

ANNUAL FINANCIAL REPORT

BLOUNT COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2019



DIVISION OF LOCAL GOVERNMENT AUDIT

ANNUAL FINANCIAL REPORT
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FOR THE YEAR ENDED JUNE 30, 2019

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

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This financial report is available at www.comptroller.tn.gov

BLOUNT COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in no findings.

INTRODUCTORY SECTION

Blount County Officials

June 30, 2019

Officials

Ed Mitchell, County Mayor
Jeff Headrick, Highway Superintendent
Rob Britt, Director of Schools
Scott Graves, Trustee
Tim Helton, Assessor of Property
Gaye Hasty, County Clerk
Thomas Hatcher, Circuit and General Sessions Courts Clerk
Stephen Ogle, Clerk and Master
Phyllis Crisp, Register of Deeds
James Berrong, Sheriff
Randy Vineyard, Director of Accounts and Budgets
Katie Branham, Purchasing Agent

Board of County Commissioners

Ron French, Chairman	Mike Akard
Richard Carver	Scott King
Joe McCulley	Steve Mikels
Jackie Hill	Mike Caylor
James Hammontree	Brad Bowers
Jared Anderson	Tom Hood
Jeff Jopling	Brian Robbins
Linda Webb	Dodd Crowe
Robbie Bennett	Dawn Reagan
Staci Crisp-Lawhorn	Nick Bright
Tom Stinnett	

Board of Education

Debbie Sudhoff, Chairman	Diane Bain
Jim Compton	Scott Helton
Bill Padgett	Robbie Kirkland
Fred Goins	

Audit Committee

Lee Gowan, Chairman	Tim Eichhorn
Jared Anderson	Amy Paganelli
Ron French	

FINANCIAL SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

Independent Auditor's Report

Blount County Mayor and
Board of County Commissioners
Blount County, 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 Blount 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 Blount Memorial Hospital, Inc. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Blount Memorial Hospital, Inc., is based solely on the report of the other auditors. We were unable to determine Blount Memorial Hospital, Inc.'s respective percentage of the assets, net position, and revenues of the aggregate discretely presented component units because the Blount County Public Building Authority and the Blount County Emergency Communications District, component units requiring discrete presentation, were not included in the county's financial statements. 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 Blount County, Tennessee, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof 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 and school net pension liability and related ratios, schedules of county and school contributions, schedule of school's proportionate share of the net pension liability, and schedule of county and school changes in the total other postemployment benefits 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 Blount 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 Fund, combining and individual fund financial statements of the Blount County School Department (a discretely presented component unit), miscellaneous schedules and the other information

such as the introductory 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.

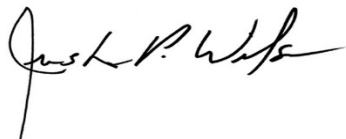
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Blount County School Department (a discretely presented component unit), schedule 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. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Blount 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 has 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2020, on our consideration of Blount 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 Blount 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 Blount County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

January 10, 2020

JPW/tg



Blount County, Tennessee Management's Discussion and Analysis (MD&A) For the Year Ended June 30, 2019

Introduction

This discussion and analysis of Blount County's financial performance provides an overall view of the financial activities for fiscal year ended June 30, 2019. It includes an overall view of the Primary Government, which includes General County, Debt Service, and Non-major funds. In addition, this discussion and analysis includes an overall view of the Discretely Presented Component Unit (DPCU) Blount County School Department. A DPCU is an organization/entity for which the nature and significance of their relationship with the Primary Government are such that exclusion of their data would cause misleading or incomplete reporting.

Discussion of the Basic Financial Statements

The statement of net position, formerly called the balance sheet, is basically "assets" minus "liabilities", or "what you have" minus "what you owe". In total, the net position of the primary government increased by \$12.4 million, while net position of the DPCU school department increased by \$3.8 million. (See Tables 2A and 2B below)

General Fund expenditures were \$9.9 million less than revenues received, and the net of "insurance recovery", "transfers out", and "transfers in", was a decrease of \$4.9 million, which together increased the fund balance (assets in excess of liabilities available for appropriation) by \$5.0 million. It should be noted that the property tax rate remained the same for this budget year, \$2.47. DPCU school department expenditures were \$.9 million less than revenue received, which increased the fund balance by this same amount for the year ended June 30, 2019.

Total assets of governmental activities in the primary overnment were \$214 million as taxes receivable ended at \$50.2 million, cash ended at \$61.8 million, and capital assets, net of accumulated depreciation, ended at \$90.8 million. Total assets in the DPCU school department were \$161.3 million as taxes receivable ended at 24.7 million, cash ended at \$13.9 million, and capital assets, net of accumulated depreciation, ended at \$113.6 million.

Revenues for the primary government totaled \$106 million. General revenues of the primary government accounted for \$66.1 million or 62 percent of total revenues. Program specific revenues in the form of charges for services, sales, grants, and contributions accounted for \$40 million or 38 percent of total revenues.

Revenues of the DPCU school department totaled \$106.3 million, with general revenues making up 88 percent of the total. Program specific revenues in the form of charges for services, sales, grants, and contributions accounted for \$12.5 million or 12 percent of total revenues.

The primary government had \$93.7 million in expenses, with \$40 million of those expenses being offset by revenues in the form of charges for services, grants, and contributions, resulting in expenses of \$53.7 million to be covered by other forms of revenue, mainly property taxes.

The DPCU school department had \$102.5 million in expenses with \$12.5 million of these expenses offset by program specific revenues. Revenues (primarily property taxes and sales taxes of \$23.7 and \$16.5 million, respectively, in addition to the BEP contribution of \$48 million) were adequate to provide current funding for these programs.

Government-Wide Financial Analysis

Tables 1A and 1B provide a summary of the primary government's and the DPCU school department's Net Position for 2019 and a comparison to the prior year. Again, like a balance sheet, it shows Assets and Liabilities, and the difference between the two. An additional portion of the primary government's Net Position, \$7.9 million, represents resources that are subject to external restrictions on how they may be used. This is why they are referred to as "Restricted". In the DPCU school department, \$7.6 million of Net Position is subject to external restriction.

Table 1A
Blount County Primary Government Net Position

	Blount County Primary Government Governmental Activities			
	2019		2018	
Assets:				
Current and Other Assets	\$	123,190,807	\$	110,380,096
Capital Assets		90,782,591		97,282,255
Total Assets	\$	213,973,398	\$	207,662,351
Total Deferred Outflows of Resources	\$	7,769,375	\$	8,331,883
Liabilities:				
Long-term Liabilities Outstanding	\$	189,228,388	\$	201,699,579
Other Liabilities		8,397,348		5,542,121
Total Liabilities	\$	197,625,736	\$	207,241,700
Total Deferred Inflows of Resources	\$	52,255,372	\$	49,264,728
Net Position:				
Net Investment in Capital Assets	\$	64,948,723	\$	70,061,330
Restricted		7,888,059		5,650,141
Unrestricted		(100,975,117)		(116,223,665)
Total Net Position	\$	(28,138,335)	\$	(40,512,194)

Table 1B
Blount County DPCU School Department Net Position

	DPCU School Department Governmental Activities	
	2019	2018
Assets:		
Current and Other Assets	\$ 47,622,384	\$ 44,174,871
Capital Assets	113,642,402	116,699,180
Total Assets	<u>\$ 161,264,786</u>	<u>\$ 160,874,051</u>
Total Deferred Outflows of Resources	<u>\$ 13,860,053</u>	<u>\$ 9,646,322</u>
Liabilities:		
Long-term Liabilities Outstanding	\$ 18,197,710	\$ 13,053,837
Other Liabilities	\$ 6,022,139	\$ 9,257,677
Total Liabilities	<u>\$ 24,219,849</u>	<u>\$ 22,311,514</u>
Total Deferred Inflows of Resources	<u>\$ 30,876,248</u>	<u>\$ 31,975,095</u>
Net Position:		
Net Investment in Capital Assets	\$ 113,642,402	\$ 116,699,180
Restricted	7,604,101	2,920,633
Unrestricted	<u>(1,217,761)</u>	<u>(3,386,049)</u>
Total Net Position	<u><u>\$ 120,028,742</u></u>	<u><u>\$ 116,233,764</u></u>

Tables 2A and 2B show changes in Net Position for fiscal year 2019 for the primary government and the DPCU school department, respectively, as well as a comparison to the prior year. The change is represented by the Increase (Decrease) in Net Position.

Table 2A
Blount County Changes in Net Position

	Blount County Primary Government Governmental Activities			
	2019		2018	
Revenues:				
Program Revenues:				
Charges for Services	\$	31,753,706	\$	29,885,202
Operating Grants and Contributions		7,349,686		6,879,827
Capital Grants and Contributions		859,097		103
General Revenues:				
Property Taxes		48,546,264		47,687,213
Sales Taxes		5,425,770		4,913,910
Hotel/Motel Taxes		961,486		762,906
Business Taxes		1,105,904		1,080,931
Other Taxes		1,362,765		1,346,454
Grants and Contributions Not Restricted to Specific Programs		6,514,112		3,932,573
Unrestricted Investment Income		1,752,647		913,663
Miscellaneous		411,139		50,201
Total Revenues	\$	106,042,576	\$	97,452,983
Expenses:				
General Government	\$	8,707,338	\$	9,013,783
Finance		7,654,024		7,388,033
Administration of Justice		6,968,660		6,315,040
Public Safety		25,330,921		22,652,624
Public Health and Welfare		1,893,448		2,211,791
Social, Cultural, and Recreational		4,046,668		3,299,080
Agriculture and Natural Resources		357,548		293,090
Highway		14,904,164		11,196,830
Education		16,279,385		14,188,986
Interest on General Long-term Debt		7,526,561		6,633,391
Total Expenses	\$	93,668,717	\$	83,192,648
Increase (Decrease) in Net Position	\$	12,373,859	\$	14,260,335
Restatement		0		(4,067,786)
Net Position, July 1, 2018		(40,512,194)		(50,704,743)
Net Position, June 30, 2019	\$	(28,138,335)	\$	(40,512,194)

Table 2B
Blount County School Department - Change in Net Position

	Blount County School Department	
	2019	2018
Revenues:		
Program Revenues:		
Charges for Services	\$ 3,108,867	\$ 3,049,064
Operating Grants and Contributions	9,433,551	9,110,031
Capital Grants and Contributions	0	144,250
General Revenues:		
Property Taxes	23,782,399	23,505,008
Sales Taxes	16,524,592	15,411,162
Business Taxes	546,051	532,892
Other Taxes	202,650	211,877
Grants and Contributions Not Restricted to Specific Programs	52,327,743	51,226,535
Unrestricted Investment Income	386,789	216,045
Gain on Investments	6,694	0
Miscellaneous	22,523	23,103
Total Revenues	\$ 106,341,859	\$ 103,429,967
Expenses:		
Instruction	\$ 57,435,059	\$ 56,816,861
Support Services	37,077,142	39,596,748
Operation of Non-instructional Services	8,034,680	7,198,650
Total Expenses	\$ 102,546,881	\$ 103,612,259
 Increase (Decrease) in Net Position	 \$ 3,794,978	 \$ (182,292)
Net Position, July 1, 2018	116,233,764	129,432,615
Restatement	0	(13,016,559)
Net Position, June 30, 2019	\$ 120,028,742	\$ 116,233,764

Analysis of Overall Financial Position and Results of Operations

Significant factors affecting this year's operations include: an increase in Grant Revenues as well as each revenue source increasing. Also, similar to last year, the county also benefited from coming in below budget on expenditures and surpassing expectations in revenue.

Public Safety expenditures of \$25.3 million accounted for approximately 27 percent of the \$93.7 million total expenses for governmental activities, while Highways and Education (related to internal service funds activities) expenses accounted for 16 percent and 17 percent, respectively. Of the \$93.7 million in governmental expenses, \$31.8 million was covered by direct charges to users of the services. Other grants and contributions covered another \$7.3 million of expenses.

Financial Analysis of the Government's Funds

In 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 purpose for which amounts in these funds can be spent.

These classifications consist of the following: nonspendable, restricted, committed, assigned, or unassigned.

- **Nonspendable Fund Balance** – The nonspendable fund balance for the nonmajor governmental funds remained at \$485,403 for endowments.
- **Restricted Fund Balance** – The restricted fund balance for the General Fund remained steady at approximately \$1.6 million, split between General Government, Finance, Administration of Justice, Public Safety, and Public Health and Welfare. The restricted fund balance for the General Debt Service Fund remained zero. The restricted fund balance for the school department funds increased to \$2.1 million.
- **Committed Fund Balance** – The committed fund balance for the General Fund decreased to \$259 thousand. The committed fund balance for the General Debt Service Fund increased to \$15.8 million, Committed for Debt Service. The committed fund balance for the school department funds increased to \$783 thousand.
- **Assigned Fund Balance** – The assigned fund balance for the General Fund decreased to \$1.1 million, split between General Government, Finance, Administration of Justice, Public Safety, Public Health and Welfare, Highways/Public Works, Agriculture and Natural Resources and Capital Outlay. The assigned fund balance for the school department funds increased to \$2.1 million.
- **Unassigned Fund Balance** – The unassigned fund balance for the General Fund increased by \$7 million to \$27.4 million. The unassigned fund balance for the school department funds increased to \$8 million.

Budgetary Highlights

During the 2019 budget year, the county accomplished the following: 1) Year 3 adjustment to the classification/compensation plan and 2) successfully implemented a new financial and procurement software (MUNIS).

Capital Assets and Debt Administration

Capital Assets

Blount County's investment in capital assets, net of accumulated depreciation, as of June 30, 2019, totaled \$90.8 million. This investment in capital assets includes land, construction in progress, buildings and improvements, roads, streets, and bridges, and other capital assets.

Asset	Historical Value	Accumulated Depreciation	Net Value 6-30-19
Land	\$ 7,518,566	\$ 0	\$ 7,518,566
Construction in Progress	228,303	0	228,303
Buildings and Improvements	54,291,206	(23,170,136)	31,121,070
Roads, Streets, and Bridges	137,748,771	(92,590,117)	45,158,654
Other Capital Assets	21,544,964	(14,788,966)	6,755,998
Total	<u>\$ 221,331,810</u>	<u>\$ (130,549,219)</u>	<u>\$ 90,782,591</u>

Blount County School Department's investment in capital assets, net of accumulated depreciation, as of June 30, 2019, totaled \$113.6 million. This investment in capital assets includes land, buildings and improvements, and other capital assets.

Asset	Historical Value	Accumulated	Net Value
Land	\$ 9,951,059	\$ 0	\$ 9,951,059
Buildings and Improvements	173,481,980	(71,675,397)	\$ 101,806,583
Other Capital Assets	6,618,181	(4,733,421)	\$ 1,884,760
Total	<u>\$ 190,051,220</u>	<u>\$ (76,408,818)</u>	<u>\$ 113,642,402</u>

Long-term Debt

No additional debt was issued to finance any capital needs during the year. In November 2016, there was a refinancing of debt, eliminating variable debt and swap agreements and converting to fixed rate debt.

Economic Factors and Next Year's Budgets and Rates

In June 2018, the Blount County Commission adopted a budget for the fiscal year ending June 30, 2019. The property tax rate for tax year 2019 was adopted at a rate of \$2.47, the same as the 2018 tax year.

The distribution of the 2019 property tax rate is shown below:

Fund	2019	2018
General County	\$0.88	\$0.88
Educ. Capital Project	\$0.04	\$0.04
Debt Service	\$0.48	\$0.48
Gen. Purpose School	\$1.07	\$1.07
Total	\$2.47	\$2.47

Request for Information

This report is designed to provide a general overview of the county's finances for all those with an interest in the government's finances. If you have any questions concerning the information provided in this report, please address them to the Finance Director, Blount County Government, 341 Court Street, Maryville, TN 37804.

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government	Component Units	
	Total Governmental Activities	Blount County School Department	Blount Memorial Hospital
<u>ASSETS</u>			
Cash	\$ 110,174	\$ 0	\$ 183,137
Equity in Pooled Cash and Investments	61,670,831	13,866,097	0
Inventories	0	0	3,857,633
Accounts Receivable	779,689	60,371	29,824,732
Due from Other Governments	4,573,201	3,698,831	0
Due from Component Units	2,334,339	0	0
Property Taxes Receivable	50,244,005	24,665,478	0
Allowance for Uncollectible Property Taxes	(664,802)	(326,361)	0
Net Pension Asset - Agent Plan - (Excluding Library)	3,623,966	1,252,007	0
Net Pension Asset - Agent Plan - Library	131,317	0	0
Net Pension Asset - Teacher Retirement Plan	0	242,777	0
Net Pension Asset - Teacher Legacy Pension Plan	0	4,030,578	0
Prepaid Items	0	0	4,054,279
Restricted Assets:			
Restricted for Foundation	0	0	2,083,205
Amounts Accumulated for Pension Benefits	0	132,606	
Other Restricted Assets	0	0	97,383,576
Notes Receivable	388,087	0	0
Capital Assets:			
Assets Not Depreciated:			
Land	7,518,566	9,951,059	12,553,960
Construction in Progress	228,303	0	185,011
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	31,121,070	101,806,583	74,875,554
Other Capital Assets	6,755,998	1,884,760	22,166,545
Intangible Assets	0	0	6,119,776
Infrastructure	45,158,654	0	0
Total Assets	<u>\$ 213,973,398</u>	<u>\$ 161,264,786</u>	<u>\$ 253,287,408</u>

(Continued)

Exhibit A

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

	Primary Government	Component Units	
	Total Governmental Activities	Blount County School Department	Blount Memorial Hospital
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Accumulated Decrease in Fair Value of Hedging Derivatives	\$ 0	\$ 0	\$ 9,677,573
Deferred Charge on Refunding	3,174,036	0	0
Pension Changes in Experience	1,129,225	1,169,623	0
Pension Changes in Assumptions	1,143,408	2,776,717	0
Pension Other Deferrals	0	429,601	0
Pension Contributions After Measurement Date	1,965,603	4,701,288	0
OPEB Changes in Assumptions	357,103	829,748	0
OPEB Changes in Experience	0	3,953,076	0
Other Deferred Outflows	0	0	2,094,116
Total Deferred Outflows of Resources	<u>\$ 7,769,375</u>	<u>\$ 13,860,053</u>	<u>\$ 11,771,689</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 3,674,367	\$ 305,471	\$ 4,906,988
Accrued Payroll	723,394	2,424,563	11,450,466
Accrued Interest Payable	564,315	0	124,111
Payroll Deductions Payable	220,239	286,768	0
Due to Primary Government	0	2,334,339	0
Due to State of Tennessee	3,230	0	0
Due to Cities	28,972	0	0
Due to Litigant, Heirs, and Others	20,831	0	0
Other Current Liabilities	3,162,000	670,998	6,530,113
Derivative - Interest Rate Swap	0	0	9,677,573
Noncurrent Liabilities:			
Due Within One Year - Debt	9,690,127	0	6,179,973
Due Within One Year - Other	1,559,115	0	0
Due in More than One Year - Debt	169,153,369	0	64,810,712
Due in More Than One Year - Other	8,825,777	18,197,710	806,344
Total Liabilities	<u>\$ 197,625,736</u>	<u>\$ 24,219,849</u>	<u>\$ 104,486,280</u>

(Continued)

Exhibit A

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

	Primary Government	Component Units	
	Total Governmental Activities	Blount County School Department	Blount Memorial Hospital
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 48,578,567	\$ 23,847,892	\$ 0
Pension Changes in Experience	618,975	5,647,110	0
Pension Changes in Investment Earnings	441,497	1,039,606	0
Pension Other Deferrals	0	151,196	0
OPEB Changes in Experience	1,440,258	0	0
OPEB Changes in Assumptions	127,728	190,444	0
Unearned Revenues	1,048,347	0	0
Total Deferred Inflows of Resources	<u>\$ 52,255,372</u>	<u>\$ 30,876,248</u>	<u>\$ 0</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 64,948,723	\$ 113,642,402	\$ 38,790,385
Restricted for:			
General Government	895,930	0	0
Finance	290,105	0	0
Administration of Justice	490,537	0	0
Public Safety	1,120,802	0	0
Public Health and Welfare	34,151	0	0
Social, Cultural, and Recreation	590,525	0	0
Capital Projects	198,570	1,067,160	0
Education	0	878,973	0
Pensions	3,755,283	5,657,968	0
Permanent Endowment:			
Expendable	26,753	0	0
Nonexpendable	485,403	0	1,192,713
Unrestricted	<u>(100,975,117)</u>	<u>(1,217,761)</u>	<u>120,589,719</u>
Total Net Position (Deficit)	<u>\$ (28,138,335)</u>	<u>\$ 120,028,742</u>	<u>\$ 160,572,817</u>

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

Exhibit B

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

						Net (Expense) Revenue and Changes in Net Position		
						Primary	Component Units	
						Government	Blount	
						Total	County	Blount
						Governmental	School	Memorial
Functions/Programs	Expenses	Charges for	Operating	Capital		Activities	Department	Hospital
		Services	Grants and	Grants and				
			Contributions	Contributions				
<u>Primary Government</u>								
Governmental Activities:								
General Government	\$ 8,707,338	\$ 2,035,331	\$ 22,664	\$ 0	\$ (6,649,343)	\$ 0	\$ 0	
Finance	7,654,024	4,319,262	0	0	(3,334,762)	0	0	
Administration of Justice	6,968,660	5,022,169	550,389	0	(1,396,102)	0	0	
Public Safety	25,330,921	5,697,666	529,393	0	(19,103,862)	0	0	
Public Health and Welfare	1,893,448	245,429	1,146,871	0	(501,148)	0	0	
Social, Cultural, and Recreational Services	4,046,668	386,486	1,098,315	0	(2,561,867)	0	0	
Agriculture and Natural Resources	357,548	0	36,701	0	(320,847)	0	0	
Highways	14,904,164	137,314	3,965,353	859,097	(9,942,400)	0	0	
Education	16,279,385	13,910,049	0	0	(2,369,336)	0	0	
Interest on Long-term Debt	7,526,561	0	0	0	(7,526,561)	0	0	
Total Primary Government	<u>\$ 93,668,717</u>	<u>\$ 31,753,706</u>	<u>\$ 7,349,686</u>	<u>\$ 859,097</u>	<u>\$ (53,706,228)</u>	<u>\$ 0</u>	<u>\$ 0</u>	
<u>Component Units</u>								
Blount County School Department	\$ 102,546,881	\$ 3,108,867	\$ 9,433,551	\$ 0	\$ 0	\$ (90,004,463)	\$ 0	
Blount Memorial Hospital	307,377,093	287,428,740	12,034,301	0	0	0	(7,914,052)	
Total Component Units	<u>\$ 409,923,974</u>	<u>\$ 290,537,607</u>	<u>\$ 21,467,852</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (90,004,463)</u>	<u>\$ (7,914,052)</u>	

(Continued)

Exhibit B

Blount 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	Component Units	
					Government	Blount	Blount
					Total Governmental Activities	County School Department	Memorial Hospital
General Revenues:							
Property Taxes Levied for General Purposes					\$ 31,440,938	\$ 22,352,931	\$ 0
Property Taxes Levied for Debt Service					17,105,326	0	0
Property Taxes Levied for Capital Projects					0	1,429,468	0
Local Option Sales Taxes					5,425,770	16,524,592	0
Hotel/Motel Taxes					961,486	0	0
Litigation - General Taxes					826,951	0	0
Business Taxes					1,105,904	546,051	0
Wholesale Beer Taxes					256,247	0	0
Other Taxes					279,567	202,650	0
Grants and Contributions Not Restricted to Specific Programs					6,514,112	52,327,743	93,904
Unrestricted Investment Income					1,752,647	386,789	5,952,548
Gain on Investments					0	6,694	0
Miscellaneous					411,139	22,523	0
Total General Revenues					<u>\$ 66,080,087</u>	<u>\$ 93,799,441</u>	<u>\$ 6,046,452</u>
Change in Net Position					\$ 12,373,859	\$ 3,794,978	\$ (1,867,600)
Net Position (Deficit), July 1, 2018					<u>(40,512,194)</u>	<u>116,233,764</u>	<u>162,440,417</u>
Net Position (Deficit), June 30, 2019					<u><u>\$ (28,138,335)</u></u>	<u><u>\$ 120,028,742</u></u>	<u><u>\$ 160,572,817</u></u>

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

Exhibit C-1

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash	\$ 100	\$ 0	\$ 0	\$ 22,279	\$ 22,379
Equity in Pooled Cash and Investments	29,515,953	3,656,131	15,051,754	6,533,758	54,757,596
Accounts Receivable	219,561	12,664	139,407	60,975	432,607
Due from Other Governments	2,680,454	1,584,426	272,800	35,521	4,573,201
Due from Other Funds	9,462	0	0	195,000	204,462
Due from Component Units	0	0	189,797	0	189,797
Property Taxes Receivable	32,510,827	0	17,733,178	0	50,244,005
Allowance for Uncollectible Property Taxes	(430,166)	0	(234,636)	0	(664,802)
Notes Receivable - Long-term	0	0	388,087	0	388,087
Total Assets	<u>\$ 64,506,191</u>	<u>\$ 5,253,221</u>	<u>\$ 33,540,387</u>	<u>\$ 6,847,533</u>	<u>\$ 110,147,332</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 1,020,055	\$ 80,810	\$ 0	\$ 90,718	\$ 1,191,583
Accrued Payroll	553,715	135,914	0	33,765	723,394
Payroll Deductions Payable	195,634	19,032	0	5,573	220,239
Due to Other Funds	0	195,000	0	9,462	204,462
Due to State of Tennessee	1,184	12	0	2,034	3,230
Due to Other Taxing Units	22,174	6,798	0	0	28,972
Due to Litigants, Heirs, and Others	17,047	0	0	3,784	20,831
Total Liabilities	<u>\$ 1,809,809</u>	<u>\$ 437,566</u>	<u>\$ 0</u>	<u>\$ 145,336</u>	<u>\$ 2,392,711</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 31,433,191	\$ 0	\$ 17,145,376	\$ 0	\$ 48,578,567

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Deferred Delinquent Property Taxes	\$ 428,631	\$ 0	\$ 233,795	\$ 0	\$ 662,426
Other Deferred/Unavailable Revenue	533,728	0	388,087	33,613	955,428
Total Deferred Inflows of Resources	\$ 32,395,550	\$ 0	\$ 17,767,258	\$ 33,613	\$ 50,196,421
<u>FUND BALANCES</u>					
Nonspendable:					
Endowments	\$ 0	\$ 0	\$ 0	\$ 485,403	\$ 485,403
Restricted:					
Restricted for General Government	690,979	0	0	204,951	895,930
Restricted for Finance	290,105	0	0	0	290,105
Restricted for Administration of Justice	436,890	0	0	53,647	490,537
Restricted for Public Safety	151,916	0	0	968,886	1,120,802
Restricted for Public Health and Welfare	34,151	0	0	26,753	60,904
Restricted for Social, Cultural, and Recreational Services	0	0	0	590,525	590,525
Restricted for Capital Projects	0	0	0	198,570	198,570
Committed:					
Committed for Administration of Justice	90,337	0	0	0	90,337
Committed for Public Safety	0	0	0	995,495	995,495
Committed for Public Health and Welfare	168,845	0	0	0	168,845
Committed for Highways/Public Works	0	4,815,655	0	0	4,815,655
Committed for Capital Outlay	0	0	0	3,144,354	3,144,354
Committed for Debt Service	0	0	15,773,129	0	15,773,129
Assigned:					
Assigned for General Government	106,486	0	0	0	106,486
Assigned for Finance	284,626	0	0	0	284,626

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>FUND BALANCES (Cont.)</u>					
Assigned (Cont.):					
Assigned for Administration of Justice	\$ 44,996	\$ 0	\$ 0	\$ 0	\$ 44,996
Assigned for Public Safety	529,964	0	0	0	529,964
Assigned for Public Health and Welfare	3,434	0	0	0	3,434
Assigned for Highways/Public Works	2,451	0	0	0	2,451
Assigned for Capital Outlay	98,544	0	0	0	98,544
Unassigned	27,367,108	0	0	0	27,367,108
Total Fund Balances	<u>\$ 30,300,832</u>	<u>\$ 4,815,655</u>	<u>\$ 15,773,129</u>	<u>\$ 6,668,584</u>	<u>\$ 57,558,200</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 64,506,191</u>	 <u>\$ 5,253,221</u>	 <u>\$ 33,540,387</u>	 <u>\$ 6,847,533</u>	 <u>\$ 110,147,332</u>

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

Blount 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)		\$	57,558,200
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	7,518,566	
Add: construction in progress		228,303	
Add: infrastructure net of accumulated depreciation		45,158,654	
Add: buildings and improvements net of accumulated depreciation		31,121,070	
Add: other capital assets net of accumulated depreciation		<u>6,755,998</u>	90,782,591
(2) An internal service fund is used by management to charge the cost of general liability, property, casualty, workers' compensation, and employee health benefits to an individual fund. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.			1,703,328
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other loans payable	\$	(81,492)	
Less: capital leases payable		(698,500)	
Less: bonds payable		(157,756,814)	
Add: deferred amount on refunding		3,174,036	
Less: compensated absences payable		(3,464,701)	
Less: other postemployment benefits liability		(6,920,191)	
Less: accrued interest on bonds, notes, and capital leases		(564,315)	
Add: receivable for capital lease and loan to be retired by the school department		1,096,195	
Less: unamortized premium on debt		<u>(20,306,690)</u>	(185,522,472)
(4) 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 expense in future years:			
Add: deferred outflows of resources related to pensions	\$	4,238,236	
Less: deferred inflows of resources related to pensions		(1,060,472)	
Add: deferred outflows of resources related to OPEB		357,103	
Less: deferred inflows of resources related to OPEB		<u>(1,567,986)</u>	1,966,881
(5) Net pension assets of the agent plans are not current financial resources and therefore are not reported in the governmental funds:			
Add: agent plan-excluding library		3,623,966	
Add: agent plan-library		<u>131,317</u>	3,755,283
(6) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>1,617,854</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>(28,138,335)</u></u>

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

Exhibit C-3

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>					
Local Taxes	\$ 35,900,138	\$ 4,792,409	\$ 18,490,862	\$ 239,788	\$ 59,423,197
Licenses and Permits	1,082,669	367,178	0	0	1,449,847
Fines, Forfeitures, and Penalties	1,456,786	0	0	20,630	1,477,416
Charges for Current Services	932,661	0	0	252,495	1,185,156
Other Local Revenues	1,036,066	397,296	1,236,804	204,032	2,874,198
Fees Received From County Officials	7,960,106	0	0	0	7,960,106
State of Tennessee	4,820,467	4,441,490	26,073	269	9,288,299
Federal Government	4,630,809	0	0	200,000	4,830,809
Other Governments and Citizens Groups	480,908	8,786	1,073,848	1,521,681	3,085,223
Total Revenues	\$ 58,300,610	\$ 10,007,159	\$ 20,827,587	\$ 2,438,895	\$ 91,574,251
<u>Expenditures</u>					
Current:					
General Government	\$ 5,105,659	\$ 0	\$ 0	\$ 224,023	\$ 5,329,682
Finance	7,388,802	0	0	0	7,388,802
Administration of Justice	6,578,937	0	0	4,020	6,582,957
Public Safety	23,942,400	0	0	179,788	24,122,188
Public Health and Welfare	1,924,034	0	0	0	1,924,034
Social, Cultural, and Recreational Services	693,977	0	0	2,342,521	3,036,498
Agriculture and Natural Resources	353,311	0	0	0	353,311
Other Operations	1,396,762	0	0	9,207	1,405,969
Highways	77,387	8,738,994	0	0	8,816,381
Debt Service:					
Principal on Debt	0	0	9,882,492	0	9,882,492
Interest on Debt	0	0	7,864,811	0	7,864,811
Other Debt Service	0	0	393,716	0	393,716

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>Expenditures (Cont.)</u>					
Capital Projects	\$ 957,974	\$ 0	\$ 0	\$ 2,737,640	\$ 3,695,614
Total Expenditures	\$ 48,419,243	\$ 8,738,994	\$ 18,141,019	\$ 5,497,199	\$ 80,796,455
Excess (Deficiency) of Revenues Over Expenditures	\$ 9,881,367	\$ 1,268,165	\$ 2,686,568	\$ (3,058,304)	\$ 10,777,796
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 29,089	\$ 571	\$ 0	\$ 0	\$ 29,660
Transfers In	233,507	0	840,803	5,442,145	6,516,455
Transfers Out	(5,120,291)	(1,162,657)	0	0	(6,282,948)
Total Other Financing Sources (Uses)	\$ (4,857,695)	\$ (1,162,086)	\$ 840,803	\$ 5,442,145	\$ 263,167
Net Change in Fund Balances	\$ 5,023,672	\$ 106,079	\$ 3,527,371	\$ 2,383,841	\$ 11,040,963
Fund Balance, July 1, 2018	25,277,160	4,709,576	12,245,758	4,284,743	46,517,237
Fund Balance, June 30, 2019	\$ 30,300,832	\$ 4,815,655	\$ 15,773,129	\$ 6,668,584	\$ 57,558,200

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

Blount 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)		\$	11,040,963
(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		\$	2,318,610
Less: current-year depreciation expense			<u>(8,380,544)</u> (6,061,934)
(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			(437,730)
(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		\$	1,617,854
Less: deferred delinquent property taxes and other deferred June 30, 2018			<u>(1,054,797)</u> 563,057
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:			
Add: principal payments on bonds		\$	7,986,928
Add: principal payments on other loans			939,275
Add: principal payments on capital leases			956,288
Less: lease principal payments contributed by the school department			(626,912)
Add: change in unamortized premium on debt issuances			2,382,261
Less: correction of other loans payable balance, 7-1-18			(98,127)
Less: change in deferred amount on refunding debt			(439,726)
Add: change in loan due from school department			<u>(175,805)</u> 10,924,182

(Continued)

Blount County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities (Cont.)

(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	\$ (485,529)
Change in receivable for accrued interest being retired by the School Department	(22,577)
Change in compensated absences payable	(282,008)
Change in other postemployment benefits liability (OPEB)	586,574
Change in net pension asset/liability	2,001,374
Change in deferred outflows related to pensions	(479,885)
Change in deferred inflows related to pensions	(411,351)
Change in deferred outflows related to OPEB	357,103
Change in deferred inflows related to OPEB	<u>(1,417,744)</u> \$ (154,043)
(6) An internal service fund is used by management to charge the cost of general liability, property, casualty, workers' compensation, and employee health benefits to an individual fund. The net revenue (expense) of certain activities of the internal service fund is reported with governmental activities in the statement of activities.	
	<u>(3,500,636)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 12,373,859</u>

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

Exhibit C-5

Blount 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	\$ 35,900,138	\$ 0	\$ 0	\$ 35,900,138	\$ 34,374,209	\$ 34,374,209	\$ 1,525,929
Licenses and Permits	1,082,669	0	0	1,082,669	1,081,700	1,081,700	969
Fines, Forfeitures, and Penalties	1,456,786	0	0	1,456,786	1,239,007	1,247,007	209,779
Charges for Current Services	932,661	0	0	932,661	906,750	906,750	25,911
Other Local Revenues	1,036,066	0	0	1,036,066	667,675	667,675	368,391
Fees Received From County Officials	7,960,106	0	0	7,960,106	7,701,119	7,831,119	128,987
State of Tennessee	4,820,467	0	0	4,820,467	3,102,997	3,001,701	1,818,766
Federal Government	4,630,809	0	0	4,630,809	3,674,056	3,975,509	655,300
Other Governments and Citizens Groups	480,908	0	0	480,908	339,648	341,898	139,010
Total Revenues	\$ 58,300,610	\$ 0	\$ 0	\$ 58,300,610	\$ 53,087,161	\$ 53,427,568	\$ 4,873,042
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 128,339	\$ (694)	\$ 216	\$ 127,861	\$ 132,609	\$ 132,609	\$ 4,748
Board of Equalization	489	0	0	489	6,997	6,997	6,508
Beer Board	419	(222)	0	197	1,000	1,000	803
Other Boards and Committees	68,261	(13,609)	3,802	58,454	68,812	68,812	10,358
County Mayor/Executive	247,916	(358)	151	247,709	249,561	249,561	1,852
Personnel Office	332,672	(98,226)	74,226	308,672	249,661	328,205	19,533
Election Commission	571,708	(9,439)	2,731	565,000	641,109	641,109	76,109
Register of Deeds	577,169	(1,435)	0	575,734	608,234	608,233	32,499
Development	826,025	(9,992)	4,122	820,155	902,856	949,995	129,840
County Buildings	1,441,563	(56,454)	19,012	1,404,121	1,502,013	1,502,012	97,891
Other General Administration	655,019	(35,198)	125	619,946	619,419	652,419	32,473
Preservation of Records	103,313	(2,777)	37	100,573	114,336	114,336	13,763
Risk Management	152,766	(533)	2,064	154,297	157,872	157,872	3,575
<u>Finance</u>							
Accounting and Budgeting	576,498	(8,050)	2,195	570,643	753,167	674,623	103,980
Purchasing	311,104	(2,403)	417	309,118	302,512	313,122	4,004

(Continued)

Exhibit C-5

Blount 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>Finance (Cont.)</u>							
Central Services	\$ 2,783,705	\$ 0	\$ 1,863	\$ 2,785,568	\$ 2,958,160	\$ 3,088,160	\$ 302,592
Property Assessor's Office	833,335	(330)	1,647	834,652	866,797	866,797	32,145
Reappraisal Program	368,848	(681)	5,450	373,617	386,275	386,275	12,658
County Trustee's Office	526,280	(1,545)	168	524,903	543,886	543,886	18,983
County Clerk's Office	1,206,973	(3,837)	2,740	1,205,876	1,224,677	1,252,259	46,383
Data Processing	782,059	(41,010)	270,146	1,011,195	1,055,413	1,055,414	44,219
<u>Administration of Justice</u>							
Circuit Court Judge	110,135	(16,717)	7,596	101,014	108,960	162,875	61,861
Circuit Court Clerk	2,402,034	(15,371)	8,450	2,395,113	2,497,932	2,497,933	102,820
Criminal Court	506,638	(5,327)	2,081	503,392	496,505	511,505	8,113
General Sessions Judge	994,486	(3,187)	1,135	992,434	1,033,899	1,033,899	41,465
Drug Court	80,820	(250)	1,985	82,555	84,996	97,781	15,226
Chancery Court	498,125	(21,600)	19,595	496,120	537,852	537,852	41,732
Juvenile Court	564,147	(5,994)	3,690	561,843	537,066	663,005	101,162
Office of Public Defender	38,066	0	0	38,066	50,262	50,262	12,196
Judicial Commissioners	174,229	(2,355)	128	172,002	239,145	239,145	67,143
Other Administration of Justice	577,780	0	0	577,780	616,068	616,068	38,288
Probation Services	585,530	(3,679)	336	582,187	606,423	606,424	24,237
Victim Assistance Programs	46,947	0	0	46,947	47,556	47,556	609
<u>Public Safety</u>							
Sheriff's Department	12,543,726	(362,284)	295,926	12,477,368	13,223,109	13,223,110	745,742
Administration of the Sexual Offender Registry	7,250	(4,100)	2,850	6,000	26,000	26,000	20,000
Jail	9,157,343	(301,597)	221,723	9,077,469	9,402,284	9,402,284	324,815
Workhouse	13,963	0	0	13,963	13,998	13,998	35
Juvenile Services	1,606,455	(14,664)	8,511	1,600,302	1,713,767	1,713,767	113,465
Fire Prevention and Control	46,250	0	0	46,250	46,250	46,250	0
Civil Defense	223,612	(1,881)	954	222,685	228,908	237,656	14,971
Other Emergency Management	343,801	0	0	343,801	343,801	343,801	0

(Continued)

Exhibit C-5

Blount 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>Public Health and Welfare</u>							
Local Health Center	\$ 1,115,213	\$ (7,747)	\$ 40	\$ 1,107,506	\$ 1,342,858	\$ 1,352,358	\$ 244,852
Rabies and Animal Control	663,843	(12,440)	3,394	654,797	677,281	711,258	56,461
Other Local Welfare Services	0	0	0	0	98,668	0	0
Recycling Center	144,978	(67,054)	0	77,924	77,600	135,452	57,528
<u>Social, Cultural, and Recreational Services</u>							
Parks and Fair Boards	693,977	0	0	693,977	693,978	693,978	1
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	171,771	(29)	0	171,742	177,722	177,722	5,980
Soil Conservation	181,540	(1,450)	0	180,090	175,142	180,172	82
<u>Other Operations</u>							
Industrial Development	1,080,930	0	0	1,080,930	1,080,930	1,080,930	0
Veterans' Services	188,849	(175)	2,451	191,125	191,505	193,755	2,630
Contributions to Other Agencies	126,983	0	0	126,983	126,983	126,983	0
<u>Highways</u>							
Litter and Trash Collection	77,387	(375)	0	77,012	80,799	80,799	3,787
<u>Capital Projects</u>							
General Administration Projects	30,897	0	4,775	35,672	37,000	37,000	1,328
Public Safety Projects	927,077	(182,079)	93,769	838,767	838,768	838,768	1
Total Expenditures	\$ 48,419,243	\$ (1,317,148)	\$ 1,070,501	\$ 48,172,596	\$ 50,799,381	\$ 51,274,042	\$ 3,101,446
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 9,881,367	\$ 1,317,148	\$ (1,070,501)	\$ 10,128,014	\$ 2,287,780	\$ 2,153,526	\$ 7,974,488
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 29,089	\$ 0	\$ 0	\$ 29,089	\$ 0	\$ 0	\$ 29,089
Transfers In	233,507	0	0	233,507	233,507	233,507	0
Transfers Out	(5,120,291)	0	0	(5,120,291)	(4,230,164)	(5,116,488)	(3,803)
Total Other Financing Sources	\$ (4,857,695)	\$ 0	\$ 0	\$ (4,857,695)	\$ (3,996,657)	\$ (4,882,981)	\$ 25,286

(Continued)

Exhibit C-5

Blount 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	
Net Change in Fund Balance	\$ 5,023,672	\$ 1,317,148	\$ (1,070,501)	\$ 5,270,319	\$ (1,708,877)	\$ (2,729,455)	\$ 7,999,774
Fund Balance, July 1, 2018	25,277,160	(1,317,148)	0	23,960,012	25,277,160	25,277,160	(1,317,148)
Fund Balance, June 30, 2019	\$ 30,300,832	\$ 0	\$ (1,070,501)	\$ 29,230,331	\$ 23,568,283	\$ 22,547,705	\$ 6,682,626

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

Exhibit C-6

Blount County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works 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	\$ 4,792,409	\$ 0	\$ 0	\$ 4,792,409	\$ 3,337,000	\$ 4,337,000	\$ 455,409
Licenses and Permits	367,178	0	0	367,178	360,000	360,000	7,178
Other Local Revenues	397,296	0	0	397,296	43,000	43,000	354,296
State of Tennessee	4,441,490	0	0	4,441,490	4,235,989	4,235,989	205,501
Federal Government	0	0	0	0	0	128,000	(128,000)
Other Governments and Citizens Groups	8,786	0	0	8,786	5,000	5,000	3,786
Total Revenues	\$ 10,007,159	\$ 0	\$ 0	\$ 10,007,159	\$ 7,980,989	\$ 9,108,989	\$ 898,170
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 923,065	\$ (5,331)	\$ 8,624	\$ 926,358	\$ 938,411	\$ 988,411	\$ 62,053
Highway and Bridge Maintenance	6,087,603	(549,863)	431,718	5,969,458	5,963,307	6,638,597	669,139
Operation and Maintenance of Equipment	732,988	(5,798)	3,000	730,190	709,089	764,089	33,899
Capital Outlay	995,338	(246,198)	0	749,140	370,000	749,564	424
Total Expenditures	\$ 8,738,994	\$ (807,190)	\$ 443,342	\$ 8,375,146	\$ 7,980,807	\$ 9,140,661	\$ 765,515
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,268,165	\$ 807,190	\$ (443,342)	\$ 1,632,013	\$ 182	\$ (31,672)	\$ 1,663,685
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 571	\$ 0	\$ 0	\$ 571	\$ 200	\$ 200	\$ 371
Transfers Out	(1,162,657)	0	0	(1,162,657)	0	(1,162,657)	0
Total Other Financing Sources	\$ (1,162,086)	\$ 0	\$ 0	\$ (1,162,086)	\$ 200	\$ (1,162,457)	\$ 371
Net Change in Fund Balance	\$ 106,079	\$ 807,190	\$ (443,342)	\$ 469,927	\$ 382	\$ (1,194,129)	\$ 1,664,056
Fund Balance, July 1, 2018	4,709,576	(807,190)	0	3,902,386	4,709,576	4,709,576	(807,190)
Fund Balance, June 30, 2019	\$ 4,815,655	\$ 0	\$ (443,342)	\$ 4,372,313	\$ 4,709,958	\$ 3,515,447	\$ 856,866

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

Exhibit D-1

Blount County, Tennessee
Statement of Net Position
Proprietary Fund
June 30, 2019

		Governmental Activities - Internal Service Fund Self Insurance Fund
	<u>ASSETS</u>	
Current Assets:		
Cash	\$	87,795
Equity in Pooled Cash and Investments		6,913,235
Accounts Receivable		347,082
Due from Component Units		1,048,347
Total Assets	\$	<u>8,396,459</u>
	<u>LIABILITIES</u>	
Current Liabilities:		
Accounts Payable	\$	2,482,784
Other Current Liabilities		3,162,000
Total Liabilities	\$	<u>5,644,784</u>
	<u>DEFERRED INFLOWS OF RESOURCES</u>	
Unearned Revenue	\$	<u>1,048,347</u>
Total Deferred Inflows of Resources	\$	<u>1,048,347</u>
	<u>NET POSITION</u>	
Net Position - Unrestricted	\$	<u>1,703,328</u>
Total Net Position	\$	<u><u>1,703,328</u></u>

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

Exhibit D-2

Blount County, Tennessee
Statement of Revenues, Expenses, and Changes
in Net Position
Proprietary Fund
For the Year Ended June 30, 2019

	Governmental Activities - Internal Service Fund
	<u>Self Insurance Fund</u>
<u>Operating Revenues</u>	
Self-Insurance Premiums	\$ 21,848,831
Total Operating Revenues	<u>\$ 21,848,831</u>
<u>Operating Expenses</u>	
Fiscal Agent Charges	\$ 502,696
Insurance Premiums	1,019,130
Other Administrative Expenses	30,995
Contracts with Private Agencies	315,765
Medical Claims	22,116,904
Other Self-Insured Claims	1,294,411
Total Operating Expenses	<u>\$ 25,279,901</u>
Operating Income (Loss)	<u>\$ (3,431,070)</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 163,941
Total Nonoperating Revenues (Expenses)	<u>\$ 163,941</u>
Income (Loss) Before Transfers	\$ (3,267,129)
Transfers Out	<u>(233,507)</u>
Change in Net Position	\$ (3,500,636)
Net Position, July 1, 2018	<u>5,203,964</u>
Net Position, June 30, 2019	<u><u>\$ 1,703,328</u></u>

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

Blount County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2019

	Governmental Activities - Internal Service Fund <hr/> Self Insurance Fund
<u>Cash Flows from Operating Activities</u>	
Receipts for Self-insurance Premiums	\$ 21,848,831
Receipts for Insurance Recovery	14,062
Receipts for Prescription Rebates	760,362
Payments to Fiscal Agents	(502,696)
Payments to Insurers	(1,335,538)
Payments for Claims	(21,948,273)
Payments for Administrative Costs	(30,995)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (1,194,247)</u>
<u>Cash Flows from Investing Activities</u>	
Interest on Investments	\$ 161,182
Net Cash Provided By (Used In) Investing Activities	<u>\$ 161,182</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Transfers to Other Funds	\$ (233,507)
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ (233,507)</u>
Increase (Decrease) in Cash	\$ (1,266,572)
Cash, July 1, 2018	<u>8,267,602</u>
Cash, June 30, 2019	<u><u>\$ 7,001,030</u></u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (3,431,070)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in Current Receivables (excluding interest receivable)	(332,127)
Increase (Decrease) in Current Liabilities	<u>2,568,950</u>
Net Cash Provided By (Used In) Operating Activities	<u><u>\$ (1,194,247)</u></u>
<u>Reconciliation of Cash with Statement of Net Position</u>	
Cash Per Net Position	\$ 87,795
Equity in Pooled Cash and Investments Per Net Position	<u>6,913,235</u>
Cash, June 30, 2019	<u><u>\$ 7,001,030</u></u>

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 5,949,628
Equity in Pooled Cash and Investments	1,316,440
Accounts Receivable	310,898
Due from Other Governments	6,124,754
Taxes Receivable	16,342,497
Allowance for Uncollectible Taxes	<u>(216,236)</u>
Total Assets	<u><u>\$ 29,827,981</u></u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 41,211
Payroll Deductions Payable	345,543
Due to Other Taxing Units	22,306,711
Due to Litigants, Heirs, and Others	6,223,831
Due to Joint Ventures	<u>910,685</u>
Total Liabilities	<u><u>\$ 29,827,981</u></u>

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

BLOUNT COUNTY, TENNESSEE

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Blount 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 Blount County:

A. Reporting Entity

Blount County is a public municipal corporation governed by an elected 21-member board. As required by GAAP, these financial statements present Blount County (the primary government) and its component units. The financial statements of the Blount County Emergency Communications District and the Blount County Public Building Authority, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of the omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships 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 Blount County School Department operates the public school system in the county, and the voters of Blount 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.

Blount Memorial Hospital, Inc., is a nonprofit acute care and general health care provider. The primary mission of the Blount Memorial Hospital is to provide health care services to the citizens of Blount County and the surrounding community. Blount Memorial Hospital, Inc., is governed by a nine-member board of directors, four of whom are appointed by the Blount County Commission, two each by the cities of Maryville and Alcoa, and one by Maryville College. The county is responsible for issuing all debt of the hospital.

The Blount County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Blount County. The Blount County Emergency Communications District is governed by a nine-member board of directors, four of whom are appointed by the Blount County Commission, two each by the cities of Maryville and Alcoa, and one elected by the other eight members. 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 financial statements of the Blount County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Blount County Public Building Authority serves as a financing mechanism to provide capital loans to local governments throughout the state. The Blount County Public Building Authority is a public nonprofit organization whose board is appointed by the Blount County Commission. The county is entitled to the net earnings of the authority after provisions have been made for obligations and any reserves, which are determined by the board. The financial statements of the Blount County Public Building Authority were not material to the component units' opinion unit and therefore have been omitted from this report.

The Blount 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 Blount Memorial Hospital, Inc., Blount County Emergency Communications District, and the Blount County Public Building Authority can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Blount Memorial Hospital, Inc.
907 East Lamar Alexander Parkway
Maryville, Tennessee 37804

Blount County Emergency Communications District
1431 William Blount Drive
Maryville, Tennessee 37801

Blount County Public Building Authority
381 Court Street
Maryville, Tennessee 37804

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 Blount 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 Blount 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.

Blount County issues all debt for the discretely presented Blount County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2019.

Separate financial statements are provided for governmental funds, proprietary funds (internal service), and fiduciary funds. The internal service fund is reported with the governmental activities in the government-wide financial statements, and 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 proprietary fund and 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 Blount 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. Blount County only reports one proprietary fund, an internal service fund. It has no enterprise funds to report.

Separate financial statements are provided for governmental funds, proprietary 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 internal service fund and the fiduciary funds in total are reported in single columns by fund type.

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 60 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. Blount County considers grants and similar revenues to be available if they are collected within 60 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.

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

Blount 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.

Additionally, Blount County reports the following fund types:

Capital Projects Funds – 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.

Permanent Fund – The Endowment Fund is used to account for an endowment received by the county for which the principal must remain intact while interest earned on the principal is to be expended to benefit an orphans’ or children’s home owned by the county.

Internal Service Fund – The Self Insurance Fund accounts for the self-insured general liability, property, casualty, workers’ compensation, and employee health benefits managed by the county for the primary government and the discretely presented school department.

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Blount County, the city school systems’ shares of educational revenues, Hotel/Motel tax received by the county to be forwarded to the Tourism Development Authority, state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force, restricted revenues held for the benefit of the Office of District Attorney General, and

amounts held in a payroll clearing account. 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 Blount County School Department reports the following major governmental fund:

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.

Additionally, the Blount County School Department reports the following fund types:

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.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an internal service fund, used to account for general liability, property, casualty, employee health, and workers' compensation programs. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the county's internal service fund are self-insurance premiums. Operating expenses for the internal service fund include medical and other self-insured claims and fiscal agent charges.

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

1. **Deposits and Investments**

For purposes of the Statement of Cash Flows of the internal service fund, cash includes demand deposits and cash on deposit with the county trustee.

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 Blount 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 is assigned to the General, General Debt Service, and General Purpose School funds. Blount 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. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, 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. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United State of America.

All other investments are reported at fair value. Other than the pension stabilization trust discussed in Note IV.A., no investments required to be reported at fair value were held at the balance sheet date.

2. Receivables and Payables

Activity between funds for unremitted current collections, as well as activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as due to/from other funds.

All property taxes receivable are shown net of an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 0.69 percent of the 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 60 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.

Most payables are disaggregated on the face of the financial statements. On the Statement of Net Position for the primary government, a portion of Accounts Payable totaling \$2,482,784, as well as the entire balance in the account Other Current Liabilities totaling \$3,162,000, represent internal service fund liabilities for self-insured claims. Other Current

Liabilities of the discretely presented school department consist primarily of accrued payroll taxes and other employee benefits.

3. Restricted Assets

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement (TCRS) for the benefit of the discretely presented Blount 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 Blount County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Blount 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.

4. 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 \$5,000 or more and an estimated useful life of more than two 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	50
Other Capital Assets	5 - 20
Infrastructure	20 - 30

5. 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. These items are the deferred charge on refunding, pension changes in experience, pension changes in assumptions, pension other deferrals and pension contributions after the measurement date, OPEB changes in assumptions, and OPEB changes in experience.

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) 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/or the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes, pension changes in experience, pension changes in investment earnings, pension other deferrals, OPEB changes in experience, OPEB changes in assumptions, unearned revenues, and various receivables for revenues, which do not meet the availability criteria in governmental funds.

6. Compensated Absences

The county's policies permit employees to accumulate earned but unused vacation and sick pay benefits. Employees will be reimbursed for unused sick leave upon retirement or death up to a maximum of 30 days. Vacation benefits for the school department do not accumulate and must be used within the year or lost. There is no liability for unpaid accumulated sick leave for the school department since they do not have a policy to pay any amounts when employees separate from service with the government. All vacation pay and the limited liability for sick leave of the primary government are accrued when incurred in the government-wide statements. A liability for vacation and sick pay is

reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

7. 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 are 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.

8. Net Position and Fund Balance

In the government-wide financial statements and the proprietary fund in the fund 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.

As of June 30, 2019, Blount County had \$125,780,703 in outstanding debt for capital purposes of other entities (schools - \$123,014,926, industrial purposes - \$2,394,175, and a joint communications system lease - \$371,602). In accordance with state statutes, certain county school debt proceeds must be shared with other public school systems in the county (the cities of Maryville and Alcoa school systems) based on an average daily attendance proration. This debt is a liability of Blount County, but the capital assets acquired are reported in the financial statements of the other entities. At June 30, 2019, Blount County also had \$9,242,450 of non-capital debt, which was used to retire interest rate swap agreements. Therefore, Blount 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 and the Board of Education are authorized bodies to make assignments for the primary government and the school department, respectively. Assigned fund balance in the General Fund includes amounts assigned for encumbrances (\$1,070,501). Assigned fund balance in the school department's General Purpose School Fund includes an amount appropriated for use in the 2019-20 budget (\$1,564,096) and amounts assigned for encumbrances (\$570,884).

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.

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 Blount County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Blount 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 Blount 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 Benefit (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 Blount County. For this purpose, Blount County recognizes benefit payments when due and payable in accordance with benefit terms. Blount County's OPEB plan is not administered through a trust.

Discretely Presented Blount 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 discretely presented Blount County School Department. For this purpose, the school department recognizes benefit payments when due and payable in accordance with 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 Blount County School Department

Exhibit J-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 Blount County School Department

Exhibit J-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

A. 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) and the Endowment Fund (permanent fund), which are 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, County Mayor, County Attorney, 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, Blount County had outstanding encumbrances in budgeted funds as follows:

<u>Fund</u>	<u>Amount</u>
Primary Government:	
General	\$ 1,070,501
Highway/Public Works	443,342
Nonmajor governmental	803,888
Discretely Presented School Department:	
General Purpose School	570,884
Nonmajor governmental	690,424

B. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the county commission in the Transfers Out major appropriations category (the legal level of control) of the General Fund by \$3,803. Expenditures exceeded appropriations approved by the county commission in the Principal on Debt - General Government major appropriations category (the legal level of control) of the General Debt Service Fund by \$14,579. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balances.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Blount County and the Blount 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. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer's Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. 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, Blount County had the following investments carried at amortized cost using a Stable Net Asset value. Pooled investments reported in the following table are held in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Blount County and the discretely presented Blount 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	\$ 644,818

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Blount County does not have a formal investment policy that limits 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. State statutes limit the ratings of certain investments as previously explained. Blount County has no investment policy that would further limit its investment choices. As of June 30, 2019, Blount County's investment in the State Treasurer's Investment Pool was unrated.

TCRS Stabilization Trust

Legal Provisions. The Blount 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 Blount 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 cost, 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 value. 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 Blount 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	\$ 41,108
Developed Market International Equity	N/A	N/A	18,565
Emerging Market International Equity	N/A	N/A	5,304
U.S. Fixed Income	N/A	N/A	26,521
Real Estate	N/A	N/A	13,261
Short-term Securities	N/A	N/A	1,326
Investments at Amortized Cost using the NAV:			
Private Equity and Strategic Lending	N/A	N/A	26,521
Total			<u>\$ 132,606</u>

Investment by Fair Value Level	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)		NAV
U.S. Equity	\$ 41,108	\$ 41,108	0	0	0
Developed Market International Equity	18,565	18,565	0	0	0
Emerging Market International Equity	5,304	5,304	0	0	0
U.S. Fixed Income	26,521	0	26,521	0	0
Real Estate	13,261	0	0	13,261	0
Short-term Securities	1,326	0	1,326	0	0
Private Equity and Strategic Lending	26,521	0	0	0	26,521
Total	<u>\$ 132,606</u>	<u>\$ 64,977</u>	<u>\$ 27,847</u>	<u>\$ 13,261</u>	<u>\$ 26,521</u>

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 Blount 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 Blount 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. Blount 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 Blount 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. Notes Receivable

During 2010, Blount County entered into an Intergovernmental Agreement with the City of Maryville and the City of Alcoa to share the costs of a communication system. The notes receivable for the City of Maryville and City of Alcoa's portion of the ten-year capital lease purchase are \$213,462 and \$174,625, respectively. These notes receivable are reflected in the General Debt Service Fund. See Note IV.F., for information on the capital lease associated with the purchase of the equipment.

Notes receivable are offset by deferred inflows in the fund financial statements.

C. 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	\$ 7,518,566	\$ 0	\$ 0	\$ 7,518,566
Construction in Progress	463,251	228,303	(463,251)	228,303
Total Capital Assets Not Depreciated	<u>\$ 7,981,817</u>	<u>\$ 228,303</u>	<u>\$ (463,251)</u>	<u>\$ 7,746,869</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 53,450,478	\$ 840,728	\$ 0	\$ 54,291,206
Roads, Streets, and Bridges	137,748,771	0	0	137,748,771
Other Capital Assets	21,016,575	1,712,830	(1,184,441)	21,544,964
Total Capital Assets Depreciated	<u>\$ 212,215,824</u>	<u>\$ 2,553,558</u>	<u>\$ (1,184,441)</u>	<u>\$ 213,584,941</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 22,041,127	\$ 1,129,009	\$ 0	\$ 23,170,136
Roads, Streets, and Bridges	88,428,115	4,162,002	0	92,590,117
Other Capital Assets	12,446,144	3,089,533	(746,711)	14,788,966
Total Accumulated Depreciation	<u>\$ 122,915,386</u>	<u>\$ 8,380,544</u>	<u>\$ (746,711)</u>	<u>\$ 130,549,219</u>
Total Capital Assets Depreciated, Net	<u>\$ 89,300,438</u>	<u>\$ (5,826,986)</u>	<u>\$ (437,730)</u>	<u>\$ 83,035,722</u>
Governmental Activities Capital Assets, Net	<u>\$ 97,282,255</u>	<u>\$ (5,598,683)</u>	<u>\$ (900,981)</u>	<u>\$ 90,782,591</u>

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

Governmental Activities:

General Government	\$ 208,370
Finance	260,234
Administration of Justice	248,305
Public Safety	679,785
Public Health and Welfare	148,332
Social, Cultural, and Recreational	313,528
Highways	<u>6,521,990</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 8,380,544</u>

Discretely Presented Blount County School Department

Governmental Activities:

	Balance 7-1-18	Increases	Decreases	Balance 6-30-19
Capital Assets Not Depreciated:				
Land	\$ 9,951,059	\$ 0	\$ 0	\$ 9,951,059
Total Capital Assets Not Depreciated	<u>\$ 9,951,059</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,951,059</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 173,112,586	\$ 369,394	\$ 0	\$ 173,481,980
Other Capital Assets	6,294,237	372,560	(48,616)	6,618,181
Total Capital Assets Depreciated	<u>\$ 179,406,823</u>	<u>\$ 741,954</u>	<u>\$ (48,616)</u>	<u>\$ 180,100,161</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 68,110,110	\$ 3,565,287	\$ 0	\$ 71,675,397
Other Capital Assets	4,548,592	233,445	(48,616)	4,733,421
Total Accumulated Depreciation	<u>\$ 72,658,702</u>	<u>\$ 3,798,732</u>	<u>\$ (48,616)</u>	<u>\$ 76,408,818</u>
Total Capital Assets Depreciated, Net	<u>\$ 106,748,121</u>	<u>\$ (3,056,778)</u>	<u>\$ 0</u>	<u>\$ 103,691,343</u>
Governmental Activities Capital Assets, Net	<u>\$ 116,699,180</u>	<u>\$ (3,056,778)</u>	<u>\$ 0</u>	<u>\$ 113,642,402</u>

Depreciation expense was charged to functions of the discretely presented Blount County School Department, as follows:

Governmental Activities:

Instruction	\$ 35,179
Support Services	3,656,128
Operation of Non-instructional Services	<u>107,425</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 3,798,732</u></u>

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 9,462
Nonmajor governmental	Highway/Public Works	195,000
Discretely Presented School Department:		
Nonmajor governmental	General Purpose School	204,010

These balances resulted from the time lag between the date that interfund goods and services are provided or reimbursable expenditures occur, and payments are made between funds.

Due to/from Primary Government and Component Unit:

Receivable Entity	Payable Entity	Amount
Primary Government:	Component Unit: School Department	
Governmental Activities	Governmental Activities	\$ 1,096,195
Internal Service Fund	General Purpose School Fund	953,200
Internal Service Fund	Nonmajor Governmental Fund	95,147
General Debt Service Fund	Nonmajor Governmental Fund	189,797

The amount reflected as Due to Primary Government from the discretely presented school department on the government-wide Statement of Net Position also includes \$1,096,195 for amounts loaned by the primary government to the school department. Of that amount, \$918,456 is not expected to be received within one year.

Interfund Transfers

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

Primary Government

Transfers Out	Transfers In		
	General Fund	Debt Service Fund	Nonmajor Governmental Funds
General Fund	\$ 0	\$ 840,803	\$ 4,279,488
Highway/Public Works Fund	0	0	1,162,657
Internal Service Fund	233,507	0	0
Total Transfers	\$ 233,507	\$ 840,803	\$ 5,442,145

Transfers to the nonmajor governmental funds include \$3,183,205 from the General Fund for capital expenditures, \$1,096,283 from the General Fund for operation of the library and \$1,162,657 from the Highway/Public Works Fund for capital expenditures. Transfers to the General Debt Service Fund represent contributions toward debt service expenditures and transfers to the General Fund represent the internal service fund's share of payroll expenses.

Discretely Presented Blount County School Department

Transfers Out	Transfers In	
	Nonmajor Governmental Funds	Purpose
General Purpose School Fund	\$ 189,797	Debt Service Contribution
Total	\$ 189,797	

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 and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

E. Operating Leases

Blount County has entered into a leasing program with Enterprise Fleet Management. As of June 30, 2019, Blount County was leasing 21 vehicles. All contracts are for 48 months with monthly rent varying based on vehicle type. Contracts are not effective until delivery of vehicle to the county, which also is the measurement date for the market value of the vehicle. The rental expenditures for the year ended June 30, 2019, were \$93,440 for the primary government and \$38,147 for the discretely presented school department. The future minimum lease payments for these leases are as follows:

Year Ending June 30	Primary Government	School Department	Total
2020	\$ 93,440	\$ 38,147	\$ 131,587
2021	36,349	13,257	49,606
2022	7,634	5,040	12,674
Total	\$ 137,423	\$ 56,444	\$ 193,867

F. Capital Leases

On September 1, 2010, Blount County entered into a ten-year lease-purchase agreement for a Motorola Communication System. The terms of the agreement require total lease payments of \$3,007,000 plus interest of 3.97 percent. Blount County entered into an interlocal agreement with the cities of Alcoa and Maryville to sublease a portion of the system to those cities. Title to the equipment transfers to Blount County and the cities at the end of the lease period. The lease payments will be made from the General Debt Service Fund. See Note IV.B., regarding notes receivable from the City of Maryville and City of Alcoa related to the lease.

The assets acquired through capital leases are as follows:

	Governmental Activities Primary Government
Machinery and Equipment (county portion)	\$ 1,808,935
Less: Accumulated Depreciation	(1,447,151)
Buildings and Improvements	0
Less: Accumulated Depreciation	0
Total Book Value	\$ 361,784

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2019, were as follows:

Year Ending June 30	Governmental Funds
2020	\$ 370,182
2021	370,183
Total Minimum Lease Payments	\$ 740,365
Less: Amount Representing Interest	(41,865)
Present Value of Minimum Lease Payments	\$ 698,500

G. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds - Blount 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 debt. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. Outstanding general obligation bonds were issued for original terms of up to 21 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 - Blount 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. Other loans outstanding were issued for an original term of 16 years and are interest free. Blount County had no outstanding capital outlay notes at June 30, 2019. Other loans included in long-term debt as of June 30, 2019, will be retired from the General Debt Service Fund.

General obligation bonds, other loans, and capital leases 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 - Fixed Rate	.55 to 5%	6-30-37	\$ 199,225,000	\$ 150,240,000
Qualified School Construction Bonds	2.6	9-14-27	14,855,000	7,516,814
Direct Borrowing and Direct Placement:				
Other Loans - State School Bond Authority	0	11-24-18	727,865	81,492
Capital Lease	3.97	9-1-20	3,007,000	698,500

The annual requirements to amortize all general obligation bonds 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	\$ 9,306,929	\$ 7,491,954	\$ 16,798,883
2021	9,601,929	7,198,477	16,800,406
2022	9,846,929	6,826,194	16,673,123
2023	10,231,929	6,437,479	16,669,408
2024	10,056,929	6,030,097	16,087,026
2025-2029	57,422,169	21,896,989	79,319,158
2030-2034	27,975,000	9,710,557	37,685,557
2035-2037	23,315,000	2,331,275	25,646,275
Total	\$ 157,756,814	\$ 67,923,022	\$ 225,679,836

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2020	\$ 40,746	\$ 0	\$ 40,746
2021	40,746	0	40,746
Total	\$ 81,492	\$ 0	\$ 81,492

There is \$15,773,129 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,282, based on the 2010 federal census. Total debt per capital, including bonds, other loans, capital leases, and unamortized debt premiums, totaled \$1,454, based on the 2010 federal census.

The county also issued revenue bonds and general obligation bonds on behalf of Blount Memorial Hospital, Inc. The Series 2014 Hospital Revenue Bonds outstanding at June 30, 2019, totaled \$841,900. The county is not liable for these bonds in case of default by the hospital. The Series 2013A bonds issued

on behalf of the hospital carry the general obligation pledge of the county in addition to being payable from hospital revenues. Series 2013A bonds outstanding at June 30, 2019, totaled \$67,375,000. These are discussed further in Note V.C. These bonds are reflected as liabilities on the financial statements of Blount Memorial Hospital, Inc., a discretely presented component unit.

Changes in Long-term Debt

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

	Bonds	Other Loans - Direct Placement*	Capital Leases - Direct Placement
Balance, July 1, 2018	\$ 165,743,742	\$ 1,020,767	\$ 1,654,788
Additions	0	0	0
Reductions	(7,986,928)	(939,275)	(956,288)
Balance, June 30, 2019	<u>\$ 157,756,814</u>	<u>\$ 81,492</u>	<u>\$ 698,500</u>
Balance Due Within One Year	<u>\$ 9,306,929</u>	<u>\$ 40,746</u>	<u>\$ 342,452</u>

* The balance for other loans, July 1, 2018, was previously reported as \$922,640. That balance was understated by \$98,127.

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2019	\$ 158,536,806
Less: Balance Due Within One Year - Debt	(9,690,127)
Add: Unamortized Premium on Debt	<u>20,306,690</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 169,153,369</u></u>

Defeasance of Prior Debt

In the prior year, Blount County defeased certain outstanding general obligation bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. The trustee is empowered and required to pay all principal and interest on the defeased bonds as originally scheduled until the bonds can be called and retired. Accordingly, the trust accounts and the defeased bonds are not included in the county's financial statements. At June 30, 2019, the following outstanding bonds are considered defeased:

	<u>Amount</u>
Series 2011 General Obligation Refunding Bonds (call date 6-1-2021)	\$ 27,270,000

H. 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	\$ 3,182,693	\$ 7,506,765
Additions	2,338,571	530,257
Reductions	<u>(2,056,563)</u>	<u>(1,116,831)</u>
Balance, June 30, 2019	<u>\$ 3,464,701</u>	<u>\$ 6,920,191</u>
Balance Due Within One Year	<u>\$ 1,559,115</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities-Other, June 30, 2019	\$ 10,384,892
Less: Balance Due Within One Year	<u>(1,559,115)</u>
Noncurrent Liabilities-Other - Due in More Than One Year - Exhibit A	<u>\$ 8,825,777</u>

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

Discretely Presented Blount County School Department

Changes in Long-term Obligations

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

	Other Postemployment Benefits
Balance, July 1, 2018	\$ 13,053,837
Additions	7,448,701
Reductions	<u>(2,304,828)</u>
Balance, June 30, 2019	<u>\$ 18,197,710</u>
Balance Due Within One Year	<u>\$ 0</u>

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

I. Donor-restricted Endowments

The county accounts for an endowment totaling \$485,403 in a permanent fund, the Endowment Fund. The principal amount must remain intact, while interest earned on the principal is to be used for operating an orphan's or children's home owned by Blount County. In prior years, the interest earned was used to operate the Blount County Children's Home; however, during the year ended June 30, 2014, the children's home ceased operations and as of December 2013, the county quit submitting payments to the children's home. During the year ended June 30, 2019, interest earned totaled \$8,756. As of June 30, 2019, the Endowment Fund has accumulated a balance of \$26,753 of unspent earned interest. As of the date of this report, the county has yet to determine how to spend the earned interest.

J. Internal Financing

In-lieu-of issuing debt with financial institutions, Blount County chose to internally finance certain projects with idle county funds. Internally reported notes receivable from idle funds loaned from the General Debt Service Fund that will subsequently be repaid by the school department are reflected below:

	Original Amount of Issue	Interest Rate		Date of Issue	Last Maturity Date
School Internal Capital Outlay Notes, Series 2017	\$ 1,272,000	1.1 %		7-12-17	6/30/25
	Outstanding 7-1-18	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-19	
School Internal Capital Outlay Notes, Series 2017	\$ 1,272,000	\$ 0	\$ 175,805	\$ 1,096,195	
Total	\$ 1,272,000	\$ 0	\$ 175,805	\$ 1,096,195	

The balance of the loan at June 30, 2019, is reflected as Due from Component Units in the government-wide financial statements of the primary government and as Due to Primary Government in the government-wide financial statements of the discretely presented school department.

V. OTHER INFORMATION

A. Risk Management

Blount County has chosen to establish a self-insurance fund for risks associated with the general liability, property, casualty, employees' health plan, and risks associated with workers' compensation claims. The self-insurance fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$300,000 for each employee in any plan year for health coverage, \$500,000 for each employee and \$1,000,000 for all claims in any plan year for workers' compensation coverage, and \$100,000 for building and personal property coverage. The county has obtained stop/loss commercial insurance policies to cover claims beyond these limits. The county does not carry stop-loss coverage for general liability. Employee dental claims are covered by commercial insurance.

All full-time employees of the primary government and the discretely presented Blount County School Department are eligible to participate in the health program. A premium charge for the general liability, property, casualty, health, and workers' compensation programs is allocated to each fund that accounts for employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. The portion of net position of the internal service fund attributable to health coverage was \$151,345 and the portion attributable to general liability, property, casualty, and workers' compensation

was \$1,551,983 at June 30, 2019. Those amounts have been designated by management for future catastrophic losses. Liabilities of this fund are reported when losses are probable and the amount of the losses can be reasonably estimated. The self-insurance fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. It is expected that these claims liabilities will be paid within the next fiscal year. Claims liabilities include specific, incremental claims adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

General Liability, Property, Casualty, and Workers' Compensation

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2017-2018	\$ 2,401,000	\$ 834,527	\$ (794,527)	2,441,000
2018-2019	2,441,000	1,847,786	(1,126,766)	3,162,020

Health

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2017-2018	\$ 422,360	\$ 17,369,434	\$ (17,156,960)	634,834
2018-2019	634,834	21,563,529	(19,715,599)	2,482,764

On Exhibit D-1, the balances in Accounts Payable and Other Current Liabilities represent self-insurance claims. Current year claims and estimates are presented net of excess risk recovery and contracted prescription rebates.

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, Blount 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

Blount County is contingently liable for certain debt issued on behalf of Blount Memorial Hospital, Inc. Outstanding Series 2013A Bonds reflected in long-term debt for the hospital (see Note VI.H.) are payable from, but not secured by, revenues of the hospital. This issue also carries the general obligation pledge of the county. Therefore, Blount County would be liable in the event of default by the hospital. Outstanding principal amounts for the bonds as of June 30, 2019, totaled \$68,375,000.

There are several pending lawsuits in which the county is involved. Management has provided for potential claims and judgments in the financial statements of the self-insurance fund in this report. Based on letters from attorneys, management believes that potential claims not already recorded in the self-insurance fund would not materially affect the financial statements of the county.

D. Joint Ventures

The Industrial Development Board of Blount County and the cities of Alcoa and Maryville was organized to promote industrial development and provide additional job opportunities in Blount County, the cities of Alcoa and Maryville, and the surrounding counties in accordance with Title 7, Chapter 53, *Tennessee Code Annotated*. The board is governed by a ten-member board of directors appointed jointly by the Blount County

Commission and the governing bodies of Maryville and Alcoa. The board provides incentives toward the location of certain industrial facilities in the county and cities. Upon approval for the Industrial Development Board to provide these incentives, the county commission also expressed its intent to provide certain funding for these incentives in future years. During the year, Blount County provided \$1,080,930 to the Industrial Development Board to be applied toward those incentives, related debt payments, and operations of the board.

The Fifth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Fifth Judicial District, Blount County, and various cities within Blount County. 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 each judicial district.

The Blount County Solid Waste Authority is a joint venture that is operated by Blount County, the City of Alcoa, and the City of Maryville. The authority comprises 11 members, three of whom are appointed by the Blount County Commission. The cities appoint two members each, and the remaining members are selected from the citizens at large and from private industry. Blount County has control over budgeting and financing the joint venture only to the extent of representation by the three appointed authority members. Blount County, along with the City of Alcoa and the City of Maryville, has entered into two contracts in-lieu-of performance bonds with the Tennessee Department of Environment and Conservation to ensure the proper operation and closure/postclosure care of the Blount County landfill, which is operated by the Blount County Solid Waste Authority. The total of these contracts in-lieu-of performance bonds is \$13,517,593, of which Blount County has guaranteed 40 percent and the two cities the remaining 60 percent, equally. Complete financial statements for the Blount County Solid Waste Authority may be obtained from the City of Alcoa.

The Blount County Cable Television Authority is a joint venture between Blount County, the City of Maryville, and the City of Alcoa, which regulates the operation of cable television service in Blount County. The authority comprises nine members, three of whom are appointed by the Blount County Commission. The remaining six members are appointed by the cities. Blount County has control over budgeting and financing the joint venture only to the extent of representation by the three board members appointed. The authority funds its budget through the collection of cable television franchise fees from companies under its jurisdiction. After payment of the authority's expenses, the residual of those collections is remitted to the county and the two cities based on point of collection.

The Recreation and Parks Commission is a joint venture between Blount County, the City of Maryville, and the City of Alcoa, which operates a recreation and parks system in Blount County. The commission includes seven members, two of whom are appointed by the Blount County Commission. Four members are appointed by the cities, and one member is appointed by the joint commission. Blount County has control over budget and financing of the commission only to the extent of representation by the two board members appointed. Contributions toward operations are provided annually by the county and the cities based on a per capita cost-sharing formula. Blount County contributed \$693,977 to the operations of the commission during the year ended June 30, 2019.

The Smoky Mountain Tourism Development Authority is a nonprofit entity chartered in June 2012 to promote tourism in the county. The authority was established jointly by the county, the City of Maryville, and the City of Alcoa. The authority is governed by a ten-member board, which includes one representative of the county. The authority's primary funding source is proceeds of a hotel-motel tax, which is levied by the county commission pursuant to a private act. The authority is entitled to 70 percent of the hotel-motel tax. The tax is currently set at a rate of five percent, which is the maximum allowed.

The county does not retain an equity interest in any of the noted joint ventures. Complete financial information for these joint ventures can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Industrial Development Board of Blount County and the
Cities of Alcoa and Maryville
201 South Washington Street
Maryville, TN 37804

District Attorney General
Fifth Judicial District
942 East Lamar Alexander Parkway
Maryville, TN 37804

City of Alcoa
Blount County Solid Waste Authority
223 Associates Boulevard
Alcoa, TN 37701

Blount County Cable Television Authority
P.O. Box 4338
Maryville, TN 37804
Recreation and Parks Commission
316 South Everett High Road
Maryville, TN 37804

Smoky Mountain Tourism Development Authority
201 South Washington Street
Maryville, TN 37804

E. Intergovernmental Cooperation Agreement – Research and Development Park

In May 2006, the Industrial Development Board of Blount County entered into an intergovernmental cooperation agreement with Blount County, Tennessee, the City of Maryville, Tennessee, the City of Alcoa, Tennessee, and Knox County, Tennessee. The agreement calls for the acquisition of property to be developed into a research and development park. The purchase price and subsequent development costs were funded jointly by the four participating governments (\$5,000,000 each). These governments are to be repaid with interest at six percent from sales proceeds. The four governments share excess sales proceeds and property tax revenues equally. No property has been sold in the park since the inception of the agreement.

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Blount County and non-certified employees of the discretely presented Blount 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 74.32 percent, the non-certified employees of the discretely presented school department comprise 25.68 percent of the plan based on contribution data. In addition, certain other county employees are provided a defined benefit pension plan (Blount County Library Plan) through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 100 percent of the Blount County Library 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.

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:

Blount County Plan:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	610
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	774
Active Employees	864
Total	<u><u>2,248</u></u>

Blount County Library Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	16
Inactive Employees Entitled to But Not Yet Receiving Benefits	7
Active Employees	23
Total	<u>46</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. Blount 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 the Blount County Plan was \$2,594,585 based on a rate of 6.9 and 10.4 percent of covered payroll for general employees and public safety officers, respectively. For the year ended June 30, 2019, the employer contribution for the Blount County Library Plan was \$22,805 based on a rate of 2.43 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Blount 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)

Blount 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 Blount 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)

Blount County Plan	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2017	\$ 122,249,850	\$ 124,298,900	\$ (2,049,050)
Changes for the Year:			
Service Cost	\$ 3,245,127	\$ 0	\$ 3,245,127
Interest	8,901,794	0	8,901,794
Differences Between Expected and Actual Experience	(655,125)	0	(655,125)
Changes in Assumptions	0	0	0
Contributions-Employer	0	2,498,694	(2,498,694)
Contributions-Employees	0	1,640,484	(1,640,484)
Net Investment Income	0	10,260,873	(10,260,873)
Benefit Payments, Including Refunds of Employee Contributions	(5,423,228)	(5,423,228)	0
Administrative Expense	0	(81,332)	81,332
Other Changes	0	0	0
Net Changes	\$ 6,068,568	\$ 8,895,491	\$ (2,826,923)
Balance, June 30, 2018	\$ 128,318,418	\$ 133,194,391	\$ (4,875,973)

Allocation of Agent Plan Changes in the Net Pension Liability (Asset)

Blount County Plan		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	74.32%	\$ 95,366,248	\$ 98,990,214	\$ (3,623,966)
School Department	25.68%	32,952,170	34,204,177	(1,252,007)
Total		\$ 128,318,418	\$ 133,194,391	\$ (4,875,973)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
<u>Blount County Library Plan</u>			
Balance, July 1, 2017	\$ 2,809,288	\$ 3,095,667	\$ (286,379)
Changes for the Year:			
Service Cost	\$ 80,168	\$ 0	\$ 80,168
Interest	203,580	0	203,580
Differences Between Expected and Actual Experience	168,185	0	168,185
Changes in Assumptions	0	0	0
Contributions-Employer	0	6,823	(6,823)
Contributions-Employees	0	40,138	(40,138)
Net Investment Income	0	252,057	(252,057)
Benefit Payments, Including Refunds of Employee Contributions	(162,905)	(162,905)	0
Administrative Expense	0	(2,147)	2,147
Other Changes	0	0	0
Net Changes	<u>\$ 289,028</u>	<u>\$ 133,966</u>	<u>\$ 155,062</u>
Balance, June 30, 2018	<u>\$ 3,098,316</u>	<u>\$ 3,229,633</u>	<u>\$ (131,317)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Blount 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 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
<u>Blount County Plan</u>			
Net Pension Liability	\$ 11,605,511	\$ (4,875,974)	\$ (18,575,423)

	1% Decrease	Current Discount Rate	1% Increase
<u>Blount County Library Plan</u>	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>

Net Pension Liability \$ 219,467 \$ (131,317) \$ (426,943)

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, the Blount County Plan recognized pension expense of \$1,149,933 and the Blount County Library Plan recognized pension expense of \$138,014.

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

Blount County Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,328,645	\$ 778,408
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	579,000
Changes in Assumptions	1,498,553	0
Contributions Subsequent to the Measurement Date of June 30, 2018 (1)	<u>2,594,585</u>	<u>N/A</u>
Total	<u>\$ 5,421,783</u>	<u>\$ 1,357,408</u>

- (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.

Allocation of Agent Plan Deferred Outflows of Resources and
Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 4,044,054	\$ 1,008,865
School Department	1,377,729	348,543
Total	<u>\$ 5,421,783</u>	<u>\$ 1,357,408</u>

Blount County Library Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 141,737	\$ 40,439
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	11,167
Changes in Assumptions	29,640	0
Contributions Subsequent to the Measurement Date of June 30, 2018 (1)	22,805	N/A
Total	<u>\$ 194,182</u>	<u>\$ 51,606</u>

(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:

Blount County Plan:

Year Ending June 30	Amount
2020	\$ 1,424,966
2021	739,471
2022	(303,878)
2023	(390,765)
2024	0
Thereafter	0

Blount County Library Plan:

Year Ending June 30	Amount
2020	\$ 59,321
2021	27,539
2022	5,655
2023	27,257
2024	0
Thereafter	0

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

Payable to the Pension Plan

At June 30, 2019, Blount County reported a payable of \$126,764 for the outstanding amount of contributions due to the pension plan at year end.

Discretely Presented Blount County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Blount County and non-certified employees of the discretely presented Blount 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 74.32 percent and the non-certified employees of the discretely presented school

department comprise 25.68 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers of the Blount 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.

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 \$118,575, which is 1.94 percent of covered payroll. In addition, employer contributions of \$125,912, 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 (\$242,777) 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 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 .535308 percent. The proportion as of June 30, 2017, was .544242 percent.

Pension Expense. For the year ended June 30, 2019, the school department recognized pension expense of \$82,763.

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	\$ 13,750	\$ 9,670
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	13,714
Changes in Assumptions	11,454	0
Changes in Proportion of Net Pension Liability (Asset)	2,162	3,305
LEA's Contributions Subsequent to the Measurement Date of June 30, 2018	118,575	N/A
Total	\$ 145,941	\$ 26,689

The school department's employer contributions of \$118,575, 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	\$ (1,924)
2021	(2,359)
2022	(4,314)
2023	(731)
2024	1,096
Thereafter	8,910

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	
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%
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Net Pension Liability	\$	37,534	\$	(242,777)	\$	(449,300)
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Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

Payable to the Pension Plan

At June 30, 2019, the Blount County School Department reported a payable of \$440 for the outstanding amount of contributions due to the pension plan at year end.

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Blount 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.

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 Blount County School Department for the year ended June 30, 2019, to the Teacher Legacy Pension Plan were \$3,930,926, which is 10.39 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 (\$4,030,578) 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 1.145403 percent. The proportion measured at June 30, 2017, was 1.162782 percent.

Pension Expense. For the year ended June 30, 2019, the school department recognized negative pension expense of \$1,079,397.

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	\$ 814,717	\$ 5,437,568
Changes in Assumptions	2,380,478	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	877,222
Changes in Proportion of Net Pension Liability (Asset)	427,439	147,891
LEA's Contributions Subsequent to the Measurement Date of June 30, 2018	3,930,926	N/A
Total	<u>\$ 7,553,560</u>	<u>\$ 6,462,681</u>

The school department's employer contributions of \$3,930,926 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase in 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	\$ 905,254
2021	(1,212,800)
2022	(2,148,016)
2023	(384,485)
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 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	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 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability \$ 31,070,230 \$ (4,030,578) \$ (33,071,606)

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

Payable to the Pension Plan

At June 30, 2019, the Blount County School Department reported a payable of \$14,588 for the outstanding amount of contributions due to the pension plan at year end.

2. Deferred Compensation

Blount County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRS Section 403(b). All costs of administering and funding these programs are the responsibility of the plan participants. The section 457 and Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 457 and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state's 401 (K) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute a minimum of two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year the school department contributed \$305,574 and teachers contributed \$151,663 to this deferred compensation pension plan.

G. Other Postemployment Benefits (OPEB)

Plan Description. Blount County and the Blount County School Department participate in a self-insured postemployment benefits plan administered by Allegiance, a CIGNA company, for its retirees and their covered dependents. Employees are eligible for OPEB benefits if they retire at any age with at least 30 years of service or if they are over the age 60 and have at least 10 years of service. For accounting purposes, the plan is a single-employer defined benefit OPEB plan. Benefits are established and amended by the county commission. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75.

Benefits Provided. The plan provides healthcare, dental, and life insurance benefits for retirees until they are Medicare eligible. Spouse benefits are provided while the retiree is eligible for coverage. Surviving spouse benefits are not provided. The benefit terms provide for retirees to pay annual premiums ranging from \$1,020 to \$2,700 for medical coverage depending on the type coverage selected. Retirees pay annual premiums of \$60 to \$628 for dental coverage. The county pays the remainder of the covered medical and dental benefits. The county also pays for life insurance benefits of \$10,000.

Employees Covered by Benefit Terms

As of July 1, 2018, the following employees were covered by the benefit terms:

	Primary Government	School Department	Total
Inactive Employees or Beneficiaries Currently Receiving Benefits	45	142	187
Inactive Employees Entitled to But Not Yet Receiving Benefits	0	0	0
Active Employees	592	1,085	1,677
Total	637	1,227	1,864

Total OPEB Liability

The total OPEB liability for the county (\$6,920,191) and the school department (\$18,197,710) was measured as of June 30, 2019, and was determined by an actuarial valuation as of July 1, 2018, and updated to the measurement date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the actuarial valuation 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
Payroll Growth Rate	2.5%
Salary Increases	3.5%
Discount Rate	3.50%
Healthcare Cost Trend Rates	8% for 2018 with an ultimate rate of 5% in 2021
Retirees share of Benefit-related Cost	See discussion under Benefits Provided

The discount rate was based on the Bond Buyer's 20 bond index.

The mortality rates are from the RPH-2014 Total Dataset Mortality Table with projection scale MP-2018.

The actuarial assumptions used in the valuation were based on plan data and costs presented by the county with concurrence by the actuary.

Changes in the Total OPEB Liability

	Primary Government	School Department	Total OPEB Liability
Balance July 1, 2018	\$ 7,506,765	\$ 13,053,837	\$ 20,560,602
Changes for the Year:			
Service Cost	\$ 492,222	\$ 727,463	\$ 1,219,685
Interest	250,244	699,562	949,806
Changes in Benefit Terms	0	0	0
Difference between Expected and Actuarial Experience	(1,692,493)	4,711,824	3,019,331
Changes in Assumption and Other Inputs	419,643	989,009	1,408,652
Benefit Payments	(56,190)	(1,983,985)	(2,040,175)
Net Changes	\$ (586,574)	\$ 5,143,873	\$ 4,557,299
Balance June 30, 2019	\$ 6,920,191	\$ 18,197,710	\$ 25,117,901

Changes in assumptions and other inputs reflect a change in the discount rate from 3.87 percent in 2018 to 3.5 percent in 2019.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2019, the primary government recognized OPEB expense of \$530,257 and the school department recognized OPEB expense of \$2,304,828. At June 30, 2019, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Primary Government:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 1,440,258
Changes of Assumptions/Inputs	357,103	127,728
Net Difference Between Projected and Actual Investments	<u>0</u>	<u>0</u>
Total	<u>\$ 357,103</u>	<u>\$ 1,567,986</u>

Discretely Presented School Department:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 3,953,076	\$ 0
Changes of Assumptions/Inputs	829,748	190,444
Net Difference Between Projected and Actual Investments	<u>0</u>	<u>0</u>
Total	<u>\$ 4,782,824</u>	<u>\$ 190,444</u>

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

Year Ending June 30	Primary Government	School Department	Total
2020	\$ (212,209)	\$ 877,803	\$ 665,594
2021	(212,209)	877,803	665,594
2022	(212,209)	877,803	665,594
2023	(212,209)	877,803	665,594
2024	(212,209)	888,389	676,180
Thereafter	(149,838)	192,779	42,941

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 2.50%	Current Discount Rate 3.50%	1% Increase 4.50%
Primary Government	\$ 7,424,130	\$ 6,920,191	\$ 6,441,162
School Department	19,522,895	18,179,710	16,938,031
Total OPEB Liability	<u>\$ 26,947,025</u>	<u>\$ 25,117,901</u>	<u>\$ 23,379,193</u>

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 (7% decreasing to 4%)	Current Trend Rate (8% decreasing to 5%)	1% Increase (9% decreasing to 6%)
Primary Government	\$ 6,159,228	\$ 6,920,191	\$ 7,823,846
School Department	16,196,642	18,179,710	20,574,009
Total OPEB Liability	<u>\$ 22,355,870</u>	<u>\$ 25,117,901</u>	<u>\$ 28,397,855</u>

H. Office of Central Accounting, Budgeting, and Purchasing

Blount County operates under provisions of the Fiscal Control Acts of 1957 and the Local Option Budgeting Law of 1993. These acts provide for a central system of accounting and budgeting covering all funds of the county. These funds are maintained in the Office of Central Accounting and Budgeting under the supervision of the director of accounts and budgets.

I. Purchasing Laws

Purchasing procedures for the Offices of County Mayor, Director of Schools, and Highway Superintendent are governed by the County Purchasing Law of 1957 (Section 5-14-101, et seq., *Tennessee Code Annotated (TCA)*). Purchasing procedures for the highway department are also governed by provisions of the Uniform Road Law, Section 54-7-113, *TCA*. These statutes provide for a purchasing agent and require competitive bids on all purchases exceeding \$25,000.

J. Subsequent Events

On October 4, 2019, Blount County issued Hospital Revenue Refunding Bonds Series 2019A in the amount of \$67,705,000 and Hospital Revenue Improvement Bonds Series 2019B in the amount of \$20,000,000. Proceeds of the series 2019A bonds were used to refund outstanding principal of series 2013A General Obligation Hospital Refunding Bonds discussed in Notes IV.G. and V.H. Proceeds of the series 2019B issue are restricted for capital improvements of the hospital facilities. Both the 2019A and 2019B bond issues are payable from gross revenues of the hospital and are not general obligation issues of the county.

On October 3, 2019, in connection with the issuance of the Hospital Revenue Refunding Bonds, Blount Memorial Hospital, Inc., paid \$10,898,000 from funds on hand to terminate interest rate swap agreements associated with the refunded debt.

VI. OTHER NOTES – DISCRETELY PRESENTED BLOUNT MEMORIAL HOSPITAL, INC.

A. Description of Reporting Entity and Significant Accounting Policies

Reporting Entity

Blount Memorial Hospital, Inc., is an acute and general healthcare provider formed to provide services to Blount County and the surrounding communities. The hospital is a component unit of Blount County, Tennessee, which issues debt on the hospital's behalf. The hospital is organized as a private act hospital authority. The hospital's board members are appointed by the County Commission of Blount County, the Board of Commissioners of the City of Alcoa, the Board of Commissioners of the City of Maryville, and the Board of Directors of Maryville College.

The hospital uses enterprise fund accounting and is included as a discretely presented component unit in the financial statements of the county.

The hospital is the sole corporate member of the Blount Memorial Foundation, which coordinates and secures resources to enable the hospital to maintain, improve, and advance medical care. The hospital and foundation have a separate board of directors, and the financial activity of the foundation is included (blended) in the hospital's financial statements. Separate audited financial statements of the Foundation are maintained by the foundation and hospital management. Except for certain expenses paid directly by the Foundation, the Hospital provides administrative services and pays for operating expenses to support the Foundation's activities.

Blount Memorial Physician Group, Inc. (BMPG), is owned 100 percent by the hospital and governed by the hospital's Board of Director's. The financial activity of BMPG is also included (blended) in the hospital's financial statements. BMPG provides physician and outpatient services in Blount County and includes over 80 physicians in a multi-specialty practice. Separate financial statements are maintained by hospital management.

The hospital has non-controlling ownership interest in a partnership, which operates a medical facility in Blount County consistent with the hospital's mission of providing healthcare services. This ownership investment is included in other assets at June 30, 2019.

All significant intercompany accounts and transactions with blended component units have been eliminated.

Basis of Presentation

The hospital's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting in accordance with the Governmental Accounting Standards Board (GASB), which establishes standards for external financial reporting for all state and local government entities. GASB requires the classification of net position into three components, which are defined as follows:

Net investment in capital assets – This component of net position consists of property and equipment, net of accumulated depreciation, reduced by the outstanding balances of bonds and other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt or deferred inflows of resources attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt or deferred inflow of resources is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. The restricted component is separated into nonexpendable and expendable. Net position subject to externally imposed stipulations that the hospital maintain them permanently are nonexpendable. Net position on which use by the hospital is subject to externally imposed stipulations that can be fulfilled by the action of the hospital pursuant to those stipulations or that expire by the passage of time are expendable.

Unrestricted – This component of net position consists of net amounts of assets, deferred outflows of resources, liabilities, and deferred inflows that are not included in the determination of net investment in capital assets or restricted components of net position.

Cash and Cash Equivalents

The hospital considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Patient Accounts Receivable

Accounts receivable from patients and third-party payors are recorded on the accrual basis in the period in which services are rendered. The hospital does not require collateral on accounts receivable. In evaluating the collectability of accounts receivable, the hospital analyzes historical collection rates and write-offs and identifies trends for payors to estimate appropriate allowance amounts. Accounts are charged to bad debt expenses as they are determined to be uncollectible based on a review of aging and collections.

Inventories

Inventories are stated at the lower of cost or market and are valued principally by methods, which approximate the first-in, first-out method.

Investments

Investments are recorded at fair value based on quoted market prices. Interest and dividends on investments, as well as realized and unrealized gains and losses, are included in non-operating revenues when earned.

The hospital is organized as a private act hospital authority, which provides the hospital additional rights and powers, including the manner in which funds are invested. The hospital diversifies its investments into a broad range of asset classes to reduce concentration risk and to maximize return with reasonable and prudent levels of risk. It is also the hospital's policy to limit the maximum position for each type of investment at varying levels within these classifications. As of June 30, 2019, the hospital's fixed income investments all have quality ratings of A- or better (by both Standard and Poor's and Moody's Investors Service).

To limit its exposure to fair value losses arising from changing interest rates, the hospital's investment policy restricts the type and maturities of fixed income investments in order to increase the overall investment horizon. The current duration of the hospital's fixed income investments ranges up to approximately six years with an average duration of five years, based on timing of interest payments, maturity dates, and expectations of minimal interest rate changes.

Assets Limited as to Use by Board and Foundation

Certain investments have been designated by the Board of Directors for the replacement of property and equipment or for other purposes. Cash and investments held by the foundation in trust accounts are also classified as assets limited as to use. A portion of the investment at June 30, 2019, totaling \$1,192,713 is restricted in perpetuity (nonexpendable) under an irrevocable endowment trust.

As of June 30, 2019, net appreciation on assets limited as to use by board related to the foundation was approximately \$890,008. The net appreciation on assets limited as to use by board related to the foundation are classified as unrestricted net position. In accordance with the State of Tennessee Statutes and Codes Uniform Prudent Management of Institutional Funds Act and as allowed by the foundation’s charter and approved by the hospital’s Board of Directors net income and net capital appreciation in excess of the nonexpendable amount restricted in perpetuity are authorized for expenditure by the board at its discretion.

Property and Equipment

Land, buildings, and equipment are stated on the basis of cost of acquisition or fair value at the date of donation. Although title to certain land and buildings rests with the county, these assets have been recorded by the hospital as the county has authorized their use by the hospital. Repairs and maintenance costs are expensed as incurred while significant asset purchases and improvements are capitalized. Depreciation of property and equipment is computed by the straight-line method over the estimated useful lives of the assets. The estimated useful lives are based on guidelines established for the health care industry, which are summarized as follows:

<u>Assets</u>	<u>Years</u>
Land Improvements	8 - 25
Buildings, Improvements, and Fixed Equipment	10 - 40
Equipment	3 – 15

Operating Revenues and Expenses

Revenues and expenses associated with the hospital's mission of providing health care services are considered to be operating activities. Non-operating revenues consist primarily of investment income (loss) and general contributions to the hospital. Unrestricted resources will be applied first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Income Taxes

The hospital is classified as a governmental organization exempt from income tax. The foundation is a not-for-profit organization defined by Section 501(c)(3) of the Internal Revenue Code as other than a private foundation. BMPG is a corporation and subject to income taxes. BMPG has net operating loss carryforwards, resulting in deferred tax assets, which have been fully offset by valuation allowances. Accordingly, no provision for income taxes has been included in the accompanying financial statements.

Charity Care

The hospital accepts patients regardless of their ability to pay. A patient is classified as a charity patient by reference to certain established policies of the hospital. Charges at established rates related to charity care are not included in net patient service revenue.

Patient Service Revenue

Patient service revenue is reported in the period in which services are provided at rates that reflect the amount expected to be collected. Net patient service revenue includes amounts estimated by management to be reimbursable by third-party payors under provisions of reimbursement formulas in effect and is net of the provision for bad debts.

Risk Management

The hospital is self-insured for medical malpractice and employee (including dependent) group health expenses and claims. Commercial insurance is purchased for significant exposure to various other risks typical to the hospital's operating environment and industry such as loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and natural disasters. There were no significant losses in excess of insurance coverage during the last three years.

Use of Estimates

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

Recently Issued Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, Leases. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this statement, a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Statement No. 87 is effective for periods beginning after December 15, 2019. At this time, the hospital has elected not to adopt this standard early and has not completed the process of evaluating the impact of this Statement on its financial statements.

The accompanying financial statement footnotes include the enhanced disclosures regarding debt terms as provided for by GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements, which was adopted in 2019.

B. Cash, Cash Equivalents, and Assets Limited as to Use

As required by state statute, the hospital's cash and cash equivalent balances are on hand with financial institutions participating in the bank collateral pool, which is administered by the collateral pool board and monitored by the Treasury Department of the State of Tennessee. Legal provisions require participating banks to 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 Bank Collateral Pool may be required by agreement to pay an assessment to cover any deficiency.

BMPG's cash balances at financial institutions are covered by Federal Deposit Insurance Corporation (FDIC) insurance (risk category insured).

As authorized by state statutes, assets limited as to use by the board and those held by trustees include U.S. government instruments and other securities held at financial institutions in the hospital's name (uninsured credit risk category) and are categorized by investment type as follows:

	Balance		Percent	
	6-30-19			
Money Market Funds (cash equivalents)	\$ 2,187,204	2	%	
Common Stock	8,783,959	9		
Bond Mutual Funds	40,503,351	42		
Equity Mutual Funds	45,909,062	47		
Total	<u>\$ 97,383,576</u>	<u>100</u>	<u>%</u>	

Net investment income on assets limited as to use includes as of June 30:

	Balance 6-30-19
Interest and Dividends	\$ 8,689,935
Net Realized and Unrealized Investment Gain (Loss)	<u>(2,737,387)</u>
Total	<u><u>\$ 5,952,548</u></u>

The foundation's cash balances at financial institutions are covered by Federal Deposit Insurance Corporation insurance (risk category insured) subject to certain limits. Foundation assets limited as to use are comprised of the following as of June 30:

	Balance 6-30-19
Money Market Funds (cash equivalents)	\$ 11,116
Common Stock	34,480
Bond Mutual Funds	593,788
Equity Mutual Funds	<u>1,443,821</u>
Total	<u><u>\$ 2,083,205</u></u>

C. Net Patient Service Revenue

A reconciliation of the amount of services provided to patients at established rates to net patient service revenue as presented in the statements of revenues, expenses, and changes in net position is as follows for the year ended June 30:

	Year ended 6-30-19
Gross Patient Service Charges	\$ 1,162,010,753
Contractual Adjustments and Discounts	(812,640,055)
Charity Care Charges Foregone	(45,348,634)
Provision for Bad Debts	<u>(16,593,324)</u>
Net Patient Service Revenue	<u><u>\$ 287,428,740</u></u>

D. Third-party Payor Agreements

The hospital renders services to patients under contractual arrangements with the Medicare and TennCare programs. Laws, regulations, and contracts governing third-party payor programs can be extremely complex and subject to interpretation. Amounts earned under these contractual arrangements are subject to regulatory review and final determination by the various program intermediaries and other appropriate governmental authorities or their agents. As a result, there is at least a reasonable possibility that recorded estimates related to third-party payor agreements could change in the near term. In the opinion of management, adequate provision has been made in the financial statements for any adjustments, which may result from such reviews.

The Medicare program pays for inpatient services on a prospective basis primarily based upon diagnostic related group assignments as determined by the patient's clinical diagnosis and medical procedures utilized. The hospital receives additional payments from Medicare based on the provision of services to a disproportionate share of low income patients (as defined by the Medicare program). Medicare also pays for outpatient services on a prospective basis based upon ambulatory payment classifications and fee schedules. TennCare reimbursement for both inpatient and outpatient services is based upon prospectively determined rates and per-diem amounts.

Contractual adjustments for Medicare, TennCare, and other third-party discount arrangements are recognized when the related revenues are reported in the financial statements. The percentage of gross patient charges from the Medicare and TennCare programs was approximately 28 percent and 10 percent, respectively, in 2019.

The hospital has reimbursement agreements with commercial insurance companies, health maintenance organizations and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates, per diems and discounts from established charges.

E. Excess Consideration Provided for Acquisition

In connection with a 2009 acquisition of an entity that operated outpatient rehabilitation clinics, the consideration paid exceeded the fair value of the net position acquired (previously referred to as goodwill). The hospital is amortizing the excess consideration provided for acquisition over 40 years. Amortization expense is included as part of depreciation and amortization in the accompanying financial statements and totaled \$70,987 in 2019. As of June 30, 2019, the net value of the excess consideration provided for acquisition is \$2,094,116. Amortization expense for the next three years related to the excess consideration provided for acquisition is estimated to be \$70,987 each year.

F. Property and Equipment

A summary of changes in property and equipment is as follows:

	Balance 7-1-18	Additions	Retirements and Transfers	Balance 6-30-19
Cost:				
Land	\$ 12,553,960	\$ 0	\$ 0	\$ 12,553,960
Land Improvements	2,911,003	0	(690)	2,910,313
Buildings, Improvements, and Fixed Equipment	187,127,811	4,320,673	0	191,448,484
Equipment	147,459,563	7,468,365	0	154,927,928
Construction in Progress	234,625	185,011	(234,625)	185,011
Total Cost	<u>\$ 350,286,962</u>	<u>\$ 11,974,049</u>	<u>\$ (235,315)</u>	<u>\$ 362,025,696</u>
Allowances for				
Depreciation:				
Land Improvements	\$ (2,384,820)	\$ (31,453)	\$ 0	\$ (2,416,273)
Buildings, Improvements, and Fixed Equipment	(110,143,401)	(6,923,569)	0	(117,066,970)
Equipment	(124,124,992)	(8,636,391)	0	(132,761,383)
Total Allowances for				
Depreciation	<u>\$ (236,653,213)</u>	<u>\$ (15,591,413)</u>	<u>\$ 0</u>	<u>\$ (252,244,626)</u>
Net Property and Equipment	<u>\$ 113,633,749</u>	<u>\$ (3,617,364)</u>	<u>\$ (235,315)</u>	<u>\$ 109,781,070</u>

Construction in progress at June 30, 2019, includes costs primarily related to the renovation and upgrades to the building with total estimated costs to complete of approximately \$551,000.

G. Other Assets

Other assets include an investment in a partnership, a trust investment, and net intangible assets at June 30 as follows:

	6-30-19
Partnership Interest	\$ 2,040,000
Trade Name	1,269,254
Medical Records	434,532
Workforce	1,229,311
Rabbi Trust Investment	806,344
Other	<u>340,335</u>
Total	<u>\$ 6,119,776</u>

Trade name are being amortized over a period of ten to 40 years. Medical records and workforce are amortized over a period of three to 20 years. Amortization expense for intangibles was \$332,323 at June 30, 2019. Amortization expense for the next three years is estimated to approximate \$326,000 each year.

H. Long-term Debt and Capital Lease

Changes in long-term debt and capital lease are summarized as follows:

	Balance 7-1-18	Additions	Principal Payments	Balance 6-30-19
Series 2013A Bonds	\$ 71,450,000	\$ 0	\$ 4,075,000	\$ 67,375,000
Series 2014 Bonds	1,605,789	0	763,889	841,900
Capital Lease Obligation	2,537,738	708,205	1,635,483	1,610,460
Bank Note Payable	1,293,427	0	130,102	1,163,325
Total Outstanding	\$ 76,886,954	\$ 708,205	\$ 6,604,474	\$ 70,990,685
Less Current Portion	<u>(6,500,707)</u>			<u>(6,179,973)</u>
Long-term Portion	<u>\$ 70,386,247</u>			<u>\$ 64,810,712</u>

In December 2013, Blount County issued on behalf of the hospital, \$89,125,000 of General Obligation Refunding Bonds, Series 2013A. The Series 2013A Bonds bear interest at a variable rate (2.08 percent at June 30, 2019) as determined by the market agent. The Series 2013A Bonds mature in increasing annual amounts ranging from \$4,275,000 in 2020 to \$8,425,000 at final maturity in June 2029 and are subject to redemption at the option of the county, in whole or in part, at the redemption price of par plus accrued interest to the redemption date. In the event of default, the bond purchaser may: (a) declare the entire remaining amount owed by the hospital be immediately due, (b) direct the hospital to cause a mandatory tender or acceleration of the bonds, (c) take whatever action at law or in equity may appear necessary, or (iv) cure any default. Also, upon default, the interest rate on any unpaid principal balances as of the default date will be set to the base rate at that date plus 4 percent per year.

In January 2014, Blount County issued on behalf of the hospital, \$4,288,400 of Hospital Revenue Refunding Bonds, Series 2014. The Series 2014 Bonds bore interest at 1.68 percent per year and matured in July 2019 with a final payment of \$841,900 on July 1, 2019.

To protect against the potential of rising interest rates and to balance its mixture of variable and fixed rate debt, the hospital utilized two separate interest rate swap agreements to effectively fix the interest rates on a portion of the amounts. One interest rate swap agreement maturing in June 2026 establishes interest at an effective rate of 4.9 percent on \$25,000,000. The

second interest rate swap maturing in June 2029 establishes interest at an effective rate of 4.33 percent on \$30,700,000. The counterparties to these agreements owe the hospital interest based on a variable rate that is calculated based on a published index rate. The bond principal subject to the swap agreements is not exchanged; only the net difference in interest payments is actually exchanged with the counterparties and recorded by the hospital as interest expense. The hospital, through the trustee, continued to pay interest to the bondholders at the variable rate provided by the bonds. During the term of each swap agreement, the hospital effectively pays a fixed rate on the debt plus or minus the difference between the variable rate due on the bonds and the variable rate received from the counterparty.

The hospital records the fair value liability of its interest rate swaps, which were determined by an independent third-party advisory firm from a model that calculates future cash flows by projecting forward rates and then discounts those cash flows to their present value. The fair value liability of the interest rate swaps increased by \$1,536,295 in 2019.

As of June 30, 2019, the hospital was not exposed to credit risk because the swaps have negative fair values. However, should interest rates change and the fair value of the swaps become positive, the hospital would be exposed to credit risk in the amount of the fair value of the swaps. As of June 30, 2019, the counterparty to the swaps, Deutsche Bank, was rated A3/BBB+/BBB+ by Moody's, Standard and Poor's, and Fitch, respectively.

The hospital is exposed to variable rates if the counterparties to the swap defaults, if the variable rate received from the counterparty is less than that due on the bonds or if the swaps are terminated. The termination of the swap agreements could also result in the hospital making or receiving a termination payment.

During March 2017, the hospital entered into a term loan agreement with a financial institution for \$1,450,000. The agreement, which is collateralized by certain property, bears interest at 3.38 percent per year and requires monthly payments of \$14,318 through its maturity in March 2027. The agreement includes a provision that in an event of default, the financial institution may (a) take possession of the property, (b) apply to any court for a receiver for the property, (c) set off any amounts the hospital owes against any credits or other property held by the financial institution, (d) exercise their right to pursue any of these options in the event of a default even if the financial institution does not immediately take action against the hospital, (e) withhold further disbursement of any loan proceeds to the hospital, (f) declare the entire balance of the debt due at once, and (g) may pursue any other remedies available to the financial institution. Also, upon default, the interest rate on any unpaid principal balances as of the default date will be set to the maximum rate allowed by law.

Maturities and mandatory sinking fund payments related to the balances outstanding as of June 30, 2019, are summarized as follows:

Year Ending June 30	Series 2013A	Series 2014	Bank Note Payable	Capital Lease Obligations	Total
2020	\$ 4,275,000	\$ 841,900	\$ 134,569	\$ 928,504	\$ 6,179,973
2021	5,750,000	0	139,188	606,210	6,495,398
2022	6,050,000	0	143,966	75,746	6,269,712
2023	6,350,000	0	148,909	0	6,498,909
2024	6,600,000	0	154,020	0	6,754,020
2025-2029	38,350,000	0	442,673	0	38,792,673
Total	\$ 67,375,000	\$ 841,900	\$ 1,163,325	\$ 1,610,460	\$ 70,990,685

Future interest payments related to the bonds are as follows (interest for variable rate portion of the Series 2013A Bonds is determined using the rate in effect at June 30, 2019, which was 2.08 percent):

Year Ending June 30	Series 2013A	Series 2014	Bank Note Payable	Capital Lease Obligations	Total
2020	\$ 2,790,738	\$ 7,014	\$ 37,248	\$ 27,210	\$ 2,862,210
2021	2,693,269	0	32,629	9,800	2,735,698
2022	2,497,831	0	27,851	2,399	2,528,081
2023	2,258,201	0	22,909	0	2,281,110
2024	2,002,600	0	17,797	0	2,020,397
2025-2029	5,085,157	0	21,128	0	5,106,285
Total	\$ 17,327,796	\$ 7,014	\$ 159,562	\$ 39,409	\$ 17,533,781

The revenues of the hospital are pledged as collateral for the Series 2014 Bonds. The bond agreements require the hospital to maintain certain financial and other covenants.

The hospital leases certain equipment under a capital lease arrangement. As of June 30, 2019, equipment under capital lease had a total cost of \$2,625,985. Related accumulated amortization totaled \$548,751 as of June 30, 2019. Amortization of equipment under capital lease is included with depreciation and amortization in the accompanying statements of revenues, expenses, and changes in net position.

I. Malpractice Trust Fund and Employee Group Health Claims

The hospital is covered under the “Tennessee Governmental Tort Liability Act” (*Tennessee Code Annotated*, Section 29-20-101, et seq.). In addition to requiring claims be made in conformance with this act, special provisions include, but are not limited to, special notice of requirements imposed upon the claimant, a one-year statute of limitations, and a requirement that the governmental entity purchase insurance or be self-insured with certain limits. This act also prohibits a judgment or award exceeding the minimum amounts of insurance coverage set out in the act or the amount of insurance purchased by the governmental entity.

The hospital is self-insured for professional malpractice liability coverage. Claims and expenses of \$361,221 were paid during 2019. At June 30, 2019, the hospital is involved in medical malpractice litigation in which management of the hospital, after consultation with legal counsel, is of the opinion that liability, if any, related to these claims would not be material to the financial statements. No amounts are accrued for potential losses related to unreported incidents or reported incidents, which have not yet resulted in asserted claims, as the hospital is not able to estimate such amounts.

The hospital is self-insured for employee (and dependent) group health claims and records a liability for claims known but unpaid and estimated claims incurred but not reported. The liability for employee group health claims was \$2,401,562 at June 30, 2019. The total expense related to employee group health claims (net of employee paid premiums) was approximately \$23,534,000 for 2019.

J. Fair Value

The hospital categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

Mutual funds and common stocks are valued using prices quoted in active markets for those securities, while the debt securities are valued based on the securities’ relationship to benchmark quoted prices. Derivative instruments are valued using a market approach that considers benchmark interest rates.

The following table sets forth by level, within the fair value hierarchy, the fair value of the hospital’s investments (assets limited as to use) and derivative investments (interest rate swaps) as of June 30, 2019:

	Level 1	Level 2	Level 3	Total
Investments by fair value level:				
Mutual funds:				
Money market funds	\$ 2,198,320	\$ 0	\$ 0	\$ 2,198,320
Bond funds	41,097,139	0	0	41,097,139
Equity funds	47,352,883	0	0	47,352,883
Total mutual funds	90,648,342	0	0	90,648,342
Common stocks	8,818,439	0	0	8,818,439
Total investments by fair value level	\$ 99,466,781	\$ 0	\$ 0	\$ 99,466,781
Derivative instruments:				
Interest rate swaps	\$ 0	\$ 9,677,573	\$ 0	\$ 9,677,573

K. Retirement Plans

The Blount Memorial Hospital retirement plans include three separate defined contribution plans, the Blount Memorial Hospital Retirement Plan, the Blount Memorial Hospital Executive Retirement Plan, and the Blount Memorial Hospital Incorporated Excess Benefit Nonqualified Plan, of which at least one is available to all employees who are age 18 or older. New participants who have completed 1,000 hours of service vest 20 percent each year from two years of service to six years of service. The hospital contributes an amount equal to three percent of each eligible employee's compensation plus a matching contribution (limited to three percent of compensation) based upon voluntary employee contributions to the plan. Plan contributions are made biweekly. Hospital contributions to the plans, net of forfeitures used of approximately \$130,000, totaled \$4,096,248 in 2019. Employee contributions were \$4,561,855 in 2019. The plans are administered by Fidelity Management Trust Company.

The hospital funds its deferred compensation obligations arising from the Blount Memorial Hospital Incorporated Excess Benefit Nonqualified Plan through a rabbi trust agreement. The rabbi trust agreement is subject to creditor claims in the event of insolvency, but the assets held in the rabbi trust agreement are not available for general operating purposes. Amounts in the rabbi trust are invested in mutual funds, as selected by each participant, which are recorded at fair value, and are included in other assets in the statement of net position. The plan is administered by Fidelity Management Trust Company.

L. Blended Component Units

Condensed combining information for the hospital and its blended component units is presented as follows:

Condensed Combining Statement of Net Position
June 30, 2019

	Hospital	Foundation	BMPG	Total
Assets				
Current Assets	\$ 32,379,405	\$ 134,215	\$ 5,406,161	\$ 37,919,781
Assets limited as to use	97,383,576	2,083,205	0	99,466,781
Property and Equipment, net	109,781,070	0	0	109,781,070
Other noncurrent assets	6,119,776	0	0	6,119,776
Total assets	245,663,827	2,217,420	5,406,161	253,287,408
Deferred outflows of resources				
Accumulated decrease in fair value of interest rate swaps	9,677,573	0	0	9,677,573
Excess consideration provided for acquisition	2,094,116	0	0	2,094,116
Total deferred outflows of resources	11,771,689	0	0	11,771,689
Total assets and deferred outflows of resources	\$ 257,435,516	\$ 2,217,420	\$ 5,406,161	\$ 265,059,097
Liabilities and net position				
Current liabilities	\$ 27,619,944	\$ 7,952	\$ 1,563,755	\$ 29,191,651
Long-term liabilities	75,294,629	0	0	75,294,629
Total liabilities	\$ 102,914,573	\$ 7,952	\$ 1,563,755	\$ 104,486,280
Net position:				
Net investment in capital assets	\$ 38,790,385	\$ 0	\$ 0	\$ 38,790,385
Restricted, nonexpendable	0	1,192,713	0	1,192,713
Unrestricted	115,730,558	1,016,755	3,842,406	120,589,719
Total net position	\$ 154,520,943	\$ 2,209,468	\$ 3,842,406	\$ 160,572,817
Total liabilities and net position	\$ 257,435,516	\$ 2,217,420	\$ 5,406,161	\$ 265,059,097

Condensed Combining Statement of Revenue, Expenses
and Changes in Net Position
Year Ended June 30, 2019

	Hospital	Foundation	BMPG	Total
Operating revenues:				
Net patient service revenue	\$ 231,612,012	\$ 0	\$ 55,816,728	\$ 287,428,740
Other revenue	12,034,301	0	0	12,034,301
Total operating revenues	243,646,313	0	55,816,728	299,463,041
Operating expenses:				
Depreciation and amortization	15,994,723	0	0	15,994,723
Other operating expenses	201,691,024	0	86,823,740	288,514,764
Total operating expenses	217,685,747	0	86,823,740	304,509,487
Operating margin	25,960,566	0	(31,007,012)	(5,046,446)
Nonoperating revenues (expenses):				
Interest expense	(2,867,606)	0	0	(2,867,606)
Investment income	5,855,277	97,271	0	5,952,548
Contributions and other	63,674	30,230	0	93,904
Total nonoperating revenues (expenses)	3,051,345	127,501	0	3,178,846
Increase (decrease) in net position	\$ 29,011,911	\$ 127,501	\$ (31,007,012)	\$ (1,867,600)
Net position at beginning of year	157,022,696	2,081,967	3,335,754	162,440,417
Transfers	(31,513,664)	0	31,513,664	0
Net position at end of year	\$ 154,520,943	\$ 2,209,468	\$ 3,842,406	\$ 160,572,817

Condensed Combining Statement of Cash Flows
Year Ended June 30, 2019

	Hospital	Foundation	BMPG	Total
Operating activities	\$ 42,502,067	\$ 0	\$ (31,796,497)	\$ 10,705,570
Noncapital financing activities	63,674	30,230	0	93,904
Capital and related financing activities	(19,873,437)	0	0	(19,873,437)
Investing activities	(24,446,869)	8,285	31,513,664	7,075,080
Net increase (decrease) in cash and cash equivalents	(1,754,565)	38,515	(282,833)	(1,998,883)
Cash and cash equivalents at beginning of year	4,263,896	82,833	33,611	4,380,340
Cash and cash equivalents at end of year	\$ 2,509,331	\$ 121,348	\$ (249,222)	\$ 2,381,457

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

Blount 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 - Blount County Public Library System
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018
Total Pension Liability					
Service Cost	\$ 63,181	\$ 57,827	\$ 67,217	\$ 65,081	\$ 80,168
Interest	170,615	150,526	188,758	201,787	203,580
Changes in Benefit Terms	0	0	0	0	0
Differences Between Actual and Expected Experience	(425,788)	384,073	28,753	(80,879)	168,185
Changes in Assumptions	0	0	0	59,282	0
Benefit Payments, Including Refunds of Employee Contributions	(51,799)	(89,190)	(94,935)	(122,795)	(162,905)
Net Change in Total Pension Liability	\$ (243,791)	\$ 503,236	\$ 189,793	\$ 122,476	\$ 289,028
Total Pension Liability, Beginning	2,237,574	1,993,783	2,497,019	2,686,812	2,809,288
Total Pension Liability, Ending (a)	\$ 1,993,783	\$ 2,497,019	\$ 2,686,812	\$ 2,809,288	\$ 3,098,316
Plan Fiduciary Net Position					
Contributions - Employer	\$ 65,106	\$ 2,162	\$ 2,354	\$ 2,244	\$ 6,823
Contributions - Employee	34,123	35,729	39,232	37,401	40,138
Net Investment Income	393,967	85,685	74,642	319,417	252,057
Benefit Payments, Including Refunds of Employee Contributions	(51,799)	(89,190)	(94,935)	(122,795)	(162,905)
Administrative Expense	(847)	(1,035)	(1,611)	(1,871)	(2,147)
Net Change in Plan Fiduciary Net Position	\$ 440,550	\$ 33,351	\$ 19,682	\$ 234,396	\$ 133,966
Plan Fiduciary Net Position, Beginning	2,367,688	2,808,238	2,841,589	2,861,271	3,095,667
Plan Fiduciary Net Position, Ending (b)	\$ 2,808,238	\$ 2,841,589	\$ 2,861,271	\$ 3,095,667	\$ 3,229,633
Net Pension Liability (Asset), Ending (a - b)	\$ (814,455)	\$ (344,570)	\$ (174,459)	\$ (286,379)	\$ (131,317)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	140.85%	113.80%	106.49%	110.19%	104.24%
Covered Payroll	\$ 682,458	\$ 708,911	\$ 784,615	\$ 748,019	\$ 802,745
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(119.34%)	(48.61%)	(22.23%)	(38.28%)	(16.36%)

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

Exhibit F-2

Blount 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 (Excluding Library System) and Non-certified Employees
of the Discretely Presented School Department
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018
Total Pension Liability					
Service Cost	\$ 2,750,764	\$ 2,696,385	\$ 2,644,976	\$ 2,789,050	\$ 3,245,127
Interest	7,259,306	7,602,389	7,952,467	8,385,382	8,901,794
Changes in Benefit Terms	0	0	0	0	0
Differences Between Actual and Expected Experience	(1,426,832)	(1,192,196)	(39,667)	2,214,409	(655,125)
Changes in Assumptions	0	0	0	2,497,589	0
Benefit Payments, Including Refunds of Employee Contributions	(3,687,953)	(4,220,884)	(4,554,046)	(5,305,253)	(5,423,228)
Net Change in Total Pension Liability	\$ 4,895,285	\$ 4,885,694	\$ 6,003,730	\$ 10,581,177	\$ 6,068,568
Total Pension Liability, Beginning	95,883,964	100,779,249	105,664,943	111,668,673	122,249,850
Total Pension Liability, Ending (a)	\$ 100,779,249	\$ 105,664,943	\$ 111,668,673	\$ 122,249,850	\$ 128,318,418
Plan Fiduciary Net Position					
Contributions - Employer	\$ 3,643,299	\$ 3,552,107	\$ 3,606,957	\$ 3,804,366	\$ 2,498,694
Contributions - Employee	1,552,627	1,486,716	1,529,996	1,580,521	1,640,484
Net Investment Income	14,728,866	3,221,836	2,877,308	12,649,915	10,260,873
Benefit Payments, Including Refunds of Employee Contributions	(3,687,953)	(4,220,884)	(4,554,046)	(5,305,253)	(5,423,228)
Administrative Expense	(35,805)	(43,044)	(63,996)	(71,581)	(81,331)
Other	0	0	54,796	27,223	0
Net Change in Plan Fiduciary Net Position	\$ 16,201,034	\$ 3,996,731	\$ 3,451,015	\$ 12,685,191	\$ 8,895,492
Plan Fiduciary Net Position, Beginning	87,964,929	104,165,963	108,162,694	111,613,709	124,298,900
Plan Fiduciary Net Position, Ending (b)	\$ 104,165,963	\$ 108,162,694	\$ 111,613,709	\$ 124,298,900	\$ 133,194,392
Net Pension Liability (Asset), Ending (a - b)	\$ (3,386,714)	\$ (2,497,751)	\$ 54,964	\$ (2,049,050)	\$ (4,875,974)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.36%	102.36%	99.95%	101.68%	103.80%
Covered Payroll	\$ 29,979,870	\$ 29,198,139	\$ 29,875,603	\$ 31,255,600	\$ 32,438,967
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(11.3%)	(8.55%)	0.18%	(6.56%)	(15.03%)

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

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government (excluding library system) and non-certified employees of the discretely presented school department.

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

	2014	2015	2016	2017	2018	2019
Actuarially Determined Contribution	\$ 65,106	\$ 2,162	\$ 2,354	\$ 2,244	\$ 6,823	\$ 22,805
Less Contributions in Relation to the Actuarially Determined Contribution	(65,106)	(2,162)	(2,354)	(2,244)	(6,823)	(22,805)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 682,458	\$ 708,911	\$ 784,615	\$ 748,015	\$ 802,745	\$ 938,476
Contributions as a Percentage of Covered Payroll	9.54%	0.30%	0.30%	0.30%	0.85%	2.43%

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

Blount County, Tennessee
Schedule of Contributions Based on Participation in the Public
Employee Pension Plan of TCRS
Primary Government (Excluding Library System) and Non-certified Employeees
of the Discretely Presented School Department
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019
Actuarially Determined Contribution	\$ 3,643,299	\$ 3,552,107	\$ 3,606,957	\$ 3,804,366	\$ 2,498,694	\$ 2,594,585
Less Contributions in Relation to the Actuarially Determined Contribution	(3,643,299)	(3,552,107)	(3,606,957)	(3,804,366)	(2,498,694)	(2,594,585)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 29,979,870	\$ 29,198,139	\$ 29,875,603	\$ 31,255,600	\$ 32,438,967	\$ 33,742,936
Contributions as a Percentage of Covered Payroll	12.15%	12.17%	12.07%	12.17%	7.70%	7.69%

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

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government (excluding library system) and non-certified employees of the discretely presented school department.

Exhibit F-5

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

	2015	2016	2017	2018	2019*
Contractually Required Contribution	\$ 38,074	\$ 93,397	\$ 142,883	\$ 187,118	\$ 118,575
Less Contributions in Relation to the Contractually Required Contribution	(38,074)	(93,397)	(142,883)	(187,118)	(118,575)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 951,851	\$ 2,334,937	\$ 3,568,387	\$ 4,677,977	\$ 6,112,077
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%

*In FY2019 the school department placed the actuarially determined rate (1.94%) of covered payroll into the pension plan and placed \$125,912 into the Pension Stabilization Reserve Trust.

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

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

	2014	2015	2016	2017	2018	2019
Contractually Required Contribution	\$ 3,709,621	\$ 3,672,032	\$ 3,714,171	\$ 3,715,782	\$ 3,641,833	\$ 3,930,926
Less Contributions in Relation to the Contractually Required Contribution	(3,709,621)	(3,672,032)	(3,714,171)	(3,715,782)	(3,641,833)	(3,930,926)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 41,775,012	\$ 40,619,615	\$ 41,085,985	\$ 41,107,496	\$ 40,108,312	\$ 37,827,369
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.39%

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

Exhibit F-7

Blount County, Tennessee
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Pension Plan of TCRS
Discretely Presented Blount County School Department
For the Fiscal Year Ended June 30

	2015	2016	2017	2018
School Department's Proportion of the Net Pension Liability/Asset	0.458115%	0.530660%	0.544242%	0.535308%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (18,430)	\$ (55,243)	\$ (143,587)	\$ (242,777)
Covered Payroll	\$ 951,851	\$ 2,334,937	\$ 3,568,387	\$ 4,677,977
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94%)	(2.37%)	(4.02%)	(5.19%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%	126.97%

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

Blount County, Tennessee
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Legacy Pension Plan of TCRS
Discretely Presented Blount 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	1.064334%	1.085075%	1.138179%	1.162782%	1.145403%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (172,949)	\$ 444,484	\$ 7,112,986	\$ (380,444)	\$ (4,030,578)
Covered Payroll	\$ 41,775,012	\$ 40,619,615	\$ 41,085,985	\$ 41,107,496	\$ 40,108,312
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%

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

Blount County, Tennessee
Schedule of Changes in the Total OPEB Liability and Related Ratios - Blount County Plan
For the Fiscal Year Ended June 30

	2017	2018
Total OPEB Liability		
Service Cost	\$ 1,089,341	\$ 1,219,685
Interest	753,801	949,806
Changes in Benefit Terms	0	0
Differences Between Actual and Expected Experience	0	3,019,331
Changes in Assumptions or Other Inputs	(443,612)	1,408,652
Benefit Payments	(1,596,819)	(2,040,175)
Net Change in Total OPEB Liability	\$ (197,289)	\$ 4,557,299
Total OPEB Liability, Beginning	20,757,891	20,560,602
Total OPEB Liability, Ending	<u>\$ 20,560,602</u>	<u>\$ 25,117,901</u>
Primary Government's Proportionate Share of Total OPEB Liability	\$ 7,506,765	\$ 6,920,191
School Department's Proportionate Share of Total OPEB Liability	13,053,837	18,197,710
Covered Employee Payroll	\$ 73,928,475	\$ 73,488,830
Net OPEB Liability as a Percentage of Covered Employee Payroll	27.81%	34.18%

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

Note 2: Changes in assumptions. The following are the discount rates used in each period:

2017	3.58%
2018	3.87%
2019	3.50%

Note 3: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

BLOUNT 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	7.5%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.25%

Changes of assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and modified mortality assumptions.

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

Nonmajor Governmental Funds

Special Revenue Funds

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.

Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation. The proceeds of the tax must be used to pay for improvements or maintenance on the courthouse and jail.

Law Library Fund – The Law Library Fund is used to account for a special tax levied by private act on litigation. Proceeds of the tax must be expended for the benefit of the county's law library.

Public Library Fund – The Public Library Fund is used to account for transactions of the Blount County Public Library, which is jointly funded by Blount County, the City of Maryville, and the City of Alcoa.

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

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.

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for capital expenditures of the highway department.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for capital expenditures of the county and the school department.

Permanent Fund

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Endowment Fund – The Endowment Fund is used to account for an endowment received by the county for which the principal amount must remain intact while interest earned on the principal is to be expended to benefit an orphans' or children's home owned by the county.

Exhibit G-1

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

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 13,129	\$ 0	\$ 9,150	\$ 22,279
Equity in Pooled Cash and Investments	219,030	53,647	615,594	1,936,948	0	2,825,219
Accounts Receivable	0	0	10,287	49,344	312	59,943
Due from Other Governments	0	0	0	0	0	0
Due from Other Funds	0	0	0	0	0	0
Total Assets	<u>\$ 219,030</u>	<u>\$ 53,647</u>	<u>\$ 639,010</u>	<u>\$ 1,986,292</u>	<u>\$ 9,462</u>	<u>\$ 2,907,441</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 14,079	\$ 0	\$ 7,113	\$ 18,127	\$ 0	\$ 39,319
Accrued Payroll	0	0	33,765	0	0	33,765
Payroll Deductions Payable	0	0	5,573	0	0	5,573
Due to Other Funds	0	0	0	0	9,462	9,462
Due to State of Tennessee	0	0	2,034	0	0	2,034
Due to Litigants, Heirs, and Others	0	0	0	3,784	0	3,784
Total Liabilities	<u>\$ 14,079</u>	<u>\$ 0</u>	<u>\$ 48,485</u>	<u>\$ 21,911</u>	<u>\$ 9,462</u>	<u>\$ 93,937</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Other Deferred/Unavailable Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Continued)

Exhibit G-1

Blount County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees	
<u>FUND BALANCES</u>						
Nonspendable:						
Endowments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted:						
Restricted for General Government	204,951	0	0	0	0	204,951
Restricted for Administration of Justice	0	53,647	0	0	0	53,647
Restricted for Public Safety	0	0	0	968,886	0	968,886
Restricted for Public Health and Welfare	0	0	0	0	0	0
Restricted for Social, Cultural, and Recreational Services	0	0	590,525	0	0	590,525
Restricted for Capital Projects	0	0	0	0	0	0
Committed:						
Committed for Public Safety	0	0	0	995,495	0	995,495
Committed for Capital Outlay	0	0	0	0	0	0
Total Fund Balances	<u>\$ 204,951</u>	<u>\$ 53,647</u>	<u>\$ 590,525</u>	<u>\$ 1,964,381</u>	<u>\$ 0</u>	<u>\$ 2,813,504</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 219,030</u>	<u>\$ 53,647</u>	<u>\$ 639,010</u>	<u>\$ 1,986,292</u>	<u>\$ 9,462</u>	<u>\$ 2,907,441</u>

(Continued)

Exhibit G-1

Blount County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

	Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	Endowment	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 22,279
Equity in Pooled Cash and Investments	922,478	2,274,937	3,197,415	511,124	6,533,758
Accounts Receivable	0	0	0	1,032	60,975
Due from Other Governments	33,613	1,908	35,521	0	35,521
Due from Other Funds	195,000	0	195,000	0	195,000
Total Assets	<u>\$ 1,151,091</u>	<u>\$ 2,276,845</u>	<u>\$ 3,427,936</u>	<u>\$ 512,156</u>	<u>\$ 6,847,533</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 51,399	\$ 51,399	\$ 0	\$ 90,718
Accrued Payroll	0	0	0	0	33,765
Payroll Deductions Payable	0	0	0	0	5,573
Due to Other Funds	0	0	0	0	9,462
Due to State of Tennessee	0	0	0	0	2,034
Due to Litigants, Heirs, and Others	0	0	0	0	3,784
Total Liabilities	<u>\$ 0</u>	<u>\$ 51,399</u>	<u>\$ 51,399</u>	<u>\$ 0</u>	<u>\$ 145,336</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Other Deferred/Unavailable Revenue	\$ 33,613	\$ 0	\$ 33,613	\$ 0	\$ 33,613
Total Deferred Inflows of Resources	<u>\$ 33,613</u>	<u>\$ 0</u>	<u>\$ 33,613</u>	<u>\$ 0</u>	<u>\$ 33,613</u>

(Continued)

Blount County, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds (Cont.)

	Capital Projects Funds			Permanent	Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	Fund Endowment	
<u>FUND BALANCES</u>					
Nonspendable:					
Endowments	\$ 0	\$ 0	\$ 0	\$ 485,403	\$ 485,403
Restricted:					
Restricted for General Government	0	0	0	0	204,951
Restricted for Administration of Justice	0	0	0	0	53,647
Restricted for Public Safety	0	0	0	0	968,886
Restricted for Public Health and Welfare	0	0	0	26,753	26,753
Restricted for Social, Cultural, and Recreational Services	0	0	0	0	590,525
Restricted for Capital Projects	0	198,570	198,570	0	198,570
Committed:					
Committed for Public Safety	0	0	0	0	995,495
Committed for Capital Outlay	1,117,478	2,026,876	3,144,354	0	3,144,354
Total Fund Balances	<u>\$ 1,117,478</u>	<u>\$ 2,225,446</u>	<u>\$ 3,342,924</u>	<u>\$ 512,156</u>	<u>\$ 6,668,584</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,151,091</u>	<u>\$ 2,276,845</u>	<u>\$ 3,427,936</u>	<u>\$ 512,156</u>	<u>\$ 6,847,533</u>

Exhibit G-2

Blount 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					
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees	Total
<u>Revenues</u>						
Local Taxes	\$ 226,129	\$ 10,845	\$ 0	\$ 0	\$ 0	\$ 236,974
Fines, Forfeitures, and Penalties	0	0	0	20,630	0	20,630
Charges for Current Services	0	0	100,191	148,284	4,020	252,495
Other Local Revenues	0	0	157,351	37,925	0	195,276
State of Tennessee	0	0	0	0	0	0
Federal Government	0	0	0	0	0	0
Other Governments and Citizens Groups	0	0	1,098,315	423,366	0	1,521,681
Total Revenues	\$ 226,129	\$ 10,845	\$ 1,355,857	\$ 630,205	\$ 4,020	\$ 2,227,056
<u>Expenditures</u>						
Current:						
General Government	\$ 224,023	\$ 0	\$ 0	\$ 0	\$ 0	\$ 224,023
Administration of Justice	0	0	0	0	4,020	4,020
Public Safety	0	0	0	179,788	0	179,788
Social, Cultural, and Recreational Services	0	0	2,342,521	0	0	2,342,521
Other Operations	0	9,207	0	0	0	9,207
Capital Projects	0	0	331,744	0	0	331,744
Total Expenditures	\$ 224,023	\$ 9,207	\$ 2,674,265	\$ 179,788	\$ 4,020	\$ 3,091,303
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,106	\$ 1,638	\$ (1,318,408)	\$ 450,417	\$ 0	\$ (864,247)

(Continued)

Exhibit G-2

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

	Special Revenue Funds					
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees	Total
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 0	\$ 0	\$ 1,096,283	\$ 0	\$ 0	\$ 1,096,283
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 1,096,283	\$ 0	\$ 0	\$ 1,096,283
Net Change in Fund Balances	\$ 2,106	\$ 1,638	\$ (222,125)	\$ 450,417	\$ 0	\$ 232,036
Fund Balance, July 1, 2018	202,845	52,009	812,650	1,513,964	0	2,581,468
Fund Balance, June 30, 2019	\$ 204,951	\$ 53,647	\$ 590,525	\$ 1,964,381	\$ 0	\$ 2,813,504

(Continued)

Exhibit G-2

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

	Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	Endowment	
<u>Revenues</u>					
Local Taxes	\$ 0	\$ 2,814	\$ 2,814	\$ 0	\$ 239,788
Fines, Forfeitures, and Penalties	0	0	0	0	20,630
Charges for Current Services	0	0	0	0	252,495
Other Local Revenues	0	0	0	8,756	204,032
State of Tennessee	0	269	269	0	269
Federal Government	200,000	0	200,000	0	200,000
Other Governments and Citizens Groups	0	0	0	0	1,521,681
Total Revenues	\$ 200,000	\$ 3,083	\$ 203,083	\$ 8,756	\$ 2,438,895
<u>Expenditures</u>					
Current:					
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 224,023
Administration of Justice	0	0	0	0	4,020
Public Safety	0	0	0	0	179,788
Social, Cultural, and Recreational Services	0	0	0	0	2,342,521
Other Operations	0	0	0	0	9,207
Capital Projects	233,613	2,172,283	2,405,896	0	2,737,640
Total Expenditures	\$ 233,613	\$ 2,172,283	\$ 2,405,896	\$ 0	\$ 5,497,199
Excess (Deficiency) of Revenues Over Expenditures	\$ (33,613)	\$ (2,169,200)	\$ (2,202,813)	\$ 8,756	\$ (3,058,304)

(Continued)

Exhibit G-2

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

	Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	Endowment	
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 1,150,000	\$ 3,195,862	\$ 4,345,862	\$ 0	\$ 5,442,145
Total Other Financing Sources (Uses)	\$ 1,150,000	\$ 3,195,862	\$ 4,345,862	\$ 0	\$ 5,442,145
Net Change in Fund Balances	\$ 1,116,387	\$ 1,026,662	\$ 2,143,049	\$ 8,756	\$ 2,383,841
Fund Balance, July 1, 2018	1,091	1,198,784	1,199,875	503,400	4,284,743
Fund Balance, June 30, 2019	\$ 1,117,478	\$ 2,225,446	\$ 3,342,924	\$ 512,156	\$ 6,668,584

Exhibit G-3

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Courthouse and Jail Maintenance 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	\$ 226,129	\$ 0	\$ 0	\$ 226,129	\$ 199,100	\$ 199,100	\$ 27,029
Total Revenues	\$ 226,129	\$ 0	\$ 0	\$ 226,129	\$ 199,100	\$ 199,100	\$ 27,029
<u>Expenditures</u>							
<u>General Government</u>							
County Buildings	\$ 224,023	\$ (101,517)	\$ 23,834	\$ 146,340	\$ 199,100	\$ 199,100	\$ 52,760
Total Expenditures	\$ 224,023	\$ (101,517)	\$ 23,834	\$ 146,340	\$ 199,100	\$ 199,100	\$ 52,760
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,106	\$ 101,517	\$ (23,834)	\$ 79,789	\$ 0	\$ 0	\$ 79,789
Net Change in Fund Balance	\$ 2,106	\$ 101,517	\$ (23,834)	\$ 79,789	\$ 0	\$ 0	\$ 79,789
Fund Balance, July 1, 2018	202,845	(101,517)	0	101,328	202,845	202,845	(101,517)
Fund Balance, June 30, 2019	\$ 204,951	\$ 0	\$ (23,834)	\$ 181,117	\$ 202,845	\$ 202,845	\$ (21,728)

Exhibit G-4

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Law Library 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	\$ 10,845	\$ 0	\$ 0	\$ 10,845	\$ 10,430	\$ 10,430	\$ 415
Total Revenues	\$ 10,845	\$ 0	\$ 0	\$ 10,845	\$ 10,430	\$ 10,430	\$ 415
<u>Expenditures</u>							
<u>Other Operations</u>							
Other Charges	\$ 9,207	\$ (738)	\$ 760	\$ 9,229	\$ 9,211	\$ 9,211	\$ (18)
Total Expenditures	\$ 9,207	\$ (738)	\$ 760	\$ 9,229	\$ 9,211	\$ 9,211	\$ (18)
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,638	\$ 738	\$ (760)	\$ 1,616	\$ 1,219	\$ 1,219	\$ 397
Net Change in Fund Balance	\$ 1,638	\$ 738	\$ (760)	\$ 1,616	\$ 1,219	\$ 1,219	\$ 397
Fund Balance, July 1, 2018	52,009	(738)	0	51,271	52,009	52,009	(738)
Fund Balance, June 30, 2019	\$ 53,647	\$ 0	\$ (760)	\$ 52,887	\$ 53,228	\$ 53,228	\$ (341)

Exhibit G-5

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Public Library 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>							
Charges for Current Services	\$ 100,191	\$ 0	\$ 0	\$ 100,191	\$ 103,000	\$ 103,000	\$ (2,809)
Other Local Revenues	157,351	0	0	157,351	157,000	157,000	351
State of Tennessee	0	0	0	0	20,000	20,000	(20,000)
Other Governments and Citizens Groups	1,098,315	0	0	1,098,315	1,096,283	1,096,283	2,032
Total Revenues	\$ 1,355,857	\$ 0	\$ 0	\$ 1,355,857	\$ 1,376,283	\$ 1,376,283	\$ (20,426)
<u>Expenditures</u>							
<u>General Government</u>							
County Buildings	\$ 0	\$ 0	\$ 0	\$ 0	\$ 224,588	\$ 0	\$ 0
<u>Social, Cultural, and Recreational Services</u>							
Libraries	2,342,521	(25,754)	14,649	2,331,416	2,066,071	2,434,062	102,646
Other Social, Cultural, and Recreational	0	0	0	0	143,406	0	0
<u>Capital Projects</u>							
General Administration Projects	331,744	(6,000)	2,220	327,964	38,500	335,620	7,656
Total Expenditures	\$ 2,674,265	\$ (31,754)	\$ 16,869	\$ 2,659,380	\$ 2,472,565	\$ 2,769,682	\$ 110,302
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,318,408)	\$ 31,754	\$ (16,869)	\$ (1,303,523)	\$ (1,096,282)	\$ (1,393,399)	\$ 89,876
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 1,096,283	\$ 0	\$ 0	\$ 1,096,283	\$ 1,096,283	\$ 1,096,283	\$ 0
Total Other Financing Sources	\$ 1,096,283	\$ 0	\$ 0	\$ 1,096,283	\$ 1,096,283	\$ 1,096,283	\$ 0
Net Change in Fund Balance	\$ (222,125)	\$ 31,754	\$ (16,869)	\$ (207,240)	\$ 1	\$ (297,116)	\$ 89,876
Fund Balance, July 1, 2018	812,650	(31,754)	0	780,896	812,650	812,650	(31,754)
Fund Balance, June 30, 2019	\$ 590,525	\$ 0	\$ (16,869)	\$ 573,656	\$ 812,651	\$ 515,534	\$ 58,122

Exhibit G-6

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Drug Control 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>							
Fines, Forfeitures, and Penalties	\$ 20,630	\$ 0	\$ 0	\$ 20,630	\$ 21,836	\$ 21,836	\$ (1,206)
Charges for Current Services	148,284	0	0	148,284	45,000	45,000	103,284
Other Local Revenues	37,925	0	0	37,925	13,000	13,000	24,925
Federal Government	0	0	0	0	15,000	15,000	(15,000)
Other Governments and Citizens Groups	423,366	0	0	423,366	0	0	423,366
Total Revenues	\$ 630,205	\$ 0	\$ 0	\$ 630,205	\$ 94,836	\$ 94,836	\$ 535,369
<u>Expenditures</u>							
<u>Public Safety</u>							
Sheriff's Department	\$ 124,633	\$ (69,852)	\$ 1,372	\$ 56,153	\$ 165,000	\$ 165,000	\$ 108,847
Drug Enforcement	55,155	0	0	55,155	120,000	190,000	134,845
Total Expenditures	\$ 179,788	\$ (69,852)	\$ 1,372	\$ 111,308	\$ 285,000	\$ 355,000	\$ 243,692
Excess (Deficiency) of Revenues Over Expenditures	\$ 450,417	\$ 69,852	\$ (1,372)	\$ 518,897	\$ (190,164)	\$ (260,164)	\$ 779,061
Net Change in Fund Balance	\$ 450,417	\$ 69,852	\$ (1,372)	\$ 518,897	\$ (190,164)	\$ (260,164)	\$ 779,061
Fund Balance, July 1, 2018	1,513,964	(69,852)	0	1,444,112	1,513,964	1,513,964	(69,852)
Fund Balance, June 30, 2019	\$ 1,964,381	\$ 0	\$ (1,372)	\$ 1,963,009	\$ 1,323,800	\$ 1,253,800	\$ 709,209

Exhibit G-7

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway 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	
<u>Revenues</u>						
Federal Government	\$ 200,000	\$ 0	\$ 200,000	\$ 750,000	\$ 750,000	\$ (550,000)
Total Revenues	\$ 200,000	\$ 0	\$ 200,000	\$ 750,000	\$ 750,000	\$ (550,000)
<u>Expenditures</u>						
<u>Capital Projects</u>						
Highway and Street Capital Projects	\$ 233,613	\$ 336,042	\$ 569,655	\$ 750,000	\$ 1,150,000	\$ 580,345
Total Expenditures	\$ 233,613	\$ 336,042	\$ 569,655	\$ 750,000	\$ 1,150,000	\$ 580,345
Excess (Deficiency) of Revenues Over Expenditures	\$ (33,613)	\$ (336,042)	\$ (369,655)	\$ 0	\$ (400,000)	\$ 30,345
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 1,150,000	\$ 0	\$ 1,150,000	\$ 400,000	\$ 400,000	\$ 750,000
Total Other Financing Sources	\$ 1,150,000	\$ 0	\$ 1,150,000	\$ 400,000	\$ 400,000	\$ 750,000
Net Change in Fund Balance	\$ 1,116,387	\$ (336,042)	\$ 780,345	\$ 400,000	\$ 0	\$ 780,345
Fund Balance, July 1, 2018	1,091	0	1,091	1,091	1,091	0
Fund Balance, June 30, 2019	\$ 1,117,478	\$ (336,042)	\$ 781,436	\$ 401,091	\$ 1,091	\$ 780,345

Exhibit G-8

Blount 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)	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	\$ 2,814	\$ 0	\$ 0	\$ 2,814	\$ 0	\$ 0	\$ 2,814
State of Tennessee	269	0	0	269	72,500	72,500	(72,231)
Total Revenues	\$ 3,083	\$ 0	\$ 0	\$ 3,083	\$ 72,500	\$ 72,500	\$ (69,417)
<u>Expenditures</u>							
<u>Capital Projects</u>							
General Administration Projects	\$ 1,324,127	\$ (241,057)	\$ 395,648	\$ 1,478,718	\$ 1,672,734	\$ 1,672,734	\$ 194,016
Administration of Justice Projects	136,870	(166,233)	29,363	0	0	0	0
Public Safety Projects	0	0	0	0	0	72,500	72,500
Other General Government Projects	624,147	0	0	624,147	624,147	1,510,471	886,324
Highway and Street Capital Projects	85,689	(73,032)	0	12,657	0	12,657	0
Education Capital Projects	1,450	0	0	1,450	0	28,786	27,336
Total Expenditures	\$ 2,172,283	\$ (480,322)	\$ 425,011	\$ 2,116,972	\$ 2,296,881	\$ 3,297,148	\$ 1,180,176
Excess (Deficiency) of Revenues Over Expenditures	\$ (2,169,200)	\$ 480,322	\$ (425,011)	\$ (2,113,889)	\$ (2,224,381)	\$ (3,224,648)	\$ 1,110,759
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 3,195,862	\$ 0	\$ 0	\$ 3,195,862	\$ 3,195,862	\$ 3,195,862	\$ 0
Total Other Financing Sources	\$ 3,195,862	\$ 0	\$ 0	\$ 3,195,862	\$ 3,195,862	\$ 3,195,862	\$ 0
Net Change in Fund Balance	\$ 1,026,662	\$ 480,322	\$ (425,011)	\$ 1,081,973	\$ 971,481	\$ (28,786)	\$ 1,110,759
Fund Balance, July 1, 2018	1,198,784	(480,322)	0	718,462	1,198,784	1,198,784	(480,322)
Fund Balance, June 30, 2019	\$ 2,225,446	\$ 0	\$ (425,011)	\$ 1,800,435	\$ 2,170,265	\$ 1,169,998	\$ 630,437

Major Governmental Fund

General Debt Service Fund

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.

Exhibit H

Blount 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	\$ 18,490,862	\$ 17,847,320	\$ 17,847,320	\$ 643,542
Other Local Revenues	1,236,804	147,150	147,150	1,089,654
State of Tennessee	26,073	0	0	26,073
Other Governments and Citizens Groups	1,073,848	517,000	1,050,251	23,597
Total Revenues	<u>\$ 20,827,587</u>	<u>\$ 18,511,470</u>	<u>\$ 19,044,721</u>	<u>\$ 1,782,866</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 9,255,579	\$ 9,241,000	\$ 9,241,000	\$ (14,579)
Education	626,912	302,000	627,851	939
<u>Interest on Debt</u>				
General Government	7,813,349	9,102,500	9,102,500	1,289,151
Education	51,462	34,000	51,600	138
<u>Other Debt Service</u>				
General Government	393,717	477,000	477,000	83,283
Total Expenditures	<u>\$ 18,141,019</u>	<u>\$ 19,156,500</u>	<u>\$ 19,499,951</u>	<u>\$ 1,358,932</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,686,568</u>	<u>\$ (645,030)</u>	<u>\$ (455,230)</u>	<u>\$ 3,141,798</u>
<u>Other Financing Sources (Uses)</u>				
Notes Issued	\$ 0	\$ 189,800	\$ 0	\$ 0
Transfers In	840,803	837,000	837,000	3,803
Total Other Financing Sources	<u>\$ 840,803</u>	<u>\$ 1,026,800</u>	<u>\$ 837,000</u>	<u>\$ 3,803</u>
Net Change in Fund Balance	\$ 3,527,371	\$ 381,770	\$ 381,770	\$ 3,145,601
Fund Balance, July 1, 2018	<u>12,245,758</u>	<u>12,245,758</u>	<u>12,245,758</u>	<u>0</u>
Fund Balance, June 30, 2019	<u>\$ 15,773,129</u>	<u>\$ 12,627,528</u>	<u>\$ 12,627,528</u>	<u>\$ 3,145,601</u>

Fiduciary Funds

Agency Funds are used to account for assets held by the county in a trustee capacity or 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.

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.

City School ADA - Alcoa Fund and City School ADA - Maryville Fund – These two funds are used to account for the city school systems' shares of education revenues collected by the county, which must be apportioned between the various school systems on an average daily attendance basis. These collections are remitted to the city school systems 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.

Other Agency Fund – The Other Agency Fund is used to account for certain payroll deductions of the various county departments.

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for grants and other restricted revenues for the benefit of the multi-jurisdictional drug task force, which was created by contract (mutual aid agreement) between the participating city and county governments.

District Attorney General Fund – The District Attorney General Fund is used to account for restricted revenue held for the benefit of the Office of District Attorney General.

Other Agency Fund #2 – The Other Agency Fund #2 is used to account for 70 percent of hotel/motel tax revenues collected by the county. These revenues are received by the county and forwarded to the Tourism Board as required by the private act authorizing the tax.

Exhibit I-1

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

	Agency Funds					
	Cities - Sales Tax	City School ADA - Alcoa	City School ADA - Maryville	Constitu - tional Officers - Agency	Other Agency	Judicial District Drug
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 5,949,628	\$ 0	\$ 0
Equity in Pooled Cash and Investments	0	4,353	11,517	0	345,543	502,741
Accounts Receivable	0	17,451	22,375	0	0	27,732
Due from Other Governments	3,942,735	639,299	1,542,720	0	0	0
Property Taxes Receivable	0	4,482,336	11,860,161	0	0	0
Allowance for Uncollectible Property Taxes	0	(59,308)	(156,928)	0	0	0
Total Assets	<u>\$ 3,942,735</u>	<u>\$ 5,084,131</u>	<u>\$ 13,279,845</u>	<u>\$ 5,949,628</u>	<u>\$ 345,543</u>	<u>\$ 530,473</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 41,211
Payroll Deductions Payable	0	0	0	0	345,543	0
Due to Other Taxing Units	3,942,735	5,084,131	13,279,845	0	0	0
Due to Litigants, Heirs, and Others	0	0	0	5,949,628	0	49,826
Due to Joint Ventures	0	0	0	0	0	439,436
Total Liabilities	<u>\$ 3,942,735</u>	<u>\$ 5,084,131</u>	<u>\$ 13,279,845</u>	<u>\$ 5,949,628</u>	<u>\$ 345,543</u>	<u>\$ 530,473</u>

(Continued)

Exhibit I-1

Blount County, Tennessee
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Funds (Cont.)

		<u>Agency Funds (Cont.)</u>		
		District Attorney General	Other Agency #2	Total
<u>ASSETS</u>				
Cash		\$ 0	\$ 0	\$ 5,949,628
Equity in Pooled Cash and Investments		224,377	227,909	1,316,440
Accounts Receivable		0	243,340	310,898
Due from Other Governments		0	0	6,124,754
Property Taxes Receivable		0	0	16,342,497
Allowance for Uncollectible Property Taxes		0	0	(216,236)
Total Assets		<u>\$ 224,377</u>	<u>\$ 471,249</u>	<u>\$ 29,827,981</u>
<u>LIABILITIES</u>				
Accounts Payable		\$ 0	\$ 0	\$ 41,211
Payroll Deductions Payable		0	0	345,543
Due to Other Taxing Units		0	0	22,306,711
Due to Litigants, Heirs, and Others		224,377	0	6,223,831
Due to Joint Ventures		0	471,249	910,685
Total Liabilities		<u>\$ 224,377</u>	<u>\$ 471,249</u>	<u>\$ 29,827,981</u>

Exhibit I-2

Blount 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	\$ 22,543,438	\$ 22,543,438	\$ 0
Due from Other Governments	3,716,607	3,942,735	3,716,607	3,942,735
Total Assets	<u>\$ 3,716,607</u>	<u>\$ 26,486,173</u>	<u>\$ 26,260,045</u>	<u>\$ 3,942,735</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 3,716,607	\$ 26,486,173	\$ 26,260,045	\$ 3,942,735
Total Liabilities	<u>\$ 3,716,607</u>	<u>\$ 26,486,173</u>	<u>\$ 26,260,045</u>	<u>\$ 3,942,735</u>
<u>City School ADA - Alcoa Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 4,954	\$ 7,729,707	\$ 7,730,308	\$ 4,353
Accounts Receivable	19,422	17,451	19,422	17,451
Due from Other Governments	563,853	639,299	563,853	639,299
Taxes Receivable	4,183,564	4,482,336	4,183,564	4,482,336
Allowance for Uncollectible Taxes	(65,056)	(59,308)	(65,056)	(59,308)
Total Assets	<u>\$ 4,706,737</u>	<u>\$ 12,809,485</u>	<u>\$ 12,432,091</u>	<u>\$ 5,084,131</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 4,706,737	\$ 12,809,485	\$ 12,432,091	\$ 5,084,131
Total Liabilities	<u>\$ 4,706,737</u>	<u>\$ 12,809,485</u>	<u>\$ 12,432,091</u>	<u>\$ 5,084,131</u>
<u>City School ADA - Maryville Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 13,540	\$ 20,176,012	\$ 20,178,035	\$ 11,517
Accounts Receivable	27,721	22,375	27,721	22,375
Due from Other Governments	1,484,122	1,542,720	1,484,122	1,542,720
Taxes Receivable	11,612,190	11,860,161	11,612,190	11,860,161
Allowance for Uncollectible Taxes	(177,518)	(156,928)	(177,518)	(156,928)
Total Assets	<u>\$ 12,960,055</u>	<u>\$ 33,444,340</u>	<u>\$ 33,124,550</u>	<u>\$ 13,279,845</u>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 12,960,055	\$ 33,444,340	\$ 33,124,550	\$ 13,279,845
Total Liabilities	<u>\$ 12,960,055</u>	<u>\$ 33,444,340</u>	<u>\$ 33,124,550</u>	<u>\$ 13,279,845</u>

(Continued)

Exhibit I-2

Blount County, Tennessee
Combining Statement of Changes in Assets
and Liabilities - All Agency Funds (Cont.)

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 4,122,418	\$ 45,205,552	\$ 43,378,342	\$ 5,949,628
Total Assets	\$ 4,122,418	\$ 45,205,552	\$ 43,378,342	\$ 5,949,628
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 4,122,418	\$ 45,205,552	\$ 43,378,342	\$ 5,949,628
Total Liabilities	\$ 4,122,418	\$ 45,205,552	\$ 43,378,342	\$ 5,949,628
<u>Other Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 368,329	\$ 2,205,481	\$ 2,228,267	\$ 345,543
Total Assets	\$ 368,329	2,205,481	2,228,267	0 345,543
<u>Liabilities</u>				
Payroll Deductions Payable	\$ 368,329	\$ 2,205,481	\$ 2,228,267	\$ 345,543
Total Liabilities	\$ 368,329	\$ 2,205,481	\$ 2,228,267	\$ 345,543
<u>Judicial District Drug Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 976,192	\$ 235,797	\$ 709,248	\$ 502,741
Accounts Receivable	2,839	\$ 27,732	\$ 2,839	\$ 27,732
Total Assets	\$ 979,031	\$ 263,529	\$ 712,087	\$ 530,473
<u>Liabilities</u>				
Accounts Payable	\$ 131	\$ 41,211	\$ 131	\$ 41,211
Due to Litigants, Heirs, and Others	97,211	49,826	97,211	49,826
Due to Joint Venture	881,689	172,492	614,745	439,436
Total Liabilities	\$ 979,031	\$ 263,529	\$ 712,087	\$ 530,473

(Continued)

Exhibit I-2

Blount County, Tennessee
Combining Statement of Changes in Assets
and Liabilities - All Agency Funds (Cont.)

	Beginning Balance	Additions	Deductions	Ending Balance
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 203,418	\$ 21,171	\$ 212	\$ 224,377
Total Assets	\$ 203,418	\$ 21,171	\$ 212	\$ 224,377
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 203,418	\$ 21,171	\$ 212	\$ 224,377
Total Liabilities	\$ 203,418	\$ 21,171	\$ 212	\$ 224,377
<u>Other Agency Fund #2</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 201,577	\$ 2,212,151	\$ 2,185,819	\$ 227,909
Accounts Receivable	208,611	243,340	208,611	243,340
Total Assets	\$ 410,188	\$ 2,455,491	\$ 2,394,430	\$ 471,249
<u>Liabilities</u>				
Due to Joint Ventures	\$ 410,188	\$ 2,455,491	\$ 2,394,430	\$ 471,249
Total Liabilities	\$ 410,188	\$ 2,455,491	\$ 2,394,430	\$ 471,249
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 4,122,418	\$ 45,205,552	\$ 43,378,342	\$ 5,949,628
Equity in Pooled Cash and Investments	1,768,010	55,123,757	55,575,327	1,316,440
Accounts Receivable	258,593	310,898	258,593	310,898
Due from Other Governments	5,764,582	6,124,754	5,764,582	6,124,754
Property Taxes Receivable	15,795,754	16,342,497	15,795,754	16,342,497
Allowance for Uncollectible Property Taxes	(242,574)	(216,236)	(242,574)	(216,236)
Total Assets	\$ 27,466,783	\$ 122,891,222	\$ 120,530,024	\$ 29,827,981
<u>Liabilities</u>				
Accounts Payable	\$ 131	\$ 41,211	\$ 131	\$ 41,211
Payroll Deductions Payable	368,329	2,205,481	2,228,267	345,543
Due to Other Taxing Units	21,383,399	72,739,998	71,816,686	22,306,711
Due to Litigants, Heirs, and Others	4,423,047	45,276,549	43,475,765	6,223,831
Due to Joint Ventures	1,291,877	2,627,983	3,009,175	910,685
Total Liabilities	\$ 27,466,783	\$ 122,891,222	\$ 120,530,024	\$ 29,827,981

Blount County School Department

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

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 transactions of the Blount County School Department's extended care program.

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

Exhibit J-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
Governmental Activities:					
Instruction	\$ 57,435,059	\$ 46,000	\$ 5,007,632	\$ 0	\$ (52,381,427)
Support Services	37,077,142	3,062,867	762,921	0	(33,251,354)
Operation of Non-instructional Services	8,034,680	0	3,662,998	0	(4,371,682)
Total Governmental Activities	\$ 102,546,881	\$ 3,108,867	\$ 9,433,551	\$ 0	\$ (90,004,463)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 22,352,931
Property Taxes Levied for Capital Purposes					1,429,468
Local Option Sales Taxes					16,524,592
Business Taxes					546,051
Other Local Taxes					202,650
Grants and Contributions Not Restricted for Specific Programs					52,327,743
Unrestricted Investment Income					386,789
Gain on Investments					6,694
Miscellaneous					22,523
Total General Revenues					\$ 93,799,441
Change in Net Position					\$ 3,794,978
Net Position, July 1, 2018					116,233,764
Net Position, June 30, 2019					\$ 120,028,742

Exhibit J-2

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

	Major Fund	Nonmajor Funds	
	General	Other	
	Purpose	Govern-	Total
	School	mental	Governmental
		Funds	Funds
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 10,848,260	\$ 3,017,837	\$ 13,866,097
Accounts Receivable	29,168	31,203	60,371
Due from Other Governments	3,273,848	424,983	3,698,831
Due from Other Funds	0	204,010	204,010
Property Taxes Receivable	23,187,713	1,477,765	24,665,478
Allowance for Uncollectible Property Taxes	(306,808)	(19,553)	(326,361)
Restricted Assets	132,606	0	132,606
Total Assets	\$ 37,164,787	\$ 5,136,245	\$ 42,301,032
<u>LIABILITIES</u>			
Accounts Payable	\$ 266,508	\$ 38,963	\$ 305,471
Accrued Payroll	1,865,371	559,192	2,424,563
Payroll Deductions Payable	211,070	75,698	286,768
Due to Other Funds	204,010	0	204,010
Due to Primary Government	953,200	284,944	1,238,144
Other Current Liabilities	670,998	0	670,998
Total Liabilities	\$ 4,171,157	\$ 958,797	\$ 5,129,954
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 22,419,110	\$ 1,428,782	\$ 23,847,892
Deferred Delinquent Property Taxes	305,659	19,485	325,144
Total Deferred Inflows of Resources	\$ 22,724,769	\$ 1,448,267	\$ 24,173,036
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 0	\$ 878,973	\$ 878,973
Restricted for Capital Projects	0	1,067,160	1,067,160
Restricted for Hybrid Retirement Stabilization Funds	132,606	0	132,606
Committed:			
Committed for Education	0	783,048	783,048
Assigned:			
Assigned for Education	2,054,613	0	2,054,613
Assigned for Capital Outlay	80,367	0	80,367
Unassigned	8,001,275	0	8,001,275
Total Fund Balances	\$ 10,268,861	\$ 2,729,181	\$ 12,998,042
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 37,164,787	\$ 5,136,245	\$ 42,301,032

Blount County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented Blount 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 J-2)		\$	12,998,042
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	9,951,059	
Add: buildings and improvements net of accumulated depreciation		101,806,583	
Add: other capital assets net of accumulated depreciation		<u>1,884,760</u>	113,642,402
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: loan payable to primary government	\$	(1,096,195)	
Less: other postemployment benefits liability		<u>(18,197,710)</u>	(19,293,905)
(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	\$	9,077,229	
Less: deferred inflows of resources related to pensions		(6,837,912)	
Add: deferred outflows of resources related to OPEB		4,782,824	
Less: deferred inflows of resources related to OPEB		<u>(190,444)</u>	6,831,697
(4) Net pension assets of the Teacher Plan are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension assets of the Agent Plan		1,252,007	
Add: net pension assets of the Teacher Plan		242,777	
Add: net pension assets of the Teacher Legacy Plan		<u>4,030,578</u>	5,525,362
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>325,144</u>
Net position of governmental activities (Exhibit A)		\$	<u>120,028,742</u>

Exhibit J-4

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

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 39,627,009	\$ 1,483,926	\$ 41,110,935
Licenses and Permits	5,662	0	5,662
Charges for Current Services	189,428	3,048,467	3,237,895
Other Local Revenues	465,631	62,043	527,674
State of Tennessee	50,868,784	186,922	51,055,706
Federal Government	265,052	9,984,011	10,249,063
Total Revenues	<u>\$ 91,421,566</u>	<u>\$ 14,765,369</u>	<u>\$ 106,186,935</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 56,837,646	\$ 4,167,648	\$ 61,005,294
Support Services	31,097,795	2,103,874	33,201,669
Operation of Non-Instructional Services	744,133	7,304,293	8,048,426
Capital Outlay	1,159,530	0	1,159,530
Debt Service:			
Other Debt Service	678,374	189,797	868,171
Capital Projects	0	984,672	984,672
Total Expenditures	<u>\$ 90,517,478</u>	<u>\$ 14,750,284</u>	<u>\$ 105,267,762</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 904,088</u>	<u>\$ 15,085</u>	<u>\$ 919,173</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 0	\$ 189,797	\$ 189,797
Transfers Out	(189,797)	0	(189,797)
Total Other Financing Sources (Uses)	<u>\$ (189,797)</u>	<u>\$ 189,797</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 714,291	\$ 204,882	\$ 919,173
Fund Balance, July 1, 2018	<u>9,554,570</u>	<u>2,524,299</u>	<u>12,078,869</u>
Fund Balance, June 30, 2019	<u>\$ 10,268,861</u>	<u>\$ 2,729,181</u>	<u>\$ 12,998,042</u>

Blount County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
Discretely Presented Blount 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 J-4)		\$	919,173
(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	\$	741,954	
Less: current-year depreciation expense		<u>(3,798,732)</u>	(3,056,778)
(2) 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	\$	325,144	
Less: deferred delinquent property taxes and other deferred June 30, 2018		<u>(170,220)</u>	154,924
(3) The issuance of long-term debt (e.g., notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.			
Add: principal payments on capital leases for primary government		626,912	
Add: change in loan payable to the primary government		<u>175,805</u>	802,717
(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 accrued interest payable for primary government debt	\$	22,575	
Change in net pension asset/liability		4,419,810	
Change in deferred outflows related to pensions		(569,093)	
Change in deferred inflows related to pensions		1,422,493	
Change in OPEB liability		(5,143,873)	
Change in deferred outflows related to OPEB		4,782,824	
Change in deferred inflows related to OPEB		<u>40,206</u>	4,974,942
Change in net position of governmental activities (Exhibit B)			<u>\$ 3,794,978</u>

Exhibit J-6

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

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	Total	Education Capital Projects	
<u>ASSETS</u>						
Equity in Pooled Cash and Investments	\$ 352,111	\$ 968,484	\$ 656,690	\$ 1,977,285	\$ 1,040,552	\$ 3,017,837
Accounts Receivable	0	2,368	26,417	28,785	2,418	31,203
Due from Other Governments	359,659	49,068	2,011	410,738	14,245	424,983
Due from Other Funds	14,213	0	0	14,213	189,797	204,010
Property Taxes Receivable	0	0	0	0	1,477,765	1,477,765
Allowance for Uncollectible Property Taxes	0	0	0	0	(19,553)	(19,553)
Total Assets	<u>\$ 725,983</u>	<u>\$ 1,019,920</u>	<u>\$ 685,118</u>	<u>\$ 2,431,021</u>	<u>\$ 2,705,224</u>	<u>\$ 5,136,245</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 10,259	\$ 2,049	\$ 26,655	\$ 38,963	\$ 0	\$ 38,963
Accrued Payroll	355,225	104,336	99,631	559,192	0	559,192
Payroll Deductions Payable	43,926	19,528	12,244	75,698	0	75,698
Due to Primary Government	60,845	20,762	13,540	95,147	189,797	284,944
Total Liabilities	<u>\$ 470,255</u>	<u>\$ 146,675</u>	<u>\$ 152,070</u>	<u>\$ 769,000</u>	<u>\$ 189,797</u>	<u>\$ 958,797</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,428,782	\$ 1,428,782
Deferred Delinquent Property Taxes	0	0	0	0	19,485	19,485
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,448,267</u>	<u>\$ 1,448,267</u>

(Continued)

Exhibit J-6

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

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	Total	Education Capital Projects	
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Education	\$ 5,728	\$ 873,245	\$ 0	\$ 878,973	\$ 0	\$ 878,973
Restricted for Capital Projects	0	0	0	0	1,067,160	1,067,160
Committed:						
Committed for Education	250,000	0	533,048	783,048	0	783,048
Total Fund Balances	<u>\$ 255,728</u>	<u>\$ 873,245</u>	<u>\$ 533,048</u>	<u>\$ 1,662,021</u>	<u>\$ 1,067,160</u>	<u>\$ 2,729,181</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 725,983</u>	<u>\$ 1,019,920</u>	<u>\$ 685,118</u>	<u>\$ 2,431,021</u>	<u>\$ 2,705,224</u>	<u>\$ 5,136,245</u>

Exhibit J-7

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

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	Total	Education Capital Projects	
<u>Revenues</u>						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,483,926	\$ 1,483,926
Charges for Current Services	0	1,621,480	1,426,987	3,048,467	0	3,048,467
Other Local Revenues	0	23,417	14,966	38,383	23,660	62,043
State of Tennessee	0	46,184	137,638	183,822	3,100	186,922
Federal Government	6,271,945	3,712,066	0	9,984,011	0	9,984,011
Total Revenues	\$ 6,271,945	\$ 5,403,147	\$ 1,579,591	\$ 13,254,683	\$ 1,510,686	\$ 14,765,369
<u>Expenditures</u>						
Current:						
Instruction	\$ 4,167,648	\$ 0	\$ 0	\$ 4,167,648	\$ 0	\$ 4,167,648
Support Services	2,103,874	0	0	2,103,874	0	2,103,874
Operation of Non-Instructional Services	0	5,798,532	1,505,761	7,304,293	0	7,304,293
Debt Service:						
Other Debt Service	0	0	0	0	189,797	189,797
Capital Projects	0	0	0	0	984,672	984,672
Total Expenditures	\$ 6,271,522	\$ 5,798,532	\$ 1,505,761	\$ 13,575,815	\$ 1,174,469	\$ 14,750,284
Excess (Deficiency) of Revenues Over Expenditures	\$ 423	\$ (395,385)	\$ 73,830	\$ (321,132)	\$ 336,217	\$ 15,085
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 189,797	\$ 189,797
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 189,797	\$ 189,797

(Continued)

Exhibit J-7

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

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	Total	Education Capital Projects	
Net Change in Fund Balances	\$ 423	\$ (395,385)	\$ 73,830	\$ (321,132)	\$ 526,014	\$ 204,882
Fund Balance, July 1, 2018	255,305	1,268,630	459,218	1,983,153	541,146	2,524,299
Fund Balance, June 30, 2019	\$ 255,728	\$ 873,245	\$ 533,048	\$ 1,662,021	\$ 1,067,160	\$ 2,729,181

Exhibit J-8

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Blount 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	\$ 39,627,009	\$ 0	\$ 0	\$ 39,627,009	\$ 39,153,000	\$ 39,117,000	\$ 510,009
Licenses and Permits	5,662	0	0	5,662	5,500	5,500	162
Charges for Current Services	189,428	0	0	189,428	182,000	182,000	7,428
Other Local Revenues	465,631	0	0	465,631	443,500	443,500	22,131
State of Tennessee	50,868,784	0	0	50,868,784	50,660,000	50,997,902	(129,118)
Federal Government	265,052	0	0	265,052	357,000	357,000	(91,948)
Total Revenues	\$ 91,421,566	\$ 0	\$ 0	\$ 91,421,566	\$ 90,801,000	\$ 91,102,902	\$ 318,664
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 44,356,220	\$ (145,491)	\$ 853	\$ 44,211,582	\$ 43,376,914	\$ 44,734,514	\$ 522,932
Special Education Program	7,719,334	(352)	82	7,719,064	7,960,900	7,829,000	109,936
Career and Technical Education Program	3,708,459	(846)	0	3,707,613	3,931,200	3,825,200	117,587
Other	1,053,633	0	0	1,053,633	1,180,000	1,180,000	126,367
<u>Support Services</u>							
Attendance	141,213	0	0	141,213	146,300	143,250	2,037
Health Services	962,168	(180)	0	961,988	997,900	974,100	12,112
Other Student Support	1,804,365	(9,894)	7,358	1,801,829	1,916,000	1,884,700	82,871
Regular Instruction Program	2,011,866	(8,790)	612	2,003,688	2,074,600	2,061,800	58,112
Special Education Program	821,971	(75)	121	822,017	894,700	872,700	50,683
Career and Technical Education Program	98,332	0	0	98,332	121,400	119,900	21,568
Technology	1,872,125	(391,292)	377,740	1,858,573	2,349,200	2,328,400	469,827
Other Programs	0	0	0	0	53,000	0	0
Board of Education	1,824,759	(3,177)	70	1,821,652	1,865,400	1,920,400	98,748
Director of Schools	876,340	(1,921)	358	874,777	944,950	914,750	39,973
Office of the Principal	6,460,446	(16,680)	13,497	6,457,263	6,620,615	6,516,815	59,552
Fiscal Services	202,304	(51)	0	202,253	220,200	210,100	7,847
Operation of Plant	7,141,641	(28,599)	36,091	7,149,133	7,644,100	7,608,400	459,267
Maintenance of Plant	2,238,665	(159,200)	51,576	2,131,041	2,047,200	2,257,802	126,761

(Continued)

Exhibit J-8

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Blount 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	\$ 4,641,600	\$ (4,050)	\$ 825	\$ 4,638,375	\$ 4,807,400	\$ 4,659,050	\$ 20,675
<u>Operation of Non-Instructional Services</u>							
Early Childhood Education	744,133	(24,621)	1,334	720,846	754,283	737,283	16,437
<u>Capital Outlay</u>							
Regular Capital Outlay	1,159,530	(869,897)	80,367	370,000	370,000	370,000	0
<u>Other Debt Service</u>							
Education	678,374	0	0	678,374	334,940	678,390	16
Total Expenditures	\$ 90,517,478	\$ (1,665,116)	\$ 570,884	\$ 89,423,246	\$ 90,611,202	\$ 91,826,554	\$ 2,403,308
Excess (Deficiency) of Revenues Over Expenditures	\$ 904,088	\$ 1,665,116	\$ (570,884)	\$ 1,998,320	\$ 189,798	\$ (723,652)	\$ 2,721,972
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (189,797)	\$ 0	\$ 0	\$ (189,797)	\$ (189,798)	\$ (189,798)	\$ 1
Total Other Financing Sources	\$ (189,797)	\$ 0	\$ 0	\$ (189,797)	\$ (189,798)	\$ (189,798)	\$ 1
Net Change in Fund Balance	\$ 714,291	\$ 1,665,116	\$ (570,884)	\$ 1,808,523	\$ 0	\$ (913,450)	\$ 2,721,973
Fund Balance, July 1, 2018	9,554,570	(1,665,116)	0	7,889,454	9,554,570	7,815,530	73,924
Fund Balance, June 30, 2019	\$ 10,268,861	\$ 0	\$ (570,884)	\$ 9,697,977	\$ 9,554,570	\$ 6,902,080	\$ 2,795,897

Exhibit J-9

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Blount County School Department
School Federal Projects 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>							
Federal Government	\$ 6,271,945	\$ 0	\$ 0	\$ 6,271,945	\$ 6,848,800	\$ 6,712,524	\$ (440,579)
Total Revenues	\$ 6,271,945	\$ 0	\$ 0	\$ 6,271,945	\$ 6,848,800	\$ 6,712,524	\$ (440,579)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 1,931,625	\$ (1,475)	\$ 0	\$ 1,930,150	\$ 2,051,300	\$ 2,025,393	\$ 95,243
Special Education Program	1,977,449	(1,973)	0	1,975,476	2,500,600	2,028,622	53,146
Career and Technical Education Program	258,574	(2,602)	0	255,972	295,000	280,924	24,952
<u>Support Services</u>							
Other Student Support	89,150	(3,685)	0	85,465	289,493	107,800	22,335
Regular Instruction Program	985,024	(23,187)	1,772	963,609	833,707	1,252,222	288,613
Special Education Program	707,025	(147)	0	706,878	598,600	706,823	(55)
Career and Technical Education Program	5,190	(649)	0	4,541	6,000	5,164	623
Transportation	317,485	0	0	317,485	273,000	318,000	515
Total Expenditures	\$ 6,271,522	\$ (33,718)	\$ 1,772	\$ 6,239,576	\$ 6,847,700	\$ 6,724,948	\$ 485,372
Excess (Deficiency) of Revenues Over Expenditures	\$ 423	\$ 33,718	\$ (1,772)	\$ 32,369	\$ 1,100	\$ (12,424)	\$ 44,793
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 16,274	\$ (16,274)
Transfers Out	0	0	0	0	(1,100)	(3,850)	3,850
Total Other Financing Sources	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,100)	\$ 12,424	\$ (12,424)
Net Change in Fund Balance	\$ 423	\$ 33,718	\$ (1,772)	\$ 32,369	\$ 0	\$ 0	\$ 32,369
Fund Balance, July 1, 2018	255,305	(33,718)	0	221,587	250,000	250,000	(28,413)
Fund Balance, June 30, 2019	\$ 255,728	\$ 0	\$ (1,772)	\$ 253,956	\$ 250,000	\$ 250,000	\$ 3,956

Exhibit J-10

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Blount County School Department
Central Cafeteria 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>							
Charges for Current Services	\$ 1,621,480	\$ 0	\$ 0	\$ 1,621,480	\$ 1,720,000	\$ 1,670,932	\$ (49,452)
Other Local Revenues	23,417	0	0	23,417	18,000	18,000	5,417
State of Tennessee	46,184	0	0	46,184	47,000	47,000	(816)
Federal Government	3,712,066	0	0	3,712,066	4,020,000	4,069,068	(357,002)
Other Governments and Citizens Groups	0	0	0	0	295,000	0	0
Total Revenues	\$ 5,403,147	\$ 0	\$ 0	\$ 5,403,147	\$ 6,100,000	\$ 5,805,000	\$ (401,853)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 5,798,532	\$ (229,862)	\$ 55,004	\$ 5,623,674	\$ 6,100,000	\$ 6,100,000	\$ 476,326
Total Expenditures	\$ 5,798,532	\$ (229,862)	\$ 55,004	\$ 5,623,674	\$ 6,100,000	\$ 6,100,000	\$ 476,326
Excess (Deficiency) of Revenues Over Expenditures	\$ (395,385)	\$ 229,862	\$ (55,004)	\$ (220,527)	\$ 0	\$ (295,000)	\$ 74,473
Net Change in Fund Balance	\$ (395,385)	\$ 229,862	\$ (55,004)	\$ (220,527)	\$ 0	\$ (295,000)	\$ 74,473
Fund Balance, July 1, 2018	1,268,630	(229,862)	0	1,038,768	1,268,630	1,268,630	(229,862)
Fund Balance, June 30, 2019	\$ 873,245	\$ 0	\$ (55,004)	\$ 818,241	\$ 1,268,630	\$ 973,630	\$ (155,389)

Exhibit J-11

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Blount County School Department
Extended School Program 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>							
Charges for Current Services	\$ 1,426,987	\$ 0	\$ 0	\$ 1,426,987	\$ 1,367,000	\$ 1,367,000	\$ 59,987
Other Local Revenues	14,966	0	0	14,966	5,000	5,000	9,966
State of Tennessee	137,638	0	0	137,638	120,000	120,000	17,638
Other Governments and Citizens Groups	0	0	0	0	144,000	0	0
Total Revenues	\$ 1,579,591	\$ 0	\$ 0	\$ 1,579,591	\$ 1,636,000	\$ 1,492,000	\$ 87,591
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 1,505,761	\$ (24,957)	\$ 8,849	\$ 1,489,653	\$ 1,636,000	\$ 1,636,000	\$ 146,347
Total Expenditures	\$ 1,505,761	\$ (24,957)	\$ 8,849	\$ 1,489,653	\$ 1,636,000	\$ 1,636,000	\$ 146,347
Excess (Deficiency) of Revenues Over Expenditures	\$ 73,830	\$ 24,957	\$ (8,849)	\$ 89,938	\$ 0	\$ (144,000)	\$ 233,938
Net Change in Fund Balance	\$ 73,830	\$ 24,957	\$ (8,849)	\$ 89,938	\$ 0	\$ (144,000)	\$ 233,938
Fund Balance, July 1, 2018	459,218	(24,957)	0	434,261	459,218	459,218	(24,957)
Fund Balance, June 30, 2019	\$ 533,048	\$ 0	\$ (8,849)	\$ 524,199	\$ 459,218	\$ 315,218	\$ 208,981

Exhibit J-12

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Blount County School Department
Education Capital Projects 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	\$ 1,483,926	\$ 0	\$ 0	\$ 1,483,926	\$ 1,472,200	\$ 1,470,200	\$ 13,726
Other Local Revenues	23,660	0	0	23,660	12,000	12,000	11,660
State of Tennessee	3,100	0	0	3,100	0	2,000	1,100
Other Governments and Citizens Groups	0	0	0	0	50,000	0	0
Total Revenues	\$ 1,510,686	\$ 0	\$ 0	\$ 1,510,686	\$ 1,534,200	\$ 1,484,200	\$ 26,486
<u>Expenditures</u>							
<u>Other Debt Service</u>							
Education	\$ 189,797	\$ 0	\$ 0	\$ 189,797	\$ 189,800	\$ 189,800	\$ 3
<u>Capital Projects</u>							
Education Capital Projects	984,672	(286,256)	624,799	1,323,215	1,534,200	1,534,200	210,985
Total Expenditures	\$ 1,174,469	\$ (286,256)	\$ 624,799	\$ 1,513,012	\$ 1,724,000	\$ 1,724,000	\$ 210,988
Excess (Deficiency) of Revenues Over Expenditures	\$ 336,217	\$ 286,256	\$ (624,799)	\$ (2,326)	\$ (189,800)	\$ (239,800)	\$ 237,474
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 189,797	\$ 0	\$ 0	\$ 189,797	\$ 189,800	\$ 189,800	\$ (3)
Total Other Financing Sources	\$ 189,797	\$ 0	\$ 0	\$ 189,797	\$ 189,800	\$ 189,800	\$ (3)
Net Change in Fund Balance	\$ 526,014	\$ 286,256	\$ (624,799)	\$ 187,471	\$ 0	\$ (50,000)	\$ 237,471
Fund Balance, July 1, 2018	541,146	(286,256)	0	254,890	541,146	541,146	(286,256)
Fund Balance, June 30, 2019	\$ 1,067,160	\$ 0	\$ (624,799)	\$ 442,361	\$ 541,146	\$ 491,146	\$ (48,785)

MISCELLANEOUS SCHEDULES

Exhibit K-1

Blount County, Tennessee
Schedule of Changes in Other Loans, Capital Leases 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	Paid and/or Matured During Period	Outstanding 6-30-19
<u>OTHER LOANS PAYABLE</u>							
Payable through General Debt Service Fund							
Public Building Authority Loan Agreements							
Various Purposes (Series B-18-A)	\$ 4,380,000	2.5 to 5%	3-2-09	6-1-19	\$ 900,000	\$ 900,000	\$ 0
Tennessee State School Bond Authority							
Loan Agreement							
Qualified Zone Academy Bonds - School							
Building: Renovation, Repairs, and Equipping	727,865	0	11-24-04	11-24-20	120,767 (1)	39,275	81,492
Total Other Loans Payable					<u>\$ 1,020,767</u>	<u>\$ 939,275</u>	<u>\$ 81,492</u>
<u>CAPITAL LEASES PAYABLE</u>							
Payable through General Debt Service Fund							
Motorola Radio System	3,007,000	3.97	9-1-10	9-1-20	\$ 1,027,876	\$ 329,376	\$ 698,500
Total Payable through General Debt Service Fund					<u>\$ 1,027,876</u>	<u>\$ 329,376</u>	<u>\$ 698,500</u>
Contributions Due by School Department from the General Purpose School							
Fund to the General Debt Service Fund							
School Energy Facility Upgrades	2,738,602	5.4	7-6-06	11-6-19	\$ 626,912	\$ 626,912	\$ 0
Total Contributions Due by School Department					<u>\$ 626,912</u>	<u>\$ 626,912</u>	<u>\$ 0</u>
Total Capital Leases Payable					<u>\$ 1,654,788</u>	<u>\$ 956,288</u>	<u>\$ 698,500</u>
<u>BONDS PAYABLE</u>							
Payable through General Debt Service Fund							
Qualified School Construction Bond, Series 2010	14,855,000	2.6	10-7-10	9-14-27	\$ 8,443,742	\$ 926,928	\$ 7,516,814
General Obligation Refunding, Series 2011	46,390,000	4.5	5-5-11	6-1-30	14,880,000	2,155,000	12,725,000
General Obligation Refunding, Series 2015 A	7,120,000	.55 to 2.15	3-5-15	6-1-31	3,645,000	1,190,000	2,455,000
General Obligation Refunding, Series 2015 B	19,785,000	2 to 4	3-5-15	6-1-31	19,040,000	305,000	18,735,000
General Obligation Refunding, Series 2016 A	8,920,000	.97 to 3.6	12-1-16	6-30-37	8,050,000	500,000	7,550,000
General Obligation Refunding, Series 2016 B	117,010,000	2 to 5	12-1-16	6-30-37	111,685,000	2,910,000	108,775,000
Total Bonds Payable					<u>\$ 165,743,742</u>	<u>\$ 7,986,928</u>	<u>\$ 157,756,814</u>

(1) The outstanding balance of this loan was incorrectly reported as \$22,640 in the prior year's financial report.

Exhibit K-2

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

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2020	\$ 40,746	\$ 0	\$ 40,746
2021	40,746	0	40,746
Total	<u>\$ 81,492</u>	<u>\$ 0</u>	<u>\$ 81,492</u>

Year Ending June 30	Bonds		
	Principal	Interest	Total
2020	\$ 9,306,929	\$ 7,491,954	\$ 16,798,883
2021	9,601,929	7,198,477	16,800,406
2022	9,846,929	6,826,194	16,673,123
2023	10,231,929	6,437,479	16,669,408
2024	10,056,929	6,030,097	16,087,026
2025	10,456,929	5,599,032	16,055,961
2026	10,856,929	5,148,238	16,005,167
2027	11,333,311	4,695,905	16,029,216
2028	12,175,000	3,511,312	15,686,312
2029	12,600,000	2,942,502	15,542,502
2030	5,590,000	2,359,165	7,949,165
2031	2,490,000	2,127,520	4,617,520
2032	6,200,000	2,051,937	8,251,937
2033	6,665,000	1,749,033	8,414,033
2034	7,030,000	1,422,902	8,452,902
2035	7,345,000	1,144,233	8,489,233
2036	7,770,000	784,182	8,554,182
2037	8,200,000	402,860	8,602,860
Total	<u>\$ 157,756,814</u>	<u>\$ 67,923,022</u>	<u>\$ 225,679,836</u>

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2020	\$ 342,452	\$ 27,730	\$ 370,182
2021	356,048	14,135	370,183
Total	<u>\$ 698,500</u>	<u>\$ 41,865</u>	<u>\$ 740,365</u>

Exhibit K-3

Blount County, Tennessee
Schedule of Notes Receivable
June 30, 2019

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-19
<u>General Debt Service Fund</u>						
Motorola Radio System	The City of Maryville, Tennessee	\$ 918,996	9-1-10	9-1-20	0%	\$ 213,462
"	The City of Alcoa, Tennessee	751,735	9-1-10	9-1-20	0	<u>174,625</u>
Total Notes Receivable						<u>\$ 388,087</u>

Blount County, Tennessee
Schedule of Transfers
For the Year Ended June 30, 2019

From Fund	To Fund	Purpose	Amount
<u>PRIMARY GOVERNMENT</u>			
General	Public Library	Operations	\$ 1,096,283
"	General Debt Service	Debt service	840,803
"	Other Capital Projects	Capital Projects	3,183,205
Highway/Public Works	Other Capital Projects	Capital Projects	12,657
"	Highway Capital Projects	Capital Projects	1,150,000
Self-Insurance	General	Payroll	<u>233,507</u>
Total Transfers Primary Government			<u>\$ 6,516,455</u>
<u>DISCRETELY PRESENTED BLOUNT COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School Fund	Education Capital Projects	Debt Service Contribution	<u>\$ 189,797</u>
Total Transfers Discretely Presented Blount County School Department			<u>\$ 189,797</u>

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 138,726	\$ 100,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, <i>TCA</i>	110,100	100,000	"
Director of Schools	Board of Education	133,570 (1)	100,000	"
Trustee	Section 8-24-102, <i>TCA</i>	90,992	4,781,559	"
Assessor of Property	Section 8-24-102, <i>TCA</i>	90,992	50,000	"
Director of Accounts and Budgets	County Commission	100,317 (2)	100,000	"
County Clerk	Section 8-24-102, <i>TCA</i>	90,992	100,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	100,091 (5)	100,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i> and Chancery Court Judge	90,992 (4)	105,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	90,992	100,000	"
Sheriff	Section 8-24-102, <i>TCA</i> , and County Commission	132,120 (3)	100,000	"
Purchasing Agent	County Commission	66,338	100,000	"
Employee Blanket Bonds - All County Employees:				
Public Employee Dishonesty			500,000	Travelers Casualty and Surety Company
Forgery or Alteration			500,000	"
Money and Securities - On Premises			500,000	"
Money and Securities - Messenger			500,000	"
Computer Fraud			500,000	"

- (1) Includes a chief executive officer training supplement of \$1,000.
(2) Includes \$9,750 for serving as assistant county mayor.
(3) Includes \$11,010 for serving as director of the Juvenile Detention Center and \$11,010 for serving as superintendent of the workhouse.
(4) Does not include \$4,020 in special commissioner fees.
(5) Includes an additional amount of \$9,099. The county commission has approved for the clerk to be paid an additional 10 percent for serving more than one court.

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 30,856,003	\$ 0	\$ 0	\$ 0	\$ 0	0
Discount on Property Taxes	(480,557)	0	0	0	0	0
Trustee's Collections - Prior Year	209,932	0	0	0	0	0
Trustee's Collections - Bankruptcy	115,780	0	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	303,985	0	0	0	0	0
Interest and Penalty	116,424	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	1,953,402	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	948,065	0	0	0	0	0
Litigation Tax - General	417,533	0	0	0	0	0
Litigation Tax - Special Purpose	0	1,344	10,845	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	224,785	0	0	0	0
Litigation Tax - Courthouse Security	172,444	0	0	0	0	0
Business Tax	715,937	0	0	0	0	0
Mixed Drink Tax	170,981	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	143,962	0	0	0	0	0
Wholesale Beer Tax	256,247	0	0	0	0	0
Total Local Taxes	\$ 35,900,138	\$ 226,129	\$ 10,845	\$ 0	\$ 0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds						Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control		
<u>Licenses and Permits</u>							
<u>Licenses</u>							
Cable TV Franchise	\$ 574,377	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Permits</u>							
Building Permits	506,942	0	0	0	0		0
Other Permits	1,350	0	0	0	0		0
Total Licenses and Permits	<u>\$ 1,082,669</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Fines, Forfeitures, and Penalties</u>							
<u>Circuit Court</u>							
Officers Costs	\$ 11,987	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Drug Control Fines	0	0	0	0	1,125		0
Drug Court Fees	26,483	0	0	0	0	0	0
DUI Treatment Fines	1,513	0	0	0	0	0	0
Data Entry Fee - Circuit Court	121,281	0	0	0	0	0	0
<u>Criminal Court</u>							
Fines	3,942	0	0	0	0	0	0
Officers Costs	62,595	0	0	0	0	0	0
Data Entry Fee - Criminal Court	7,509	0	0	0	0	0	0
<u>General Sessions Court</u>							
Fines	40,826	0	0	0	0	0	0
Officers Costs	786,739	0	0	0	0	0	0
Game and Fish Fines	51	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	18,755		0
Jail Fees	32,024	0	0	0	0	0	0
District Attorney General Fees	52,824	0	0	0	0	0	0
DUI Treatment Fines	11,178	0	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Courtroom Security Fee	\$ 23,269	\$ 0	\$ 0	\$ 0	\$ 0	0
Victims Assistance Assessments	39,438	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	16,893	0	0	0	0	0
Officers Costs	78,125	0	0	0	0	0
Drug Court Fees	362	0	0	0	0	0
Courtroom Security Fee	463	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	7,159	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	750	0
Other Fines, Forfeitures, and Penalties	132,125	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	<u>\$ 1,456,786</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>20,630</u>	<u>0</u>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other General Service Charges	\$ 188,474	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Fees</u>						
Copy Fees	5,355	0	0	22,979	0	0
Library Fees	0	0	0	77,212	0	0
Telephone Commissions	148,284	0	0	0	148,284	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	4,020
Data Processing Fee - Register	43,874	0	0	0	0	0
Probation Fees	500,717	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	21,900	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Data Processing Fee - County Clerk	\$ 18,488	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicle Insurance Coverage and Reinstatement Fees	2,935	0	0	0	0	0
<u>Education Charges</u>						
Other Charges for Services	2,634	0	0	0	0	0
Total Charges for Current Services	<u>\$ 932,661</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 100,191</u>	<u>\$ 148,284</u>	<u>\$ 4,020</u>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 717,573	\$ 0	\$ 0	\$ 20,074	\$ 37,925	\$ 0
Lease/Rentals	500	0	0	0	0	0
Sale of Materials and Supplies	2,231	0	0	0	0	0
Commissary Sales	1,229	0	0	0	0	0
Sale of Maps	464	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0	0
Miscellaneous Refunds	16,223	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	1,372	0	0	606	0	0
Sale of Property	29,077	0	0	0	0	0
Damages Recovered from Individuals	5,231	0	0	0	0	0
Contributions and Gifts	956	0	0	1,032	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	261,210	0	0	135,639	0	0
Total Other Local Revenues	<u>\$ 1,036,066</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 157,351</u>	<u>\$ 37,925</u>	<u>\$ 0</u>

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 1,461,961	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	562,151	0	0	0	0	0
General Sessions Court Clerk	2,113,488	0	0	0	0	0
Clerk and Master	325,583	0	0	0	0	0
Register	710,868	0	0	0	0	0
Sheriff	115,395	0	0	0	0	0
Trustee	2,670,660	0	0	0	0	0
Total Fees Received From County Officials	\$ 7,960,106	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	482,633	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	55,255	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	1,057,722	0	0	0	0	0
Beer Tax	17,959	0	0	0	0	0
Vehicle Certificate of Title Fees	120,880	0	0	0	0	0
Alcoholic Beverage Tax	213,329	0	0	0	0	0
State Revenue Sharing - Telecommunications	55,678	0	0	0	0	0
Contracted Prisoner Boarding	2,394,249	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Petroleum Special Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	248,197	0	0	0	0	0
Other State Revenues	150,401	0	0	0	0	0
Total State of Tennessee	<u>\$ 4,820,467</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Federal Government</u>						
<u>Federal Through State</u>						
Other Federal through State	\$ 997,051	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Direct Federal Revenue</u>						
Tax Credit Bond Rebate	676,298	0	0	0	0	0
Other Direct Federal Revenue	2,957,460	0	0	0	0	0
Total Federal Government	<u>\$ 4,630,809</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 53,950	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Paving and Maintenance	0	0	0	0	0	0
Contributions	0	0	0	0	423,366	0
Contracted Services	108,717	0	0	1,096,283	0	0
<u>Citizens Groups</u>						
Donations	180,426	0	0	2,032	0	0
<u>Other</u>						
Other	137,815	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 480,908</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,098,315</u>	<u>\$ 423,366</u>	<u>\$ 0</u>
Total	<u>\$ 58,300,610</u>	<u>\$ 226,129</u>	<u>\$ 10,845</u>	<u>\$ 1,355,857</u>	<u>\$ 630,205</u>	<u>\$ 4,020</u>

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 0	\$ 16,830,505	\$ 0	\$ 0	\$ 0	\$ 47,686,508
Discount on Property Taxes	0	(262,078)	0	0	0	(742,635)
Trustee's Collections - Prior Year	0	114,481	0	0	0	324,413
Trustee's Collections - Bankruptcy	0	63,153	0	0	0	178,933
Circuit Clerk/Clerk and Master Collections - Prior Years	0	164,244	0	1,175	0	469,404
Interest and Penalty	0	63,515	0	0	0	179,939
Payments in-Lieu-of Taxes - Local Utilities	244,557	133,396	0	0	0	377,953
Payments in-Lieu-of Taxes - Other	0	8,814	0	0	0	1,962,216
<u>County Local Option Taxes</u>						
Local Option Sales Tax	4,439,266	986,504	0	0	0	5,425,770
Hotel/Motel Tax	0	0	0	0	0	948,065
Litigation Tax - General	0	0	0	0	0	417,533
Litigation Tax - Special Purpose	0	0	0	0	0	12,189
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	224,785
Litigation Tax - Courthouse Security	0	0	0	0	0	172,444
Business Tax	0	388,328	0	1,639	0	1,105,904
Mixed Drink Tax	0	0	0	0	0	170,981
Mineral Severance Tax	108,586	0	0	0	0	108,586
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	143,962
Wholesale Beer Tax	0	0	0	0	0	256,247
Total Local Taxes	\$ 4,792,409	\$ 18,490,862	\$ 0	\$ 2,814	\$ 0	\$ 59,423,197

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	Total
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 240,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 814,377
<u>Permits</u>						
Building Permits	0	0	0	0	0	506,942
Other Permits	127,178	0	0	0	0	128,528
Total Licenses and Permits	\$ 367,178	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,449,847
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Officers Costs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,987
Drug Control Fines	0	0	0	0	0	1,125
Drug Court Fees	0	0	0	0	0	26,483
DUI Treatment Fines	0	0	0	0	0	1,513
Data Entry Fee - Circuit Court	0	0	0	0	0	121,281
<u>Criminal Court</u>						
Fines	0	0	0	0	0	3,942
Officers Costs	0	0	0	0	0	62,595
Data Entry Fee - Criminal Court	0	0	0	0	0	7,509
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	40,826
Officers Costs	0	0	0	0	0	786,739
Game and Fish Fines	0	0	0	0	0	51
Drug Control Fines	0	0	0	0	0	18,755
Jail Fees	0	0	0	0	0	32,024
District Attorney General Fees	0	0	0	0	0	52,824
DUI Treatment Fines	0	0	0	0	0	11,178

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Courtroom Security Fee	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	23,269
Victims Assistance Assessments	0	0	0	0	0	39,438
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	16,893
Officers Costs	0	0	0	0	0	78,125
Drug Court Fees	0	0	0	0	0	362
Courtroom Security Fee	0	0	0	0	0	463
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	7,159
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	750
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	132,125
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,477,416
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other General Service Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	188,474
<u>Fees</u>						
Copy Fees	0	0	0	0	0	28,334
Library Fees	0	0	0	0	0	77,212
Telephone Commissions	0	0	0	0	0	296,568
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	4,020
Data Processing Fee - Register	0	0	0	0	0	43,874
Probation Fees	0	0	0	0	0	500,717
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	21,900

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Data Processing Fee - County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 18,488
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	0	2,935
<u>Education Charges</u>						
Other Charges for Services	0	0	0	0	0	2,634
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,185,156
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 77,067	\$ 727,311	\$ 0	\$ 0	\$ 8,756	\$ 1,588,706
Lease/Rentals	0	143,000	0	0	0	143,500
Sale of Materials and Supplies	11,190	0	0	0	0	13,421
Commissary Sales	0	0	0	0	0	1,229
Sale of Maps	0	0	0	0	0	464
Sale of Recycled Materials	2,440	0	0	0	0	2,440
Miscellaneous Refunds	0	40	0	0	0	16,263
<u>Nonrecurring Items</u>						
Sale of Equipment	128	0	0	0	0	2,106
Sale of Property	304,670	366,453	0	0	0	700,200
Damages Recovered from Individuals	0	0	0	0	0	5,231
Contributions and Gifts	0	0	0	0	0	1,988
<u>Other Local Revenues</u>						
Other Local Revenues	1,801	0	0	0	0	398,650
Total Other Local Revenues	\$ 397,296	\$ 1,236,804	\$ 0	\$ 0	\$ 8,756	\$ 2,874,198

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	Total
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,461,961
Circuit Court Clerk	0	0	0	0	0	562,151
General Sessions Court Clerk	0	0	0	0	0	2,113,488
Clerk and Master	0	0	0	0	0	325,583
Register	0	0	0	0	0	710,868
Sheriff	0	0	0	0	0	115,395
Trustee	0	0	0	0	0	2,670,660
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,960,106
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,000
<u>Health and Welfare Grants</u>						
Health Department Programs	0	0	0	0	0	482,633
<u>Public Works Grants</u>						
State Aid Program	859,097	0	0	0	0	859,097
Litter Program	0	0	0	0	0	55,255
<u>Other State Revenues</u>						
Income Tax	0	0	0	0	0	1,057,722
Beer Tax	0	0	0	0	0	17,959
Vehicle Certificate of Title Fees	0	0	0	0	0	120,880
Alcoholic Beverage Tax	0	0	0	0	0	213,329
State Revenue Sharing - Telecommunications	0	26,073	0	269	0	82,020
Contracted Prisoner Boarding	0	0	0	0	0	2,394,249
Gasoline and Motor Fuel Tax	3,493,636	0	0	0	0	3,493,636

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	Total
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Petroleum Special Tax	\$ 88,757	\$ 0	\$ 0	\$ 0	\$ 0	\$ 88,757
Registrar's Salary Supplement	0	0	0	0	0	15,164
Other State Grants	0	0	0	0	0	248,197
Other State Revenues	0	0	0	0	0	150,401
Total State of Tennessee	\$ 4,441,490	\$ 26,073	\$ 0	\$ 269	\$ 0	\$ 9,288,299
<u>Federal Government</u>						
<u>Federal Through State</u>						
Other Federal through State	\$ 0	\$ 0	\$ 200,000	\$ 0	\$ 0	\$ 1,197,051
<u>Direct Federal Revenue</u>						
Tax Credit Bond Rebate	0	0	0	0	0	676,298
Other Direct Federal Revenue	0	0	0	0	0	2,957,460
Total Federal Government	\$ 0	\$ 0	\$ 200,000	\$ 0	\$ 0	\$ 4,830,809
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,950
Paving and Maintenance	8,786	0	0	0	0	8,786
Contributions	0	868,171	0	0	0	1,291,537
Contracted Services	0	205,677	0	0	0	1,410,677
<u>Citizens Groups</u>						
Donations	0	0	0	0	0	182,458
<u>Other</u>						
Other	0	0	0	0	0	137,815
Total Other Governments and Citizens Groups	\$ 8,786	\$ 1,073,848	\$ 0	\$ 0	\$ 0	\$ 3,085,223
Total	\$ 10,007,159	\$ 20,827,587	\$ 200,000	\$ 3,083	\$ 8,756	\$ 91,574,251

Exhibit K-7

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

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 21,665,414	\$ 0	\$ 0	\$ 0	\$ 1,396,288	\$ 23,061,702
Discount on Property Taxes	(344,523)	0	0	0	(21,836)	(366,359)
Trustee's Collections - Prior Year	492,112	0	0	0	31,343	523,455
Trustee's Collections - Bankruptcy	82,578	0	0	0	5,263	87,841
Circuit Clerk/Clerk and Master Collections - Prior Years	214,730	0	0	0	17,734	232,464
Interest and Penalty	83,088	0	0	0	5,284	88,372
Payments in-Lieu-of Taxes - T.V.A.	13,279	0	0	0	0	13,279
Payments in-Lieu-of Taxes - Local Utilities	173,512	0	0	0	11,116	184,628
Payments in-Lieu-of Taxes - Other	11,525	0	0	0	735	12,260
<u>County Local Option Taxes</u>						
Local Option Sales Tax	16,524,592	0	0	0	0	16,524,592
Business Tax	508,052	0	0	0	37,999	546,051
Mixed Drink Tax	202,650	0	0	0	0	202,650
Total Local Taxes	\$ 39,627,009	\$ 0	\$ 0	\$ 0	\$ 1,483,926	\$ 41,110,935
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 5,662	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,662
Total Licenses and Permits	\$ 5,662	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,662
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Contract for Instructional Services with Other LEA's	\$ 46,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 46,000
Receipts from Individual Schools	0	0	1,621,480	0	0	1,621,480

(Continued)

Exhibit K-7

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

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
Community Service Fees - Children	\$ 0	\$ 0	\$ 0	\$ 1,426,987	\$ 0	\$ 1,426,987
Other Charges for Services	143,428	0	0	0	0	143,428
Total Charges for Current Services	\$ 189,428	\$ 0	\$ 1,621,480	\$ 1,426,987	\$ 0	\$ 3,237,895
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 335,340	\$ 0	\$ 19,517	\$ 14,966	\$ 23,660	\$ 393,483
Lease/Rentals	14,400	0	0	0	0	14,400
Sale of Materials and Supplies	1,279	0	27	0	0	1,306
<u>Nonrecurring Items</u>						
Sale of Equipment	7,537	0	2,873	0	0	10,410
Sale of Property	4,618	0	0	0	0	4,618
Damages Recovered from Individuals	6,189	0	0	0	0	6,189
Contributions and Gifts	3,250	0	1,000	0	0	4,250
<u>Other Local Revenues</u>						
Other Local Revenues	93,018	0	0	0	0	93,018
Total Other Local Revenues	\$ 465,631	\$ 0	\$ 23,417	\$ 14,966	\$ 23,660	\$ 527,674
<u>State of Tennessee</u>						
<u>State Education Funds</u>						
Basic Education Program	\$ 47,998,399	\$ 0	\$ 0	\$ 0	\$ 0	\$ 47,998,399
Early Childhood Education	594,675	0	0	0	0	594,675
School Food Service	0	0	46,184	0	0	46,184
Other State Education Funds	435,671	0	0	137,638	0	573,309
Career Ladder Program	249,361	0	0	0	0	249,361

(Continued)

Exhibit K-7

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

	Special Revenue Funds				Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	Total
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues</u>						
State Revenue Sharing - T.V.A.	\$ 1,538,002	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,538,002
State Revenue Sharing - Telecommunications	35,276	0	0	0	3,100	38,376
Other State Grants	17,400	0	0	0	0	17,400
Total State of Tennessee	<u>\$ 50,868,784</u>	<u>\$ 0</u>	<u>\$ 46,184</u>	<u>\$ 137,638</u>	<u>\$ 3,100</u>	<u>\$ 51,055,706</u>
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,312,588	\$ 0	\$ 0	\$ 2,312,588
USDA - Commodities	0	0	379,234	0	0	379,234
Breakfast	0	0	955,968	0	0	955,968
USDA - Other	0	0	15,208	0	0	15,208
Vocational Education - Basic Grants to States	0	214,119	0	0	0	214,119
Title I Grants to Local Education Agencies	0	2,571,263	0	0	0	2,571,263
Special Education - Grants to States	118,493	2,999,322	0	0	0	3,117,815
English Language Acquisition Grants	0	19,825	0	0	0	19,825
Eisenhower Professional Development State Grants	0	350,199	0	0	0	350,199
Other Federal through State	30,081	117,217	49,068	0	0	196,366
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	116,478	0	0	0	0	116,478
Total Federal Government	<u>\$ 265,052</u>	<u>\$ 6,271,945</u>	<u>\$ 3,712,066</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,249,063</u>
Total	<u>\$ 91,421,566</u>	<u>\$ 6,271,945</u>	<u>\$ 5,403,147</u>	<u>\$ 1,579,591</u>	<u>\$ 1,510,686</u>	<u>\$ 106,186,935</u>

Blount 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	\$	102,060	
Social Security		6,332	
Unemployment Compensation		2	
Employer Medicare		1,483	
Communication		1,730	
Dues and Memberships		2,200	
Operating Lease Payments		1,085	
Legal Notices, Recording, and Court Costs		1,893	
Printing, Stationery, and Forms		225	
Travel		5,615	
Tuition		1,345	
Duplicating Supplies		138	
Office Supplies		166	
Other Supplies and Materials		150	
Furniture and Fixtures		3,915	
Total County Commission			\$ 128,339

Board of Equalization

Board and Committee Members Fees	\$	390	
Social Security		79	
Unemployment Compensation		2	
Employer Medicare		18	
Total Board of Equalization			489

Beer Board

Legal Notices, Recording, and Court Costs	\$	419	
Total Beer Board			419

Other Boards and Committees

Temporary Personnel	\$	41,799	
Overtime Pay		249	
Social Security		2,607	
Unemployment Compensation		28	
Employer Medicare		610	
Communication		921	
Contracts with Private Agencies		9,169	
Legal Notices, Recording, and Court Costs		900	
Travel		226	
Food Supplies		69	
Other Charges		11,683	
Total Other Boards and Committees			68,261

County Mayor/Executive

County Official/Administrative Officer	\$	138,726	
Assistant(s)		9,750	
Secretary(ies)		48,034	
Social Security		11,455	

(Continued)

Exhibit K-8

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

General Fund (Cont.)General Government (Cont.)County Mayor/Executive (Cont.)

Pensions	\$	3,989	
Life Insurance		115	
Medical Insurance		25,823	
Dental Insurance		443	
Unemployment Compensation		26	
Employer Medicare		2,736	
Communication		2,153	
Dues and Memberships		150	
Postal Charges		14	
Printing, Stationery, and Forms		705	
Travel		1,128	
Tuition		575	
Food Supplies		505	
Gasoline		504	
Office Supplies		635	
Workers' Compensation Insurance		310	
Other Charges		140	
Total County Mayor/Executive			\$ 247,916

Personnel Office

Supervisor/Director	\$	68,932	
Clerical Personnel		144,201	
Overtime Pay		9	
Social Security		12,133	
Pensions		14,206	
Life Insurance		219	
Medical Insurance		45,471	
Dental Insurance		895	
Unemployment Compensation		118	
Employer Medicare		2,859	
Communication		1,702	
Contracts with Private Agencies		3,958	
Dues and Memberships		1,346	
Operating Lease Payments		1,299	
Legal Services		211	
Licenses		50	
Postal Charges		1,792	
Travel		69	
Tuition		1,086	
Other Contracted Services		23,949	
Food Supplies		285	
Office Supplies		1,582	
Other Supplies and Materials		5,680	
Workers' Compensation Insurance		620	
Total Personnel Office			332,672

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission

County Official/Administrative Officer	\$	81,893	
Clerical Personnel		91,636	
Temporary Personnel		15,560	
Overtime Pay		7,051	
Election Commission		32,700	
Election Workers		186,062	
In-service Training		12,975	
Social Security		19,953	
Pensions		11,548	
Life Insurance		168	
Medical Insurance		19,200	
Dental Insurance		458	
Unemployment Compensation		445	
Employer Medicare		4,667	
Communication		5,907	
Dues and Memberships		510	
Operating Lease Payments		1,634	
Legal Notices, Recording, and Court Costs		15,091	
Licenses		22,770	
Postal Charges		9,819	
Printing, Stationery, and Forms		3,000	
Rentals		2,167	
Travel		5,501	
Tuition		2,975	
Food Supplies		318	
Gasoline		92	
Office Supplies		8,528	
Workers' Compensation Insurance		775	
Building Improvements		5,056	
Data Processing Equipment		3,249	
Total Election Commission			\$ 571,708

Register of Deeds

County Official/Administrative Officer	\$	90,992
Clerical Personnel		301,537
Part-time Personnel		3,119
Social Security		23,151
Pensions		26,231
Life Insurance		407
Medical Insurance		68,670
Dental Insurance		1,791
Unemployment Compensation		261
Employer Medicare		5,442
Communication		4,287
Dues and Memberships		1,916
Operating Lease Payments		2,637
Maintenance and Repair Services - Office Equipment		573

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Postal Charges	\$	785	
Printing, Stationery, and Forms		589	
Travel		1,949	
Tuition		250	
Other Contracted Services		34,767	
Data Processing Supplies		256	
Office Supplies		5,168	
Other Supplies and Materials		686	
Workers' Compensation Insurance		1,705	
Total Register of Deeds			\$ 577,169

Development

Supervisor/Director	\$	82,971	
Foremen		130,064	
Secretary(ies)		94,797	
Part-time Personnel		6,782	
Other Salaries and Wages		239,900	
Social Security		33,568	
Pensions		34,184	
Life Insurance		535	
Medical Insurance		75,353	
Dental Insurance		1,887	
Unemployment Compensation		380	
Employer Medicare		7,851	
Advertising		98	
Communication		10,803	
Dues and Memberships		7,654	
Operating Lease Payments		42,197	
Legal Notices, Recording, and Court Costs		2,328	
Maintenance and Repair Services - Office Equipment		31	
Maintenance and Repair Services - Vehicles		127	
Postal Charges		1,376	
Printing, Stationery, and Forms		2,023	
Tuition		2,102	
Other Contracted Services		1,353	
Duplicating Supplies		270	
Gasoline		14,940	
Instructional Supplies and Materials		5,309	
Office Supplies		2,908	
Uniforms		1,497	
Workers' Compensation Insurance		1,705	
Building Improvements		15,623	
Furniture and Fixtures		679	
Health Equipment		4,730	
Total Development			826,025

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings

Supervisor/Director	\$	34,932	
Custodial Personnel		153,675	
Maintenance Personnel		131,746	
Part-time Personnel		13,566	
Overtime Pay		1,278	
Social Security		19,736	
Pensions		19,497	
Life Insurance		355	
Medical Insurance		76,022	
Dental Insurance		1,889	
Unemployment Compensation		389	
Employer Medicare		4,616	
Communication		4,649	
Operating Lease Payments		12,100	
Maintenance Agreements		50,825	
Maintenance and Repair Services - Buildings		59,136	
Maintenance and Repair Services - Equipment		49,000	
Pest Control		1,510	
Postal Charges		3	
Tuition		2,509	
Permits		660	
Custodial Supplies		23,989	
Gasoline		4,360	
Natural Gas		58,913	
Office Supplies		395	
Uniforms		5,581	
Utilities		589,904	
Testing		110	
Workers' Compensation Insurance		1,860	
Building Improvements		111,514	
Maintenance Equipment		6,844	
Total County Buildings			\$ 1,441,563

Other General Administration

Supervisor/Director	\$	76,419
Social Security		4,553
Pensions		5,275
Life Insurance		59
Medical Insurance		13,350
Dental Insurance		229
Unemployment Compensation		28
Employer Medicare		1,065
Communication		1,607
Legal Notices, Recording, and Court Costs		405
Other Contracted Services		35,000
Office Supplies		80
Liability Insurance		514,712

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration (Cont.)

Workers' Compensation Insurance	\$	155	
Health Equipment		2,082	
Total Other General Administration			\$ 655,019

Preservation of Records

Supervisor/Director	\$	48,509	
Other Salaries and Wages		25,074	
Social Security		4,498	
Pensions		4,129	
Life Insurance		85	
Medical Insurance		3,325	
Dental Insurance		246	
Unemployment Compensation		82	
Employer Medicare		1,052	
Communication		2,364	
Dues and Memberships		30	
Operating Lease Payments		686	
Travel		89	
Other Contracted Services		5,733	
Office Supplies		874	
Other Supplies and Materials		6,227	
Workers' Compensation Insurance		310	
Total Preservation of Records			103,313

Risk Management

Supervisor/Director	\$	56,506	
Other Salaries and Wages		44,015	
Social Security		5,809	
Pensions		6,938	
Life Insurance		111	
Medical Insurance		19,200	
Dental Insurance		458	
Unemployment Compensation		56	
Employer Medicare		1,358	
Communication		1,796	
Dues and Memberships		160	
Operating Lease Payments		6,606	
Postal Charges		35	
Printing, Stationery, and Forms		48	
Travel		1,666	
Tuition		1,184	
Other Contracted Services		140	
Gasoline		2,059	
Office Supplies		1,895	
Workers' Compensation Insurance		310	
Data Processing Equipment		2,416	
Total Risk Management			152,766

(Continued)

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

General Fund (Cont.)

Finance

Accounting and Budgeting

Supervisor/Director	\$	90,567	
Accountants/Bookkeepers		296,098	
Clerical Personnel		37,826	
Social Security		25,261	
Pensions		26,581	
Life Insurance		401	
Medical Insurance		59,481	
Dental Insurance		1,425	
Unemployment Compensation		266	
Employer Medicare		5,908	
Communication		4,267	
Data Processing Services		2,655	
Dues and Memberships		1,852	
Operating Lease Payments		3,216	
Legal Notices, Recording, and Court Costs		819	
Postal Charges		4,078	
Printing, Stationery, and Forms		5,006	
Travel		1,190	
Tuition		345	
Food Supplies		1,220	
Office Supplies		1,448	
Workers' Compensation Insurance		1,395	
Other Charges		202	
Furniture and Fixtures		4,991	
Total Accounting and Budgeting			\$ 576,498

Purchasing

Supervisor/Director	\$	66,338
Purchasing Personnel		152,828
Overtime Pay		1,032
Social Security		12,886
Pensions		14,863
Life Insurance		219
Medical Insurance		25,050
Dental Insurance		687
Unemployment Compensation		112
Employer Medicare		3,014
Communication		3,271
Dues and Memberships		2,050
Operating Lease Payments		13,722
Legal Notices, Recording, and Court Costs		1,581
Postal Charges		29
Printing, Stationery, and Forms		425
Travel		4,177
Tuition		3,764
Other Contracted Services		1,949
Data Processing Supplies		705

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Purchasing (Cont.)

Food Supplies	\$	180	
Office Supplies		1,016	
Other Supplies and Materials		346	
Workers' Compensation Insurance		620	
Other Charges		240	
Total Purchasing			\$ 311,104

Central Services

Local Retirement	\$	265,019	
Audit Services		46,744	
Communication		19,594	
Consultants		25,000	
Contracts with Government Agencies		154,895	
Contracts with Other Public Agencies		137,697	
Contributions		1,500	
Dues and Memberships		30,265	
Legal Services		54,970	
Legal Notices, Recording, and Court Costs		1,310,930	
Pauper Burials		1,650	
Postal Charges		2,212	
Office Supplies		4,353	
Trustee's Commission		728,095	
Other Charges		781	
Total Central Services			2,783,705

Property Assessor's Office

County Official/Administrative Officer	\$	90,992	
Assistant(s)		318,175	
Clerical Personnel		117,533	
Social Security		31,129	
Pensions		35,762	
Life Insurance		552	
Medical Insurance		90,260	
Dental Insurance		1,971	
Unemployment Compensation		280	
Employer Medicare		7,280	
Communication		8,690	
Data Processing Services		36,278	
Dues and Memberships		2,955	
Operating Lease Payments		20,975	
Legal Services		750	
Maintenance and Repair Services - Vehicles		157	
Postal Charges		4,278	
Printing, Stationery, and Forms		685	
Travel		2,423	
Tuition		645	
Duplicating Supplies		1,934	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Gasoline	\$	1,799	
Office Supplies		1,442	
Other Supplies and Materials		2,394	
Workers' Compensation Insurance		1,860	
Other Charges		51,086	
Office Equipment		1,050	
Total Property Assessor's Office			\$ 833,335

Reappraisal Program

Assistant(s)	\$	172,765	
Clerical Personnel		73,248	
Social Security		14,172	
Pensions		16,979	
Life Insurance		286	
Medical Insurance		65,740	
Dental Insurance		1,374	
Unemployment Compensation		168	
Employer Medicare		3,314	
Data Processing Services		16,351	
Travel		374	
Gasoline		22	
Office Supplies		1,918	
Other Supplies and Materials		1,207	
Workers' Compensation Insurance		930	
Total Reappraisal Program			368,848

County Trustee's Office

County Official/Administrative Officer	\$	90,992	
Clerical Personnel		247,109	
Temporary Personnel		1,681	
Social Security		19,785	
Pensions		23,334	
Life Insurance		348	
Medical Insurance		70,950	
Dental Insurance		1,604	
Unemployment Compensation		175	
Employer Medicare		4,627	
Communication		4,614	
Dues and Memberships		1,328	
Operating Lease Payments		1,185	
Legal Services		2,350	
Legal Notices, Recording, and Court Costs		216	
Maintenance Agreements		9,328	
Postal Charges		24,693	
Printing, Stationery, and Forms		4,715	
Travel		1,663	
Tuition		965	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office (Cont.)

Other Contracted Services	\$	7,996	
Duplicating Supplies		505	
Office Supplies		3,276	
Other Supplies and Materials		759	
Workers' Compensation Insurance		1,395	
Furniture and Fixtures		687	
Total County Trustee's Office			\$ 526,280

County Clerk's Office

County Official/Administrative Officer	\$	90,992	
Clerical Personnel		683,843	
Temporary Personnel		821	
Part-time Personnel		19,510	
Social Security		46,149	
Pensions		51,316	
Life Insurance		837	
Medical Insurance		192,430	
Dental Insurance		4,500	
Unemployment Compensation		703	
Employer Medicare		10,812	
Communication		6,837	
Contracts with Private Agencies		120	
Dues and Memberships		1,183	
Operating Lease Payments		8,549	
Maintenance Agreements		22,894	
Maintenance and Repair Services - Vehicles		20	
Postal Charges		34,882	
Printing, Stationery, and Forms		1,252	
Travel		1,673	
Tuition		305	
Gasoline		808	
Office Supplies		14,077	
Periodicals		300	
Workers' Compensation Insurance		3,720	
Other Charges		256	
Data Processing Equipment		5,831	
Furniture and Fixtures		2,353	
Total County Clerk's Office			1,206,973

Data Processing

Data Processing Personnel	\$	249,909	
Social Security		14,846	
Pensions		16,771	
Life Insurance		243	
Medical Insurance		35,500	
Dental Insurance		1,093	
Unemployment Compensation		140	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Data Processing (Cont.)

Employer Medicare	\$	3,472	
Communication		42,593	
Data Processing Services		353,242	
Operating Lease Payments		1,395	
Licenses		5,476	
Maintenance and Repair Services - Equipment		5,818	
Travel		1,637	
Tuition		3,595	
Other Contracted Services		32,693	
Data Processing Supplies		1,540	
Equipment Parts - Light		10,589	
Office Supplies		422	
Workers' Compensation Insurance		1,085	
Total Data Processing			\$ 782,059

Administration of Justice

Circuit Court Judge

Jury and Witness Expense	\$	5,000	
Communication		1,462	
Operating Lease Payments		751	
Legal Notices, Recording, and Court Costs		300	
Licenses		781	
Postal Charges		11,579	
Printing, Stationery, and Forms		3,978	
Data Processing Supplies		910	
Duplicating Supplies		688	
Food Preparation Supplies		120	
Food Supplies		990	
Library Books/Media		163	
Office Supplies		292	
Other Supplies and Materials		756	
Workers' Compensation Insurance		155	
Building Improvements		78,710	
Furniture and Fixtures		3,500	
Total Circuit Court Judge			110,135

Circuit Court Clerk

County Official/Administrative Officer	\$	100,091	
Assistant(s)		215,218	
Clerical Personnel		1,250,383	
Temporary Personnel		2,511	
Part-time Personnel		38,427	
Social Security		93,451	
Pensions		106,196	
Life Insurance		1,746	
Medical Insurance		327,588	
Dental Insurance		8,438	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court Clerk (Cont.)

Unemployment Compensation	\$	1,327	
Employer Medicare		21,887	
Communication		28,361	
Contracts with Private Agencies		3,107	
Data Processing Services		20,000	
Dues and Memberships		1,737	
Operating Lease Payments		12,251	
Maintenance Agreements		38,685	
Postal Charges		16,583	
Printing, Stationery, and Forms		18,441	
Travel		5,163	
Tuition		7,878	
Other Contracted Services		707	
Custodial Supplies		317	
Data Processing Supplies		22,168	
Duplicating Supplies		5,460	
Food Preparation Supplies		422	
Food Supplies		2,210	
Gasoline		896	
Library Books/Media		1,033	
Office Supplies		5,137	
Other Supplies and Materials		2,574	
Workers' Compensation Insurance		7,285	
In Service/Staff Development		481	
Other Charges		50	
Building Improvements		25,214	
Data Processing Equipment		7,611	
Office Equipment		1,000	
Total Circuit Court Clerk			\$ 2,402,034

Criminal Court

Supervisor/Director	\$	56,506
Probation Officer(s)		210,718
Secretary(ies)		31,920
Part-time Personnel		14,354
Social Security		18,905
Pensions		20,647
Life Insurance		345
Medical Insurance		50,100
Dental Insurance		1,272
Unemployment Compensation		251
Employer Medicare		4,422
Communication		4,799
Dues and Memberships		2,010
Operating Lease Payments		822
Travel		4,649
Tuition		4,530

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Criminal Court (Cont.)

Other Contracted Services	\$	1,344	
Drugs and Medical Supplies		64,748	
Food Supplies		198	
Instructional Supplies and Materials		5,299	
Office Supplies		3,780	
Uniforms		2,212	
Workers' Compensation Insurance		1,395	
Furniture and Fixtures		1,412	
Total Criminal Court			\$ 506,638

General Sessions Judge

Judge(s)	\$	668,131	
Secretary(ies)		122,398	
Other Salaries and Wages		6,600	
Social Security		39,334	
Pensions		53,732	
Life Insurance		380	
Medical Insurance		70,950	
Dental Insurance		1,604	
Unemployment Compensation		86	
Employer Medicare		11,187	
Communication		2,654	
Dues and Memberships		3,385	
Operating Lease Payments		834	
Legal Notices, Recording, and Court Costs		338	
Maintenance and Repair Services - Office Equipment		50	
Printing, Stationery, and Forms		738	
Travel		2,354	
Tuition		825	
Food Supplies		31	
Library Books/Media		2,009	
Office Supplies		5,626	
Workers' Compensation Insurance		1,240	
Total General Sessions Judge			994,486

Drug Court

Other Salaries and Wages	\$	53,900	
Social Security		3,235	
Pensions		2,311	
Life Insurance		58	
Medical Insurance		7,850	
Dental Insurance		313	
Unemployment Compensation		66	
Employer Medicare		757	
Travel		655	
Tuition		2,667	
Other Supplies and Materials		2,538	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Drug Court (Cont.)

Workers' Compensation Insurance	\$	310	
Other Charges		6,160	
Total Drug Court			\$ 80,820

Chancery Court

County Official/Administrative Officer	\$	90,992	
Clerical Personnel		240,298	
Social Security		19,496	
Pensions		22,366	
Life Insurance		320	
Medical Insurance		54,700	
Dental Insurance		1,780	
Unemployment Compensation		196	
Employer Medicare		4,559	
Communication		6,795	
Dues and Memberships		1,103	
Operating Lease Payments		3,061	
Legal Notices, Recording, and Court Costs		107	
Postal Charges		19,303	
Printing, Stationery, and Forms		10,610	
Travel		160	
Other Contracted Services		14,350	
Office Supplies		6,389	
Other Supplies and Materials		300	
Workers' Compensation Insurance		1,240	
Total Chancery Court			498,125

Juvenile Court

Probation Officer(s)	\$	19,198	
Youth Service Officer(s)		234,775	
Salary Supplements		17,915	
Secretary(ies)		27,259	
Temporary Personnel		340	
Other Salaries and Wages		77,450	
Social Security		22,515	
Pensions		22,099	
Life Insurance		358	
Medical Insurance		57,855	
Dental Insurance		1,267	
Unemployment Compensation		303	
Employer Medicare		5,270	
Communication		8,061	
Dues and Memberships		3,999	
Evaluation and Testing		1,979	
Operating Lease Payments		2,347	
Medical and Dental Services		14,000	
Postal Charges		84	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Printing, Stationery, and Forms	\$	299	
Travel		14,218	
Tuition		8,107	
Other Contracted Services		643	
Food Supplies		815	
Library Books/Media		470	
Office Supplies		5,077	
Testing		2,600	
Other Supplies and Materials		141	
Workers' Compensation Insurance		1,085	
Other Charges		1,349	
Building Improvements		9,266	
Furniture and Fixtures		3,003	
Total Juvenile Court			\$ 564,147

Office of Public Defender

Clerical Personnel	\$	28,808	
Social Security		1,786	
Unemployment Compensation		54	
Employer Medicare		418	
Operating Lease Payments		7,000	
Total Office of Public Defender			38,066

Judicial Commissioners

Clerical Personnel	\$	145,671	
Social Security		8,385	
Pensions		5,491	
Life Insurance		111	
Medical Insurance		3,950	
Dental Insurance		161	
Unemployment Compensation		243	
Employer Medicare		2,097	
Communication		2,244	
Operating Lease Payments		936	
Office Supplies		2,841	
Workers' Compensation Insurance		1,550	
Furniture and Fixtures		549	
Total Judicial Commissioners			174,229

Other Administration of Justice

Captain(s)	\$	62,055	
Lieutenant(s)		52,320	
Sergeant(s)		48,220	
Attendants		253,910	
Overtime Pay		89	
Social Security		24,540	
Pensions		41,597	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Other Administration of Justice (Cont.)

Life Insurance	\$	456	
Medical Insurance		76,953	
Dental Insurance		1,626	
Unemployment Compensation		275	
Employer Medicare		5,739	
Workers' Compensation Insurance		10,000	
Total Other Administration of Justice			\$ 577,780

Probation Services

Supervisor/Director	\$	67,061	
Probation Officer(s)		261,279	
Accountants/Bookkeepers		37,642	
Secretary(ies)		28,379	
Other Salaries and Wages		4,650	
Social Security		23,256	
Pensions		26,347	
Life Insurance		444	
Medical Insurance		79,825	
Dental Insurance		1,781	
Unemployment Compensation		306	
Employer Medicare		5,439	
Communication		9,778	
Contracts with Government Agencies		10,125	
Dues and Memberships		1,185	
Operating Lease Payments		896	
Licenses		3,600	
Printing, Stationery, and Forms		6,841	
Travel		853	
Tuition		1,444	
Other Contracted Services		1,619	
Drugs and Medical Supplies		7,042	
Office Supplies		4,188	
Workers' Compensation Insurance		1,550	
Total Probation Services			585,530

Victim Assistance Programs

Contributions	\$	46,947	
Total Victim Assistance Programs			46,947

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	110,100	
Assistant(s)		99,126	
Supervisor/Director		311,230	
Deputy(ies)		4,286,263	
Detective(s)		379,715	
Investigator(s)		35,768	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Captain(s)	\$ 120,790
Lieutenant(s)	340,003
Sergeant(s)	411,947
Salary Supplements	102,500
Mechanic(s)	41,520
Clerical Personnel	223,450
Attendants	241,553
Part-time Personnel	41,111
Longevity Pay	53,209
Overtime Pay	630,073
Other Salaries and Wages	10,920
In-service Training	93,000
Social Security	438,733
Pensions	718,818
Life Insurance	7,446
Medical Insurance	1,542,491
Dental Insurance	33,280
Unemployment Compensation	4,864
Employer Medicare	103,042
Advertising	990
Communication	239,350
Contracts with Government Agencies	1,000
Dues and Memberships	7,270
Evaluation and Testing	14,760
Operating Lease Payments	25,555
Legal Services	1,016
Legal Notices, Recording, and Court Costs	97
Licenses	15,293
Maintenance Agreements	111,734
Maintenance and Repair Services - Buildings	2,374
Maintenance and Repair Services - Equipment	45,105
Maintenance and Repair Services - Vehicles	74,069
Matching Share	53,750
Postal Charges	7,702
Printing, Stationery, and Forms	13,144
Rentals	3,677
Travel	59,088
Tuition	63,966
Other Contracted Services	29,721
Basic Skills Materials	67,194
Custodial Supplies	1,535
Data Processing Supplies	38,288
Drugs and Medical Supplies	4,176
Electricity	10,765
Equipment and Machinery Parts	2,819
Food Supplies	1,220
Garage Supplies	134

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Gasoline	\$	425,258	
Law Enforcement Supplies		116,970	
Lubricants		4,815	
Office Supplies		26,748	
Small Tools		2,942	
Tires and Tubes		46,819	
Uniforms		140,701	
Vehicle Parts		60,989	
Other Supplies and Materials		35,640	
Workers' Compensation Insurance		205,000	
Building Improvements		23,310	
Furniture and Fixtures		3,326	
Law Enforcement Equipment		104,641	
Other Equipment		69,823	
Total Sheriff's Department			\$ 12,543,726

Administration of the Sexual Offender Registry

Other Charges	\$	7,250	
Total Administration of the Sexual Offender Registry			7,250

Jail

Assistant(s)	\$	44,258	
Supervisor/Director		52,081	
Captain(s)		60,011	
Lieutenant(s)		167,961	
Sergeant(s)		179,586	
Computer Programmer(s)		235,830	
Social Workers		39,631	
Salary Supplements		17,500	
Guards		164,928	
Clerical Personnel		172,719	
Attendants		2,794,703	
Cafeteria Personnel		98,141	
Part-time Personnel		146,693	
Overtime Pay		270,768	
In-service Training		30,300	
Social Security		260,787	
Pensions		289,650	
Life Insurance		4,443	
Medical Insurance		851,139	
Dental Insurance		20,819	
Unemployment Compensation		4,104	
Employer Medicare		62,326	
Contracts with Private Agencies		26,119	
Evaluation and Testing		565	
Maintenance Agreements		35,000	
Maintenance and Repair Services - Buildings		11,062	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Maintenance and Repair Services - Equipment	\$	22,212	
Medical and Dental Services		1,966,114	
Printing, Stationery, and Forms		4,738	
Travel		13,760	
Tuition		4,380	
Custodial Supplies		102,416	
Data Processing Supplies		7,118	
Drugs and Medical Supplies		2,193	
Food Preparation Supplies		24,297	
Food Supplies		703,142	
Law Enforcement Supplies		13,353	
Prisoners Clothing		12,834	
Uniforms		34,017	
Other Supplies and Materials		52,181	
Workers' Compensation Insurance		136,093	
Food Service Equipment		2,532	
Law Enforcement Equipment		14,299	
Other Equipment		540	
Total Jail			\$ 9,157,343

Workhouse

County Official/Administrative Officer	\$	11,010	
Social Security		659	
Pensions		1,140	
Employer Medicare		154	
Workers' Compensation Insurance		1,000	
Total Workhouse			13,963

Juvenile Services

Captain(s)	\$	69,075	
Lieutenant(s)		57,059	
Sergeant(s)		147,286	
Medical Personnel		16,845	
Salary Supplements		11,010	
Guards		124,717	
Attendants		690,446	
Overtime Pay		21,512	
Other Salaries and Wages		23,673	
Social Security		67,464	
Pensions		83,385	
Life Insurance		1,256	
Medical Insurance		204,512	
Dental Insurance		5,227	
Unemployment Compensation		858	
Employer Medicare		16,028	
Maintenance Agreements		12,000	
Travel		483	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

Tuition	\$	60	
Food Supplies		2,712	
Instructional Supplies and Materials		2,996	
Office Supplies		2,823	
Prisoners Clothing		2,517	
Uniforms		8,900	
Other Supplies and Materials		1,611	
Workers' Compensation Insurance		32,000	
Total Juvenile Services			\$ 1,606,455

Fire Prevention and Control

Contracts with Private Agencies	\$	46,250	
Total Fire Prevention and Control			46,250

Civil Defense

Assistant(s)	\$	28,060	
Supervisor/Director		60,655	
Social Security		5,239	
Pensions		6,117	
Life Insurance		90	
Medical Insurance		12,844	
Dental Insurance		349	
Unemployment Compensation		43	
Employer Medicare		1,225	
Communication		4,147	
Data Processing Services		16,944	
Operating Lease Payments		1,270	
Postal Charges		41	
Travel		3,073	
Other Contracted Services		58,885	
Food Supplies		3,818	
Gasoline		1,483	
Office Supplies		511	
Uniforms		132	
Other Supplies and Materials		10,889	
Workers' Compensation Insurance		310	
Law Enforcement Equipment		7,487	
Total Civil Defense			223,612

Other Emergency Management

Contracts with Government Agencies	\$	343,801	
Total Other Emergency Management			343,801

Public Health and Welfare

Local Health Center

Medical Personnel	\$	517,711	
Clerical Personnel		82,380	

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Part-time Personnel	\$	60,698	
Social Security		37,604	
Pensions		36,784	
Life Insurance		615	
Medical Insurance		179,758	
Dental Insurance		3,512	
Unemployment Compensation		633	
Employer Medicare		8,954	
Communication		21,681	
Contracts with Government Agencies		96,285	
Dues and Memberships		200	
Maintenance Agreements		4,142	
Maintenance and Repair Services - Buildings		3,710	
Maintenance and Repair Services - Equipment		389	
Pest Control		420	
Travel		4,035	
Custodial Supplies		1,455	
Food Supplies		452	
Office Supplies		1,011	
Utilities		44,499	
Workers' Compensation Insurance		4,340	
Other Charges		3,945	
Total Local Health Center			\$ 1,115,213

Rabies and Animal Control

Supervisor/Director	\$	57,430
Medical Personnel		75,632
Truck Drivers		8,100
Part-time Personnel		6,083
Overtime Pay		12,810
Other Salaries and Wages		185,382
Social Security		20,594
Pensions		19,522
Life Insurance		312
Medical Insurance		66,858
Dental Insurance		1,688
Unemployment Compensation		365
Employer Medicare		4,816
Communication		5,725
Dues and Memberships		190
Operating Lease Payments		8,958
Licenses		490
Maintenance and Repair Services - Buildings		5,253
Maintenance and Repair Services - Equipment		3,902
Maintenance and Repair Services - Vehicles		3,462
Postal Charges		6
Transportation - Other than Students		8,948

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Tuition	\$	577	
Animal Food and Supplies		10,541	
Custodial Supplies		4,623	
Drugs and Medical Supplies		87,302	
Gasoline		13,055	
Office Supplies		1,940	
Uniforms		2,414	
Utilities		128	
Other Supplies and Materials		70	
Workers' Compensation Insurance		1,860	
Other Equipment		44,807	
Total Rabies and Animal Control			\$ 663,843

Recycling Center

Part-time Personnel	\$	11,688	
Social Security		724	
Unemployment Compensation		18	
Employer Medicare		169	
Communication		450	
Engineering Services		4,000	
Maintenance Agreements		24,122	
Office Supplies		195	
Workers' Compensation Insurance		155	
Building Construction		6,962	
Plant Operation Equipment		15,013	
Solid Waste Equipment		81,482	
Total Recycling Center			144,978

Social, Cultural, and Recreational Services

Parks and Fair Boards

Contracts with Government Agencies	\$	693,977	
Total Parks and Fair Boards			693,977

Agriculture and Natural Resources

Agricultural Extension Service

Communication	\$	3,679	
Contracts with Government Agencies		165,449	
Operating Lease Payments		1,843	
Office Equipment		800	
Total Agricultural Extension Service			171,771

Soil Conservation

Supervisor/Director	\$	70,179	
Educational Assistants		57,478	
Social Security		7,670	
Pensions		6,600	
Life Insurance		113	

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation (Cont.)

Medical Insurance	\$	17,030	
Dental Insurance		424	
Unemployment Compensation		84	
Employer Medicare		1,794	
Communication		1,705	
Operating Lease Payments		841	
Maintenance and Repair Services - Vehicles		1,041	
Postal Charges		277	
Travel		112	
Tuition		580	
Other Contracted Services		7,828	
Gasoline		327	
Office Supplies		1,505	
Testing		4,295	
Workers' Compensation Insurance		310	
Furniture and Fixtures		822	
Maintenance Equipment		525	
Total Soil Conservation			\$ 181,540

Other Operations

Industrial Development

Contracts for Development Costs	\$	1,080,930	
Total Industrial Development			1,080,930

Veterans' Services

Assistant(s)	\$	83,427	
Supervisor/Director		55,692	
Social Security		8,224	
Pensions		9,603	
Life Insurance		158	
Medical Insurance		19,200	
Dental Insurance		687	
Unemployment Compensation		84	
Employer Medicare		1,923	
Communication		3,285	
Dues and Memberships		12	
Operating Lease Payments		923	
Maintenance Agreements		1,379	
Maintenance and Repair Services - Vehicles		72	
Postal Charges		537	
Travel		78	
Duplicating Supplies		868	
Gasoline		608	
Office Supplies		505	
Workers' Compensation Insurance		465	
Other Charges		150	
Furniture and Fixtures		969	
Total Veterans' Services			188,849

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Contributions to Other Agencies

Contributions	\$	126,983	
Total Contributions to Other Agencies			\$ 126,983

Highways

Litter and Trash Collection

Attendants	\$	36,352	
Social Security		2,173	
Pensions		2,509	
Life Insurance		42	
Medical Insurance		5,769	
Dental Insurance		226	
Unemployment Compensation		28	
Employer Medicare		508	
Contracts with Government Agencies		1,865	
Contracts with Other Public Agencies		20,515	
Licenses		25	
Other Contracted Services		6,000	
Other Supplies and Materials		375	
Workers' Compensation Insurance		1,000	
Total Litter and Trash Collection			77,387

Capital Projects

General Administration Projects

Data Processing Equipment	\$	30,897	
Total General Administration Projects			30,897

Public Safety Projects

Communication Equipment	\$	102,022	
Motor Vehicles		825,055	
Total Public Safety Projects			927,077

Total General Fund \$ 48,419,243

Courthouse and Jail Maintenance Fund

General Government

County Buildings

Trustee's Commission	\$	2,401	
Building Improvements		221,622	
Total County Buildings			\$ 224,023

Total Courthouse and Jail Maintenance Fund 224,023

Law Library Fund

Other Operations

Other Charges

Licenses	\$	9,099	
Trustee's Commission		108	
Total Other Charges			\$ 9,207

Total Law Library Fund 9,207

(Continued)

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

Public Library Fund

Social, Cultural, and Recreational Services

Libraries

County Official/Administrative Officer	\$ 81,766
Supervisor/Director	98,583
Accountants/Bookkeepers	22,213
Data Processing Personnel	32,226
Librarians	392,765
Paraprofessionals	143,179
Audiovisual Personnel	37,036
Secretary(ies)	97,990
Cafeteria Personnel	29,093
Maintenance Personnel	94,073
Part-time Personnel	316,066
Overtime Pay	114
Social Security	78,861
Pensions	24,106
Life Insurance	1,093
Medical Insurance	186,507
Dental Insurance	5,382
Unemployment Compensation	1,542
Local Retirement	14,471
Employer Medicare	18,761
Bank Charges	2,836
Communication	43,673
Data Processing Services	440
Debt Collection Services	1,584
Dues and Memberships	4,926
Operating Lease Payments	9,462
Legal Services	3,504
Licenses	44,045
Maintenance Agreements	17,371
Maintenance and Repair Services - Buildings	1,834
Maintenance and Repair Services - Equipment	23,884
Pest Control	570
Postal Charges	841
Travel	1,370
Tuition	1,525
Permits	55
Other Contracted Services	1,603
Custodial Supplies	11,396
Data Processing Supplies	11,407
Food Preparation Supplies	4,846
Food Supplies	38,691
Library Books/Media	180,279
Office Supplies	22,513
Periodicals	15,442
Utilities	166,306
Software	17,452
Other Supplies and Materials	1,867

(Continued)

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

Public Library Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Liability Insurance	\$	27,000	
Trustee's Commission		1,138	
Workers' Compensation Insurance		2,500	
Building Improvements		1,085	
Data Processing Equipment		3,825	
Food Service Equipment		1,424	
Total Libraries			\$ 2,342,521

Capital Projects

General Administration Projects

Building Improvements	\$	316,139	
Maintenance Equipment		15,605	
Total General Administration Projects			331,744

Total Public Library Fund \$ 2,674,265

Drug Control Fund

Public Safety

Sheriff's Department

Other Contracted Services	\$	5,832	
Animal Food and Supplies		10,226	
Other Supplies and Materials		266	
Trustee's Commission		1,731	
Other Charges		3,000	
Law Enforcement Equipment		103,578	
Total Sheriff's Department			\$ 124,633

Drug Enforcement

Asphalt - Liquid	\$	39,871	
Crushed Stone		15,284	
Total Drug Enforcement			55,155

Total Drug Control Fund 179,788

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$	4,020	
Total Chancery Court			\$ 4,020

Total Constitutional Officers - Fees Fund 4,020

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	110,100	
Assistant(s)		89,220	

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Supervisor/Director	\$	71,813	
Accountants/Bookkeepers		50,401	
Maintenance Personnel		45,151	
Overtime Pay		433	
Social Security		21,957	
Pensions		25,335	
Life Insurance		290	
Medical Insurance		52,038	
Dental Insurance		1,145	
Unemployment Compensation		84	
Local Retirement		105,841	
Employer Medicare		5,135	
Communication		17,434	
Dues and Memberships		5,798	
Licenses		1,870	
Maintenance Agreements		6,288	
Postal Charges		33	
Travel		3,300	
Tuition		7,837	
Custodial Supplies		4,755	
Drugs and Medical Supplies		189	
Electricity		2,310	
Office Supplies		6,730	
Water and Sewer		237	
Software		806	
Liability Insurance		99,199	
Trustee's Commission		88,388	
Workers' Compensation Insurance		12,971	
Building Improvements		85,977	
Total Administration			\$ 923,065

Highway and Bridge Maintenance

Supervisor/Director	\$	318,815
Assessment Personnel		49,773
Equipment Operators		1,441,995
Laborers		72,203
Overtime Pay		69,262
Social Security		114,787
Pensions		122,618
Life Insurance		2,043
Medical Insurance		412,154
Dental Insurance		8,612
Unemployment Compensation		1,108
Employer Medicare		26,846
Operating Lease Payments		8,708
Other Contracted Services		165,049
Asphalt - Hot Mix		1,864,563

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Asphalt - Liquid	\$	78,504	
Concrete		24,588	
Crushed Stone		197,048	
Fertilizer, Lime, and Seed		4,371	
Food Supplies		4,626	
Pipe - Metal		300,916	
Road Signs		43,469	
Salt		8,436	
Structural Steel		3,331	
Uniforms		11,973	
Drainage Materials		667	
Workers' Compensation Insurance		99,630	
Highway Equipment		1,750	
State Aid Projects		629,758	
Total Highway and Bridge Maintenance			\$ 6,087,603

Operation and Maintenance of Equipment

Supervisor/Director	\$	69,353	
Materials Supervisor		36,367	
Mechanic(s)		170,821	
Overtime Pay		5,122	
Social Security		16,626	
Pensions		18,244	
Life Insurance		299	
Medical Insurance		57,735	
Dental Insurance		1,357	
Unemployment Compensation		144	
Employer Medicare		3,888	
Maintenance and Repair Services - Vehicles		2,949	
Data Processing Supplies		380	
Diesel Fuel		129,300	
Equipment and Machinery Parts		114,840	
Gasoline		47,511	
Lubricants		7,775	
Pipe - Metal		18	
Propane Gas		4,545	
Tires and Tubes		17,300	
Uniforms		5,406	
Workers' Compensation Insurance		15,565	
Building Improvements		2,895	
Maintenance Equipment		4,548	
Total Operation and Maintenance of Equipment			732,988

Capital Outlay

Highway Equipment	\$	995,338	
Total Capital Outlay			995,338

Total Highway/Public Works Fund \$ 8,738,994

(Continued)

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

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 7,986,928	
Principal on Capital Leases	329,376	
Principal on Other Loans	939,275	
Total General Government		\$ 9,255,579

Education

Principal on Capital Leases	\$ 626,912	
Total Education		626,912

Interest on Debt

General Government

Interest on Bonds	\$ 7,736,542	
Interest on Capital Leases	40,807	
Interest on Other Loans	36,000	
Total General Government		7,813,349

Education

Interest on Capital Leases	\$ 51,462	
Total Education		51,462

Other Debt Service

General Government

Financial Advisory Services	\$ 9,000	
Trustee's Commission	367,582	
Other Debt Service	17,135	
Total General Government		393,717

Total General Debt Service Fund \$ 18,141,019

Highway Capital Projects Fund

Capital Projects

Highway and Street Capital Projects

Other Contracted Services	\$ 233,613	
Total Highway and Street Capital Projects		\$ 233,613

Total Highway Capital Projects Fund 233,613

Other Capital Projects Fund

Capital Projects

General Administration Projects

Data Processing Equipment	\$ 1,324,127	
Total General Administration Projects		\$ 1,324,127

Administration of Justice Projects

Data Processing Equipment	\$ 115,813	
Law Enforcement Equipment	21,057	
Total Administration of Justice Projects		136,870

(Continued)

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

Other Capital Projects Fund (Cont.)

Capital Projects (Cont.)

Other General Government Projects

Other Capital Outlay	\$ 624,147	
Total Other General Government Projects		\$ 624,147

Highway and Street Capital Projects

Bridge Construction	\$ 85,689	
Total Highway and Street Capital Projects		85,689

Education Capital Projects

Building Improvements	\$ 1,450	
Total Education Capital Projects		<u>1,450</u>

Total Other Capital Projects Fund		<u>\$ 2,172,283</u>
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Total Governmental Funds - Primary Government		<u><u>\$ 80,796,455</u></u>
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Exhibit K-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 28,864,246	
Career Ladder Program	150,800	
Salary Supplements	589,841	
Educational Assistants	1,905,845	
Other Salaries and Wages	79,813	
Social Security	1,836,523	
Pensions	2,906,724	
Life Insurance	31,377	
Medical Insurance	5,370,596	
Dental Insurance	117,487	
Employer Medicare	435,958	
Contracts with Government Agencies	10,000	
Printing, Stationery, and Forms	1,269	
Tuition	2,050	
Contracts for Substitute Teachers - Certified	1,197,224	
Instructional Supplies and Materials	321,779	
Textbooks - Bound	460,192	
In Service/Staff Development	750	
Other Charges	20,793	
Data Processing Equipment	23,175	
Furniture and Fixtures	29,778	
Total Regular Instruction Program		\$ 44,356,220

Special Education Program

Teachers	\$ 4,637,936	
Career Ladder Program	14,000	
Educational Assistants	993,161	
Social Security	326,581	
Pensions	499,595	
Life Insurance	5,690	
Medical Insurance	1,039,420	
Dental Insurance	22,349	
Employer Medicare	77,711	
Contracts with Private Agencies	5,407	
Instructional Supplies and Materials	89,812	
Other Supplies and Materials	172	
In Service/Staff Development	7,500	
Total Special Education Program		7,719,334

Career and Technical Education Program

Teachers	\$ 2,676,662	
Career Ladder Program	10,000	
Social Security	157,540	
Pensions	275,228	
Life Insurance	2,831	
Medical Insurance	489,140	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Instruction (Cont.)Career and Technical Education Program (Cont.)

Dental Insurance	\$	10,357	
Employer Medicare		36,844	
Maintenance and Repair Services - Equipment		1,077	
Instructional Supplies and Materials		46,457	
Other Supplies and Materials		650	
Liability Insurance		1,084	
Vocational Instruction Equipment		589	
Total Career and Technical Education Program			\$ 3,708,459

Other

Local Retirement	\$	1,053,633	
Total Other			1,053,633

Support ServicesAttendance

Supervisor/Director	\$	49,162	
Clerical Personnel		46,288	
Social Security		5,448	
Pensions		8,338	
Life Insurance		94	
Medical Insurance		30,037	
Dental Insurance		572	
Employer Medicare		1,274	
Total Attendance			141,213

Health Services

Medical Personnel	\$	668,030	
Secretary(ies)		14,646	
Other Salaries and Wages		65,323	
Social Security		44,543	
Pensions		29,108	
Life Insurance		500	
Medical Insurance		77,379	
Dental Insurance		1,811	
Employer Medicare		10,417	
Dues and Memberships		150	
Medical and Dental Services		2,000	
Travel		2,163	
Other Contracted Services		328	
Drugs and Medical Supplies		15,723	
Food Supplies		567	
Instructional Supplies and Materials		26,720	
Office Supplies		866	
In Service/Staff Development		1,894	
Total Health Services			962,168

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Guidance Personnel	\$	1,247,177	
Social Workers		46,673	
Secretary(ies)		50,680	
Social Security		77,924	
Pensions		128,232	
Life Insurance		1,267	
Medical Insurance		191,807	
Dental Insurance		4,757	
Employer Medicare		18,805	
Evaluation and Testing		30,567	
Instructional Supplies and Materials		4,439	
Office Supplies		57	
In Service/Staff Development		1,980	
Total Other Student Support			\$ 1,804,365

Regular Instruction Program

Supervisor/Director	\$	99,673	
Librarians		1,182,445	
Secretary(ies)		19,780	
Other Salaries and Wages		117,371	
Social Security		82,708	
Pensions		146,216	
Life Insurance		1,305	
Medical Insurance		186,987	
Dental Insurance		5,242	
Employer Medicare		19,607	
Contracts with Government Agencies		54,998	
Contracts with Vehicle Owners		2,000	
Licenses		7,014	
Travel		18,469	
Other Contracted Services		40,000	
Food Supplies		54	
Instructional Supplies and Materials		2,607	
Other Supplies and Materials		2,402	
In Service/Staff Development		22,988	
Total Regular Instruction Program			2,011,866

Special Education Program

Psychological Personnel	\$	373,660	
Social Security		22,233	
Pensions		36,571	
Life Insurance		337	
Medical Insurance		36,647	
Dental Insurance		979	
Employer Medicare		5,200	
Contracts with Private Agencies		310,477	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Special Education Program (Cont.)

Operating Lease Payments	\$	2,210	
Travel		13,678	
In Service/Staff Development		19,979	
Total Special Education Program			\$ 821,971

Career and Technical Education Program

Supervisor/Director	\$	8,433	
Secretary(ies)		58,258	
Social Security		3,832	
Pensions		4,905	
Life Insurance		87	
Medical Insurance		20,608	
Dental Insurance		487	
Employer Medicare		897	
Tuition		825	
Total Career and Technical Education Program			98,332

Technology

Supervisor/Director	\$	98,022	
Computer Programmer(s)		254,337	
Clerical Personnel		36,920	
Other Salaries and Wages		129,518	
Social Security		31,152	
Pensions		38,776	
Life Insurance		495	
Medical Insurance		62,894	
Dental Insurance		1,631	
Employer Medicare		7,285	
Licenses		535,909	
Maintenance and Repair Services - Equipment		16,384	
Rentals		251,768	
Other Contracted Services		4,898	
Data Processing Supplies		141,086	
Software		89,634	
In Service/Staff Development		10,592	
Data Processing Equipment		160,824	
Total Technology			1,872,125

Board of Education

Other Salaries and Wages	\$	111,856	
Board and Committee Members Fees		33,608	
Social Security		6,388	
Pensions		6,985	
Life Insurance		52	
Medical Insurance		11,043	
Dental Insurance		248	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Board of Education (Cont.)

Unemployment Compensation	\$	5,353	
Employer Medicare		2,018	
Audit Services		32,000	
Contracts with Government Agencies		5,820	
Dues and Memberships		10,179	
Financial Advisory Services		1,504	
Legal Services		43,142	
Printing, Stationery, and Forms		1,346	
Travel		2,722	
Tuition		272	
Other Contracted Services		5,644	
Other Supplies and Materials		301	
Liability Insurance		353,558	
Trustee's Commission		748,614	
Workers' Compensation Insurance		354,000	
In Service/Staff Development		5,150	
Criminal Investigation of Applicants - TBI		35,671	
Other Charges		47,285	
Total Board of Education			\$ 1,824,759

Director of Schools

County Official/Administrative Officer	\$	132,570
Assistant(s)		205,592
Supervisor/Director		112,445
Career Ladder Program		1,000
Secretary(ies)		133,031
Other Salaries and Wages		56,799
Social Security		38,893
Pensions		57,811
Life Insurance		1,505
Medical Insurance		60,281
Dental Insurance		1,594
Disability Insurance		1,189
Employer Medicare		9,159
Advertising		6,539
Dues and Memberships		5,530
Operating Lease Payments		12,673
Medical and Dental Services		4,318
Postal Charges		4,083
Printing, Stationery, and Forms		1,834
Travel		458
Other Contracted Services		2,000
Food Supplies		5,745
Office Supplies		5,485
Other Supplies and Materials		4,088
In Service/Staff Development		5,536

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Director of Schools (Cont.)

Other Charges	\$	4,883	
Other Equipment		1,299	
Total Director of Schools			\$ 876,340

Office of the Principal

Principals	\$	1,861,417	
Accountants/Bookkeepers		86,128	
Assistant Principals		1,373,178	
Secretary(ies)		1,204,405	
Social Security		267,009	
Pensions		424,075	
Life Insurance		3,999	
Medical Insurance		721,678	
Dental Insurance		16,043	
Employer Medicare		62,550	
Communication		90,884	
Dues and Memberships		1,800	
Internet Connectivity		136,266	
Rentals		6,000	
Other Contracted Services		1,693	
Other Supplies and Materials		3,321	
Other Charges		200,000	
Total Office of the Principal			6,460,446

Fiscal Services

Accountants/Bookkeepers	\$	151,499	
Social Security		8,668	
Pensions		10,570	
Life Insurance		166	
Medical Insurance		26,413	
Dental Insurance		699	
Employer Medicare		2,027	
In Service/Staff Development		2,262	
Total Fiscal Services			202,304

Operation of Plant

Custodial Personnel	\$	2,432,637	
Social Security		143,119	
Pensions		153,775	
Life Insurance		2,709	
Medical Insurance		624,450	
Dental Insurance		15,717	
Employer Medicare		33,696	
Contracts with Other Public Agencies		24,168	
Evaluation and Testing		550	
Maintenance Agreements		179,082	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Operation of Plant (Cont.)

Maintenance and Repair Services - Equipment	\$	14,470	
Permits		2,080	
Other Contracted Services		2,279	
Custodial Supplies		241,074	
Electricity		2,784,811	
Natural Gas		158,789	
Water and Sewer		308,294	
Other Equipment		19,941	
Total Operation of Plant			\$ 7,141,641

Maintenance of Plant

Supervisor/Director	\$	71,573	
Secretary(ies)		42,113	
Maintenance Personnel		579,405	
Social Security		40,870	
Pensions		45,021	
Life Insurance		779	
Medical Insurance		127,738	
Dental Insurance		3,443	
Employer Medicare		9,558	
Maintenance Agreements		133,070	
Maintenance and Repair Services - Buildings		127,980	
Maintenance and Repair Services - Equipment		232,945	
Maintenance and Repair Services - Vehicles		17,080	
Pest Control		8,970	
Permits		1,340	
Other Contracted Services		36,978	
Equipment and Machinery Parts		167,565	
Gasoline		44,515	
General Construction Materials		483	
Office Supplies		685	
Vehicle Parts		2,960	
Other Supplies and Materials		117,791	
Administration Equipment		218,004	
Building Improvements		45,614	
Heating and Air Conditioning Equipment		29,474	
Maintenance Equipment		33,000	
Motor Vehicles		38,147	
Other Capital Outlay		61,564	
Total Maintenance of Plant			2,238,665

Transportation

Supervisor/Director	\$	49,162	
Clerical Personnel		40,699	
Other Salaries and Wages		52,307	
Social Security		8,773	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Transportation (Cont.)

Pensions	\$	12,061	
Life Insurance		136	
Medical Insurance		22,608	
Dental Insurance		592	
Employer Medicare		2,052	
Contracts with Parents		538	
Contracts with Vehicle Owners		3,586,709	
Other Contracted Services		865,963	
Total Transportation			\$ 4,641,600

Operation of Non-Instructional ServicesEarly Childhood Education

Supervisor/Director	\$	9,000	
Teachers		395,788	
Educational Assistants		92,742	
Social Security		28,420	
Pensions		47,854	
Life Insurance		519	
Medical Insurance		107,465	
Dental Insurance		2,450	
Employer Medicare		6,647	
Contracts with Other Public Agencies		20,744	
Instructional Supplies and Materials		28,901	
In Service/Staff Development		3,603	
Total Early Childhood Education			744,133

Capital OutlayRegular Capital Outlay

Building Improvements	\$	869,897	
Communication Equipment		289,633	
Total Regular Capital Outlay			1,159,530

Other Debt ServiceEducation

Debt Service Contribution to Primary Government	\$	678,374	
Total Education			678,374

Total General Purpose School Fund \$ 90,517,478

School Federal Projects FundInstructionRegular Instruction Program

Teachers	\$	656,742	
Educational Assistants		565,093	
Social Security		62,974	
Pensions		77,458	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)Instruction (Cont.)Regular Instruction Program (Cont.)

Life Insurance	\$	696	
Medical Insurance		144,487	
Dental Insurance		3,248	
Employer Medicare		17,007	
Instructional Supplies and Materials		305,834	
Regular Instruction Equipment		98,086	
Total Regular Instruction Program			\$ 1,931,625

Special Education Program

Teachers	\$	106,075	
Clerical Personnel		85,023	
Educational Assistants		1,284,359	
Speech Pathologist		43,780	
Social Security		86,513	
Pensions		62,223	
Life Insurance		1,113	
Medical Insurance		227,037	
Dental Insurance		8,060	
Employer Medicare		21,033	
Instructional Supplies and Materials		39,946	
Special Education Equipment		12,287	
Total Special Education Program			1,977,449

Career and Technical Education Program

Other Salaries and Wages	\$	77,427	
Social Security		6,744	
Pensions		6,992	
Life Insurance		162	
Medical Insurance		18,659	
Dental Insurance		107	
Employer Medicare		1,577	
Instructional Supplies and Materials		33,242	
Other Supplies and Materials		3,428	
Vocational Instruction Equipment		110,236	
Total Career and Technical Education Program			258,574

Support ServicesOther Student Support

Travel	\$	23,077	
Other Contracted Services		18,895	
Other Supplies and Materials		12,000	
In Service/Staff Development		16,110	
Other Charges		19,068	
Total Other Student Support			89,150

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)Support Services (Cont.)Regular Instruction Program

Supervisor/Director	\$	92,763	
Secretary(ies)		44,533	
Other Salaries and Wages		401,440	
Social Security		32,382	
Pensions		52,004	
Life Insurance		451	
Medical Insurance		62,072	
Dental Insurance		1,563	
Employer Medicare		7,567	
Contracts with Vehicle Owners		2,275	
Travel		5,288	
Contracts for Substitute Teachers - Certified		783	
Other Contracted Services		68,108	
Instructional Supplies and Materials		992	
Library Books/Media		393	
Other Supplies and Materials		937	
In Service/Staff Development		211,009	
Other Charges		464	
Total Regular Instruction Program			\$ 985,024

Special Education Program

Supervisor/Director	\$	180,316	
Psychological Personnel		125,855	
Clerical Personnel		115,623	
Other Salaries and Wages		9,000	
Social Security		26,046	
Pensions		38,474	
Life Insurance		379	
Medical Insurance		44,884	
Dental Insurance		1,015	
Employer Medicare		6,091	
Other Contracted Services		100,885	
Instructional Supplies and Materials		7,771	
Other Supplies and Materials		7,620	
In Service/Staff Development		43,066	
Total Special Education Program			707,025

Career and Technical Education Program

Travel	\$	2,098	
In Service/Staff Development		3,092	
Total Career and Technical Education Program			5,190

Transportation

Contracts with Parents	\$	1,500	
Other Contracted Services		315,985	
Total Transportation			317,485

Total School Federal Projects Fund \$ 6,271,522

(Continued)

Exhibit K-9

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

Central Cafeteria FundOperation of Non-Instructional ServicesFood Service

Supervisor/Director	\$	58,180	
Accountants/Bookkeepers		44,201	
Cafeteria Personnel		2,022,899	
Social Security		125,555	
Pensions		78,556	
Life Insurance		1,712	
Medical Insurance		382,201	
Dental Insurance		8,987	
Employer Medicare		29,505	
Dues and Memberships		8,928	
Operating Lease Payments		11,879	
Maintenance Agreements		50,939	
Maintenance and Repair Services - Equipment		149,046	
Printing, Stationery, and Forms		1,120	
Transportation - Other than Students		32,176	
Travel		2,799	
Permits		1,680	
Other Contracted Services		60,425	
Custodial Supplies		51,385	
Food Preparation Supplies		120,131	
Food Supplies		1,954,388	
Office Supplies		3,961	
Uniforms		925	
USDA - Commodities		379,234	
Software		14,954	
Other Supplies and Materials		1,373	
Workers' Compensation Insurance		66,500	
In Service/Staff Development		9,322	
Food Service Equipment		125,571	
Total Food Service			\$ 5,798,532

Total Central Cafeteria Fund

\$ 5,798,532

Extended School Program FundOperation of Non-Instructional ServicesCommunity Services

Assistant(s)	\$	88,546	
Part-time Personnel		1,002,291	
Social Security		65,075	
Pensions		37,184	
Life Insurance		580	
Medical Insurance		133,154	
Dental Insurance		3,081	
Employer Medicare		15,381	
Contracts with Vehicle Owners		20,813	
Operating Lease Payments		4,875	

(Continued)

Exhibit K-9

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

Extended School Program Fund (Cont.)Operation of Non-Instructional Services (Cont.)Community Services (Cont.)

Travel	\$	779	
Other Contracted Services		36,725	
Food Supplies		67,447	
Instructional Supplies and Materials		7,651	
Software		2,340	
Other Supplies and Materials		4,818	
Trustee's Commission		14,161	
Other Charges		860	
Total Community Services			\$ 1,505,761

Total Extended School Program Fund \$ 1,505,761

Education Capital Projects FundOther Debt ServiceEducation

Debt Service Contribution to Primary Government	\$	189,797	
Total Education			\$ 189,797

Capital ProjectsEducation Capital Projects

Architects	\$	45,550	
Trustee's Commission		29,456	
Building Improvements		122,772	
Food Service Equipment		130,844	
Heating and Air Conditioning Equipment		593,470	
Other Capital Outlay		62,580	
Total Education Capital Projects			984,672

Total Education Capital Projects Fund 1,174,469

Total Governmental Funds - Blount County School Department \$ 105,267,762

Blount County, Tennessee
Schedule of Detailed Receipts, Disbursements, and Changes
in Cash Balances - City Agency Funds
For the Year Ended June 30, 2019

	Cities - Sales Tax Fund	City School ADA - Alcoa Fund	City School ADA - Maryville Fund	Total
<u>Cash Receipts</u>				
Current Property Taxes	\$ 0	\$ 4,222,031	\$ 11,176,662	\$ 15,398,693
Discount on Property Taxes	0	(64,220)	(175,429)	(239,649)
Trustee's Collections - Prior Years	0	77,589	205,396	282,985
Trustee's Collections - Bankruptcy	0	15,937	42,167	58,104
Circuit/Clerk and Master Collections - Prior Years	0	41,419	109,544	150,963
Interest and Penalty	0	14,643	38,772	53,415
Payments in-Lieu-of Taxes - Local Utilities	0	48,862	129,288	178,150
Payments in-Lieu-of Taxes - Other	0	4,275	11,413	15,688
Local Option Sales Taxes	22,543,438	3,157,513	8,354,713	34,055,664
Business Taxes	0	98,932	263,341	362,273
Marriage Licenses	0	1,104	2,930	4,034
Other Local Revenue	0	78	213	291
Interstate Telecommunications Tax	0	6,426	17,002	23,428
Other State Revenues	0	105,118	0	105,118
Total Cash Receipts	\$ 22,543,438	\$ 7,729,707	\$ 20,176,012	\$ 50,449,157
<u>Cash Disbursements</u>				
Remittance of Revenues Collected	\$ 22,318,004	\$ 7,609,015	\$ 19,859,700	\$ 49,786,719
Trustee's Commission	225,434	121,293	318,335	665,062
Total Cash Disbursements	\$ 22,543,438	\$ 7,730,308	\$ 20,178,035	\$ 50,451,781
<u>Excess of Cash Receipts Over (Under)</u>				
Cash Disbursements	\$ 0	\$ (601)	\$ (2,023)	\$ (2,624)
Cash Balance, July 1, 2018	0	4,954	13,540	18,494
Cash Balance, June 30, 2019	\$ 0	\$ 4,353	\$ 11,517	\$ 15,870

SINGLE AUDIT SECTION



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

Blount County Mayor and
Board of County Commissioners
Blount County, 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 Blount County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Blount County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated January 10, 2020. Our report includes a reference to other auditors who audited the financial statements of Blount Memorial Hospital, Inc., as described in our report on Blount County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Blount 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 Blount County's internal control. Accordingly, we do not express an opinion on the effectiveness of Blount 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.

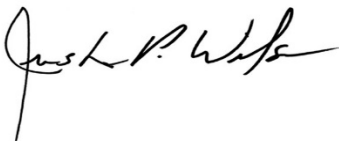
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Blount 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 Blount 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

January 10, 2020

JPW/tg



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

Blount County Mayor and
Board of County Commissioners
Blount County, Tennessee

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Blount 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 Blount County's major federal programs for the year ended June 30, 2019. Blount 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 Blount 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 Blount 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 Blount County's compliance.

Opinion on Each Major Federal Program

In our opinion, Blount 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 Blount 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 Blount 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 Blount 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.

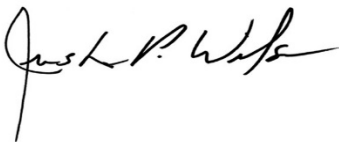
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the

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 Blount County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Blount County's basic financial statements. We issued our report thereon dated January 10, 2020, 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

January 10, 2020

JPW/tg

Blount County, Tennessee, and the Blount 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	N/A	\$ 955,968
National School Lunch Program	10.555	N/A	2,327,796 (5)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	379,234 (5)
Passed-through East Tennessee Human Resource Agency, Inc.:			
Child Nutrition Cluster: (4)			
Summer Food Service Program for Children	10.559	N/A	49,068
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-19-59241	149,568
Total U.S. Department of Agriculture			<u>\$ 3,861,634</u>
U.S. Department of the Interior:			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	\$ 269,063
Total U.S. Department of the Interior			<u>\$ 269,063</u>
U.S. Department of Justice:			
Direct Program:			
Public Safety Partnership and Community Policing Grants	16.710	N/A	\$ 235,464
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	43,547
Passed-through State Department of Finance and Administration:			
Crime Victim Assistance	16.575	(3)	56,327
Passed-through State Department of Mental Health and Substance Abuse:			
Drug Court Discretionary Grant Program	16.585	N/A	102,797
Total U.S. Department of Justice			<u>\$ 438,135</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction Cluster: (4)			
Highway Planning and Construction	20.205	(3)	\$ 233,613
Passed-through Department of Safety and Homeland Security:			
Alcohol Open Container Requirements	20.607	Z-19-THS025	13,872
Highway Safety Cluster: (4)			
State and Community Highway Safety	20.600	(6)	138,870
National Priority Safety Programs	20.616	Z-18-THS031	5,098
Total U.S. Department of Transportation			<u>\$ 391,453</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title 1 Grants to Local Educational Agencies	84.010	N/A	\$ 2,553,203
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	3,015,390
Special Education - Preschool Grants	84.173	N/A	105,062
Career and Technical Education - Basic Grants to States	84.048	N/A	347,318
English Language Acquisition Grants	84.365	N/A	19,942
Improving Teacher Quality State Grants	84.367	N/A	349,100
Total U.S. Department of Education			<u>\$ 6,390,015</u>

(Continued)

Blount County, Tennessee, and the Blount 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	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Injury Prevention and Control Research and State and Community Based Programs	93.136	GG-19-59241	\$ 5,028
Family Planning - Services	93.217	GG-19-59241	54,073
National State Based Tobacco Control Programs	93.305	GG-19-59241	10,102
Medicaid Cluster: (4)			
Medical Assistance Program	93.778	GG-19-59241	54,679
Maternal and Child Health Services Block Grant to the States	93.994	GG-19-59241	13,394
Passed-through State Department of Mental Health and Substance Abuse:			
Substance Abuse and Mental Health Services-Projects of Regional and National Significance	93.243	N/A	16,620
Passed-through State Department of Education:			
CCDF Cluster: (4)			
Child Care and Development Block Grant	93.575	N/A	7,520
Total U.S. Department of Health and Human Services			<u>\$ 161,416</u>
Executive Office of the President:			
Passed-through Laurel County, Kentucky Fiscal Court:			
High Intensity Drug Trafficking Areas Program	95.001	N/A	\$ 35,273
Total Executive Office of the President			<u>\$ 35,273</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	(3)	\$ 57,500
Homeland Security Grant Program	97.067	(3)	36,592
Total U.S. Department of Homeland Security			<u>\$ 94,092</u>
Total Expenditures of Federal Grants			<u>\$ 11,641,081</u>
<u>State Grants</u>		Contract Number	
Juvenile Justice - State Commission on Children and Youth	N/A	(3)	\$ 9,000
Health Department Program - State Department of Health	N/A	(3)	482,633
Litter Program - State Department of Transportation	N/A	(3)	55,255
Drug Court Discretionary Grant Program - State Department of Mental Health	N/A	(3)	55,722
Juvenile Court Home Base - State Department of Finance and Administration	N/A	(3)	55,136
Read to Be Ready Coaching Network Grant - State Department of Education	N/A	(3)	7,161
Family Resource Center - State Department of Education	N/A	(3)	29,612
Coordinated School Health - State Department of Education	N/A	(3)	125,000
Read to be Ready - Summer Grant - State Department of Education	N/A	(3)	30,081
Early Childhood Education - State Department of Education	N/A	(3)	594,675
Safe Schools Act - State Department of Education	N/A	(3)	258,004
Total State Grants			<u>\$ 1,702,279</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) Blount County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
(3) Information not available.
(4) Child Nutrition Cluster total \$3,712,066; Highway Planning and Construction Cluster total \$233,613; Highway Safety Cluster total \$143,968; Special Education Cluster total \$3,120,452; Medicaid Cluster total \$54,679; CCDF Cluster total \$7,520.
(5) Total for CFDA No 10.555 is \$2,707,030.
(6) Z-19-THS028: \$2,557; Z-19-THS027: \$24,089; Z-19-THSO26: \$20,037; Z-18-THS033: \$8,473; Z-18-THS032: \$50,422; Z-18-THS030: \$33,292.

Blount 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 Blount County, Tennessee, for the year ended June 30, 2019.

Prior-year Financial Statement Findings

There were no prior-year financial statement findings to report.

Prior-year Federal Awards Findings

There were no prior-year federal award findings to report.

BLOUNT COUNTY, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Blount 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: 84.027 and 84.173 Special Education Cluster: Special
Education Grants to States and
Special Education - Preschool Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

There were no findings relating to the financial statements of Blount County, Tennessee, as a result of our examination for the year ended June 30, 2019.

PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs related to federal awards for the year ended June 30, 2019.

Blount County, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2019

The audit of Blount 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).