$ 186,914	\$ 168,995

# Major Governmental Funds

## General Debt Service Fund

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The General Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

## Capital Projects Fund

---

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

---

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

Exhibit G-1

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 11,172,185	\$ 8,997,980	\$ 8,997,980	\$ 2,174,205
Other Local Revenues	1,306,216	380,000	380,000	926,216
Other Governments and Citizens Groups	9,764	114,750	114,750	(104,986)
Total Revenues	<u>\$ 12,488,165</u>	<u>\$ 9,492,730</u>	<u>\$ 9,492,730</u>	<u>\$ 2,995,435</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,855,279	\$ 1,855,312	\$ 1,855,312	\$ 33
Highways and Streets	400,000	400,000	400,000	0
Education	3,110,727	3,105,000	3,110,728	1
<u>Interest on Debt</u>				
General Government	416,342	1,013,590	1,006,947	590,605
Highways and Streets	9,180	9,180	9,180	0
Education	2,093,025	2,267,344	2,314,241	221,216
<u>Other Debt Service</u>				
General Government	183,272	158,000	193,533	10,261
Education	308,647	8,700	315,542	6,895
Total Expenditures	<u>\$ 8,376,472</u>	<u>\$ 8,817,126</u>	<u>\$ 9,205,483</u>	<u>\$ 829,011</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 4,111,693</u>	<u>\$ 675,604</u>	<u>\$ 287,247</u>	<u>\$ 3,824,446</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 34,735,000	0	\$ 34,735,000	0
Premiums on Debt Sold	1,833,357	0	1,833,357	0
Payments to Refunded Debt Escrow Agent	(36,180,000)	0	(36,180,000)	0
Total Other Financing Sources	<u>\$ 388,357</u>	<u>\$ 0</u>	<u>\$ 388,357</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 4,500,050	\$ 675,604	\$ 675,604	\$ 3,824,446
Fund Balance, July 1, 2018	<u>14,510,756</u>	<u>11,490,604</u>	<u>14,510,756</u>	<u>0</u>
Fund Balance, June 30, 2019	<u>\$ 19,010,806</u>	<u>\$ 12,166,208</u>	<u>\$ 15,186,360</u>	<u>\$ 3,824,446</u>

Exhibit G-2

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Capital Projects Fund  
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
<u>Capital Projects</u>				
Administration of Justice Projects	\$ 6,792,397	\$ 0	\$ 6,912,487	\$ 120,090
Public Safety Projects	18,897,456	0	19,231,563	334,107
Education Capital Projects	13,510,000	0	13,510,000	0
Total Expenditures	\$ 39,199,853	\$ 0	\$ 39,654,050	\$ 454,197
Excess (Deficiency) of Revenues Over Expenditures	\$ (39,199,853)	\$ 0	\$ (39,654,050)	\$ 454,197
<u>Other Financing Sources (Uses)</u>				
Other Loans Issued	\$ 39,840,000	\$ 0	\$ 39,840,000	\$ 0
Total Other Financing Sources	\$ 39,840,000	\$ 0	\$ 39,840,000	\$ 0
Net Change in Fund Balance	\$ 640,147	\$ 0	\$ 185,950	\$ 454,197
Fund Balance, July 1, 2018	105,061	0	105,061	0
Fund Balance, June 30, 2019	\$ 745,208	\$ 0	\$ 291,011	\$ 454,197



# Fiduciary Funds

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Agency Funds are used to account for assets held by the county as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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Cities - Sales Tax Fund – The Cities - Sales Tax Fund is used to account for the second half of the sales tax revenues collected inside incorporated cities of the county. These revenues are received by the county from the State of Tennessee and forwarded to the various cities on a monthly basis.

Constitutional Officers - Agency Fund – The Constitutional Officers - Agency Fund is used to account for amounts collected in an agency capacity by the county clerk, circuit and general sessions courts clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

Exhibit H-1

Bedford County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2019

	Agency Funds		
	Cities - Sales Tax	Constitu - tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 1,690,166	\$ 1,690,166
Accounts Receivable	0	415	415
Due from Other Governments	787,654	0	787,654
Total Assets	<u>\$ 787,654</u>	<u>\$ 1,690,581</u>	<u>\$ 2,478,235</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 787,654	\$ 0	\$ 787,654
Due to Litigants, Heirs, and Others	0	1,690,581	1,690,581
Total Liabilities	<u>\$ 787,654</u>	<u>\$ 1,690,581</u>	<u>\$ 2,478,235</u>

Exhibit H-2

Bedford County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2019

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 4,716,296	\$ 4,716,296	\$ 0
Due from Other Governments	727,227	787,654	727,227	787,654
Total Assets	\$ 727,227	\$ 5,503,950	\$ 5,443,523	\$ 787,654
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 727,227	\$ 5,503,950	\$ 5,443,523	\$ 787,654
Total Liabilities	\$ 727,227	\$ 5,503,950	\$ 5,443,523	\$ 787,654
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 1,635,385	\$ 10,250,169	\$ 10,195,388	\$ 1,690,166
Accounts Receivable	467	415	467	415
Total Assets	\$ 1,635,852	\$ 10,250,584	\$ 10,195,855	\$ 1,690,581
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,635,852	\$ 10,250,584	\$ 10,195,855	\$ 1,690,581
Total Liabilities	\$ 1,635,852	\$ 10,250,584	\$ 10,195,855	\$ 1,690,581
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 1,635,385	\$ 10,250,169	\$ 10,195,388	\$ 1,690,166
Equity in Pooled Cash and Investments	0	4,716,296	4,716,296	0
Accounts Receivable	467	415	467	415
Due from Other Governments	727,227	787,654	727,227	787,654
Total Assets	\$ 2,363,079	\$ 15,754,534	\$ 15,639,378	\$ 2,478,235
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 727,227	\$ 5,503,950	\$ 5,443,523	\$ 787,654
Due to Litigants, Heirs, and Others	1,635,852	10,250,584	10,195,855	1,690,581
Total Liabilities	\$ 2,363,079	\$ 15,754,534	\$ 15,639,378	\$ 2,478,235

# Bedford County School Department

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

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General Purpose School Fund – The General Purpose School Fund is used to account for general operations of the School Department.

School Federal Projects Fund – The School Federal Projects Fund is used to account for restricted federal revenues, which must be expended on specific education programs.

Central Cafeteria Fund – The Central Cafeteria Fund is used to account for the cafeteria operations in each of the schools.

Extended School Program Fund – The Extended School Program Fund is used to account for the after-school programs in the individual schools.

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

Exhibit I-1

Bedford County, Tennessee  
Statement of Activities  
Discretely Presented Bedford County School Department  
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
<b>Governmental Activities:</b>				
Instruction	\$ 42,634,630	\$ 463,048	\$ 3,998,737	\$ (38,172,845)
Support Services	23,504,886	123,384	0	(23,381,502)
Operation of Non-instructional Services	6,002,451	216,478	4,746,847	(1,039,126)
Total Governmental Activities	<u>\$ 72,141,967</u>	<u>\$ 802,910</u>	<u>\$ 8,745,584</u>	<u>\$ (62,593,473)</u>
<b>General Revenues:</b>				
<b>Taxes:</b>				
Property Taxes Levied for General Purposes				\$ 9,151,870
Local Option Sales Taxes				2,722,361
Other Local Taxes				23,648
Grants and Contributions Not Restricted to Specific Programs				67,204,783
Unrestricted Investment Income				13,749
Miscellaneous				58,585
Gain on Sale of Capital Assets				58,894
Total General Revenues				<u>\$ 79,233,890</u>
Change in Net Position				\$ 16,640,417
Net Position, July 1, 2018				<u>115,473,246</u>
Net Position, June 30, 2019				<u>\$ 132,113,663</u>

Exhibit I-2

Bedford County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Bedford County School Department  
June 30, 2019

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
			<u>Other</u>	
<u>Purpose</u>	<u>Capital</u>	<u>Gov-</u>	<u>Governmental</u>	
<u>School</u>	<u>Projects</u>	<u>mental</u>	<u>Funds</u>	
				<u>Funds</u>
<u>ASSETS</u>				
Cash	\$ 300	\$ 0	\$ 4,239	\$ 4,539
Equity in Pooled Cash and Investments	23,765,433	32,683	2,798,806	26,596,922
Inventories	0	0	42,894	42,894
Accounts Receivable	19,408	0	27,947	47,355
Allowance for Uncollectibles	0	0	(24,271)	(24,271)
Due from Other Governments	1,877,086	0	120,231	1,997,317
Due from Primary Government	0	525,000	0	525,000
Property Taxes Receivable	9,051,532	0	0	9,051,532
Allowance for Uncollectible Property Taxes	(192,510)	0	0	(192,510)
Restricted Assets	158,233	0	0	158,233
Total Assets	\$ 34,679,482	\$ 557,683	\$ 2,969,846	\$ 38,207,011
<u>LIABILITIES</u>				
Accounts Payable	\$ 610,159	\$ 0	\$ 6,794	\$ 616,953
Accrued Payroll	15,721	0	2,005	17,726
Payroll Deductions Payable	1,277,413	0	173,602	1,451,015
Contracts Payable	0	477,418	0	477,418
Retainage Payable	0	47,583	0	47,583
Total Liabilities	\$ 1,903,293	\$ 525,001	\$ 182,401	\$ 2,610,695
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 8,635,436	\$ 0	\$ 0	\$ 8,635,436
Deferred Delinquent Property Taxes	210,483	0	0	210,483

(Continued)

Exhibit I-2

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

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
	<u>General Purpose School</u>	<u>Education Capital Projects</u>	<u>Other Governmental Funds</u>	
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>				
Other Deferred/Unavailable Revenue	\$ 230,722	\$ 0	\$ 0	\$ 230,722
Total Deferred Inflows of Resources	\$ 9,076,641	\$ 0	\$ 0	\$ 9,076,641
<u>FUND BALANCES</u>				
Nonspendable:				
Inventory	\$ 0	\$ 0	\$ 42,894	\$ 42,894
Restricted:				
Restricted for Education	107,396	0	2,094,189	2,201,585
Restricted for Capital Projects	0	32,682	0	32,682
Restricted for Hybrid Retirement Stabilization Funds	158,233	0	0	158,233
Committed:				
Committed for Education	13,286,591	0	650,362	13,936,953
Assigned:				
Assigned for Education	2,100,000	0	0	2,100,000
Unassigned	8,047,328	0	0	8,047,328
Total Fund Balances	\$ 23,699,548	\$ 32,682	\$ 2,787,445	\$ 26,519,675
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 34,679,482	\$ 557,683	\$ 2,969,846	\$ 38,207,011

Bedford County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
Discretely Presented Bedford County School Department  
June 30, 2019

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$ 26,519,675
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 2,775,891	
Add: construction in progress	23,281,005	
Add: buildings and improvements net of accumulated depreciation	73,698,261	
Add: other capital assets net of accumulated depreciation	<u>3,355,800</u>	103,110,957
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: other postemployment benefits liability		(4,385,447)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension expense and OPEB expense in future years:		
Add: deferred outflows of resources related to pensions	\$ 5,641,542	
Add: deferred outflows of resources related to OPEB	383,816	
Less: deferred inflows of resources related to pensions	(4,549,634)	
Less: deferred inflows of resources related to OPEB	<u>(1,359,559)</u>	116,165
(4) Net pension assets of the agent and cost-sharing plans are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$ 3,414,115	
Add: net pension asset - teacher retirement plan	317,790	
Add: net pension asset - teacher legacy pension plan	<u>2,579,203</u>	6,311,108
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>441,205</u>
Net position of governmental activities (Exhibit A)		<u>\$ 132,113,663</u>



Exhibit I-4

Bedford County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Bedford County School Department  
For the Year Ended June 30, 2019

	Major Funds		Nonmajor	Total
	General Purpose School	Education Capital Projects	Funds Other Governmental Funds	
<u>Revenues</u>				
Local Taxes	\$ 12,388,869	\$ 0	\$ 0	\$ 12,388,869
Licenses and Permits	2,366	0	0	2,366
Charges for Current Services	127,320	0	661,100	788,420
Other Local Revenues	176,271	0	5,761	182,032
State of Tennessee	52,603,326	0	0	52,603,326
Federal Government	146,359	0	9,208,209	9,354,568
Other Governments and Citizens Groups	0	13,510,000	0	13,510,000
<b>Total Revenues</b>	<b>\$ 65,444,511</b>	<b>\$ 13,510,000</b>	<b>\$ 9,875,070</b>	<b>\$ 88,829,581</b>
<u>Expenditures</u>				
Current:				
Instruction	\$ 39,359,483	\$ 0	\$ 2,909,184	\$ 42,268,667
Support Services	22,095,742	0	1,663,178	23,758,920
Operation of Non-Instructional Services	774,392	0	5,308,721	6,083,113
Capital Outlay	1,979,896	0	0	1,979,896
Capital Projects	0	13,555,193	0	13,555,193
<b>Total Expenditures</b>	<b>\$ 64,209,513</b>	<b>\$ 13,555,193</b>	<b>\$ 9,881,083</b>	<b>\$ 87,645,789</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,234,998	\$ (45,193)	\$ (6,013)	\$ 1,183,792
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 18,000	\$ 0	\$ 200,000	\$ 218,000
Transfers Out	(200,000)	0	(18,000)	(218,000)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (182,000)</b>	<b>\$ 0</b>	<b>\$ 182,000</b>	<b>\$ 0</b>

(Continued)

Exhibit I-4

Bedford County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Bedford County School Department (Cont.)

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
Net Change in Fund Balances	\$ 1,052,998	\$ (45,193)	\$ 175,987	\$ 1,183,792
Fund Balance, July 1, 2018	22,646,550	77,875	2,611,458	25,335,883
Fund Balance, June 30, 2019	\$ 23,699,548	\$ 32,682	\$ 2,787,445	\$ 26,519,675

Exhibit I-5

Bedford County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Discretely Presented Bedford County School Department  
For the Year Ended June 30, 2019

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$ 1,183,792
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 15,498,931	
Less: current-year depreciation expense	<u>(3,633,533)</u>	11,865,398
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(32,346)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2019	\$ 441,205	
Less: deferred delinquent property taxes and other deferred June 30, 2018	<u>(456,056)</u>	(14,851)
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in other postemployment benefits liability	\$ 766,869	
Change in net pension asset - agent pension plan	745,117	
Change in net pension asset - teacher retirement plan	128,378	
Change in net pension asset - teacher legacy pension plan	2,341,382	
Change in deferred outflows of resources related to pensions	(93,178)	
Change in deferred outflows of resources related to OPEB	198,084	
Change in deferred inflows of resources related to pensions	673,333	
Change in deferred inflows of resources related to OPEB	<u>(1,121,561)</u>	<u>3,638,424</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 16,640,417</u>

Exhibit I-6

Bedford County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Bedford County School Department  
June 30, 2019

	<u>Special Revenue Funds</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Extended School Program</u>	
<u>ASSETS</u>				
Cash	\$ 0	\$ 3,639	\$ 600	\$ 4,239
Equity in Pooled Cash and Investments	283,476	2,162,345	352,985	2,798,806
Inventories	0	42,894	0	42,894
Accounts Receivable	0	0	27,947	27,947
Allowance for Uncollectibles	0	0	(24,271)	(24,271)
Due from Other Governments	117,895	0	2,336	120,231
Total Assets	<u>\$ 401,371</u>	<u>\$ 2,208,878</u>	<u>\$ 359,597</u>	<u>\$ 2,969,846</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 803	\$ 0	\$ 5,991	\$ 6,794
Accrued Payroll	2,005	0	0	2,005
Payroll Deductions Payable	98,563	71,795	3,244	173,602
Total Liabilities	<u>\$ 101,371</u>	<u>\$ 71,795</u>	<u>\$ 9,235</u>	<u>\$ 182,401</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Inventory	\$ 0	\$ 42,894	\$ 0	\$ 42,894
Restricted:				
Restricted for Education	0	2,094,189	0	2,094,189
Committed:				
Committed for Education	300,000	0	350,362	650,362
Total Fund Balances	<u>\$ 300,000</u>	<u>\$ 2,137,083</u>	<u>\$ 350,362</u>	<u>\$ 2,787,445</u>
Total Liabilities and Fund Balances	<u>\$ 401,371</u>	<u>\$ 2,208,878</u>	<u>\$ 359,597</u>	<u>\$ 2,969,846</u>

Exhibit I-7

Bedford County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented Bedford County School Department  
For the Year Ended June 30, 2019

	Special Revenue Funds			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 201,988	\$ 459,112	\$ 661,100
Other Local Revenues	0	5,761	0	5,761
Federal Government	4,526,002	4,682,207	0	9,208,209
Total Revenues	<u>\$ 4,526,002</u>	<u>\$ 4,889,956</u>	<u>\$ 459,112</u>	<u>\$ 9,875,070</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 2,909,184	\$ 0	\$ 0	\$ 2,909,184
Support Services	1,607,378	54,000	1,800	1,663,178
Operation of Non-Instructional Services	0	4,927,508	381,213	5,308,721
Total Expenditures	<u>\$ 4,516,562</u>	<u>\$ 4,981,508</u>	<u>\$ 383,013</u>	<u>\$ 9,881,083</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 9,440</u>	<u>\$ (91,552)</u>	<u>\$ 76,099</u>	<u>\$ (6,013)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 200,000	\$ 0	\$ 0	\$ 200,000
Transfers Out	(18,000)	0	0	(18,000)
Total Other Financing Sources (Uses)	<u>\$ 182,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 182,000</u>
Net Change in Fund Balances	\$ 191,440	\$ (91,552)	\$ 76,099	\$ 175,987
Fund Balance, July 1, 2018	108,560	2,228,635	274,263	2,611,458
Fund Balance, June 30, 2019	<u>\$ 300,000</u>	<u>\$ 2,137,083</u>	<u>\$ 350,362</u>	<u>\$ 2,787,445</u>

Exhibit I-8

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Bedford County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 12,388,869	\$ 0	\$ 0	\$ 12,388,869	\$ 11,852,104	\$ 11,852,104	\$ 536,765
Licenses and Permits	2,366	0	0	2,366	3,000	3,000	(634)
Charges for Current Services	127,320	0	0	127,320	102,857	148,530	(21,210)
Other Local Revenues	176,271	0	0	176,271	263,036	382,823	(206,552)
State of Tennessee	52,603,326	0	0	52,603,326	51,943,328	52,598,887	4,439
Federal Government	146,359	0	0	146,359	0	363,060	(216,701)
<b>Total Revenues</b>	<b>\$ 65,444,511</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 65,444,511</b>	<b>\$ 64,164,325</b>	<b>\$ 65,348,404</b>	<b>\$ 96,107</b>
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 33,961,902	\$ (500)	\$ 19,230	\$ 33,980,632	\$ 35,833,040	\$ 36,962,828	\$ 2,982,196
Alternative Instruction Program	731,226	0	0	731,226	614,581	742,781	11,555
Special Education Program	3,353,144	0	0	3,353,144	3,530,525	3,516,955	163,811
Career and Technical Education Program	1,313,211	0	0	1,313,211	1,404,476	1,405,584	92,373
<u>Support Services</u>							
Attendance	106,613	0	0	106,613	100,138	115,175	8,562
Health Services	552,728	0	0	552,728	555,239	556,396	3,668
Other Student Support	1,441,054	0	0	1,441,054	1,537,965	1,553,580	112,526
Regular Instruction Program	1,669,604	0	0	1,669,604	1,630,644	1,888,138	218,534
Special Education Program	408,966	0	0	408,966	431,253	436,253	27,287
Career and Technical Education Program	28,122	0	0	28,122	28,737	28,737	615
Technology	1,735,279	0	0	1,735,279	1,677,992	1,772,287	37,008
Other Programs	123,948	0	0	123,948	0	123,948	0
Board of Education	913,651	0	0	913,651	920,246	931,268	17,617
Director of Schools	394,401	0	0	394,401	501,842	497,642	103,241
Office of the Principal	3,702,948	0	0	3,702,948	3,753,002	3,773,678	70,730
Human Services/Personnel	210,474	0	0	210,474	268,850	311,355	100,881
Operation of Plant	5,544,370	0	0	5,544,370	5,643,723	5,653,567	109,197
Maintenance of Plant	2,021,900	(6,400)	5,500	2,021,000	2,119,904	2,139,508	118,508

(Continued)

Exhibit I-8

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Bedford County School Department  
General Purpose School Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Transportation	\$ 3,241,684	\$ 0	\$ 33,412	\$ 3,275,096	\$ 3,816,782	\$ 3,896,824	\$ 621,728
<u>Operation of Non-Instructional Services</u>							
Food Service	42,645	0	0	42,645	50,897	50,897	8,252
Community Services	211,777	0	0	211,777	168,000	267,262	55,485
Early Childhood Education	519,970	0	0	519,970	446,631	521,749	1,779
<u>Capital Outlay</u>							
Regular Capital Outlay	1,979,896	(482,519)	663,595	2,160,972	1,697,150	5,621,444	3,460,472
Total Expenditures	\$ 64,209,513	\$ (489,419)	\$ 721,737	\$ 64,441,831	\$ 66,731,617	\$ 72,767,856	\$ 8,326,025
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 1,234,998	\$ 489,419	\$ (721,737)	\$ 1,002,680	\$ (2,567,292)	\$ (7,419,452)	\$ 8,422,132
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,704	\$ 0	\$ 0
Transfers In	18,000	0	0	18,000	8,000	8,000	10,000
Transfers Out	(200,000)	0	0	(200,000)	(42,505)	(200,000)	0
Total Other Financing Sources	\$ (182,000)	\$ 0	\$ 0	\$ (182,000)	\$ (26,801)	\$ (192,000)	\$ 10,000
Net Change in Fund Balance							
Fund Balance, July 1, 2018	\$ 1,052,998	\$ 489,419	\$ (721,737)	\$ 820,680	\$ (2,594,093)	\$ (7,611,452)	\$ 8,432,132
Fund Balance, June 30, 2019	22,646,550	(489,419)	0	22,157,131	16,925,710	19,403,220	2,753,911
Fund Balance, June 30, 2019	\$ 23,699,548	\$ 0	\$ (721,737)	\$ 22,977,811	\$ 14,331,617	\$ 11,791,768	\$ 11,186,043

Exhibit I-9

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Bedford County School Department  
School Federal Projects Fund  
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 4,526,002	\$ 4,739,222	\$ 5,997,243	\$ (1,471,241)
Total Revenues	\$ 4,526,002	\$ 4,739,222	\$ 5,997,243	\$ (1,471,241)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,724,917	\$ 1,796,200	\$ 1,915,550	\$ 190,633
Special Education Program	1,089,603	1,093,951	1,296,812	207,209
Career and Technical Education Program	94,664	111,422	111,922	17,258
<u>Support Services</u>				
Health Services	205,508	190,261	212,899	7,391
Other Student Support	101,666	138,649	235,054	133,388
Regular Instruction Program	782,282	784,444	1,432,312	650,030
Special Education Program	208,217	229,972	363,005	154,788
Career and Technical Education Program	2,195	2,200	2,200	5
Transportation	307,510	368,079	409,489	101,979
<u>Operation of Non-Instructional Services</u>				
Food Service	0	5,544	0	0
Total Expenditures	\$ 4,516,562	\$ 4,720,722	\$ 5,979,243	\$ 1,462,681
Excess (Deficiency) of Revenues Over Expenditures	\$ 9,440	\$ 18,500	\$ 18,000	\$ (8,560)
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 200,000	\$ 0	\$ 0	\$ 200,000
Transfers Out	(18,000)	(18,500)	(18,000)	0
Total Other Financing Sources	\$ 182,000	\$ (18,500)	\$ (18,000)	\$ 200,000
Net Change in Fund Balance	\$ 191,440	\$ 0	\$ 0	\$ 191,440
Fund Balance, July 1, 2018	108,560	0	0	108,560
Fund Balance, June 30, 2019	\$ 300,000	\$ 0	\$ 0	\$ 300,000



Exhibit I-10

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Bedford County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 201,988	\$ 0	\$ 201,988	\$ 300,000	\$ 300,000	\$ (98,012)
Other Local Revenues	5,761	0	5,761	1,000	1,000	4,761
Federal Government	4,682,207	0	4,682,207	4,700,000	5,101,055	(418,848)
<b>Total Revenues</b>	<b>\$ 4,889,956</b>	<b>\$ 0</b>	<b>\$ 4,889,956</b>	<b>\$ 5,001,000</b>	<b>\$ 5,402,055</b>	<b>\$ (512,099)</b>
<u>Expenditures</u>						
<u>Support Services</u>						
Board of Education	\$ 54,000	\$ 0	\$ 54,000	\$ 54,000	\$ 54,000	\$ 0
<u>Operation of Non-Instructional Services</u>						
Food Service	4,927,508	34,342	4,961,850	5,533,777	5,956,844	994,994
<b>Total Expenditures</b>	<b>\$ 4,981,508</b>	<b>\$ 34,342</b>	<b>\$ 5,015,850</b>	<b>\$ 5,587,777</b>	<b>\$ 6,010,844</b>	<b>\$ 994,994</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ (91,552)	\$ (34,342)	\$ (125,894)	\$ (586,777)	\$ (608,789)	\$ 482,895
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ 0	\$ 0	\$ 0	\$ (22,012)	\$ 0	\$ 0
<b>Total Other Financing Sources</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (22,012)</b>	<b>\$ 0</b>	<b>\$ 0</b>
Net Change in Fund Balance	\$ (91,552)	\$ (34,342)	\$ (125,894)	\$ (608,789)	\$ (608,789)	\$ 482,895
Fund Balance, July 1, 2018	2,228,635	0	2,228,635	1,129,145	2,228,635	0
<b>Fund Balance, June 30, 2019</b>	<b>\$ 2,137,083</b>	<b>\$ (34,342)</b>	<b>\$ 2,102,741</b>	<b>\$ 520,356</b>	<b>\$ 1,619,846</b>	<b>\$ 482,895</b>

Exhibit I-11

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Bedford County School Department  
Extended School Program Fund  
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 459,112	\$ 478,966	\$ 478,966	\$ (19,854)
Total Revenues	\$ 459,112	\$ 478,966	\$ 478,966	\$ (19,854)
<u>Expenditures</u>				
<u>Support Services</u>				
Board of Education	\$ 1,800	\$ 1,800	\$ 1,800	\$ 0
<u>Operation of Non-Instructional Services</u>				
Community Services	381,213	504,568	504,568	123,355
Total Expenditures	\$ 383,013	\$ 506,368	\$ 506,368	\$ 123,355
Excess (Deficiency) of Revenues Over Expenditures	\$ 76,099	\$ (27,402)	\$ (27,402)	\$ 103,501
Net Change in Fund Balance	\$ 76,099	\$ (27,402)	\$ (27,402)	\$ 103,501
Fund Balance, July 1, 2018	274,263	214,983	274,263	0
Fund Balance, June 30, 2019	\$ 350,362	\$ 187,581	\$ 246,861	\$ 103,501

Exhibit I-12

Bedford County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Bedford County School Department  
Education Capital Projects Fund  
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Governments and Citizens Groups	\$ 13,510,000	\$ 0	\$ 13,510,000	\$ 0
Total Revenues	\$ 13,510,000	\$ 0	\$ 13,510,000	\$ 0
<u>Expenditures</u>				
<u>Capital Projects</u>				
Education Capital Projects	\$ 13,555,193	\$ 0	\$ 13,555,193	\$ 0
Total Expenditures	\$ 13,555,193	\$ 0	\$ 13,555,193	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ (45,193)	\$ 0	\$ (45,193)	\$ 0
Net Change in Fund Balance	\$ (45,193)	\$ 0	\$ (45,193)	\$ 0
Fund Balance, July 1, 2018	77,875	0	77,875	0
Fund Balance, June 30, 2019	\$ 32,682	\$ 0	\$ 32,682	\$ 0

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## MISCELLANEOUS SCHEDULES

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Exhibit J-1

Bedford County, Tennessee  
Schedule of Changes in Long-term Notes, Other Loans, and Bonds  
For the Year Ended June 30, 2019

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-18	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-19
<b>NOTES PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Highway - Hot Mix Road Program	\$ 2,000,000	1.53%	11-14-14	11-14-19	\$ 800,000	\$ 0	\$ 400,000	\$ 0	\$ 400,000
Sheriff Vehicles	385,000	1.55	1-29-16	1-25-19	130,279	0	130,279	0	0
Renovation of Courthouse Annex	1,000,000	2.98	2-26-19	3-1-26	0	1,000,000	0	0	1,000,000
Total Notes Payable					\$ 930,279	\$ 1,000,000	\$ 530,279	\$ 0	\$ 1,400,000
<b>OTHER LOANS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Jail/Justice Center	(1) 32,750,000	2.33	12-15-16	12-1-36	\$ 3,623,000	\$ 26,330,000	\$ 1,390,000	\$ 0	\$ 28,563,000
School	19,275,000	2.43	11-2-16	11-1-36	9,614,950	9,660,050	810,000	0	18,465,000
Jail/Justice Center	(2) 5,000,000	2.65	10-10-17	12-1-37	50,000	0	0	0	50,000
School	(3) 4,500,000	2.55	12-28-17	11-1-37	50,000	3,849,950	0	0	3,899,950
Total Other Loans Payable					\$ 13,337,950	\$ 39,840,000	\$ 2,200,000	\$ 0	\$ 50,977,950
<b>BONDS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
General Obligation School Refunding	8,405,000	2.09	3-25-13	4-1-23	\$ 4,595,000	\$ 0	\$ 855,727	\$ 0	\$ 3,739,273
General Obligation School	6,500,000	3.75	12-14-06	4-12-19	3,525,000	0	335,000	3,190,000	0
General Obligation School Refunding	2,610,000	2.6	4-15-15	4-1-25	1,930,000	0	245,000	0	1,685,000
General Obligation Refunding	34,735,000	3 to 5	4-12-19	4-1-37	0	34,735,000	0	0	34,735,000
Total Bonds Payable					\$ 44,240,000	\$ 34,735,000	\$ 2,635,727	\$ 36,180,000	\$ 40,159,273

- (1) Total amount approved was \$32,750,000, of which \$2,797,000 remains available for draws as of June 30, 2019.  
(2) Total amount approved was \$5,000,000, of which \$4,950,000 remains available for draws as of June 30, 2019.  
(3) Total amount approved was \$4,500,000, of which \$600,050 remains available for draws as of June 30, 2019.

Exhibit J-2

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

Year Ending June 30	Notes		Total
	Principal	Interest	
2020	\$ 530,000	\$ 33,274	\$ 563,274
2021	135,000	25,926	160,926
2022	140,000	21,903	161,903
2023	145,000	17,731	162,731
2024	145,000	13,410	158,410
2025	150,000	9,089	159,089
2026	155,000	4,619	159,619
Total	\$ 1,400,000	\$ 125,952	\$ 1,525,952

Year Ending June 30	Other Loans		Total
	Principal	Interest	
2020	\$ 2,489,000	\$ 1,266,428	\$ 3,755,428
2021	2,497,000	1,206,342	3,703,342
2022	2,557,000	1,146,184	3,703,184
2023	2,618,000	1,084,564	3,702,564
2024	2,681,000	1,021,476	3,702,476
2025	2,744,000	956,890	3,700,890
2026	2,808,000	890,791	3,698,791
2027	2,876,000	823,117	3,699,117
2028	2,945,000	753,813	3,698,813
2029	3,015,000	682,849	3,697,849
2030	3,086,000	610,207	3,696,207
2031	3,160,000	535,838	3,695,838
2032	3,235,000	459,692	3,694,692
2033	3,312,000	381,736	3,693,736
2034	3,392,000	301,911	3,693,911
2035	3,472,000	220,175	3,692,175
2036	2,842,950	83,549	2,926,499
2037	1,248,000	15,164	1,263,164
Total	\$ 50,977,950	\$ 12,440,726	\$ 63,418,676

(Continued)

Exhibit J-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2020	\$ 2,695,000	\$ 1,394,718	\$ 4,089,718
2021	2,785,000	1,331,808	4,116,808
2022	2,920,000	1,225,545	4,145,545
2023	3,039,273	1,113,936	4,153,209
2024	2,150,000	997,480	3,147,480
2025	2,255,000	897,060	3,152,060
2026	2,045,000	791,750	2,836,750
2027	2,140,000	689,500	2,829,500
2028	1,770,000	603,900	2,373,900
2029	1,815,000	550,800	2,365,800
2030	1,865,000	496,350	2,361,350
2031	1,920,000	440,400	2,360,400
2032	1,975,000	382,800	2,357,800
2033	2,035,000	323,550	2,358,550
2034	2,095,000	262,500	2,357,500
2035	2,155,000	199,650	2,354,650
2036	2,220,000	135,000	2,355,000
2037	2,280,000	68,400	2,348,400
Total	\$ 40,159,273	\$ 11,905,147	\$ 52,064,420

Exhibit J-3

Bedford County, Tennessee  
Schedule of Transfers  
Discretely Presented Bedford County School Department  
For the Year Ended June 30, 2019

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>DISCRETELY PRESENTED BEDFORD COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	School Federal Projects	Operations	\$ 200,000
School Federal Projects	General Purpose School	Indirect Cost	<u>18,000</u>
Total Transfers Discretely Presented Bedford County School Department			<u>\$ 218,000</u>



Exhibit J-4

Bedford County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Bedford County School Department  
For the Year Ended June 30, 2019

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor:				
Eugene Ray (7-1-18 through 8-31-18)	Section 8-24-102, <i>TCA</i>	\$ 16,683	\$ 100,000 (9)	RLI Insurance Company
Chad Graham (9-1-18 through 6-30-19)	Section 8-19-101, <i>TCA</i>	83,412	400,000	Tennessee Risk Management Trust
Highway Superintendent:				
Stanley Smotherman (7-1-18 through 1-31-19)	Section 8-19-101, <i>TCA</i>	55,608 (1)	400,000	"
Mark Clanton (2-1-19 through 6-30-19)	Section 8-19-101, <i>TCA</i>	39,720 (1)	400,000	"
Superintendent of Schools	State Board of Education and County Commission	114,580 (2)	100,000 (9)	RLI Insurance Company
Trustee	Section 8-24-102, <i>TCA</i>	78,782 (3)	2,262,111 (9)	Auto-Owners (Mutual) Insurance Company
Assessor of Property	Section 8-19-101, <i>TCA</i>	78,782 (3)(4)	400,000	Tennessee Risk Management Trust
County Clerk	Section 8-19-101, <i>TCA</i>	78,782 (3)	400,000	"
Circuit and General Sessions Courts Clerk	Section 8-19-101, <i>TCA</i>	86,661 (3)(5)(6)	400,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	86,661 (3)(5)	100,000 (9)	RLI Insurance Company
Register of Deeds	Section 8-24-102, <i>TCA</i>	78,782 (3)	400,000	Tennessee Risk Management Trust
Sheriff	Section 8-24-102, <i>TCA</i>	95,328 (7)	400,000	"
Finance Director	County Commission	101,830 (8)	50,000 (9)	RLI Insurance Company
<u>Other Bonds</u>				
Employee Fidelity - County Departments			400,000	Tennessee Risk Management Trust
Employee Blanket Bond - School Department			400,000	"

- (1) Does not include \$9,380 (Smotherman) and \$6,700 (Clanton) for serving as the solid waste administrative officer.
- (2) Includes a career ladder supplement of \$1,000 and travel allowance of \$2,400.
- (3) Does not include a level-three training incentive pay of \$1,000.
- (4) Does not include a Tennessee certified assessor's pay of \$1,000.
- (5) Includes an additional ten percent of clerk's salary for overseeing more than one court.
- (6) Does not include \$10,500 for serving as a traffic school administrative officer.
- (7) Does not include a law enforcement training supplement of \$600.
- (8) Does not include 100 percent of half the year's premiums for family health and dental insurance (\$5,557), salary supplement (\$5,557) or longevity (\$2,000).
- (9) All elected officials, director of schools, and finance director are additionally covered by the employee fidelity bond pursuant to Section 8-19-101, *Tennessee Code Annotated*.

Exhibit J-5

Bedford County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
For the Year Ended June 30, 2019

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 10,354,418	\$ 0	\$ 0	\$ 720,321	\$ 3,241,397
Trustee's Collections - Prior Year	336,103	0	0	20,932	90,098
Trustee's Collections - Bankruptcy	4,454	0	0	303	1,331
Circuit Clerk/Clerk and Master Collections - Prior Years	130,774	0	0	9,097	40,938
Interest and Penalty	63,520	0	0	4,192	18,702
Payments in-Lieu-of Taxes - T.V.A.	386,082	0	0	26,858	120,861
Payments in-Lieu-of Taxes - Local Utilities	65,168	0	0	4,533	20,400
Payments in-Lieu-of Taxes - Other	113,244	0	0	7,878	35,450
<u>County Local Option Taxes</u>					
Local Option Sales Tax	324,003	0	0	0	7,072,121
Litigation Tax - General	269,228	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	162,082	0	0	0	0
Litigation Tax - Courthouse Security	118,600	0	0	0	0
Business Tax	502,057	0	0	0	0
Mixed Drink Tax	1,624	0	0	0	0
Mineral Severance Tax	0	0	0	147,488	0
Adequate Facilities/Development Tax	0	0	0	0	530,887
<u>Statutory Local Taxes</u>					
Bank Excise Tax	131,290	0	0	0	0
Wholesale Beer Tax	177,732	0	0	0	0
<b>Total Local Taxes</b>	<b>\$ 13,140,379</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 941,602</b>	<b>\$ 11,172,185</b>
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 54	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	51,057	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service
	General	Drug Control	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service Fund
<u>Licenses and Permits (Cont.)</u>					
<u>Permits</u>					
Beer Permits	\$ 1,600	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	256,192	0	0	0	0
Other Permits	41,835	0	0	0	0
Total Licenses and Permits	<u>\$ 350,738</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 3,323	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	10,981	0	0	0	0
DUI Treatment Fines	1,767	0	0	0	0
Data Entry Fee - Circuit Court	1,681	0	0	0	0
<u>Criminal Court</u>					
Interpreter Fee	14	0	0	0	0
<u>General Sessions Court</u>					
Officers Costs	59,646	0	0	0	0
Game and Fish Fines	405	0	0	0	0
Drug Control Fines	417	3,685	0	0	0
Jail Fees	22,535	0	0	0	0
DUI Treatment Fines	8,971	0	0	0	0
Data Entry Fee - General Sessions Court	19,311	0	0	0	0
<u>Juvenile Court</u>					
Fines	57,052	0	0	0	0
Jail Fees	200,320	0	0	0	0
<u>Chancery Court</u>					
Officers Costs	2,463	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>Chancery Court (Cont.)</u>					
Data Entry Fee - Chancery Court	\$ 5,952	\$ 0	\$ 0	\$ 0	\$ 0
Courtroom Security Fee	8	0	0	0	0
<u>Other Courts - In-county</u>					
Fines	3,916	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>					
Other Fines, Forfeitures, and Penalties	4,183	20	0	0	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 402,945</b>	<b>\$ 3,705</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Patient Charges	\$ 1,797,033	\$ 0	\$ 0	\$ 0	\$ 0
Other General Service Charges	5,800	0	0	0	0
Service Charges	50,313	0	0	0	0
<u>Fees</u>					
Copy Fees	12	0	0	0	0
Archives and Records Management Fee	28,507	0	0	0	0
Telephone Commissions	101,304	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	2,580	0	0
Data Processing Fee - Register	17,500	0	0	0	0
Probation Fees	395,337	0	0	0	0
Data Processing Fee - Sheriff	5,235	0	0	0	0
Sexual Offender Registration Fee - Sheriff	6,000	0	0	0	0
Data Processing Fee - County Clerk	7,230	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	2,515	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges</u>					
Other Charges for Services	\$ 86,847	\$ 0	\$ 0	\$ 0	\$ 0
Total Charges for Current Services	\$ 2,503,633	\$ 0	\$ 2,580	\$ 0	\$ 0
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,306,193
Lease/Rentals	239,960	0	0	0	0
Sale of Materials and Supplies	0	0	0	5,374	0
Commissary Sales	15,106	0	0	0	0
Sale of Gasoline	0	0	0	9,861	0
Sale of Recycled Materials	71,397	0	0	1,238	0
Sale of Animals/Livestock	1,836	0	0	0	0
Miscellaneous Refunds	149,149	0	0	3,557	23
<u>Nonrecurring Items</u>					
Sale of Equipment	4,395	0	0	0	0
Damages Recovered from Individuals	170,000	0	0	0	0
Contributions and Gifts	8,789	100	0	0	0
<u>Other Local Revenues</u>					
Other Local Revenues	20,806	0	0	0	0
Total Other Local Revenues	\$ 681,438	\$ 100	\$ 0	\$ 20,030	\$ 1,306,216
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 548,939	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	117,650	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	Fund General Debt Service
<u>Fees Received From County Officials (Cont.)</u>					
<u>Fees In-Lieu-of Salary (Cont.)</u>					
General Sessions Court Clerk	\$ 482,270	\$ 0	\$ 0	\$ 0	\$ 0
Clerk and Master	172,054	0	0	0	0
Register	227,956	0	0	0	0
Sheriff	30,343	0	0	0	0
Trustee	787,192	0	0	0	0
<b>Total Fees Received From County Officials</b>	<b>\$ 2,366,404</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0
<u>Health and Welfare Grants</u>					
Health Department Programs	366,033	0	0	0	0
<u>Public Works Grants</u>					
Litter Program	0	0	0	32,069	0
<u>Other State Revenues</u>					
Income Tax	143,022	0	0	0	0
Beer Tax	17,959	0	0	0	0
Vehicle Certificate of Title Fees	12,164	0	0	0	0
Alcoholic Beverage Tax	96,877	0	0	0	0
State Revenue Sharing - Telecommunications	92,038	0	0	0	0
Emergency Hospital - Prisoners	57	0	0	0	0
Contracted Prisoner Boarding	468,546	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	2,557,673	0
Petroleum Special Tax	0	0	0	32,511	0
Registrar's Salary Supplement	15,164	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds				Debt Service Fund
	General	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>State of Tennessee (Cont.)</u>					
<u>Other State Revenues (Cont.)</u>					
State Shared Sales Tax - Cities	\$ 7,100	\$ 0	\$ 0	\$ 0	\$ 0
Other State Grants	40,975	0	0	0	0
Other State Revenues	37,115	0	0	0	0
<b>Total State of Tennessee</b>	<b>\$ 1,306,050</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,622,253</b>	<b>\$ 0</b>
<u>Federal Government</u>					
<u>Federal Through State</u>					
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Civil Defense Reimbursement	45,850	0	0	0	0
Homeland Security Grants	24,417	0	0	0	0
Other Federal through State	13,485	0	0	0	0
<b>Total Federal Government</b>	<b>\$ 83,752</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Paving and Maintenance	\$ 0	\$ 0	\$ 0	\$ 568	\$ 0
Contributions	0	0	0	0	9,764
<b>Total Other Governments and Citizens Groups</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 568</b>	<b>\$ 9,764</b>
<b>Total</b>	<b>\$ 20,835,339</b>	<b>\$ 3,805</b>	<b>\$ 2,580</b>	<b>\$ 3,584,453</b>	<b>\$ 12,488,165</b>

(Continued)

Exhibit J-5

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

	Capital Projects Fund		Community Development/ Industrial Park	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$	0	\$	14,316,136
Trustee's Collections - Prior Year		0		447,133
Trustee's Collections - Bankruptcy		0		6,088
Circuit Clerk/Clerk and Master Collections - Prior Years		0		180,809
Interest and Penalty		0		86,414
Payments in-Lieu-of Taxes - T.V.A.		0		533,801
Payments in-Lieu-of Taxes - Local Utilities		0		90,101
Payments in-Lieu-of Taxes - Other		0		156,572
<u>County Local Option Taxes</u>				
Local Option Sales Tax		0		7,396,124
Litigation Tax - General		0		269,228
Litigation Tax - Jail, Workhouse, or Courthouse		0		162,082
Litigation Tax - Courthouse Security		0		118,600
Business Tax		0		502,057
Mixed Drink Tax		0		1,624
Mineral Severance Tax		0		147,488
Adequate Facilities/Development Tax		0		530,887
<u>Statutory Local Taxes</u>				
Bank Excise Tax		0		131,290
Wholesale Beer Tax		0		177,732
Total Local Taxes	\$	0	\$	25,254,166
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$	0	\$	54
Cable TV Franchise		0		51,057

(Continued)



Exhibit J-5

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

	Capital Projects Fund		Community Development/ Industrial Park	Total
<u>Licenses and Permits (Cont.)</u>				
<u>Permits</u>				
Beer Permits	\$	0	\$	1,600
Building Permits		0		256,192
Other Permits		0		41,835
Total Licenses and Permits	\$	0	\$	350,738
<u>Fines, Forfeitures, and Penalties</u>				
<u>Circuit Court</u>				
Fines	\$	0	\$	3,323
Officers Costs		0		10,981
DUI Treatment Fines		0		1,767
Data Entry Fee - Circuit Court		0		1,681
<u>Criminal Court</u>				
Interpreter Fee		0		14
<u>General Sessions Court</u>				
Officers Costs		0		59,646
Game and Fish Fines		0		405
Drug Control Fines		0		4,102
Jail Fees		0		22,535
DUI Treatment Fines		0		8,971
Data Entry Fee - General Sessions Court		0		19,311
<u>Juvenile Court</u>				
Fines		0		57,052
Jail Fees		0		200,320
<u>Chancery Court</u>				
Officers Costs		0		2,463

(Continued)

Exhibit J-5

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

	Capital Projects Fund		Community Development/ Industrial Park	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>				
<u>Chancery Court (Cont.)</u>				
Data Entry Fee - Chancery Court	\$	0	\$	5,952
Courtroom Security Fee		0		8
<u>Other Courts - In-county</u>				
Fines		0		3,916
<u>Other Fines, Forfeitures, and Penalties</u>				
Other Fines, Forfeitures, and Penalties		0		4,203
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>406,650</b>
<u>Charges for Current Services</u>				
<u>General Service Charges</u>				
Patient Charges	\$	0	\$	1,797,033
Other General Service Charges		0		5,800
Service Charges		0		50,313
<u>Fees</u>				
Copy Fees		0		12
Archives and Records Management Fee		0		28,507
Telephone Commissions		0		101,304
Special Commissioner Fees/Special Master Fees		0		2,580
Data Processing Fee - Register		0		17,500
Probation Fees		0		395,337
Data Processing Fee - Sheriff		0		5,235
Sexual Offender Registration Fee - Sheriff		0		6,000
Data Processing Fee - County Clerk		0		7,230
Vehicle Insurance Coverage and Reinstatement Fees		0		2,515

(Continued)

Exhibit J-5

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

	Capital Projects Fund		Community Development/ Industrial Park	Total
<hr/>				
<u>Charges for Current Services (Cont.)</u>				
<u>Education Charges</u>				
Other Charges for Services	\$	0	\$	86,847
Total Charges for Current Services	<u>\$</u>	<u>0</u>	<u>\$</u>	<u>2,506,213</u>
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$	0	\$	1,306,193
Lease/Rentals		0		239,960
Sale of Materials and Supplies		0		5,374
Commissary Sales		0		15,106
Sale of Gasoline		0		9,861
Sale of Recycled Materials		0		72,635
Sale of Animals/Livestock		0		1,836
Miscellaneous Refunds		0		152,729
<u>Nonrecurring Items</u>				
Sale of Equipment		0		4,395
Damages Recovered from Individuals		0		170,000
Contributions and Gifts		0		8,889
<u>Other Local Revenues</u>				
Other Local Revenues		0		20,806
Total Other Local Revenues	<u>\$</u>	<u>0</u>	<u>\$</u>	<u>2,007,784</u>
<u>Fees Received From County Officials</u>				
<u>Fees In-Lieu-of Salary</u>				
County Clerk	\$	0	\$	548,939
Circuit Court Clerk		0		117,650

(Continued)

Exhibit J-5

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

	Capital Projects Fund		Community Development/ Industrial Park	Total
<u>Fees Received From County Officials (Cont.)</u>				
<u>Fees In-Lieu-of Salary (Cont.)</u>				
General Sessions Court Clerk	\$	0	\$	482,270
Clerk and Master		0		172,054
Register		0		227,956
Sheriff		0		30,343
Trustee		0		787,192
Total Fees Received From County Officials	\$	0	\$	2,366,404
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
Juvenile Services Program	\$	0	\$	9,000
<u>Health and Welfare Grants</u>				
Health Department Programs		0		366,033
<u>Public Works Grants</u>				
Litter Program		0		32,069
<u>Other State Revenues</u>				
Income Tax		0		143,022
Beer Tax		0		17,959
Vehicle Certificate of Title Fees		0		12,164
Alcoholic Beverage Tax		0		96,877
State Revenue Sharing - Telecommunications		0		92,038
Emergency Hospital - Prisoners		0		57
Contracted Prisoner Boarding		0		468,546
Gasoline and Motor Fuel Tax		0		2,557,673
Petroleum Special Tax		0		32,511
Registrar's Salary Supplement		0		15,164

(Continued)

Exhibit J-5

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

	Capital Projects Fund		Community Development/ Industrial Park	Total
<u>State of Tennessee (Cont.)</u>				
<u>Other State Revenues (Cont.)</u>				
State Shared Sales Tax - Cities	\$	0	\$	7,100
Other State Grants		0		40,975
Other State Revenues		0		37,115
Total State of Tennessee	\$	0	\$	3,928,303
<u>Federal Government</u>				
<u>Federal Through State</u>				
Community Development	\$	24,619	\$	24,619
Civil Defense Reimbursement		0		45,850
Homeland Security Grants		0		24,417
Other Federal through State		0		13,485
Total Federal Government	\$	24,619	\$	108,371
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Paving and Maintenance	\$	0	\$	568
Contributions		0		9,764
Total Other Governments and Citizens Groups	\$	0	\$	10,332
Total	\$	24,619	\$	36,938,961

Exhibit J-6

Bedford County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Bedford County School Department  
For the Year Ended June 30, 2019

	General Purpose School	Special Revenue Funds			Capital Projects Fund Education Capital Projects	Total
		School Federal Projects	Central Cafeteria	Extended School Program		
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 8,733,743	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,733,743
Trustee's Collections - Prior Year	287,846	0	0	0	0	287,846
Trustee's Collections - Bankruptcy	3,910	0	0	0	0	3,910
Circuit Clerk/Clerk and Master Collections - Prior Years	110,305	0	0	0	0	110,305
Interest and Penalty	54,031	0	0	0	0	54,031
Payments in-Lieu-of Taxes - T.V.A.	325,652	0	0	0	0	325,652
Payments in-Lieu-of Taxes - Local Utilities	54,968	0	0	0	0	54,968
Payments in-Lieu-of Taxes - Other	95,519	0	0	0	0	95,519
<u>County Local Option Taxes</u>						
Local Option Sales Tax	2,699,247	0	0	0	0	2,699,247
Mixed Drink Tax	23,648	0	0	0	0	23,648
<b>Total Local Taxes</b>	<b>\$ 12,388,869</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 12,388,869</b>
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 2,366	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,366
<b>Total Licenses and Permits</b>	<b>\$ 2,366</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,366</b>
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Summer School	\$ 1,536	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,536
Tuition - Other	0	0	0	459,112	0	459,112
Lunch Payments - Adults	0	0	93,900	0	0	93,900
A la Carte Sales	0	0	108,088	0	0	108,088

(Continued)

Exhibit J-6

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Extended School Program		
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
Receipts from Individual Schools	\$ 123,384	\$ 0	\$ 0	\$ 0	\$ 0	\$ 123,384
Other Charges for Services	2,400	0	0	0	0	2,400
<b>Total Charges for Current Services</b>	<b>\$ 127,320</b>	<b>\$ 0</b>	<b>\$ 201,988</b>	<b>\$ 459,112</b>	<b>\$ 0</b>	<b>\$ 788,420</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 7,988	\$ 0	\$ 5,761	\$ 0	\$ 0	\$ 13,749
Lease/Rentals	12,900	0	0	0	0	12,900
Sale of Recycled Materials	1,590	0	0	0	0	1,590
Miscellaneous Refunds	123,353	0	0	0	0	123,353
<u>Nonrecurring Items</u>						
Sale of Equipment	26,457	0	0	0	0	26,457
Damages Recovered from Individuals	15	0	0	0	0	15
Contributions and Gifts	3,968	0	0	0	0	3,968
<b>Total Other Local Revenues</b>	<b>\$ 176,271</b>	<b>\$ 0</b>	<b>\$ 5,761</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 182,032</b>
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 123,948	\$ 0	\$ 0	\$ 0	\$ 0	\$ 123,948
<u>State Education Funds</u>						
Basic Education Program	51,084,427	0	0	0	0	51,084,427
Early Childhood Education	519,973	0	0	0	0	519,973
School Food Service	51,231	0	0	0	0	51,231
Driver Education	34,820	0	0	0	0	34,820

(Continued)

Exhibit J-6

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Extended School Program		
<u>State of Tennessee (Cont.)</u>						
<u>State Education Funds (Cont.)</u>						
Other State Education Funds	\$ 624,162	\$ 0	\$ 0	\$ 0	\$ 0	\$ 624,162
Career Ladder Program	159,001	0	0	0	0	159,001
<u>Other State Revenues</u>						
Other State Grants	5,764	0	0	0	0	5,764
<b>Total State of Tennessee</b>	<b>\$ 52,603,326</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 52,603,326</b>
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,979,089	\$ 0	\$ 0	\$ 2,979,089
USDA - Commodities	0	0	401,054	0	0	401,054
Breakfast	0	0	1,302,064	0	0	1,302,064
USDA - Other	13,409	0	0	0	0	13,409
Vocational Education - Basic Grants to States	0	129,168	0	0	0	129,168
Title I Grants to Local Education Agencies	0	2,003,935	0	0	0	2,003,935
Special Education - Grants to States	0	1,775,271	0	0	0	1,775,271
Special Education Preschool Grants	0	28,700	0	0	0	28,700
English Language Acquisition Grants	0	71,911	0	0	0	71,911
Rural Education	0	65,589	0	0	0	65,589
Education for Homeless Children and Youth	0	36,439	0	0	0	36,439
Eisenhower Professional Development State Grants	0	311,052	0	0	0	311,052
Other Federal through State	132,950	103,937	0	0	0	236,887
<b>Total Federal Government</b>	<b>\$ 146,359</b>	<b>\$ 4,526,002</b>	<b>\$ 4,682,207</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 9,354,568</b>

(Continued)



Exhibit J-6

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,510,000	\$ 13,510,000
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,510,000	\$ 13,510,000
Total	\$ 65,444,511	\$ 4,526,002	\$ 4,889,956	\$ 459,112	\$ 13,510,000	\$ 88,829,581

Exhibit J-7

Bedford County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2019

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	108,104	
Social Security		6,254	
Pensions		2,851	
Medical Insurance		4,248	
Unemployment Compensation		44	
Employer Medicare		1,550	
Advertising		2,873	
Travel		180	
In Service/Staff Development		290	
Total County Commission			\$ 126,394

Board of Equalization

Board and Committee Members Fees	\$	840	
Total Board of Equalization			840

Beer Board

Board and Committee Members Fees	\$	150	
Total Beer Board			150

Budget and Finance Committee

Board and Committee Members Fees	\$	2,700	
Social Security		167	
Pensions		7	
Employer Medicare		39	
Total Budget and Finance Committee			2,913

County Mayor/Executive

County Official/Administrative Officer	\$	100,095	
Supervisor/Director		64,677	
Secretary(ies)		38,808	
Part-time Personnel		12,564	
Longevity Pay		900	
In-service Training		380	
Social Security		12,943	
Pensions		6,839	
Life Insurance		169	
Medical Insurance		8,024	
Unemployment Compensation		358	
Employer Medicare		3,027	
Communication		863	
Data Processing Services		589	
Dues and Memberships		1,700	
Pest Control		103	
Postal Charges		882	
Travel		1,428	
Other Contracted Services		12,146	
Gasoline		53	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Office Supplies	\$	3,494	
In Service/Staff Development		1,942	
Other Charges		4,782	
Furniture and Fixtures		496	
Office Equipment		1,236	
Other Equipment		4,400	
Total County Mayor/Executive			\$ 282,898

County Attorney

County Official/Administrative Officer	\$	58,915	
Total County Attorney			58,915

Election Commission

County Official/Administrative Officer	\$	70,904	
Assistant(s)		31,492	
Custodial Personnel		9,600	
Part-time Personnel		6,642	
Overtime Pay		2,657	
Election Commission		3,825	
Election Workers		17,022	
Social Security		6,973	
Pensions		3,962	
Life Insurance		121	
Medical Insurance		9,912	
Unemployment Compensation		223	
Employer Medicare		1,631	
Communication		562	
Data Processing Services		3,045	
Dues and Memberships		350	
Maintenance Agreements		11,633	
Maintenance and Repair Services - Equipment		2,227	
Pest Control		103	
Postal Charges		4,411	
Printing, Stationery, and Forms		9,142	
Travel		2,167	
Office Supplies		3,310	
Other Supplies and Materials		207	
In Service/Staff Development		1,520	
Other Charges		1,756	
Data Processing Equipment		3,208	
Furniture and Fixtures		2,503	
Total Election Commission			211,108

Register of Deeds

County Official/Administrative Officer	\$	78,782	
Assistant(s)		130,167	
Educational Incentive - Official/Admin Officer		1,000	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Longevity Pay	\$	6,900	
Social Security		12,545	
Pensions		9,650	
Life Insurance		298	
Medical Insurance		28,318	
Unemployment Compensation		224	
Employer Medicare		2,934	
Communication		1,626	
Data Processing Services		16,599	
Dues and Memberships		885	
Postal Charges		994	
Travel		1,562	
Other Contracted Services		2,481	
Office Supplies		9,594	
Other Charges		516	
Office Equipment		8,874	
Total Register of Deeds			\$ 313,949

Planning

Clerical Personnel	\$	26,749	
Longevity Pay		1,200	
Other Salaries and Wages		59,947	
Board and Committee Members Fees		3,575	
In-service Training		600	
Social Security		5,213	
Pensions		3,911	
Life Insurance		121	
Medical Insurance		11,328	
Unemployment Compensation		112	
Employer Medicare		1,219	
Communication		2,100	
Dues and Memberships		355	
Legal Notices, Recording, and Court Costs		415	
Maintenance and Repair Services - Vehicles		27	
Postal Charges		315	
Other Contracted Services		1,782	
Office Supplies		5,064	
Other Charges		552	
Data Processing Equipment		699	
Other Equipment		1,749	
Total Planning			127,033

Codes Compliance

Longevity Pay	\$	1,500	
Other Salaries and Wages		83,879	
In-service Training		836	
Social Security		5,274	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Codes Compliance (Cont.)

Pensions	\$	3,595	
Life Insurance		128	
Medical Insurance		5,664	
Unemployment Compensation		136	
Employer Medicare		1,233	
Communication		629	
Dues and Memberships		135	
Legal Notices, Recording, and Court Costs		305	
Maintenance and Repair Services - Vehicles		1,042	
Other Contracted Services		1,188	
Gasoline		2,541	
Office Supplies		1,171	
Other Charges		1,863	
Motor Vehicles		25,097	
Office Equipment		1,140	
Total Codes Compliance			\$ 137,356

County Buildings

Custodial Personnel	\$	26,050	
Maintenance Personnel		32,122	
Longevity Pay		900	
Overtime Pay		948	
Other Salaries and Wages		13,000	
Social Security		4,383	
Pensions		2,872	
Life Insurance		121	
Medical Insurance		11,328	
Unemployment Compensation		159	
Employer Medicare		1,025	
Communication		29,972	
Maintenance and Repair Services - Buildings		145,053	
Maintenance and Repair Services - Equipment		286	
Pest Control		3,176	
Other Contracted Services		15,198	
Custodial Supplies		9,067	
Utilities		135,917	
Other Supplies and Materials		3,418	
Other Charges		11,838	
Building Improvements		675,862	
Land		5,713	
Office Equipment		3,659	
Other Equipment		39,694	
Total County Buildings			1,171,761

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	101,830	
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(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Accountants/Bookkeepers	\$	242,769	
Clerical Personnel		21,018	
Longevity Pay		11,150	
Other Salaries and Wages		11,114	
In-service Training		2,137	
Social Security		20,934	
Pensions		13,629	
Life Insurance		437	
Medical Insurance		19,116	
Unemployment Compensation		596	
Employer Medicare		5,105	
Communication		2,100	
Data Processing Services		23,069	
Dues and Memberships		1,780	
Postal Charges		5,448	
Travel		120	
Other Contracted Services		3,688	
Data Processing Supplies		1,335	
Office Supplies		9,381	
Other Charges		3,559	
Data Processing Equipment		1,787	
Office Equipment		2,152	
Total Accounting and Budgeting			\$ 504,254

Property Assessor's Office

County Official/Administrative Officer	\$	78,782
Deputy(ies)		133,997
Part-time Personnel		4,920
Educational Incentive - Official/Admin Officer		1,000
Longevity Pay		2,600
Overtime Pay		172
Other Salaries and Wages		1,000
In-service Training		200
Social Security		12,219
Pensions		9,681
Life Insurance		302
Medical Insurance		22,682
Unemployment Compensation		263
Employer Medicare		2,906
Communication		1,513
Data Processing Services		12,665
Dues and Memberships		2,155
Maintenance Agreements		1,548
Maintenance and Repair Services - Equipment		5,168
Postal Charges		1,006
Rentals		18,150
Travel		1,607

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Other Contracted Services	\$	19,026	
Gasoline		3,008	
Office Supplies		1,044	
Other Charges		4,327	
Data Processing Equipment		3,715	
Furniture and Fixtures		708	
Total Property Assessor's Office			\$ 346,364

Reappraisal Program

Clerical Personnel	\$	37,608	
Longevity Pay		2,000	
Other Salaries and Wages		46,009	
In-service Training		300	
Social Security		5,064	
Pensions		3,810	
Life Insurance		121	
Medical Insurance		11,302	
Unemployment Compensation		111	
Employer Medicare		1,184	
Data Processing Services		4,198	
Postal Charges		1,198	
Printing, Stationery, and Forms		1,085	
Travel		1,217	
Office Supplies		1,692	
Other Charges		6,103	
Motor Vehicles		241	
Office Equipment		1,322	
Total Reappraisal Program			124,565

County Trustee's Office

County Official/Administrative Officer	\$	78,782	
Deputy(ies)		166,506	
Educational Incentive - Official/Admin Officer		1,000	
Longevity Pay		5,650	
Overtime Pay		1,098	
In-service Training		380	
Social Security		15,513	
Pensions		11,260	
Life Insurance		326	
Medical Insurance		30,444	
Unemployment Compensation		253	
Employer Medicare		3,628	
Communication		668	
Data Processing Services		4,224	
Dues and Memberships		1,290	
Legal Notices, Recording, and Court Costs		270	
Maintenance Agreements		13,527	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Postal Charges	\$	8,750	
Travel		2,553	
Office Supplies		4,293	
Premiums on Corporate Surety Bonds		11,928	
Other Charges		232	
Office Equipment		1,406	
Total County Trustee's Office			\$ 363,981

County Clerk's Office

County Official/Administrative Officer	\$	78,782	
Deputy(ies)		262,164	
Part-time Personnel		5,472	
Educational Incentive - Official/Admin Officer		1,000	
Longevity Pay		8,950	
Social Security		21,354	
Pensions		15,615	
Life Insurance		544	
Medical Insurance		48,144	
Unemployment Compensation		483	
Employer Medicare		4,994	
Communication		834	
Dues and Memberships		960	
Maintenance Agreements		13,359	
Postal Charges		11,516	
Travel		2,633	
Office Supplies		12,610	
Other Charges		5	
Data Processing Equipment		3,670	
Furniture and Fixtures		1,807	
Office Equipment		312	
Total County Clerk's Office			495,208

Data Processing

Supervisor/Director	\$	52,940	
Data Processing Personnel		78,393	
Longevity Pay		1,050	
Other Salaries and Wages		10,000	
Social Security		8,305	
Pensions		5,851	
Life Insurance		206	
Medical Insurance		17,854	
Unemployment Compensation		224	
Employer Medicare		1,942	
Communication		18,926	
Other Contracted Services		14,395	
Office Supplies		400	
Small Tools		425	

(Continued)



Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Data Processing (Cont.)

In Service/Staff Development	\$	490	
Other Charges		172	
Other Equipment		1,282	
Total Data Processing			\$ 212,855

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	86,661	
Deputy(ies)		327,788	
Part-time Personnel		12,540	
Educational Incentive - Official/Admin Officer		1,000	
Longevity Pay		9,400	
Overtime Pay		587	
Other Salaries and Wages		20,758	
Jury and Witness Expense		29,153	
Social Security		27,496	
Pensions		18,584	
Life Insurance		684	
Medical Insurance		43,901	
Unemployment Compensation		694	
Employer Medicare		6,431	
Communication		5,344	
Data Processing Services		29,744	
Dues and Memberships		1,044	
Legal Notices, Recording, and Court Costs		418	
Maintenance Agreements		4,503	
Pest Control		103	
Postal Charges		6,832	
Office Supplies		10,995	
In Service/Staff Development		4,689	
Other Charges		3,928	
Office Equipment		4,093	
Total Circuit Court			657,370

General Sessions Court

Judge(s)	\$	158,654	
Secretary(ies)		29,447	
Longevity Pay		300	
In-service Training		275	
Social Security		9,484	
Pensions		8,384	
Life Insurance		121	
Medical Insurance		11,328	
Unemployment Compensation		56	
Employer Medicare		2,607	
Communication		3,000	
Rentals		6,000	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Travel	\$	88	
Office Supplies		243	
Total General Sessions Court			\$ 229,987

Chancery Court

County Official/Administrative Officer	\$	86,661	
Assistant(s)		142,824	
Educational Incentive - Official/Admin Officer		1,000	
Longevity Pay		3,800	
Social Security		14,397	
Pensions		10,426	
Life Insurance		302	
Medical Insurance		22,656	
Unemployment Compensation		280	
Employer Medicare		3,367	
Communication		970	
Data Processing Services		16,482	
Dues and Memberships		1,018	
Maintenance Agreements		1,549	
Pest Control		103	
Postal Charges		2,000	
Travel		165	
Office Supplies		5,332	
In Service/Staff Development		1,079	
Office Equipment		1,749	
Total Chancery Court			316,160

Juvenile Court

Youth Service Officer(s)	\$	57,326	
Social Workers		81,856	
Longevity Pay		3,950	
Social Security		8,568	
Pensions		6,370	
Life Insurance		181	
Medical Insurance		5,664	
Unemployment Compensation		160	
Employer Medicare		2,004	
Communication		3,416	
Contracts with Government Agencies		5,550	
Rentals		8,000	
Travel		839	
Office Supplies		247	
Other Charges		24,412	
Total Juvenile Court			208,543

Judicial Commissioners

Deputy(ies)	\$	140,099	
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(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Judicial Commissioners (Cont.)

Part-time Personnel	\$	17,089	
Longevity Pay		5,000	
Overtime Pay		1,165	
Social Security		9,847	
Pensions		6,509	
Life Insurance		159	
Medical Insurance		11,175	
Unemployment Compensation		301	
Employer Medicare		2,303	
Communication		2,103	
Maintenance Agreements		672	
Office Supplies		696	
Furniture and Fixtures		215	
Total Judicial Commissioners			\$ 197,333

Other Administration of Justice

Probation Officer(s)	\$	38,371	
Guidance Personnel		47,553	
Longevity Pay		2,450	
In-service Training		375	
Social Security		5,268	
Pensions		3,933	
Life Insurance		121	
Medical Insurance		11,328	
Unemployment Compensation		112	
Employer Medicare		1,232	
Communication		3,574	
Contracts with Government Agencies		5,750	
Rentals		4,000	
Travel		123	
Office Supplies		491	
Total Other Administration of Justice			124,681

Probation Services

County Official/Administrative Officer	\$	49,378	
Clerical Personnel		205,432	
Longevity Pay		8,100	
Social Security		15,352	
Pensions		11,700	
Life Insurance		483	
Medical Insurance		45,312	
Unemployment Compensation		448	
Employer Medicare		3,591	
Communication		3,956	
Maintenance Agreements		3,849	
Postal Charges		194	
Printing, Stationery, and Forms		469	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Probation Services (Cont.)

Rentals	\$	16,800	
Travel		159	
Drugs and Medical Supplies		11,175	
Office Supplies		4,152	
Other Charges		866	
Data Processing Equipment		112	
Furniture and Fixtures		1,450	
Office Equipment		750	
Total Probation Services			\$ 383,728

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	95,328
Assistant(s)		128,341
Supervisor/Director		52,351
Deputy(ies)		984,139
Detective(s)		123,089
Lieutenant(s)		145,080
Sergeant(s)		167,731
Salary Supplements		24,600
Dispatchers/Radio Operators		120,718
Secretary(ies)		72,488
School Resource Officer		296,174
Longevity Pay		15,900
Overtime Pay		80,533
Other Salaries and Wages		37,936
In-service Training		7,810
Social Security		139,851
Pensions		99,105
Life Insurance		3,262
Medical Insurance		278,332
Unemployment Compensation		3,366
Employer Medicare		32,709
Communication		32,985
Dues and Memberships		4,410
Evaluation and Testing		360
Maintenance Agreements		6,650
Maintenance and Repair Services - Buildings		89
Maintenance and Repair Services - Equipment		1,127
Maintenance and Repair Services - Vehicles		58,353
Medical and Dental Services		2,210
Postal Charges		1,289
Towing Services		580
Travel		4,345
Other Contracted Services		7,618
Custodial Supplies		1,499
Gasoline		91,136

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Office Supplies	\$	6,040	
Tires and Tubes		9,638	
Uniforms		18,881	
Utilities		13,756	
Other Supplies and Materials		1,515	
In Service/Staff Development		16,500	
Other Charges		4,063	
Law Enforcement Equipment		35,079	
Motor Vehicles		386,701	
Office Equipment		10,387	
Total Sheriff's Department			\$ 3,624,054

Traffic Control

Other Salaries and Wages	\$	26,300	
Social Security		1,631	
Pensions		1,170	
Unemployment Compensation		14	
Employer Medicare		381	
Dues and Memberships		585	
Other Charges		3,425	
Total Traffic Control			33,506

Jail

Supervisor/Director	\$	103,839	
Sergeant(s)		133,978	
Data Processing Personnel		88,624	
Guards		447,510	
Maintenance Personnel		37,606	
Longevity Pay		3,600	
Overtime Pay		100,641	
In-service Training		400	
Social Security		54,245	
Pensions		29,133	
Life Insurance		1,507	
Medical Insurance		89,611	
Unemployment Compensation		2,220	
Employer Medicare		12,686	
Communication		4,420	
Maintenance Agreements		8,482	
Maintenance and Repair Services - Buildings		16,686	
Maintenance and Repair Services - Equipment		8,000	
Medical and Dental Services		468,021	
Postal Charges		1,991	
Other Contracted Services		161	
Custodial Supplies		17,193	
Food Supplies		140,854	
Office Supplies		6,646	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Prisoners Clothing	\$	13,357	
Uniforms		7,101	
Utilities		86,994	
Other Supplies and Materials		9,306	
Office Equipment		5,836	
Other Equipment		7,944	
Total Jail			\$ 1,908,592

Workhouse

Supervisor/Director	\$	38,796	
Sergeant(s)		142,454	
Data Processing Personnel		34,911	
Guards		260,984	
Maintenance Personnel		37,606	
Longevity Pay		5,550	
Overtime Pay		65,403	
In-service Training		175	
Social Security		34,964	
Pensions		23,175	
Life Insurance		986	
Medical Insurance		69,857	
Unemployment Compensation		940	
Employer Medicare		8,177	
Communication		4,020	
Maintenance Agreements		500	
Maintenance and Repair Services - Buildings		4,725	
Maintenance and Repair Services - Equipment		4,817	
Travel		507	
Other Contracted Services		2,909	
Custodial Supplies		16,005	
Food Supplies		105,011	
Office Supplies		4,030	
Prisoners Clothing		2,612	
Uniforms		2,932	
Utilities		55,149	
Other Supplies and Materials		3,684	
Building Improvements		2,150	
Other Equipment		1,615	
Total Workhouse			934,644

Juvenile Services

County Official/Administrative Officer	\$	42,619	
Sergeant(s)		124,968	
Guards		158,549	
Longevity Pay		2,850	
Overtime Pay		11,853	
Other Salaries and Wages		1,725	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Social Security	\$	20,835	
Pensions		13,659	
Life Insurance		653	
Medical Insurance		49,088	
Unemployment Compensation		751	
Employer Medicare		4,873	
Communication		1,160	
Maintenance Agreements		640	
Maintenance and Repair Services - Buildings		2,766	
Maintenance and Repair Services - Vehicles		26	
Custodial Supplies		2,703	
Food Supplies		5,927	
Gasoline		36	
Office Supplies		1,792	
Prisoners Clothing		1,110	
Uniforms		1,811	
Utilities		8,721	
Other Supplies and Materials		865	
Other Charges		1,788	
Office Equipment		90	
Total Juvenile Services			\$ 461,858

Other Emergency Management

Assistant(s)	\$	136,989
Supervisor/Director		121,413
Captain(s)		145,520
Lieutenant(s)		140,431
Secretary(ies)		6,948
Longevity Pay		19,100
Overtime Pay		493
Bonus Payments		13,000
Other Salaries and Wages		449,125
Social Security		61,241
Pensions		41,740
Life Insurance		1,359
Medical Insurance		117,528
Unemployment Compensation		1,482
Employer Medicare		14,423
Communication		28,497
Dues and Memberships		110
Maintenance and Repair Services - Buildings		7,550
Maintenance and Repair Services - Equipment		47,491
Maintenance and Repair Services - Vehicles		8,535
Other Contracted Services		5,006
Custodial Supplies		2,256
Diesel Fuel		11,666
Gasoline		12,842

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

Office Supplies	\$	7,798	
Uniforms		11,012	
Utilities		36,803	
Other Supplies and Materials		3,753	
Liability Insurance		8,178	
Vehicle and Equipment Insurance		23,110	
Workers' Compensation Insurance		46,116	
In Service/Staff Development		16,587	
Criminal Investigation of Applicants - TBI		116	
Other Charges		4,857	
Motor Vehicles		34,813	
Other Equipment		73,794	
Total Other Emergency Management			\$ 1,661,682

County Coroner/Medical Examiner

Medical Personnel	\$	30,825	
Total County Coroner/Medical Examiner			30,825

Other Public Safety

Contributions	\$	423,532	
Total Other Public Safety			423,532

Public Health and Welfare

Local Health Center

Other Salaries and Wages	\$	290,538	
Social Security		17,476	
Pensions		10,647	
Life Insurance		625	
Medical Insurance		36,344	
Unemployment Compensation		772	
Employer Medicare		4,087	
Communication		7,192	
Dues and Memberships		200	
Janitorial Services		13,287	
Maintenance Agreements		1,109	
Maintenance and Repair Services - Buildings		3,723	
Travel		4,943	
Other Contracted Services		145	
Office Supplies		298	
Utilities		19,927	
Other Supplies and Materials		1,984	
Other Charges		5,537	
Total Local Health Center			418,834

Rabies and Animal Control

Assistant(s)	\$	57,342	
Supervisor/Director		50,606	

(Continued)



Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Part-time Personnel	\$	46,017	
Longevity Pay		600	
Overtime Pay		1,217	
In-service Training		935	
Social Security		9,215	
Pensions		4,457	
Life Insurance		176	
Medical Insurance		9,912	
Unemployment Compensation		475	
Employer Medicare		2,155	
Communication		2,066	
Maintenance and Repair Services - Buildings		2,150	
Maintenance and Repair Services - Vehicles		1,193	
Permits		120	
Other Contracted Services		2,460	
Animal Food and Supplies		5,910	
Custodial Supplies		2,799	
Drugs and Medical Supplies		20,226	
Gasoline		2,273	
Office Supplies		1,101	
Uniforms		2,997	
Utilities		10,569	
Other Charges		4,953	
Building Improvements		29,204	
Office Equipment		281	
Other Equipment		17,440	
Total Rabies and Animal Control			\$ 288,849

Ambulance/Emergency Medical Services

Supervisor/Director	\$	63,004
Captain(s)		157,372
Medical Personnel		602,577
Salary Supplements		14,396
Mechanic(s)		24,824
Clerical Personnel		102,338
Part-time Personnel		116,099
Longevity Pay		28,650
Overtime Pay		537,828
In-service Training		6,956
Social Security		97,972
Pensions		62,082
Life Insurance		1,903
Medical Insurance		157,897
Unemployment Compensation		2,924
Employer Medicare		22,913
Advertising		57
Communication		24,655

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Dues and Memberships	\$	1,174	
Evaluation and Testing		1,411	
Licenses		2,887	
Maintenance Agreements		25,121	
Maintenance and Repair Services - Buildings		20,225	
Maintenance and Repair Services - Equipment		8,873	
Maintenance and Repair Services - Vehicles		50,882	
Postal Charges		3,278	
Printing, Stationery, and Forms		2,103	
Travel		2,706	
Tuition		11,230	
Disposal Fees		2,433	
Custodial Supplies		2,250	
Data Processing Supplies		1,187	
Diesel Fuel		24,167	
Drugs and Medical Supplies		70,429	
Gasoline		43,401	
Natural Gas		5,681	
Office Supplies		2,938	
Uniforms		13,589	
Utilities		22,762	
Refunds		2,832	
Other Charges		69,517	
Building Improvements		947	
Communication Equipment		2,731	
Data Processing Equipment		3,460	
Furniture and Fixtures		838	
Motor Vehicles		129,495	
Other Equipment		19,624	
Total Ambulance/Emergency Medical Services			\$ 2,572,618

Other Local Health Services

Contracts with Private Agencies	\$	56,349	
Contributions		9,000	
Total Other Local Health Services			65,349

Regional Mental Health Center

Contributions	\$	12,900	
Total Regional Mental Health Center			12,900

Appropriation to State

Contracts with Government Agencies	\$	39,392	
Total Appropriation to State			39,392

General Welfare Assistance

Contracts with Government Agencies	\$	90,070	
Total General Welfare Assistance			90,070

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers

County Official/Administrative Officer	\$	16,080	
Assistant(s)		7,719	
Foremen		48,755	
Truck Drivers		84,766	
Laborers		4,961	
Attendants		160,952	
Longevity Pay		9,600	
Overtime Pay		93	
Other Salaries and Wages		958	
Social Security		20,482	
Pensions		7,155	
Life Insurance		267	
Medical Insurance		24,780	
Unemployment Compensation		1,592	
Employer Medicare		4,799	
Communication		5,040	
Contracts with Private Agencies		356,805	
Postal Charges		854	
Printing, Stationery, and Forms		139	
Travel		1,413	
Diesel Fuel		64,163	
Equipment and Machinery Parts		48,814	
Gasoline		3,303	
Lubricants		1,982	
Office Supplies		910	
Tires and Tubes		20,545	
Utilities		10,786	
Other Supplies and Materials		5,707	
Vehicle and Equipment Insurance		50,033	
Workers' Compensation Insurance		10,698	
Other Charges		12,630	
Other Capital Outlay		1,848	
Total Convenience Centers			\$ 988,629

Social, Cultural, and Recreational Services

Adult Activities

Contributions	\$	7,600	
Total Adult Activities			7,600

Senior Citizens Assistance

Contributions	\$	16,000	
Total Senior Citizens Assistance			16,000

Libraries

Contributions	\$	145,465	
Total Libraries			145,465

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	87,133	
Social Security		5,792	
Pensions		10,799	
Employer Medicare		1,203	
Communication		3,615	
Maintenance Agreements		1,113	
Maintenance and Repair Services - Buildings		2,539	
Utilities		6,154	
Other Equipment		1,360	
Total Agricultural Extension Service			\$ 119,708

Soil Conservation

Contributions	\$	58,000	
Total Soil Conservation			58,000

Other Agriculture and Natural Resources

Maintenance Personnel	\$	27,238	
Longevity Pay		1,950	
Overtime Pay		287	
Social Security		1,803	
Pensions		1,312	
Life Insurance		60	
Medical Insurance		5,664	
Unemployment Compensation		56	
Employer Medicare		422	
Communication		2,194	
Maintenance and Repair Services - Equipment		942	
Diesel Fuel		583	
Gasoline		2,403	
Utilities		19,005	
Other Supplies and Materials		7,690	
Building Improvements		2,441	
Other Equipment		3,400	
Total Other Agriculture and Natural Resources			77,450

Other Operations

Tourism

Contributions	\$	3,948	
Total Tourism			3,948

Veterans' Services

Supervisor/Director	\$	24,192	
Truck Drivers		24,828	
Overtime Pay		112	
Social Security		3,046	
Pensions		1,020	
Life Insurance		30	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Unemployment Compensation	\$	189	
Employer Medicare		712	
Communication		940	
Maintenance and Repair Services - Vehicles		1,955	
Pest Control		103	
Postal Charges		47	
Travel		133	
Other Contracted Services		654	
Gasoline		2,783	
Office Supplies		1,050	
Other Charges		689	
Total Veterans' Services			\$ 62,483

Other Charges

Building and Contents Insurance	\$	219,662	
Workers' Compensation Insurance		104,133	
Total Other Charges			323,795

Contributions to Other Agencies

Contributions	\$	119,000	
Dues and Memberships		8,449	
Total Contributions to Other Agencies			127,449

Miscellaneous

Audit Services	\$	17,122	
Contributions		40,615	
Rentals		30,250	
Other Contracted Services		69,275	
Refunds		11,000	
Trustee's Commission		272,225	
Other Charges		8,015	
Total Miscellaneous			448,502

Total General Fund \$ 21,544,080

Drug Control Fund

Public Safety

Drug Enforcement

Law Enforcement Equipment	\$	12,500	
Total Drug Enforcement			\$ 12,500

Other Operations

Miscellaneous

Trustee's Commission	\$	38	
Total Miscellaneous			38

Total Drug Control Fund 12,538

(Continued)

Exhibit J-7

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

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 2,580	
Total Chancery Court		\$ 2,580

Total Constitutional Officers - Fees Fund \$ 2,580

Highway/Public Works Fund

Other Operations

Contributions to Other Agencies

Contributions	\$ 7,000	
Total Contributions to Other Agencies		\$ 7,000

Highways

Administration

County Official/Administrative Officer	\$ 95,328	
Assistant(s)	49,596	
Accountants/Bookkeepers	46,079	
Overtime Pay	1,343	
Other Salaries and Wages	3,118	
Board and Committee Members Fees	4,050	
Social Security	12,126	
Pensions	8,698	
Life Insurance	130	
Medical Insurance	12,997	
Unemployment Compensation	684	
Employer Medicare	2,836	
Data Processing Services	35	
Dues and Memberships	3,832	
Legal Notices, Recording, and Court Costs	160	
Postal Charges	461	
Printing, Stationery, and Forms	714	
Travel	1,617	
Office Supplies	433	
Office Equipment	2,574	
Total Administration		246,811

Highway and Bridge Maintenance

Foremen	\$ 25,203
Equipment Operators	256,161
Truck Drivers	248,455
Laborers	14,763
Overtime Pay	4,721
Other Salaries and Wages	20,810
Social Security	33,623
Pensions	24,514
Life Insurance	958
Medical Insurance	78,730
Dental Insurance	1,594

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Unemployment Compensation	\$	3,766	
Employer Medicare		7,863	
Rentals		5,274	
Asphalt - Cold Mix		20,253	
Asphalt - Hot Mix		133,486	
Asphalt - Liquid		206,877	
Crushed Stone		288,592	
Other Road Materials		3,772	
Pipe		8,195	
Road Signs		9,541	
Total Highway and Bridge Maintenance			\$ 1,397,151

Operation and Maintenance of Equipment

Mechanic(s)	\$	73,376	
Laborers		70,845	
Overtime Pay		3,345	
Other Salaries and Wages		5,277	
Social Security		9,377	
Pensions		6,317	
Life Insurance		221	
Medical Insurance		21,334	
Dental Insurance		137	
Unemployment Compensation		965	
Employer Medicare		2,193	
Diesel Fuel		84,267	
Equipment and Machinery Parts		91,694	
Garage Supplies		3,635	
Gasoline		32,257	
Lubricants		8,307	
Tires and Tubes		16,354	
Other Supplies and Materials		21,410	
Total Operation and Maintenance of Equipment			451,311

Litter and Trash Collection

Other Salaries and Wages	\$	44,565	
Social Security		2,755	
Pensions		1,468	
Life Insurance		47	
Medical Insurance		6,268	
Unemployment Compensation		871	
Employer Medicare		644	
Other Charges		25,022	
Total Litter and Trash Collection			81,640

Other Charges

Communication	\$	9,419	
Electricity		8,423	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges (Cont.)

Natural Gas	\$	2,859	
Trustee's Commission		42,668	
Vehicle and Equipment Insurance		92,364	
Other Charges		4,204	
Total Other Charges			\$ 159,937

Employee Benefits

Uniforms	\$	2,299	
Workers' Compensation Insurance		48,629	
Total Employee Benefits			50,928

Capital Outlay

Engineering Services	\$	24,452	
Bridge Construction		20,060	
Highway Construction		505,758	
Highway Equipment		406,103	
Total Capital Outlay			<u>956,373</u>

Total Highway/Public Works Fund \$ 3,351,151

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	335,000	
Principal on Notes		130,279	
Principal on Other Loans		1,390,000	
Total General Government			\$ 1,855,279

Highways and Streets

Principal on Notes	\$	400,000	
Total Highways and Streets			400,000

Education

Principal on Bonds	\$	2,300,727	
Principal on Other Loans		810,000	
Total Education			3,110,727

Interest on Debt

General Government

Interest on Bonds	\$	136,175	
Interest on Notes		2,036	
Interest on Other Loans		278,131	
Total General Government			416,342

Highways and Streets

Interest on Notes	\$	9,180	
Total Highways and Streets			9,180

(Continued)



Exhibit J-7

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

General Debt Service Fund (Cont.)

Interest on Debt (Cont.)

Education

Interest on Bonds	\$ 1,740,885	
Interest on Other Loans	352,140	
Total Education	<u>2,093,025</u>	\$ 2,093,025

Other Debt Service

General Government

Trustee's Commission	\$ 144,123	
Underwriter's Discount	16,776	
Other Debt Issuance Charges	6,182	
Other Debt Service	16,191	
Total General Government	<u>183,272</u>	183,272

Education

Underwriter's Discount	\$ 186,665	
Other Debt Issuance Charges	69,271	
Other Debt Service	52,711	
Total Education	<u>308,647</u>	308,647

Total General Debt Service Fund \$ 8,376,472

General Capital Projects Fund

Capital Projects

Administration of Justice Projects

Architects	\$ 107,855	
Engineering Services	9,254	
Building Construction	6,675,288	
Total Administration of Justice Projects	<u>6,792,397</u>	\$ 6,792,397

Public Safety Projects

Architects	\$ 300,068	
Engineering Services	25,746	
Building Construction	18,571,642	
Total Public Safety Projects	<u>18,897,456</u>	18,897,456

Education Capital Projects

Contributions	\$ 13,510,000	
Total Education Capital Projects	<u>13,510,000</u>	13,510,000

Total General Capital Projects Fund 39,199,853

Community Development/Industrial Park Fund

Capital Projects

Public Health and Welfare Projects

Engineering Services	\$ 1,200	
Other Contracted Services	23,419	
Total Public Health and Welfare Projects	<u>24,619</u>	\$ 24,619

Total Community Development/Industrial Park Fund 24,619

(Continued)

Exhibit J-7

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

<u>Other Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>General Administration Projects</u>		
Architects	\$ 20,467	
Building Improvements	540,535	
Total General Administration Projects	<u>561,002</u>	\$ <u>561,002</u>
Total Other Capital Projects Fund		\$ <u>561,002</u>
Total Governmental Funds - Primary Government		\$ <u>73,072,295</u>

Exhibit J-8

Bedford County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Bedford County School Department  
For the Year Ended June 30, 2019

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 22,363,974	
Career Ladder Program	81,740	
Homebound Teachers	34,114	
Salary Supplements	60,345	
Clerical Personnel	72,327	
Educational Assistants	1,040,376	
Other Salaries and Wages	68,681	
Certified Substitute Teachers	69,774	
Social Security	1,381,198	
Pensions	2,155,102	
Life Insurance	18,038	
Medical Insurance	3,964,575	
Unemployment Compensation	16,593	
Employer Medicare	326,737	
Maintenance and Repair Services - Equipment	6,979	
Travel	8,718	
Other Contracted Services	419,824	
Instructional Supplies and Materials	303,756	
Textbooks - Bound	49,877	
Software	78,392	
Other Supplies and Materials	1,866	
In Service/Staff Development	27,858	
Other Charges	397,716	
Regular Instruction Equipment	1,013,342	
Total Regular Instruction Program		\$ 33,961,902

Alternative Instruction Program

Teachers	\$ 409,429	
Social Workers	100,898	
Clerical Personnel	19,190	
Educational Assistants	27,871	
Other Salaries and Wages	1,632	
Social Security	33,001	
Pensions	51,540	
Medical Insurance	78,404	
Employer Medicare	7,718	
Other Contracted Services	1,543	
Total Alternative Instruction Program		731,226

Special Education Program

Teachers	\$ 2,209,145	
Career Ladder Program	8,999	
Educational Assistants	161,271	
Other Salaries and Wages	3,192	
Social Security	139,417	
Pensions	213,750	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Medical Insurance	\$	374,954	
Unemployment Compensation		1,830	
Employer Medicare		33,037	
Contracts with Other School Systems		21,870	
Contracts with Private Agencies		11,930	
Contracts for Substitute Teachers - Certified		67,409	
Other Contracted Services		1,137	
Instructional Supplies and Materials		62,954	
Special Education Equipment		42,249	
Total Special Education Program			\$ 3,353,144

Career and Technical Education Program

Teachers	\$	971,356	
Career Ladder Program		3,000	
Social Security		58,190	
Pensions		93,501	
Medical Insurance		136,336	
Employer Medicare		13,609	
Maintenance and Repair Services - Equipment		1,487	
Other Contracted Services		19,515	
Instructional Supplies and Materials		12,236	
Vocational Instruction Equipment		3,981	
Total Career and Technical Education Program			1,313,211

Support Services

Attendance

Supervisor/Director	\$	81,291	
Career Ladder Program		1,000	
Social Security		5,028	
Pensions		8,608	
Medical Insurance		6,141	
Employer Medicare		1,176	
Travel		300	
Other Supplies and Materials		2,432	
Other Charges		350	
Attendance Equipment		287	
Total Attendance			106,613

Health Services

Medical Personnel	\$	298,202	
Other Salaries and Wages		44,391	
Non-certified Substitute Teachers		192	
Social Security		20,030	
Pensions		12,848	
Medical Insurance		97,238	
Employer Medicare		4,684	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Travel	\$	4,692	
Drugs and Medical Supplies		7,497	
Other Supplies and Materials		49,827	
In Service/Staff Development		11,794	
Health Equipment		1,333	
Total Health Services			\$ 552,728

Other Student Support

Career Ladder Program	\$	3,000	
Guidance Personnel		907,720	
Salary Supplements		40	
Other Salaries and Wages		79,483	
Social Security		58,305	
Pensions		92,935	
Medical Insurance		156,349	
Employer Medicare		13,769	
Evaluation and Testing		123,488	
Other Contracted Services		136	
Other Supplies and Materials		1,246	
Other Charges		4,583	
Total Other Student Support			1,441,054

Regular Instruction Program

Supervisor/Director	\$	314,391	
Career Ladder Program		8,000	
Librarians		750,064	
Salary Supplements		240	
Secretary(ies)		50,235	
Other Salaries and Wages		2,310	
Social Security		67,294	
Pensions		112,741	
Medical Insurance		151,590	
Employer Medicare		15,738	
Travel		2,305	
Other Contracted Services		150,635	
Library Books/Media		30,158	
In Service/Staff Development		4,943	
Other Charges		8,364	
Regular Instruction Equipment		596	
Total Regular Instruction Program			1,669,604

Special Education Program

Supervisor/Director	\$	78,621	
Career Ladder Program		585	
Psychological Personnel		154,788	
Secretary(ies)		25,663	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Other Salaries and Wages	\$	1,180	
Social Security		15,063	
Pensions		25,618	
Medical Insurance		46,004	
Employer Medicare		3,523	
Maintenance and Repair Services - Equipment		1,086	
Travel		3,654	
Other Contracted Services		42,421	
Other Supplies and Materials		4,897	
In Service/Staff Development		2,873	
Other Equipment		2,990	
Total Special Education Program			\$ 408,966

Career and Technical Education Program

Secretary(ies)	\$	17,359	
Other Salaries and Wages		347	
Social Security		1,078	
Pensions		773	
Medical Insurance		6,392	
Employer Medicare		252	
Travel		1,921	
Total Career and Technical Education Program			28,122

Technology

Supervisor/Director	\$	70,572	
Data Processing Personnel		211,408	
Other Salaries and Wages		6,461	
Social Security		17,499	
Pensions		15,992	
Medical Insurance		27,661	
Employer Medicare		4,093	
Maintenance and Repair Services - Equipment		39,343	
Internet Connectivity		192,014	
Travel		6,088	
Cabling		7,393	
Software		283,783	
Other Supplies and Materials		5,895	
In Service/Staff Development		10,087	
Other Charges		8,637	
Data Processing Equipment		828,353	
Total Technology			1,735,279

Other Programs

On-behalf Payments to OPEB	\$	123,948	
Total Other Programs			123,948

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education

Secretary to Board	\$	50,195	
Other Salaries and Wages		2,308	
Board and Committee Members Fees		25,303	
Social Security		4,646	
Pensions		2,234	
Medical Insurance		10,323	
Employer Medicare		1,087	
Audit Services		20,250	
Contributions		9,764	
Dues and Memberships		16,041	
Legal Services		55,759	
Travel		20,376	
Other Contracted Services		86	
Boiler Insurance		14,152	
Excess Risk Insurance		46,436	
Liability Insurance		44,226	
Trustee's Commission		280,974	
Workers' Compensation Insurance		275,724	
In Service/Staff Development		7,791	
Criminal Investigation of Applicants - TBI		14,585	
Other Charges		11,391	
Total Board of Education			\$ 913,651

Director of Schools

County Official/Administrative Officer	\$	113,580	
Assistant(s)		96,958	
Career Ladder Program		1,000	
Clerical Personnel		32,077	
Other Salaries and Wages		8,717	
Social Security		15,347	
Pensions		24,190	
Medical Insurance		10,323	
Employer Medicare		3,589	
Communication		57,730	
Dues and Memberships		3,576	
Postal Charges		3,439	
Travel		5,043	
Other Contracted Services		12,666	
Other Charges		6,166	
Total Director of Schools			394,401

Office of the Principal

Principals	\$	1,211,988
Career Ladder Program		11,999
Accountants/Bookkeepers		153,665
Assistant Principals		1,167,247

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Salary Supplements	\$	480	
Secretary(ies)		128,867	
Clerical Personnel		78,635	
Other Salaries and Wages		14,850	
Social Security		163,802	
Pensions		255,470	
Medical Insurance		401,198	
Employer Medicare		38,309	
Communication		36,958	
Dues and Memberships		2,200	
Other Supplies and Materials		31,188	
In Service/Staff Development		900	
Other Charges		1,458	
Administration Equipment		2,024	
Data Processing Equipment		1,710	
Total Office of the Principal			\$ 3,702,948

Human Services/Personnel

Supervisor/Director	\$	50,773	
Clerical Personnel		102,995	
Other Salaries and Wages		4,814	
Social Security		9,315	
Pensions		6,795	
Medical Insurance		23,292	
Employer Medicare		2,178	
Data Processing Services		2,657	
Maintenance and Repair Services - Equipment		2,420	
Travel		660	
Office Supplies		2,520	
Other Charges		2,055	
Total Human Services/Personnel			210,474

Operation of Plant

Supervisor/Director	\$	58,909	
Salary Supplements		8,859	
Secretary(ies)		13,438	
Custodial Personnel		1,262,967	
Other Salaries and Wages		26,649	
Social Security		83,245	
Pensions		45,607	
Medical Insurance		276,978	
Unemployment Compensation		3,602	
Employer Medicare		19,468	
Maintenance and Repair Services - Equipment		908	
Other Contracted Services		312,295	
Custodial Supplies		202,338	

(Continued)



Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Electricity	\$ 2,208,103	
Natural Gas	348,772	
Water and Sewer	376,352	
Other Supplies and Materials	984	
Building and Contents Insurance	257,833	
Other Charges	16,631	
Plant Operation Equipment	20,432	
Total Operation of Plant		\$ 5,544,370

Maintenance of Plant

Salary Supplements	\$ 75	
Secretary(ies)	31,288	
Maintenance Personnel	768,888	
Other Salaries and Wages	13,369	
Social Security	49,507	
Pensions	29,407	
Medical Insurance	133,567	
Employer Medicare	11,578	
Laundry Service	10,777	
Maintenance and Repair Services - Buildings	114,696	
Maintenance and Repair Services - Equipment	269,459	
Maintenance and Repair Services - Vehicles	18,955	
Other Contracted Services	116,740	
Diesel Fuel	8,669	
Gasoline	25,621	
Other Supplies and Materials	279,619	
Other Charges	28,680	
Maintenance Equipment	111,005	
Total Maintenance of Plant		2,021,900

Transportation

Supervisor/Director	\$ 63,528	
Salary Supplements	405	
Mechanic(s)	105,245	
Bus Drivers	1,036,066	
Clerical Personnel	44,353	
Other Salaries and Wages	121,824	
Social Security	75,930	
Pensions	51,248	
Medical Insurance	450,477	
Unemployment Compensation	250	
Employer Medicare	18,587	
Contracts with Other School Systems	7,943	
Laundry Service	2,371	
Maintenance and Repair Services - Vehicles	5,689	
Medical and Dental Services	7,304	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Travel	\$	631	
Other Contracted Services		4,576	
Diesel Fuel		271,489	
Garage Supplies		6,265	
Gasoline		12,928	
Lubricants		23,644	
Tires and Tubes		34,302	
Vehicle Parts		95,790	
Other Supplies and Materials		5,620	
Vehicle and Equipment Insurance		79,605	
In Service/Staff Development		6,212	
Other Charges		36,995	
Transportation Equipment		672,407	
Total Transportation			\$ 3,241,684

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	31,735	
Social Security		1,576	
Pensions		3,320	
Medical Insurance		5,646	
Employer Medicare		368	
Total Food Service			42,645

Community Services

Teachers	\$	132,820	
Part-time Personnel		1,440	
Other Salaries and Wages		34,837	
Social Security		9,862	
Pensions		10,344	
Employer Medicare		2,377	
Food Supplies		16,124	
Instructional Supplies and Materials		448	
Other Supplies and Materials		118	
In Service/Staff Development		248	
Other Charges		3,159	
Total Community Services			211,777

Early Childhood Education

Teachers	\$	222,606	
Educational Assistants		89,430	
Other Salaries and Wages		7,834	
Social Security		18,894	
Pensions		26,653	
Life Insurance		252	
Medical Insurance		65,363	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Employer Medicare	\$	4,419	
Other Contracted Services		6,622	
Instructional Supplies and Materials		25,224	
Other Supplies and Materials		29,652	
In Service/Staff Development		5,338	
Other Charges		5,702	
Regular Instruction Equipment		11,981	
Total Early Childhood Education			\$ 519,970

Capital Outlay

Regular Capital Outlay

Architects	\$	1,032	
Other Contracted Services		2,515	
Building Construction		170,777	
Building Improvements		1,394,844	
Furniture and Fixtures		410,728	
Total Regular Capital Outlay			<u>1,979,896</u>

Total General Purpose School Fund \$ 64,209,513

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	793,651	
Educational Assistants		102,595	
Other Salaries and Wages		14,608	
Social Security		53,368	
Pensions		87,371	
Medical Insurance		154,981	
Employer Medicare		12,481	
Other Fringe Benefits		2,196	
Other Contracted Services		8,846	
Instructional Supplies and Materials		266,340	
Other Supplies and Materials		1,494	
Other Charges		16,121	
Regular Instruction Equipment		210,865	
Total Regular Instruction Program			\$ 1,724,917

Special Education Program

Educational Assistants	\$	504,949	
Speech Pathologist		247,532	
Other Salaries and Wages		8,298	
Social Security		44,801	
Pensions		42,559	
Life Insurance		861	
Medical Insurance		181,671	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Unemployment Compensation	\$	1,609	
Employer Medicare		10,478	
Instructional Supplies and Materials		24,943	
Textbooks - Bound		15	
Other Charges		72	
Special Education Equipment		21,815	
Total Special Education Program			\$ 1,089,603

Career and Technical Education Program

Clerical Personnel	\$	11,987	
Other Salaries and Wages		4,000	
Social Security		248	
Pensions		348	
Employer Medicare		232	
Maintenance and Repair Services - Equipment		469	
Other Contracted Services		6,000	
Instructional Supplies and Materials		9,519	
Other Supplies and Materials		1,780	
Vocational Instruction Equipment		60,081	
Total Career and Technical Education Program			94,664

Support Services

Health Services

Medical Personnel	\$	159,940	
Other Salaries and Wages		2,195	
Social Security		9,509	
Pensions		7,689	
Life Insurance		63	
Medical Insurance		23,888	
Employer Medicare		2,224	
Total Health Services			205,508

Other Student Support

Other Salaries and Wages	\$	21,061	
Social Security		1,306	
Employer Medicare		305	
Travel		27,497	
Other Supplies and Materials		29,894	
In Service/Staff Development		5,250	
Other Charges		15,125	
Other Equipment		1,228	
Total Other Student Support			101,666

Regular Instruction Program

Supervisor/Director	\$	82,820	
Secretary(ies)		32,831	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Other Salaries and Wages	\$	278,864	
Social Security		23,220	
Pensions		38,935	
Medical Insurance		42,413	
Employer Medicare		5,430	
Other Fringe Benefits		1,509	
Consultants		1,500	
Maintenance and Repair Services - Equipment		6,317	
Travel		1,610	
Other Contracted Services		12,000	
Other Supplies and Materials		19,520	
In Service/Staff Development		231,785	
Other Charges		1,394	
Other Equipment		2,134	
Total Regular Instruction Program			\$ 782,282

Special Education Program

Assessment Personnel	\$	98,224	
Other Salaries and Wages		1,871	
Social Security		6,118	
Pensions		10,274	
Life Insurance		42	
Medical Insurance		12,784	
Employer Medicare		1,431	
Communication		3,924	
Operating Lease Payments		2,600	
Maintenance and Repair Services - Equipment		3,922	
Travel		12,128	
Other Contracted Services		32,417	
Other Supplies and Materials		7,554	
In Service/Staff Development		12,151	
Other Charges		1,000	
Other Equipment		1,777	
Total Special Education Program			208,217

Career and Technical Education Program

In Service/Staff Development	\$	2,195	
Total Career and Technical Education Program			2,195

Transportation

Bus Drivers	\$	211,699	
Other Salaries and Wages		4,539	
Social Security		12,781	
Pensions		8,443	
Medical Insurance		58,295	
Employer Medicare		2,989	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Contracts with Parents	\$	6,814	
Contracts with Public Carriers		1,684	
Diesel Fuel		192	
Other Charges		74	
Total Transportation		<u>74</u>	\$ 307,510

Total School Federal Projects Fund \$ 4,516,562

Central Cafeteria Fund

Support Services

Board of Education

Workers' Compensation Insurance	\$	54,000	
Total Board of Education		<u>54,000</u>	\$ 54,000

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	41,148	
Clerical Personnel		53,326	
Cafeteria Personnel		1,165,030	
Maintenance Personnel		27,851	
Other Salaries and Wages		24,493	
Social Security		76,889	
Pensions		48,200	
Life Insurance		1,974	
Medical Insurance		389,031	
Unemployment Compensation		771	
Employer Medicare		17,982	
Maintenance and Repair Services - Equipment		28,906	
Travel		5,172	
Other Contracted Services		15,091	
Food Preparation Supplies		241,896	
Food Supplies		2,299,681	
Office Supplies		3,594	
Uniforms		10,785	
USDA - Commodities		401,054	
In Service/Staff Development		1,776	
Food Service Equipment		72,858	
Total Food Service		<u>72,858</u>	4,927,508

Total Central Cafeteria Fund 4,981,508

Extended School Program Fund

Support Services

Board of Education

Workers' Compensation Insurance	\$	1,800	
Total Board of Education		<u>1,800</u>	\$ 1,800

(Continued)

Exhibit J-8

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

Extended School Program Fund (Cont.)

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	50,964	
Clerical Personnel		27,568	
Part-time Personnel		204,400	
Other Salaries and Wages		4,077	
Social Security		17,484	
Pensions		4,595	
Medical Insurance		20,666	
Employer Medicare		4,089	
Retirement - Hybrid Stabilization		379	
Communication		962	
Maintenance and Repair Services - Equipment		848	
Travel		3,464	
Food Supplies		18,532	
Instructional Supplies and Materials		9,873	
Other Supplies and Materials		7,560	
In Service/Staff Development		2,048	
Other Charges		104	
Other Equipment		3,600	
Total Community Services			\$ 381,213

Total Extended School Program Fund \$ 383,013

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$	55,925	
Other Contracted Services		40,080	
Building Construction		12,149,497	
Site Development		654,105	
Other Capital Outlay		655,586	
Total Education Capital Projects			\$ 13,555,193

Total Education Capital Projects Fund 13,555,193

Total Governmental Funds - Bedford County School Department \$ 87,645,789

Exhibit J-9

Bedford County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balance - City Agency Fund  
For the Year Ended June 30, 2019

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 4,716,296
Total Cash Receipts	<u>\$ 4,716,296</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 4,669,133
Trustee's Commission	47,163
Total Cash Disbursements	<u>\$ 4,716,296</u>
 Excess of Cash Receipts Over (Under) Cash Disbursements	 \$ 0
Cash Balance, July 1, 2018	<u>0</u>
 Cash Balance, June 30, 2019	 <u><u>\$ 0</u></u>



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## STATISTICAL SECTION

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This part of Bedford County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. Certain information about the discretely presented Bedford County School Department is included because, in our judgment, this information is beneficial in assessing the economic condition of the primary government.

	Tables	Pages
<b>Financial Trends:</b>		
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	1-6	226-233
<b>Revenue Capacity:</b>		
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	7-11	234-238
<b>Debt Capacity:</b>		
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. The tables on legal debt margin information and pledged-revenue coverage are not applicable to counties in Tennessee.	12-16	239-243
<b>Demographic and Economic Information:</b>		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	17-18	244-245
<b>Operating Information:</b>		
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.	19-21	246-249

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

Table 1

**Bedford County, Tennessee**  
**General Government and Discretely Presented Bedford County School Department**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Primary Government										
Governmental Activities										
Net Investment in Capital Assets	\$ 21,777,268	\$ 23,918,548	\$ 23,433,157	\$ 24,061,291	\$ 25,246,263	\$ 24,345,496	\$ 25,735,342	\$ 26,243,035	\$ 26,247,537	\$ 27,435,479
Restricted	7,604,590	6,192,578	1,928,797	2,121,316	2,388,323	4,631,407	7,070,296	7,193,153	7,925,164	10,274,194
Unrestricted	(57,145,130)	(53,097,005)	(41,803,175)	(39,833,406)	(36,661,844)	(33,328,675)	(31,433,720)	(22,726,510)	(23,446,283)	(29,596,448)
Total Primary Government's Governmental Activities Net Position	<u>\$ (27,763,272)</u>	<u>\$ (22,985,879)</u>	<u>\$ (16,441,221)</u>	<u>\$ (13,650,799)</u>	<u>\$ (9,027,258)</u>	<u>\$ (4,351,772)</u>	<u>\$ 1,371,918</u>	<u>\$ 10,709,678</u>	<u>\$ 10,726,418</u>	<u>\$ 8,113,225</u>
Business-type Activities										
Net Investment in Capital Assets	\$ 1,047,850	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted	0	0	0	0	0	0	0	0	0	0
Unrestricted	162,257	0	0	0	0	0	0	0	0	0
Total Primary Government's Business-type Activities Net Position	<u>\$ 1,210,107</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Primary Government										
Net Investment in Capital Assets	\$ 22,825,118	\$ 23,918,548	\$ 23,433,157	\$ 24,061,291	\$ 25,246,263	\$ 24,345,496	\$ 25,735,342	\$ 26,243,035	\$ 26,247,537	\$ 27,435,479
Restricted	7,604,590	6,192,578	1,928,797	2,121,316	2,388,323	4,631,407	7,070,296	7,193,153	7,925,164	10,274,194
Unrestricted	(56,982,873)	(53,097,005)	(41,803,175)	(39,833,406)	(36,661,844)	(33,328,675)	(31,433,720)	(22,726,510)	(23,446,283)	(29,596,448)
Total Primary Government Net Position	<u>\$ (26,553,165)</u>	<u>\$ (22,985,879)</u>	<u>\$ (16,441,221)</u>	<u>\$ (13,650,799)</u>	<u>\$ (9,027,258)</u>	<u>\$ (4,351,772)</u>	<u>\$ 1,371,918</u>	<u>\$ 10,709,678</u>	<u>\$ 10,726,418</u>	<u>\$ 8,113,225</u>
Discretely Presented Bedford County School Department										
Governmental Activities										
Net Investment in Capital Assets	\$ 101,815,293	\$ 99,123,821	\$ 96,201,332	\$ 92,976,955	\$ 91,236,337	\$ 88,517,940	\$ 85,949,475	\$ 84,454,631	\$ 91,277,905	\$ 103,110,957
Restricted	1,765,912	3,405,462	2,185,372	1,972,801	1,763,290	1,343,357	4,450,967	4,322,933	6,069,093	9,838,410
Unrestricted	10,690,484	9,302,865	9,469,221	7,380,379	9,241,930	7,791,446	10,346,078	17,167,463	18,126,248	19,164,296
Total Discretely Presented Bedford County School Department's Governmental Activities Net Position	<u>\$ 114,271,689</u>	<u>\$ 111,832,148</u>	<u>\$ 107,855,925</u>	<u>\$ 102,330,135</u>	<u>\$ 102,241,557</u>	<u>\$ 97,652,743</u>	<u>\$ 100,746,520</u>	<u>\$ 105,945,027</u>	<u>\$ 115,473,246</u>	<u>\$ 132,113,663</u>

Note(s): The primary government implemented Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments for the fiscal year ended June 30, 2007. The discretely presented Bedford County School Department implemented the standard as of June 30, 2003. The primary government and the discretely presented Bedford County School Department implemented Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions for the fiscal year ended June 30, 2011.



Table 2

**Bedford County, Tennessee**  
**General Government and Discretely Presented Bedford County School Department**  
**Change in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting) (Cont.)**

	2010		2011		2012		2013		2014		2015		2016		2017		2018		2019		
	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit	Primary Government	Component Unit	
<b>General Revenues and Other Changes in Net Position</b>																					
Governmental Activities:																					
Taxes																					
Property Taxes	\$ 9,790,424	\$ 7,988,153	\$ 9,731,369	\$ 7,941,311	\$ 10,155,790	\$ 8,286,550	\$ 10,690,355	\$ 7,731,057	\$ 10,385,599	\$ 8,407,067	\$ 10,367,833	\$ 8,497,841	\$ 10,531,927	\$ 8,593,180	\$ 13,941,673	\$ 8,743,491	\$ 14,552,720	\$ 8,881,861	\$ 14,974,347	\$ 9,151,570	
Sales Taxes	4,808,429	1,771,641	5,142,959	1,888,359	5,365,336	1,976,524	5,222,426	1,922,541	5,473,609	2,028,045	5,777,154	2,134,397	6,090,673	2,240,465	6,465,923	2,383,873	6,732,499	2,477,996	7,465,948	2,722,361	
Other Taxes	1,372,638	3,134	1,161,823	2,435	1,244,429	2,776	1,142,346	3,842	1,209,328	10,315	1,270,682	24,832	1,503,590	28,559	1,624,970	28,865	1,773,540	25,232	1,902,471	23,648	
Unrestricted Grants and Contributions	830,886	36,891,817	698,542	38,654,298	909,020	38,709,171	1,078,237	39,375,514	1,091,349	42,946,669	921,801	43,223,113	1,251,690	45,407,991	1,083,772	49,483,660	1,469,832	59,602,065	1,514,623	67,204,783	
Investment Earnings	375,462	3,440	336,696	1,870	223,752	88,905	40,277	43,626	36,627	1,124	39,737	948	91,060	902	212,390	1,131	669,988	2,803	1,306,193	13,749	
Special Item	0	0	0	1,821,783	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Gain on Sale of Capital Assets	0	0	0	0	0	0	0	0	0	20,109	0	28,182	0	0	1,698	8,714	48,422	139,000	0	58,894	
Pension Income	0	0	0	0	0	0	0	0	0	0	378,711	597,366	0	0	0	0	0	0	109,861	0	
Transfer in/out	0	0	0	0	0	0	731,675	0	0	0	0	0	0	0	0	0	0	0	0	0	
Miscellaneous	534,805	120,554	401,887	251,598	267,764	171,076	272,656	158,615	380,290	101,341	247,676	162,279	269,471	81,789	269,350	100,654	277,069	115,771	684,378	58,585	
Total Governmental Activities	\$ 17,173,644	\$ 46,778,739	\$ 17,473,276	\$ 48,739,981	\$ 19,987,874	\$ 49,235,002	\$ 19,087,972	\$ 49,235,195	\$ 18,576,802	\$ 53,512,670	\$ 19,003,594	\$ 54,668,958	\$ 19,737,513	\$ 56,352,886	\$ 23,599,776	\$ 60,750,388	\$ 25,544,070	\$ 71,244,698	\$ 27,957,821	\$ 79,233,890	
Business-type Activities:																					
Investment Earnings	\$ 509	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Transfers in/out	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Business-type Activities	\$ 509	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
Total	\$ 17,174,153	\$ 46,778,739	\$ 17,473,276	\$ 48,739,981	\$ 19,987,874	\$ 49,235,002	\$ 19,087,972	\$ 49,235,195	\$ 18,576,802	\$ 53,512,670	\$ 19,003,594	\$ 54,668,958	\$ 19,737,513	\$ 56,352,886	\$ 23,599,776	\$ 60,750,388	\$ 25,544,070	\$ 71,244,698	\$ 27,957,821	\$ 79,233,890	
Prior-period Adjustment/Restatement	\$ (85,002)	\$ 132,525	\$ (53,211)	\$ 0	\$ 0	\$ 0	\$ (735,172)	\$ 0	\$ 0	\$ 0	\$ 1,359,566	\$ (7,451,846)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
<b>Change in Net Position</b>	<u>\$ 4,657,254</u>	<u>\$ (2,446,779)</u>	<u>\$ 3,567,286</u>	<u>\$ (2,439,541)</u>	<u>\$ 6,544,658</u>	<u>\$ (3,976,223)</u>	<u>\$ 2,790,422</u>	<u>\$ (5,525,790)</u>	<u>\$ 4,623,541</u>	<u>\$ (88,578)</u>	<u>\$ 4,675,486</u>	<u>\$ (4,588,812)</u>	<u>\$ 5,723,690</u>	<u>\$ 3,093,777</u>	<u>\$ 9,337,760</u>	<u>\$ 5,198,507</u>	<u>\$ 31,456</u>	<u>\$ 13,730,176</u>	<u>\$ (2,613,193)</u>	<u>\$ 16,640,417</u>	

Note(s): The primary government implemented Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments* for the fiscal year ended June 30, 2007. The discretely presented Bedford County School Department implemented the standard as of June 30, 2003.

Table 3

**Bedford County, Tennessee**  
**General Government and Discretely Presented Bedford County School Department**  
**Governmental Activities Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

<b>Fiscal Year Ended</b>	<b>Property Tax</b>	<b>Local Option Sales Tax</b>	<b>Litigation Tax</b>	<b>Business Tax</b>	<b>Mineral Severance Tax</b>	<b>Wholesale Beer Tax</b>	<b>Other</b>	<b>Total</b>
<b>Primary Government</b>								
2010	\$ 9,790,424	\$ 4,809,429	\$ 415,615	\$ 313,324	\$ 94,807	\$ 193,502	\$ 355,390	\$ 15,972,491
2011	9,731,369	5,142,959	278,579	317,681	109,964	197,564	367,999	16,146,115
2012	10,155,790	5,365,336	458,927	365,163	74,220	198,779	254,419	16,872,634
2013	10,600,355	5,222,426	393,011	378,816	60,113	189,353	121,053	16,965,127
2014	10,385,599	5,473,609	370,080	337,659	63,473	194,814	243,302	17,068,536
2015	10,367,833	5,777,154	367,760	385,275	85,765	195,585	236,297	17,415,669
2016	10,531,027	6,090,675	379,453	447,762	122,277	188,933	365,165	18,125,292
2017	13,941,673	6,465,923	463,462	443,759	125,177	183,066	409,506	22,032,566
2018	14,552,720	6,752,499	496,784	478,321	155,971	181,520	460,944	23,078,759
2019	14,974,347	7,465,948	549,910	502,057	147,488	177,732	525,284	24,342,766
<b>Component Unit</b>								
2010	\$ 7,988,153	\$ 1,771,641	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,134	\$ 9,762,928
2011	7,941,311	1,888,559	0	0	0	0	2,435	9,832,305
2012	8,286,550	1,976,524	0	0	0	0	2,776	10,265,850
2013	7,731,057	1,922,541	0	0	0	0	3,842	9,657,440
2014	8,407,067	2,026,045	0	0	0	0	10,315	10,443,427
2015	8,497,841	2,134,397	0	0	0	0	24,832	10,657,070
2016	8,593,180	2,240,465	0	0	0	0	28,559	10,862,204
2017	8,743,491	2,383,873	0	0	0	0	28,865	11,156,229
2018	8,881,861	2,477,966	0	0	0	0	25,232	11,385,059
2019	9,151,870	2,722,361	0	0	0	0	23,648	11,897,879

Note(s): The primary government implemented Governmental Accounting Standards Board Statement No. 34, *Basic Financial Management's Discussion and Analysis - for State and Local Governments* for the fiscal year ended June 30, 2007. The discretely presented Bedford County School Department implemented the standard as of June 30, 2003.

Table 4

**Bedford County, Tennessee**  
**General Government and Discretely Presented Bedford County School Department**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Primary Government:</b>										
<b>General Fund</b>										
Reserved	\$ 493,945	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved	11,194,313	0	0	0	0	0	0	0	0	0
Restricted	0	638,427	810,591	1,045,339	1,301,479	1,494,868	1,539,398	1,695,643	1,997,291	1,673,630
Committed	0	131,105	166,862	73,110	123,695	90,515	3,063,818	3,012,637	3,627,147	3,736,710
Assigned	0	6,190,717	6,190,717	8,837,240	7,298,025	5,843,278	5,037,447	4,817,447	4,817,447	4,987,447
Unassigned	0	4,678,463	5,359,126	4,362,556	5,135,801	5,086,174	2,235,071	2,816,522	3,094,857	2,430,214
<b>Total General Fund</b>	<b>\$ 11,688,258</b>	<b>\$ 11,638,712</b>	<b>\$ 12,527,296</b>	<b>\$ 14,318,245</b>	<b>\$ 13,859,000</b>	<b>\$ 12,514,835</b>	<b>\$ 11,875,734</b>	<b>\$ 12,342,249</b>	<b>\$ 13,536,742</b>	<b>\$ 12,828,001</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 15,529	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved, Reported in:										
Special Revenue Funds	914,960	0	0	0	0	0	0	0	0	0
Debt Service Funds	4,745,230	0	0	0	0	0	0	0	0	0
Capital Projects Funds	610,931	0	0	0	0	0	0	0	0	0
Restricted	0	814,266	985,573	950,483	952,886	765,568	954,306	1,877,651	1,594,997	2,459,713
Committed	0	4,238,144	3,222,188	2,828,512	2,848,554	4,522,276	4,575,064	8,652,306	14,510,756	19,449,804
<b>Total All Other Governmental Funds</b>	<b>\$ 6,286,650</b>	<b>\$ 5,052,410</b>	<b>\$ 4,207,761</b>	<b>\$ 3,778,995</b>	<b>\$ 3,801,440</b>	<b>\$ 5,287,844</b>	<b>\$ 5,529,370</b>	<b>\$ 10,529,957</b>	<b>\$ 16,105,753</b>	<b>\$ 21,909,517</b>
<b>Component Unit:</b>										
<b>General Fund (General Purpose School)</b>										
Reserved	\$ 391,001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved	10,183,468	0	0	0	0	0	0	0	0	0
Nonspendable	0	0	0	0	0	132,000	0	0	0	0
Restricted	0	213,477	199,843	165,078	166,251	164,684	150,469	145,820	146,039	265,629
Committed	0	941,892	483,315	90,556	51,240	292,532	2,210,767	2,168,520	3,083,507	13,286,591
Assigned	0	0	0	0	0	0	0	0	0	2,100,000
Unassigned	0	9,124,213	8,900,911	7,508,455	9,297,505	11,475,980	12,681,681	16,432,384	19,417,004	8,047,328
<b>Total General Fund</b>	<b>\$ 10,574,469</b>	<b>\$ 10,279,582</b>	<b>\$ 9,584,069</b>	<b>\$ 7,764,089</b>	<b>\$ 9,514,996</b>	<b>\$ 12,065,196</b>	<b>\$ 15,042,917</b>	<b>\$ 18,746,724</b>	<b>\$ 22,646,550</b>	<b>\$ 23,699,548</b>
<b>All Other School Funds</b>										
Reserved	\$ 129,800	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved, Reported in:										
Special Revenue Funds	1,636,112	0	0	0	0	0	0	0	0	0
Capital Projects Funds	0	0	0	0	0	0	0	0	0	0
Nonspendable	0	154,382	78,958	69,787	62,906	68,314	50,073	52,938	48,039	42,894
Restricted	0	1,839,985	1,906,571	1,737,936	1,534,133	1,110,359	1,215,388	1,615,799	2,267,031	2,126,871
Committed	0	236,096	204,995	197,821	205,188	200,776	255,300	313,508	374,263	650,362
<b>Total All Other Governmental Funds</b>	<b>\$ 1,765,912</b>	<b>\$ 2,230,463</b>	<b>\$ 2,190,524</b>	<b>\$ 2,005,544</b>	<b>\$ 1,802,227</b>	<b>\$ 1,379,449</b>	<b>\$ 1,520,761</b>	<b>\$ 1,982,245</b>	<b>\$ 2,689,333</b>	<b>\$ 2,820,127</b>

Note(s): Negative reserves reflect a fund deficit.  
Provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* became effective for the year ended June 30, 2011.

Table 5

**Bedford County, Tennessee**  
**Changes in Fund Balances - Governmental Funds - Primary Government**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Revenues</b>										
Taxes	\$ 16,097,920	\$ 16,657,679	\$ 17,653,465	\$ 17,797,946	\$ 17,751,437	\$ 18,197,230	\$ 18,820,159	\$ 22,735,336	\$ 24,118,651	\$ 25,254,166
Licenses and Permits	108,911	110,558	124,385	118,632	148,734	185,493	234,641	288,902	323,266	350,738
Fines and Forfeitures	376,180	323,633	503,321	478,464	477,127	479,011	467,569	467,671	512,614	406,650
Charges for Service	2,194,627	1,821,470	2,113,738	1,844,557	2,431,463	1,861,928	2,025,410	2,816,584	2,722,492	2,506,213
Other Local Revenue	1,252,468	1,253,095	1,018,210	726,632	952,557	1,016,195	664,191	783,174	1,297,245	2,007,784
Fees from County Officials	1,824,044	1,812,097	1,876,402	1,854,492	1,847,897	1,882,048	2,103,166	2,262,130	2,365,056	2,366,404
State Revenues	3,985,551	4,117,662	4,192,890	3,902,012	3,606,910	3,696,514	3,829,425	4,129,993	4,483,638	3,928,303
Federal Revenues	318,997	665,073	419,540	512,931	732,388	85,994	198,341	131,589	429,341	108,371
Other Govt/Citizens	2,154,927	1,044,387	1,007,321	1,000,376	2,454	12,870	80,073	27,502	173,093	10,332
Total Revenues	\$ 28,313,625	\$ 27,805,654	\$ 28,909,272	\$ 28,236,042	\$ 27,950,967	\$ 27,417,283	\$ 28,422,975	\$ 33,642,881	\$ 36,425,396	\$ 36,938,961
<b>Expenditures</b>										
General Government	\$ 1,085,169	\$ 1,330,518	\$ 1,460,288	\$ 1,361,659	\$ 1,556,066	\$ 1,557,454	\$ 1,561,130	\$ 1,597,425	\$ 1,707,629	\$ 2,433,317
Finance	1,541,838	1,550,567	1,547,127	1,581,299	1,636,393	1,651,339	1,617,844	1,749,951	1,847,940	2,047,227
Admin. of Justice	1,620,883	1,696,031	1,771,828	1,759,688	1,796,881	1,859,036	1,931,689	1,939,392	2,052,233	2,120,382
Public Safety	7,393,993	7,379,267	7,640,525	7,677,972	7,465,438	7,508,106	7,923,637	7,965,481	8,183,987	9,091,193
Public Health/Welfare	4,016,552	3,921,733	3,841,254	4,218,825	4,208,827	4,395,761	4,220,633	4,490,206	4,605,430	4,476,641
Social, Cultural/Rec.	163,391	156,662	156,662	167,090	167,090	1,167,090	167,090	162,150	157,210	169,065
Agriculture and										
Natural Resources	239,482	206,310	205,537	208,192	230,609	245,158	246,322	245,974	242,476	255,158
Other Operations	782,032	789,966	741,446	1,439,296	860,151	1,125,718	1,441,073	1,172,011	927,852	973,215
Highway and Bridge	2,188,517	2,986,847	2,753,252	2,674,616	2,622,733	3,963,081	3,805,949	3,215,278	4,127,297	3,344,151
Debt Service:										
Principal	5,242,242	5,512,665	5,450,298	5,166,600	4,475,600	3,512,000	4,062,000	3,584,397	3,048,324	5,366,006
Interest	3,295,358	3,104,068	2,923,613	2,655,861	2,351,178	2,246,816	2,126,118	2,043,101	2,021,298	2,518,547
Other Charges	94,615	95,474	113,665	111,478	103,658	2,728,386	102,065	409,558	206,643	491,919
Capital Projects	38,018	821,589	251,469	851,283	913,143	22,632	0	1,567,805	11,897,788	39,785,474
Total Expenditures	\$ 27,702,090	\$ 29,551,697	\$ 28,856,964	\$ 29,873,859	\$ 28,387,767	\$ 31,982,577	\$ 29,205,550	\$ 30,142,729	\$ 41,026,107	\$ 73,072,295
Excess of Revenues Over (Under) Expenditures	\$ 611,535	\$ (1,746,043)	\$ 52,308	\$ (1,637,817)	\$ (436,800)	\$ (4,565,294)	\$ (782,575)	\$ 3,500,152	\$ (4,600,711)	\$ (36,133,334)

(Continued)

Table 5

**Bedford County, Tennessee**  
**Changes in Fund Balances - Governmental Funds - Primary Government**  
**Last Ten Fiscal Years (Cont.)**  
**(modified accrual basis of accounting)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Other Financing Sources (Uses)</b>										
Transfers In	\$ 7,359,412	\$ 162,257	\$ 327,570	\$ 347,929	\$ 710,734	\$ 581,920	\$ 205,830	\$ 54,561	\$ 78,116	\$ -
Transfers Out	(7,359,412)	0	(327,570)	(347,929)	(710,734)	(581,920)	(205,830)	(54,561)	(78,116)	0
Bond Proceeds	0	0	0	0	0	0	0	0	0	0
Note Proceeds	450,000	300,000	0	0	0	2,000,000	385,000	0	0	1,000,000
Other Loans Issued	0	0	0	0	0	0	0	1,966,950	11,371,000	39,840,000
Insurance Recovery	135,398	0	0	0	0	97,533	0	0	0	0
Proceeds on Refunded Bonds	0	0	2,700,000	8,405,000	0	2,610,000	0	0	0	34,735,000
Payments to Refunded Bond										
Escrow Agent	0	0	(2,708,373)	(8,405,000)	0	0	0	0	0	(36,180,000)
Premiums on Bonds Sold	0	0	0	0	0	0	0	0	0	1,833,357
Sale of Nursing Home Capital Assets	0	0	0	3,000,000	0	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 585,398</b>	<b>\$ 462,257</b>	<b>\$ (8,373)</b>	<b>\$ 3,000,000</b>	<b>\$ 0</b>	<b>\$ 4,707,533</b>	<b>\$ 385,000</b>	<b>\$ 1,966,950</b>	<b>\$ 11,371,000</b>	<b>\$ 41,228,357</b>
<b>Net Change in Fund Balances</b>	<b>\$ 1,196,933</b>	<b>\$ (1,283,786)</b>	<b>\$ 43,935</b>	<b>\$ 1,362,183</b>	<b>\$ (436,800)</b>	<b>\$ 142,239</b>	<b>\$ (397,575)</b>	<b>\$ 5,467,102</b>	<b>\$ 6,770,289</b>	<b>\$ 5,095,023</b>
<b>Debt Service as a Percentage of</b>										
<b>Noncapital Expenditures</b>	31.7%	30.8%	30.1%	27.3%	25.8%	19.5%	23.3%	20.4%	13.4%	17.4%
<b>Capital Expenditures</b>	\$ 782,381	\$ 1,602,588	\$ 1,073,924	\$ 1,231,563	\$ 1,924,834	\$ 2,443,200	\$ 2,653,014	\$ 2,549,192	\$ 3,269,849	\$ 27,871,878

**General Governmental TAX Revenues by Source**  
**Last Ten Fiscal Years (Cont.)**  
**(modified accrual basis of accounting)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Property Tax	\$ 9,803,618	\$ 9,544,367	\$ 10,159,124	\$ 10,541,068	\$ 10,282,564	\$ 10,308,173	\$ 10,495,204	\$ 13,764,816	\$ 14,548,973	\$ 14,950,166
Sales Tax	4,815,931	5,119,682	5,333,207	5,243,541	5,429,374	5,749,141	6,072,709	6,418,775	6,742,521	7,396,124
Litigation Tax	416,066	371,284	458,927	393,011	370,080	367,760	379,453	463,462	496,784	549,910
Business Tax	313,324	317,681	365,163	378,816	337,659	385,275	447,762	443,759	478,321	502,057
Mineral Severance	81,218	109,964	107,079	60,113	63,473	85,765	122,277	125,177	155,971	147,488
Development Tax	216,164	342,536	145,352	133,624	162,926	293,652	304,257	411,622	465,261	530,887
Wholesale Beer Tax	193,502	197,564	198,779	189,353	194,814	195,585	188,933	183,066	181,520	177,732
Bank Excise Tax	35,160	21,032	157,420	127,964	201,274	66,319	61,349	74,749	130,931	131,290
Other Statutory Tax	2,011	1,507	1,399	1,998	2,388	2,323	1,797	1,951	-	-
<b>Total</b>	<b>\$ 15,876,994</b>	<b>\$ 16,025,617</b>	<b>\$ 16,926,450</b>	<b>\$ 17,069,488</b>	<b>\$ 17,044,552</b>	<b>\$ 17,453,993</b>	<b>\$ 18,073,741</b>	<b>\$ 21,887,377</b>	<b>\$ 23,200,282</b>	<b>\$ 24,385,654</b>



Table 6

**Bedford County, Tennessee**  
**Discretely Presented Bedford County School Department**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Local Taxes	\$ 9,955,712	\$ 10,181,119	\$ 10,842,595	\$ 10,198,143	\$ 10,921,251	\$ 11,166,083	\$ 11,432,324	\$ 11,622,771	\$ 11,949,432	\$ 12,388,869
Licenses and Permits	5,994	2,274	2,813	2,248	2,574	2,407	2,507	2,500	2,328	2,366
Charges for Current Services	1,648,859	1,558,792	1,597,663	1,558,003	1,501,265	709,721	802,780	817,381	782,726	788,420
Investment Earnings	0	0	0	0	0	0	0	0	0	0
Other Local Revenues	134,793	436,815	316,421	266,941	121,181	192,693	102,091	128,045	141,171	182,032
State of Tennessee	35,170,368	36,409,178	37,718,020	37,636,177	42,084,781	41,854,959	44,111,599	47,163,713	49,259,218	52,603,326
Federal Government	8,762,111	10,324,685	9,352,411	9,412,841	9,245,991	9,906,228	9,368,511	9,816,652	9,284,746	9,354,568
Other Governments and Citizens Groups	0	0	0	68,174	0	0	0	753,950	8,911,000	13,510,000
<b>Total Revenues</b>	<b>\$ 55,677,837</b>	<b>\$ 58,912,863</b>	<b>\$ 59,829,923</b>	<b>\$ 59,142,527</b>	<b>\$ 63,877,043</b>	<b>\$ 63,832,091</b>	<b>\$ 65,819,812</b>	<b>\$ 70,305,012</b>	<b>\$ 80,330,621</b>	<b>\$ 88,829,581</b>
<b>Expenditures</b>										
Current:										
Instruction	\$ 34,373,220	\$ 36,400,761	\$ 36,425,159	\$ 36,833,683	\$ 37,284,617	\$ 35,395,486	\$ 35,682,540	\$ 37,414,953	\$ 38,970,289	\$ 42,268,667
Support Services	16,919,180	17,769,273	19,036,517	18,789,889	19,260,911	20,367,461	20,643,963	21,351,551	21,515,150	23,758,920
Operation of Non- instructional Services	3,817,509	4,227,544	4,739,742	5,018,453	5,307,802	5,478,410	5,735,155	5,798,779	5,404,974	6,083,113
Capital Outlay	889,597	345,621	363,957	505,462	516,949	489,186	639,121	820,624	1,144,564	1,979,896
Capital Projects	2,074,584	0	0	0	0	0	0	753,814	8,828,730	13,555,193
Debt Service	0	0	0	0	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$ 58,074,090</b>	<b>\$ 58,743,199</b>	<b>\$ 60,565,375</b>	<b>\$ 61,147,487</b>	<b>\$ 62,370,279</b>	<b>\$ 61,730,543</b>	<b>\$ 62,700,779</b>	<b>\$ 66,139,721</b>	<b>\$ 75,863,707</b>	<b>\$ 87,645,789</b>
Excess of Revenues Over (Under) Expenditures	\$ (2,396,253)	\$ 169,664	\$ (735,452)	\$ (2,004,960)	\$ 1,506,764	\$ 2,101,548	\$ 3,119,033	\$ 4,165,291	\$ 4,466,914	\$ 1,183,792
<b>Other Financing Sources (Uses)</b>										
Transfers In	\$ 118,300	\$ 103,192	\$ 0	\$ 121,037	\$ 10,521	\$ 15,548	\$ 15,570	\$ 15,649	\$ 23,281	\$ 218,000
Transfers Out	(118,300)	(103,192)	0	(121,037)	(10,521)	(15,548)	(15,570)	(15,649)	(23,281)	(218,000)
Proceeds from Sale of Capital Assets	0	0	0	0	0	0	0	0	140,000	0
Insurance Recovery	0	0	0	0	40,826	25,874	0	0	0	0
<b>Total Financing Sources (Uses)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 40,826</b>	<b>\$ 25,874</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 140,000</b>	<b>\$ 0</b>
<b>Net Change in Fund Balances</b>	<b>\$ (2,396,253)</b>	<b>\$ 169,664</b>	<b>\$ (735,452)</b>	<b>\$ (2,004,960)</b>	<b>\$ 1,547,590</b>	<b>\$ 2,127,422</b>	<b>\$ 3,119,033</b>	<b>\$ 4,165,291</b>	<b>\$ 4,606,914</b>	<b>\$ 1,183,792</b>

Table 7

**Bedford County, Tennessee**  
**General Government and Discretely Presented Bedford County School Department**  
**Governmental Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

<b>Fiscal Year Ended</b>	<b>Property Tax</b>	<b>Local Option Sales Tax</b>	<b>Litigation Tax</b>	<b>Business Tax</b>	<b>Mineral Severance Tax</b>	<b>Wholesale Beer Tax</b>	<b>Bank Excise Tax</b>	<b>Interstate Telecommunications Tax</b>	<b>Other Statutory Local Taxes</b>	<b>Total</b>
<b>Primary Government:</b>										
2010	\$ 9,803,618	\$ 4,815,931	\$ 416,066	\$ 313,324	\$ 81,218	\$ 193,502	\$ 35,160	\$ 2,011	\$ 437,090	\$ 16,097,920
2011	9,544,367	5,119,682	371,284	317,681	109,964	197,564	21,032	1,471	974,634	16,657,679
2012	10,159,124	5,333,207	458,927	365,163	74,220	198,779	157,420	1,399	905,226	17,653,465
2013	10,541,068	5,243,541	393,011	378,816	60,113	189,353	127,964	1,998	862,082	17,797,946
2014	10,282,564	5,429,374	370,080	337,659	63,473	194,814	201,274	2,388	869,811	17,751,437
2015	10,308,173	5,749,141	367,760	385,275	85,765	195,585	66,319	2,323	1,036,889	18,197,230
2016	10,495,204	6,072,709	379,453	447,762	122,277	188,933	61,349	1,797	1,050,675	18,820,159
2017	13,764,816	6,418,775	463,462	443,759	125,177	183,066	74,749	1,951	1,259,581	22,735,336
2018	14,548,973	6,742,521	496,784	478,321	155,971	181,520	130,931	0	1,383,630	24,118,651
2019	14,950,166	7,396,124	549,910	502,057	147,488	177,732	131,290	0	1,399,399	25,254,166
<b>Component Unit:</b>										
2010	\$ 7,998,936	\$ 1,773,381	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,134	\$ 180,261	\$ 9,955,712
2011	7,788,150	1,874,206	0	0	0	0	0	2,435	516,328	10,181,119
2012	8,290,385	1,956,756	0	0	0	0	0	2,776	592,678	10,842,595
2013	7,718,464	1,942,675	0	0	0	0	0	3,842	533,162	10,198,143
2014	8,330,219	2,013,271	0	0	0	0	0	4,591	573,170	10,921,251
2015	8,416,471	2,122,059	0	0	0	0	0	4,466	623,087	11,166,083
2016	8,564,019	2,234,338	0	0	0	0	0	3,782	630,185	11,432,324
2017	8,692,732	2,365,531	0	0	0	0	0	3,752	560,756	11,622,771
2018	8,885,469	2,478,316	0	0	0	0	0	0	585,647	11,949,432
2019	9,135,804	2,699,247	0	0	0	0	0	0	553,818	12,388,869

Table 8

**Bedford County, Tennessee**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Tax Year	Real Property Assessed		Tangible Personal Property Assessed Commercial and Industrial Property	Public Utility Property	Total Taxable Assessed Value (Inside City of Shelbyville)	Total Taxable Assessed Value (Outside City of Shelbyville)	Total Taxable Assessed Value	Assessed Value as a Percentage of Actual Value	Estimated Actual Taxable Value	Total Direct Tax Rate
		Farm and Forest Property	Commercial and Mineral Property								
2010	2009	\$ 503,591,300	\$ 167,263,520	\$ 74,874,856	\$ 42,775,968	\$ 358,027,739	\$ 387,701,937	\$ 788,505,644	28.57%	\$ 2,759,881,341	\$ 2.27
2011	2010	507,751,000	161,072,120	64,842,431	44,817,232	343,269,678	390,395,873	778,482,783	28.50%	2,731,324,772	2.27
2012	2011	518,228,375	170,176,360	60,074,596	46,706,116	346,455,651	402,023,680	795,185,447	28.57%	2,783,539,733	2.27
2013	2012	520,099,875	170,523,880	68,010,388	47,632,813	354,545,784	404,088,359	806,266,956	28.59%	2,820,036,348	2.27
2014	2013	522,256,850	173,607,320	69,384,428	49,177,015	358,387,190	406,861,408	814,425,613	28.64%	2,843,785,871	2.27
2015	2014	529,856,350	181,448,000	72,341,823	49,777,137	368,185,307	415,460,866	833,423,310	28.66%	2,908,079,796	2.27
2016	2015	575,150,640	191,688,895	75,926,958	53,254,109	385,978,487	456,788,006	896,020,602	28.65%	3,127,497,836	2.27
2017	2016	585,989,500	193,178,735	83,596,100	56,538,846	395,859,978	466,904,357	919,303,181	28.67%	3,205,995,293	2.52
2018	2017	599,561,815	204,608,775	74,971,669	55,453,591	401,240,863	477,901,396	934,595,850	28.40%	3,290,502,947	2.56
2019	2018	615,703,060	205,611,280	83,668,674	48,573,317	411,269,198	493,713,816	953,556,331	28.19%	3,382,417,100	2.56

Source(s): Assessors' summary assessments and the Tennessee Comptroller of the Treasury - Division of Property Assessments.

Note(s): Exempt properties are not included in the assessed or estimated value. Tax rates are per \$100 of assessed value. A reappraisal was performed during the 2010 and 2015 tax years. Appraised to taxable values are based on the following table.

Assessment Ratio Table	
Category	Percentage of Appraised Value
Real Property:	
Public Utilities	55%
Commercial	40%
Industrial	40%
Residential	25%
Farm	25%
Agriculture	25%
Forest	25%
Mineral	40%
Personal Property:	
Public Utilities	55%
Commercial	30%
Industrial	30%

Table 9

**Bedford County, Tennessee**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended<sup>1</sup></b>	<b>Tax Year</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>General Purpose School Fund</b>	<b>General Debt Service Fund</b>	<b>Total<sup>2</sup> Direct Rate</b>	<b>City of Shelbyville Tennessee<sup>2,3</sup></b>	<b>City of Bell Buckle Tennessee<sup>2,3</sup></b>	<b>City of Normandy Tennessee<sup>2,3</sup></b>	<b>City of Wartrace Tennessee<sup>2,3</sup></b>	<b>Total Direct and Overlapping</b>
2010	2009	\$ 1.11	\$ 0.04	\$ 1.02	\$ 0.10	\$ 2.27	\$ 1.41	\$ 0.16	\$ 0.16	\$ 1.00	\$ 3.68
2011	2010 <sup>4</sup>	1.11	0.04	1.02	0.10	2.27	1.41	0.16	0.20	1.00	3.68
2012	2011	1.11	0.04	1.02	0.10	2.27	1.65	0.16	0.20	1.15	3.92
2013	2012	1.11	0.04	0.96	0.16	2.27	1.65	0.25	0.20	1.32	3.92
2014	2013	1.11	0.04	1.02	0.10	2.27	1.65	0.25	0.20	1.30	3.92
2015	2014	1.11	0.04	1.02	0.10	2.27	1.65	0.30	0.20	1.40	3.92
2016	2015 <sup>4</sup>	1.11	0.04	1.02	0.10	2.27	1.81	0.40	0.20	1.40	4.08
2017	2016	1.11	0.08	0.97	0.36	2.52	1.77	0.36	0.20	1.31	4.29
2018	2017	1.15	0.08	0.97	0.36	2.56	1.77	0.36	0.50	1.31	4.33
2019	2018	1.15	0.08	0.97	0.36	2.56	1.77	0.56	0.50	1.31	4.33

Source(s): Bedford County Commission's resolutions for tax levies by fiscal year and the City Recorder's Office.

Note(s):

<sup>1</sup> Taxes assessed in one fiscal year are for the benefit of the following fiscal year.

<sup>2</sup> Rates are applied per \$100 of assessed valuation.

<sup>3</sup> The cities of Shelbyville, Bell Buckle, Normandy, and Wartrace are considered overlapping governments.

<sup>4</sup> A reappraisal was performed during the 2010 and 2015 tax years.

Table 10

**Bedford County, Tennessee**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>Fiscal Year Ended</u> <u>2019</u>			<u>Fiscal Year Ended</u> <u>2010</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value</u>
Calsonic Manufacturing	\$ 31,277,587	1	3.3%	\$ 19,997,755	1	2.5%
Duck River Electric Membership	18,466,182	2	1.9%	17,229,121	2	2.2%
Walmart Stores East	16,264,306	3	1.7%	11,131,279	4	1.4%
Shelbyville Hospital Corporation (Tennova)	10,667,142	4	1.1%	-	-	-
Tyson Foods	8,882,150	5	0.9%	7,983,453	6	1.0%
Twist Beauty Packaging	7,812,108	6	0.8%	6,021,692	7	0.8%
Sanford Corporation	7,706,430	7	0.8%	14,505,602	3	1.8%
Bemis	5,304,342	8	0.6%	9,774,710	5	1.2%
CSX Transportation	4,009,813	9	0.4%	-	-	-
Automotive Properties of New York (SMW)	3,422,288	10	0.4%	-	-	-
Bellsouth Telecommunications	-	-	-	5,120,992	8	0.6%
United Telephone	-	-	-	3,814,061	9	0.5%
Lowes Home Centers	-	-	-	3,056,300	10	0.4%
Totals	<u>\$ 113,812,348</u>		<u>11.9%</u>	<u>\$ 98,634,965</u>		<u>12.5%</u>

Source: Trustee's Tax Rolls.

Table 11

**Bedford County, Tennessee**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>Tax Year</b>	<b>Adjusted Total Tax Levy for Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
			<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2010	2009	\$ 17,821,783	\$ 16,616,967	93.24%	\$ 457,646	\$ 17,087,288	95.88%
2011	2010	17,637,729	16,199,443	91.85%	537,832	16,737,275	94.89%
2012	2011	18,044,364	16,637,710	92.20%	431,626	17,069,336	94.60%
2013	2012	18,237,900	17,040,915	93.44%	476,632	17,517,547	96.05%
2014	2013	18,467,741	17,344,682	93.92%	358,666	17,703,348	95.86%
2015	2014	18,604,967	17,603,674	94.62%	288,353	17,892,028	96.17%
2016	2015	19,036,967	18,159,672	95.39%	214,251	18,373,923	96.52%
2017	2016	22,699,009	21,657,688	95.41%	208,655	21,866,343	96.33%
2018	2017	23,504,698	22,570,828	96.03%	247,347	22,818,175	97.08%
2019	2018	23,863,881	23,015,302	96.44%	254,606	23,269,908	97.51%

Source(s): Trustee's tax rolls, trustee's tax collection records, and clerk and master's tax collections records.

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

Table 12

**Bedford County, Tennessee**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended <u>June 30</u>	Governmental Activities				Total Primary Government <sup>1</sup>	Percentage of Personal Income <sup>2</sup>	Per Capita <sup>2</sup>
	General Obligation Bonds	Rural School Bonds	Capital Outlay Notes	Other Loans Payable			
2010	\$ 5,800,000	\$ 63,069,460	\$ 5,153,163	\$ 3,759,000	\$ 77,781,623	5.95%	\$ 1,709
2011	5,550,000	60,161,767	3,518,498	3,301,000	72,531,265	8.91%	1,610
2012	5,290,000	57,154,075	1,780,200	2,819,000	67,043,275	7.98%	1,473
2013	5,020,000	54,036,383	471,600	2,311,000	61,838,983	7.21%	1,357
2014	4,745,000	50,808,263	0	1,777,000	57,330,263	6.49%	1,249
2015	4,455,000	48,133,427	2,000,000	1,215,000	55,803,427	6.20%	1,197
2016	4,155,000	45,348,591	1,985,000	623,000	52,111,591	5.79%	1,104
2017	3,845,000	43,208,755	1,458,603	1,966,950	50,479,308	5.21%	1,063
2018	3,525,000	40,993,919	930,279	13,337,950	58,787,148	5.57%	1,222
2019	3,289,318	38,682,942	1,400,000	50,977,950	94,350,210	8.38%	1,924

Note(s):

<sup>1</sup> Details regarding the county's outstanding debt can be found in the notes to the financial statements.

<sup>2</sup> See the Schedule of Demographic and Economic Statistics, Table 17, for personal income and population data.

Table 13

**Bedford County, Tennessee**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>General Obligation Bonds</b>	<b>Rural School Bonds</b>	<b>Total Bonded Debt<sup>1</sup></b>	<b>Percentage of Estimated Actual Taxable Value of Property<sup>2</sup></b>	<b>Per Capita<sup>3</sup></b>
2010	\$ 5,800,000	\$ 63,069,460	\$ 68,869,460	2.50%	\$ 1,513
2011	5,550,000	60,161,767	65,711,767	2.41%	1,458
2012	5,290,000	57,154,075	62,444,075	2.24%	1,372
2013	5,020,000	54,036,383	59,056,383	2.09%	1,296
2014	4,745,000	50,808,263	55,553,263	1.95%	1,210
2015	4,455,000	48,133,427	52,588,427	1.81%	1,128
2016	4,155,000	45,348,591	49,503,591	1.58%	1,049
2017	3,845,000	43,208,755	47,053,755	1.47%	991
2018	3,525,000	40,993,919	44,518,919	1.35%	925
2019	3,289,318	36,682,942	41,972,260	1.24%	856

Source(s): Debt amortization schedules.

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

<sup>1</sup> This is the general bonded debt of governmental activities, net of original issuance discounts and premiums.

<sup>2</sup> See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on Table 8 for property value data.

<sup>3</sup> Population data can be found in the Schedule of Demographic and Economic Statistics on Table 17.



Table 14

**Bedford County, Tennessee**  
**Direct and Overlapping Governmental Activities Debt**  
**General Obligation Bonds and Notes**  
**As of June 30, 2019**

		% of Estimated Property Value	% of Assessed Property Value
<b><u>Direct Debt</u></b>			
General Bonded Debt	\$ 41,972,260	1.24%	4.40%
Capital Outlay Notes	1,400,000		
Other Loans Payable	<u>50,977,950</u>		
Total Direct Debt	\$ 94,350,210	2.79%	9.89%
<b><u>Overlapping Debt</u></b>			
City of Shelbyville	\$ 2,293,000	0.07%	0.24%
City of Bell Buckle	1,516,381	0.04%	0.16%
City of Wartrace	1,582,088	0.05%	0.17%
Total Overlapping Debt	<u>5,391,469</u>		
<b>Total Direct and Overlapping Debt</b>	<b><u>\$ 99,741,679</u></b>	<b>2.95%</b>	<b>10.46%</b>

Source: City Records, Tables 8, 12.

Note(s): Overlapping governments are those that are within the geographic boundaries of the county. This schedule presents outstanding debt of those overlapping governments that are within Bedford County. When considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government. The amount of the county's debt overlapping with a city is estimated based on that city's percentage of property tax assessment.

Assessed Value	\$ 953,556,331
Estimated Value	3,382,417,100

Table 15

**Bedford County, Tennessee**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

**Not Applicable to Bedford County, Tennessee**

Table 16

**Bedford County, Tennessee**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

**Not Applicable to Bedford County, Tennessee**

Table 17

**Bedford County, Tennessee**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Fiscal Year Ended June 30</b>	<b>Population<sup>1, 5</sup></b>	<b>Personal Income (amounts expressed in thousands)<sup>1, 5</sup></b>	<b>Per Capita Personal Income<sup>1, 5</sup></b>	<b>Median Age<sup>2, 5</sup></b>	<b>Bedford County School Enrollment<sup>3</sup></b>	<b>Annual Unemployment Rate<sup>4, 5</sup></b>
2010	45,526	\$1,306,750	\$28,703	35.2	7,866	12.3
2011	45,058	813,793	18,061	35.0	7,817	11.9
2012	45,509	840,597	18,471	35.1	7,966	10.4
2013	45,573	857,365	18,813	37.0	8,103	9.3
2014	45,901	883,365	19,245	37.2	8,212	7.5
2015	46,627	900,041	19,303	37.2	8,336	7.5
2016	47,183	936,818	19,855	37.2	8,438	5.5
2017	47,484	968,199	20,390	37.7	8,488	4.8
2018	48,117	1,056,120	21,949	37.5	8,562	4.6
2019	49,038	1,125,569	22,953	37.5	8,628	5.0

Source(s): Bureau of Economic Analysis, Regional Economic Accounts, U.S. Bureau of the Census, Tennessee Department of Education, and Tennessee Department of Labor and Workforce Development.

- <sup>1)</sup> Amounts were provided by the Bureau of Economic Analysis: Regional Economic Accounts. Per capita personal income was provided by 2010 U.S. Census data. Personal income amounts for 2011-19 were calculated by multiplying population by per capita income.
- <sup>2)</sup> Fiscal year 2012 was calculated by taking a three-year average change of the three previous years. Amounts for fiscal years 2010-11 and 2013-19 are U.S. Census Bureau estimates.
- <sup>3)</sup> Enrollment amounts represent the weighted full-time equivalent of average daily attendance.
- <sup>4)</sup> Unemployment data was provided by the U.S. Department of Labor, Bureau of Labor Statistics.
- <sup>5)</sup> Amounts are presented on a calendar year basis for the fiscal year in which the calendar year ended.

Table 18

**Bedford County, Tennessee**  
**Principal Employers**  
**Current Year and Nine Years Ago**

<b><u>Employer</u></b> <sup>3</sup>	<b><u>2019</u></b>			<b><u>2010</u></b>		
	<b><u>Employees</u></b>	<b><u>Rank</u></b>	<b><u>Percentage of Total County Employment</u></b> <sup>1</sup>	<b><u>Employees</u></b>	<b><u>Rank</u></b>	<b><u>Percentage of Total County Employment</u></b> <sup>2</sup>
Tyson Foods	1,400	1	8.60%	1,300	1	7.58%
Calsonic North America	1,100	2	6.76%	712	2	4.15%
Newell Rubbermaid/Sanford Distribution	800	3	4.92%	220	8	1.28%
Wal-Mart Distribution Center	800	3	4.92%	400	5	2.33%
National Pen Co. LLC	585	4	3.59%	485	3	2.83%
Albea (Pechiney, Alcan, American Can)	340	5	2.09%	238	6	1.39%
Century Mold Co., Inc.	175	6	1.08%	-	-	-
Corsicana Bedding, Inc.	135	7	0.83%	131	9	0.76%
Chassix	117	8	0.72%	-	-	-
Cooper Steel Fabricators, Inc.	105	9	0.65%	-	-	-
Musgrave Pencil Company	85	10	0.52%	87	10	0.51%
Jostens, Inc.	-	-	-	440	4	2.57%
Bemis Shelbyville	-	-	-	230	7	1.34%
Total	<u>5,642</u>		<u>34.67%</u>	<u>4,243</u>		<u>24.74%</u>

Source(s): Tennessee Department of Economic and Community Development, Middle Tennessee Industrial Development Association.

Note(s):

<sup>1</sup> Percentage is based on March 2019 employment data provided by the U.S. Department of Labor, Bureau of Labor Statistics.

<sup>2</sup> Percentage is based on June 2010 employment data provided by the U.S. Department of Labor, Bureau of Labor Statistics.

<sup>3</sup> Employer information does not include local governments' employees.

Table 19

**Bedford County, Tennessee**  
**Full-time Equivalent Employees by Function**  
**Last Ten Fiscal Years**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Function:</b>										
General Government	173	76	72	75	76	77	79	76	81	80
Finance	10	10	9	9	9	9	9	9	9	9
Justice	29	34	33	33	33	34	36	35	37	37
Public Safety	134	129	130	134	134	137	135	140	146	151
Health and Welfare	12	15	14	13	13	26	26	26	30	30
Agriculture	1	1	1	1	1	1	1	1	1	1
Other	0	1	1	1	1	1	1	1	3	3
Road and Bridge	26	26	26	26	26	25	25	24	24	25
<b>Total</b>	<b>385</b>	<b>292</b>	<b>286</b>	<b>292</b>	<b>293</b>	<b>310</b>	<b>312</b>	<b>312</b>	<b>330</b>	<b>335</b>
<b>Component Unit:</b>										
Education	1,060	1,096	1,199	1,169	1,134	1,111	1,031	1,015	1,034	1,061

Source: Bedford County Finance Department

Table 20

**Bedford County, Tennessee**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>
<b><u>General Government</u></b>										
Registered voters	23,824	23,461	24,264	23,704	24,090	23,223	20,553	22,470	23,141	23,125
Building permits issued										
Single family homes	74	42	58	56	85	85	109	138	177	156
All other permits	172	343	383	68	68	112	139	156	477	506
<b><u>Public Safety</u></b>										
Physical arrests	3,151	3,298	9,726	6,465	2,165	1,565	3,758	3,893	4,089	3,967
Traffic citations	412	1,016	2,122	n/a	n/a	386	884	652	429	354
Warrants served	13,732	10,542	11,827	10,879	9,737	10,343	10,803	14,475	14,229	14,220
Summary of inmate days:										
Felons-convicted	22,848	22,898	45,740	34,931	13,682	18,832	24,146	14,439	13,170	11,556
Misdemeanant-convicted	24,681	9,447	35,834	32,270	8,316	26,378	21,059	30,868	30,843	32,806
Pretrial	23,552	23,472	1,315	5,173	20,432	24,530	58,507	35,252	35,196	35,071
Other	319	129	4,920	5,545	1,057	418	1,320	1,018	2,678	486
Total inmate days	71,400	55,946	87,809	77,919	43,487	70,158	105,032	81,577	81,887	79,919
Other daily inmate information										
Average daily population	195	250	231	211	175	182	338	225	217	218
Daily inmate capacity of facility	216	206	206	206	206	213	213	213	213	213
<b><u>Public Health</u></b>										
Ambulance - call volume	4,818	5,206	5,465	6,050	6,687	6,928	7,010	6,989	6,987	7,672
Response time - average minutes	10	11	11	11	11	7	8	7	7	9
Animal control										
Requests for service	998	733	283	864	927	747	580	710	482	431
Animals impounded	1,515	1,192	929	1,246	1,250	1,320	763	1,024	1,104	833
Animals adopted	696	692	465	908	1,012	1,038	618	844	930	762

(Continued)

Table 20

**Bedford County, Tennessee**  
**Operating Indicators by Function (Cont.)**

<b>Function (Cont.)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Road and Bridge</b>										
Street resurfaced (miles)	9	12	10	13	15	28	32	26	42	25
<b>Sanitation</b>										
Solid Waste Department										
Refuse collected (in tons)	10,932	10,579	10,179	10,045	9,899	9,711	10,495	10,384	10,432	10,308
Recyclables collected (in tons)										
Paper	92	235	249	302	280	249	279	331	314	314
Batteries	4	1	1	1	1	0	0	0	1	1
Metals	412	301	190	250	288	249	297	414	446	408
Tires	701	676	413	394	499	451	483	436	423	432
Used oil (gallons)	5,472	8,100	9,705	4,855	10,590	5,048	8,950	6,968	8,030	10,795
<b>Component Unit:</b>										
Bedford County School Department										
Weighted Full-time Equivalent Average										
Daily Attendance	7,521	7,400	7,599	7,730	7,837	7,956	8,021	8,033	8,094	8,185
Number Graduated	532	455	522	505	500	491	526	519	527	575

n/a = Information is not available for this time period.

Sources: Election Commission, Building Codes, Sheriff's Department, Ambulance Department, County Animal Control, Highway Department,



Table 21

**Bedford County, Tennessee**  
**Capital Assets Statistics by Function**  
**Last Ten Fiscal Years**

<b>Function</b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>
<b>Highways and Streets</b>										
Number of Miles	683	683	683	683	683	683	685	685	685	685.21
Number of Bridges	191	188	188	188	188	188	188	188	188	188
<b>Public Safety</b>										
Number of Correctional Facilities	2	2	2	2	2	2	2	2	2	2
<b>Health and Welfare</b>										
Nursing Home	1	0	0	0	0	0	0	0	0	0
Number of Beds	90	0	0	0	0	0	0	0	0	0
Dispatch Station	1	1	1	1	1	1	1	1	1	1
Ambulance Stations	4	5	5	5	5	5	5	5	5	5
Number of Ambulance Units	8	6	8	8	8	8	8	8	8	8
Sanitation/Solid Waste Department										
Number of Trucks	4	4	4	4	4	4	4	4	4	4
Health Department Facilities	1	1	1	1	1	1	1	1	1	1
<b><u>Facilities and Services Not Included in the Primary Government</u></b>										
<b>Education:</b>										
Form of Administration										
Number of Schools										
Elementary Schools	7	8	8	8	8	8	8	8	8	8
Middle Schools	1	2	3	3	3	3	3	3	3	3
High Schools	3	3	3	3	3	3	3	3	3	3
Alternative School	1	1	1	1	1	1	1	1	1	1

Sources: Bedford County Highway Department, Sheriff's Department, Ambulance Department, Solid Waste Department, Board of Education.

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## SINGLE AUDIT SECTION

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JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

**Report on Internal Control Over Financial Reporting and  
on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance With *Government Auditing Standards***

Independent Auditor's Report

Bedford County Mayor and  
Board of County Commissioners  
Bedford, Tennessee

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bedford County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Bedford County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated October 29, 2019.

**Internal Control Over Financial Reporting**

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

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

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

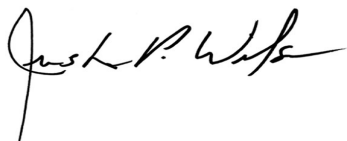
### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Bedford County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bedford County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

October 29, 2019

JPW/yu



JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

**Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Independent Auditor's Report

Bedford County Mayor and  
Board of County Commissioners  
Bedford, Tennessee

To the County Mayor and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

We have audited Bedford County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Bedford County's major federal programs for the year ended June 30, 2019. Bedford County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Bedford County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Bedford County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Bedford County's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Bedford County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### **Report on Internal Control Over Compliance**

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

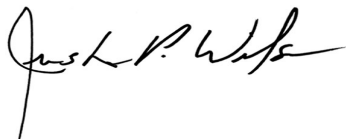
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bedford County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Bedford County's basic financial statements. We issued our report thereon dated October 29, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

October 29, 2019

JPW/yu

Bedford County, Tennessee, and the Bedford County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2)  
For the Year-Ended June 30, 2019

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	(3)	\$ 1,302,064
National School Lunch Program	10.555	(3)	2,979,089 (5)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(3)	401,054 (5)
Passed-through State Department of Human Services:			
Child Nutrition Cluster: (4)			
Summer Food Service Program for Children	10.559	(3)	13,409
Total U.S. Department of Agriculture			<u>\$ 4,695,616</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program and Non-entitlement Grants in Hawaii	14.228	N/A	\$ 24,619
Total U.S. Department of Housing and Urban Development			<u>\$ 24,619</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Safety Cluster: (4)			
National Priority Safety Programs	20.616	(3)	\$ 13,485
Total U.S. Department of Transportation			<u>\$ 13,485</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 2,003,935
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	1,755,284
Special Education - Preschool Grants	84.173	N/A	28,700
Career and Technical Education - Basic Grants to States	84.048	N/A	127,415
Education for Homeless Children and Youth	84.196	N/A	36,439
Speial Education - State Personnel Development	84.323	N/A	19,987
English Language Acquisition State Grants	84.365	N/A	80,471
Mathematics and Science Partnerships	84.366	N/A	132,950
Supporting Effective Instruction State Grants	84.367	N/A	311,052
Rural Education	84.358	N/A	66,679
Student Support and Academic Enrichment Program	84.424	N/A	51,472
Total U.S. Department of Education			<u>\$ 4,614,384</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Education:			
CCDF Cluster: (4)			
Child Care and Development Block Grant	93.575	(3)	\$ 53,128
Total U.S. Department of Health and Human Services			<u>\$ 53,128</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	55722-25538	\$ 45,850
Homeland Security Grant Program	97.067	34101-22816	24,417
Total U.S. Department of Homeland Security			<u>\$ 70,267</u>
Total Expenditures of Federal Awards			<u>\$ 9,471,499</u>

(Continued)



Bedford County, Tennessee, and the Bedford County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<u>State Grants</u>			
Litter Program - State Department of Transportation	N/A	(3)	\$ 32,069
Juvenile Justice - State Commission on Children and Youth	N/A	(3)	9,000
Archive Grant - Tennessee Secretary of State	N/A	(3)	4,400
Lottery for Education - After-school Programs - State Department of Education	N/A	(3)	178,480
Court Security Grant - State Administrative Office of Courts	N/A	(3)	16,575
Read-to-be-Ready - State Department of Education	N/A	(3)	7,345
Rural Local Health Services - State Department of Health	N/A	(3)	366,033
Pilot - Lottery for Pre-K Classrooms - State Department of Education	N/A	(3)	519,973
Family academic Support Teams - State Department of Education	N/A	(3)	10,000
Safe Schools Act 2003 - State Department of Education	N/A	(3)	61,511
School Safety and Security Grants - State Department of Education	N/A	(3)	258,650
Student Ticket Subsidy Grant - State Arts Commission	N/A	(3)	5,764
Health Department Special Needs Grant - State Department of Health	N/A	(3)	20,000
Coordinated School Health Initiative - State Department of Education	N/A	(3)	<u>96,999</u>
Total State Grants			<u>\$ 1,586,799</u>

CFDA = Catalog of Federal Domestic Assistance  
N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Bedford County elected not to use the 10% de minimus cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Child Nutrition Cluster total \$4,695,616; Highway Safety Cluster total \$13,485; Special Education Cluster total \$1,783,984; CCDF Cluster total \$53,128.
- (5) Total for CFDA 10.555 is \$3,380,143.

Bedford County, Tennessee  
Summary Schedule of Prior-year Findings  
For the Year Ended June 30, 2019

Government Auditing Standards require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Bedford County, Tennessee, for the year ended June 30, 2019.

***Prior-year Financial Statement Findings***

Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	Current Status
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**OFFICES OF HIGHWAY SUPERINTENDENT AND FINANCE DEPARTMENT**

2018	252	2018-001	Appropriations Exceeded Estimated Available Funding in the Highway/Public Works Fund	N/A	Corrected
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***Prior-year Federal Awards Findings***

There were no prior-year federal award findings to report.

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**BEDFORD COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2019**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

1. Our report on the financial statements of Bedford County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NO**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of major federal programs:
  - \* CFDA Numbers: 10.553, 10.555, and 10.559      Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children
8. Dollar threshold used to distinguish between type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

There were no findings and recommendations as a result of our audit of the financial statements of Bedford County, Tennessee.

### **PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

There were no findings and questioned cost related to federal awards for the year ended June 30, 2019.

**Bedford County, Tennessee**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2019**

The audit of Bedford County did not report any findings and recommendations. Therefore, no management responses are required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).