

**ANNUAL FINANCIAL REPORT**  
**LAWRENCE COUNTY, TENNESSEE**

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



**DIVISION OF LOCAL GOVERNMENT AUDIT**



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

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

*DIVISION OF LOCAL GOVERNMENT AUDIT*  
*JAMES R. ARNETTE*  
*Director*

*JEFF BAILEY, CPA, CGFM, CFE*  
*Audit Manager*

*KENT WHITE, CPA, CGFM, CFE*  
*SHERRIE GILL, CFE*  
*Senior Auditors*

*KINSLEY HAYES*  
*DONYA WADE, CFE*  
*CHRIS HUGHES*  
*CHRISVONTA SMITH*  
*State Auditors*

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

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# ***Summary of Audit Findings***

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

## ***Scope***

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

## ***Results***

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

Our audit resulted in no findings.

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# INTRODUCTORY SECTION

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# Lawrence County Officials

## June 30, 2019

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### **Officials**

T.R. Williams, County Executive  
Donnie Joe Brown, Road Superintendent  
Johnny McDaniel, Director of Schools  
Kiley Weathers, Trustee  
Barbara Kizer, Assessor of Property  
Chuck Kizer, County Clerk  
Debbie Riddle, Circuit, General Sessions, and Juvenile Courts Clerk  
Kristy Gang, Clerk and Master  
Teresa Dunkin, Register of Deeds  
John Myers, Sheriff  
Teresa Purcell, Director of Accounts and Budgets

### **Board of County Commissioners**

T.R. Williams, County Executive, Chairman	Delano Benefield
Chris Jackson	Scott Franks
Wayne Yocum	Jim Modlin
Dennis Gillespie	Alanna Harris
Ricky Skillington	Nathan Keeton
Russ Brewer	Tammy Wisdom
John Bradley	Shane Eaton
Aaron Storey	Bert Spearman
Shane Littrell	Randy Brewer
Larry Glass	

### **Board of Education**

Larry Davis, Chairman	Jerry Dryden
Kevin Caruso	Corey Rochelle
Brenda Jacobs	Nicky Hartsfield
Ricky Mabry	John Daniel
Royce Neidert	

### **Audit Committee**

Karen Woodall, Chairman	Shane Eaton
Scott Franks	Polly Marsh
Jerry Putman	



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## FINANCIAL SECTION

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JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

## Independent Auditor's Report

Lawrence County Executive and  
Board of County Commissioners  
Lawrence, Tennessee

To the County Executive 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 Lawrence 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lawrence County, Tennessee, as of June 30, 2019, and the respective changes in financial position and, the respective budgetary comparisons 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*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

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

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lawrence County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Lawrence County School Department (a discretely presented component unit), miscellaneous schedules and the other information such as the introductory section and management's corrective action plan are presented for purposes of additional analysis and are not a required part of the basic financial

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

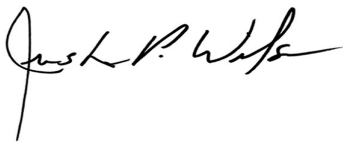
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Lawrence County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service and General Capital Projects funds, combining and individual fund financial statements of the Lawrence 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 and management’s corrective action plan have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

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

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

February 10, 2020

JPW/tg

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## **BASIC FINANCIAL STATEMENTS**

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Exhibit A

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

	Primary Governmental Activities	Component Unit Lawrence County School Department
<u>ASSETS</u>		
Cash	\$ 91,564	\$ 1,100
Equity in Pooled Cash and Investments	12,997,771	14,816,673
Inventories	0	114,300
Accounts Receivable	6,664,597	3,610
Allowance for Uncollectible	(2,397,596)	0
Due from Other Governments	1,190,578	2,886,853
Property Taxes Receivable	13,845,352	6,325,311
Allowance for Uncollectible Property Taxes	(323,934)	(117,677)
Notes Receivable - Long-term	32,212	0
Net Pension Asset - Agent Plan	1,666,630	1,214,819
Net Pension Asset - Teacher Retirement Plan	0	127,580
Net Pension Asset - Teacher Legacy Pension Plan	0	2,521,952
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	67,286
Capital Assets:		
Assets Not Depreciated:		
Land	1,309,719	1,426,454
Construction in Progress	2,567,703	3,141,152
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	18,895,875	30,128,604
Infrastructure	18,472,221	0
Other Capital Assets	3,254,706	3,173,696
Total Assets	<u>\$ 78,267,398</u>	<u>\$ 65,831,713</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred Charge on Refunding	\$ 237,508	\$ 0
Pension Changes in Experience	46,035	550,553
Pension Contributions after Measurement Date	865,264	3,259,434
Pension Changes in Assumptions	472,885	1,840,185
Pension Changes in Proportionate Share of NPL	0	314,996
OPEB Changes in Assumptions	27,466	458,510
OPEB Benefits Paid After Measurement Date	19,410	602,890
Total Deferred Inflows of Resources	<u>\$ 1,668,568</u>	<u>\$ 7,026,568</u>

(Continued)

Exhibit A

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

	<u>Primary Governmental Activities</u>	<u>Component Unit Lawrence County School Department</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 329,635	\$ 125,230
Payroll Deductions Payable	6	2,207,490
Contracts Payable	323,503	1,418,041
Retainage Payable	17,027	74,634
Accrued Interest Payable	197,935	0
Due to Litigants, Heirs, and Others	26	0
Noncurrent Liabilities:		
Due Within One Year - Debt	4,624,907	0
Due Within One Year - Other	776,718	84,104
Due in More Than One Year - Debt	40,001,662	0
Due in More Than One Year - Other	1,190,706	14,057,111
Total Liabilities	<u>\$ 47,462,125</u>	<u>\$ 17,966,610</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Pension Changes in Experience	\$ 750,106	\$ 3,954,150
Pension Changes in Investment Earnings	128,442	649,712
Pension Changes in Proportionate Share of NPL	0	6,284
OPEB Changes in Experience	51,598	2,446,653
OPEB Changes in Assumptions	22,068	631,001
OPEB Changes in Proportionate Share	0	740,255
Deferred Current Property Taxes	13,126,697	5,972,055
Total Deferred Inflows of Resources	<u>\$ 14,078,911</u>	<u>\$ 14,400,110</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 16,577,005	\$ 37,869,906
Restricted for:		
General Government	31,192	0
Administration of Justice	40,823	0
Public Safety	138,782	0
Public Health and Welfare	26,794	0
Highway/Public Works	1,321,150	0
Education	0	3,853,891
Capital Projects	771,646	0
Pensions	1,666,630	3,931,637
Unrestricted	<u>(2,179,092)</u>	<u>(5,163,873)</u>
Total Net Position	<u>\$ 18,394,930</u>	<u>\$ 40,491,561</u>

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

Exhibit B

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component
					Governmental Total Activities	Unit Lawrence County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 341,916	\$ 304,453	\$ 551,267	\$ 0	\$ 513,804	\$ 0
Finance	1,489,317	1,128,803	0	0	(360,514)	0
Administration of Justice	1,568,563	713,005	8,415	0	(847,143)	0
Public Safety	7,421,585	1,196,164	95,416	0	(6,130,005)	0
Public Health and Welfare	4,761,057	3,513,911	1,015,431	0	(231,715)	0
Social, Cultural, and Recreational Services	813,285	3,255	1,518	0	(808,512)	0
Agriculture and Natural Resources	191,363	0	0	0	(191,363)	0
Highways	7,275,952	5,649	3,000,535	245,692	(4,024,076)	0
Education	13,340,652	0	0	0	(13,340,652)	0
Interest on Long-term Debt	937,512	0	300,000	0	(637,512)	0
<b>Total Primary Government</b>	<b>\$ 38,141,202</b>	<b>\$ 6,865,240</b>	<b>\$ 4,972,582</b>	<b>\$ 245,692</b>	<b>\$ (26,057,688)</b>	<b>\$ 0</b>
Component Unit:						
Lawrence County School Department	\$ 65,105,877	\$ 1,272,404	\$ 19,452,295	\$ 0	\$ 0	\$ (44,381,178)

(Continued)



Exhibit B

Lawrence 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
					Government Total Governmental Activities	Unit Lawrence County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 10,263,882	\$ 6,016,149
Property Taxes Levied for Debt Service					2,815,051	0
Local Option Sales Tax					1,225,082	5,972,315
Hotel/Motel Tax					108,111	0
Wheel Tax					999,389	0
Litigation Tax - General					129,898	0
Litigation Tax - Jail, Workhouse, or Courthouse					121,168	0
Business Tax					377,064	0
Mixed Drink Tax					2,638	0
Mineral Severance Tax					41,999	0
Wholesale Beer Tax					154,695	0
Other Local Taxes					102,082	10,227
Grants and Contributions Not Restricted to Specific Programs					1,511,584	40,821,924
Unrestricted Investment Earnings					214,485	10,711
Miscellaneous					74,147	19,531
<b>Total General Revenues</b>					<b>\$ 18,141,275</b>	<b>\$ 52,850,857</b>
Change in Net Position					\$ (7,916,413)	\$ 8,469,679
Net Position, July 1, 2018					26,311,343	32,021,882
Net Position, June 30, 2019					<b>\$ 18,394,930</b>	<b>\$ 40,491,561</b>

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

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>ASSETS</u>						
Cash	\$ 600	\$ 0	\$ 0	\$ 0	\$ 90,964	\$ 91,564
Equity in Pooled Cash and Investments	5,668,873	877,530	3,201,482	266,427	2,983,459	12,997,771
Accounts Receivable	4,229,551	54	88,730	0	2,346,262	6,664,597
Allowance for Uncollectibles	(537,096)	0	0	0	(1,860,500)	(2,397,596)
Due from Other Governments	450,910	499,488	225,715	0	14,465	1,190,578
Property Taxes Receivable	8,907,260	1,809,564	2,012,902	0	1,115,626	13,845,352
Allowance for Uncollectible Property Taxes	(208,399)	(42,338)	(47,095)	0	(26,102)	(323,934)
Notes Receivable - Long-term	0	0	0	0	32,212	32,212
Total Assets	<u>\$ 18,511,699</u>	<u>\$ 3,144,298</u>	<u>\$ 5,481,734</u>	<u>\$ 266,427</u>	<u>\$ 4,696,386</u>	<u>\$ 32,100,544</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 224,930	\$ 59,042	\$ 0	\$ 0	\$ 45,663	\$ 329,635
Payroll Deductions Payable	6	0	0	0	0	6
Contracts Payable	0	0	0	0	323,503	323,503
Retainage Payable	0	0	0	0	17,027	17,027
Due to Litigants, Heirs, and Others	0	0	0	0	26	26
Total Liabilities	<u>\$ 224,936</u>	<u>\$ 59,042</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 386,219</u>	<u>\$ 670,197</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 8,444,922	\$ 1,715,638	\$ 1,908,420	\$ 0	\$ 1,057,717	\$ 13,126,697
Deferred Delinquent Property Taxes	253,939	51,588	57,387	0	31,807	394,721
Other Deferred/Unavailable Revenue	3,466,298	240,470	110,105	0	420,833	4,237,706
Total Deferred Inflows of Resources	<u>\$ 12,165,159</u>	<u>\$ 2,007,696</u>	<u>\$ 2,075,912</u>	<u>\$ 0</u>	<u>\$ 1,510,357</u>	<u>\$ 17,759,124</u>

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor	Total
	General	Highway / Public Works	General Debt Service	General Capital Projects	Other Govern- mental Funds	
<u>FUND BALANCES</u>						
Nonspendable:						
Endowments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 75,799	\$ 75,799
Restricted:						
Restricted for General Government	31,192	0	0	0	0	31,192
Restricted for Administration of Justice	40,823	0	0	0	0	40,823
Restricted for Public Safety	20,251	0	0	0	194,254	214,505
Restricted for Public Health and Welfare	26,794	0	0	0	0	26,794
Restricted for Highways/Public Works	0	1,077,560	0	0	0	1,077,560
Restricted for Capital Projects	0	0	0	266,427	429,496	695,923
Committed:						
Committed for General Government	162,512	0	0	0	78,079	240,591
Committed for Finance	0	0	0	0	27,500	27,500
Committed for Public Safety	83,771	0	0	0	0	83,771
Committed for Public Health and Welfare	0	0	0	0	327,994	327,994
Committed for Debt Service	0	0	3,405,822	0	1,666,688	5,072,510
Unassigned	5,756,261	0	0	0	0	5,756,261
Total Fund Balances	\$ 6,121,604	\$ 1,077,560	\$ 3,405,822	\$ 266,427	\$ 2,799,810	\$ 13,671,223
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 18,511,699	\$ 3,144,298	\$ 5,481,734	\$ 266,427	\$ 4,696,386	\$ 32,100,544

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

Lawrence 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)		\$	13,671,223
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,309,719	
Add: construction in progress		2,567,703	
Add: buildings and improvements net of accumulated depreciation		18,895,875	
Add: infrastructure net of accumulated depreciation		18,472,221	
Add: other capital assets net of accumulated depreciation		<u>3,254,706</u>	44,500,224
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: notes payable	\$	(5,970,000)	
Less: bonds payable		(36,626,293)	
Less: other loans payable		(763,516)	
Less: deferred charges - premium on debt		(1,266,760)	
Add: deferred amount on refunding		237,508	
Less: compensated absences payable		(771,718)	
Less: landfill postclosure care costs		(658,491)	
Less: net OPEB liability		(537,215)	
Less: accrued interest on bonds and notes		<u>(197,935)</u>	(46,554,420)
(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 in future years.			
Add: deferred outflows of resources related to pensions	\$	1,384,184	
Add: deferred outflows of resources related to OPEB		46,876	
Less: deferred inflows of resources related to pensions		(878,548)	
Less: deferred inflows of resources related to OPEB		<u>(73,666)</u>	478,846
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			1,666,630
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>4,632,427</u>
Net position of governmental activities (Exhibit A)		\$	<u>18,394,930</u>

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

Exhibit C-3

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

	Major Funds				Nonmajor	Total
	General	Highway / Public Works	General Debt Service	General Capital Projects	Funds Other Govern- mental Funds	
<u>Revenues</u>						
Local Taxes	\$ 9,717,356	\$ 1,757,948	\$ 4,501,750	\$ 0	\$ 950,158	\$ 16,927,212
Licenses and Permits	56,597	0	0	0	0	56,597
Fines, Forfeitures, and Penalties	154,076	0	0	0	74,914	228,990
Charges for Current Services	1,921,337	0	0	0	1,704,280	3,625,617
Other Local Revenues	286,143	7,951	44,167	0	181,518	519,779
Fees Received From County Officials	1,278,142	0	0	0	0	1,278,142
State of Tennessee	2,458,154	3,024,938	0	166,699	0	5,649,791
Federal Government	325,911	0	0	0	119,431	445,342
Other Governments and Citizens Groups	536,213	208,454	300,000	0	40,267	1,084,934
Total Revenues	\$ 16,733,929	\$ 4,999,291	\$ 4,845,917	\$ 166,699	\$ 3,070,568	\$ 29,816,404
<u>Expenditures</u>						
Current:						
General Government	\$ 1,531,944	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,531,944
Finance	1,018,088	0	0	0	515,299	1,533,387
Administration of Justice	1,600,933	0	0	0	22,526	1,623,459
Public Safety	7,169,016	0	0	0	37,432	7,206,448
Public Health and Welfare	3,379,414	0	0	0	1,775,209	5,154,623
Social, Cultural, and Recreational Services	401,097	0	0	0	0	401,097
Agriculture and Natural Resources	183,653	0	0	0	0	183,653
Other Operations	999,967	0	0	0	17,198	1,017,165
Highways	0	4,887,155	0	0	0	4,887,155
Debt Service:						
Principal on Debt	95,276	103,663	3,814,835	0	845,000	4,858,774
Interest on Debt	4,621	2,934	829,464	0	73,828	910,847
Other Debt Service	0	0	80,861	0	19,217	100,078

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor	Total
	General	Highway / Public Works	General Debt Service	General Capital Projects	Funds Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 22,048	\$ 0	\$ 0	\$ 11,491,427	\$ 2,053,584	\$ 13,567,059
Total Expenditures	\$ 16,406,057	\$ 4,993,752	\$ 4,725,160	\$ 11,491,427	\$ 5,359,293	\$ 42,975,689
Excess (Deficiency) of Revenues Over Expenditures	\$ 327,872	\$ 5,539	\$ 120,757	\$ (11,324,728)	\$ (2,288,725)	\$ (13,159,285)
<u>Other Financing Sources (Uses)</u>						
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 9,975,000	\$ 0	\$ 9,975,000
Premiums on Debt Sold	0	0	0	701,131	0	701,131
Other Loans Issued	0	0	0	763,516	0	763,516
Insurance Recovery	0	21,318	0	0	2,100	23,418
Total Other Financing Sources (Uses)	\$ 0	\$ 21,318	\$ 0	\$ 11,439,647	\$ 2,100	\$ 11,463,065
Net Change in Fund Balances	\$ 327,872	\$ 26,857	\$ 120,757	\$ 114,919	\$ (2,286,625)	\$ (1,696,220)
Fund Balance, July 1, 2018	5,793,732	1,050,703	3,285,065	151,508	5,086,435	15,367,443
Fund Balance, June 30, 2019	\$ 6,121,604	\$ 1,077,560	\$ 3,405,822	\$ 266,427	\$ 2,799,810	\$ 13,671,223

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

Lawrence 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)		\$ (1,696,220)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated 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	\$ 3,389,240	
Less: current-year depreciation expense	<u>(4,290,725)</u>	(901,485)
(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		(9,508)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2018	\$ (4,219,555)	
Add: deferred delinquent property taxes and other deferred June 30, 2019	<u>4,632,427</u>	412,872
(4) The issuance of long-term debt (e.g., bonds, notes, 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:		
Less: change in deferred amount on refunding debt	\$ (29,845)	
Less: change in premium on debt issuance	(609,905)	
Add: principal payments on notes	1,400,000	
Add: principal payments on bonds	3,259,835	
Add: principal payments on capital leases	198,939	
Less: bond proceeds	(9,975,000)	
Less: other loan proceeds	<u>(763,516)</u>	(6,519,492)
(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	\$ (26,665)	
Change in net pension asset	1,270,384	
Change in deferred outflows related to pensions	(110,059)	
Change in deferred inflows related to pensions	(349,514)	
Change in compensated absences payable	13,548	
Change in OPEB liability	(28,987)	
Change in deferred outflows related to OPEB	38,751	
Change in deferred inflows related to OPEB	(48,874)	
Change in landfill postclosure care costs	<u>38,836</u>	<u>797,420</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ (7,916,413)</u>

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

Exhibit C-5

Lawrence 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	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 9,717,356	\$ 0	\$ 9,717,356	\$ 9,532,801	\$ 9,532,801	\$ 184,555
Licenses and Permits	56,597	0	56,597	51,672	51,672	4,925
Fines, Forfeitures, and Penalties	154,076	0	154,076	183,895	183,895	(29,819)
Charges for Current Services	1,921,337	0	1,921,337	1,945,118	1,945,125	(23,788)
Other Local Revenues	286,143	0	286,143	160,964	167,448	118,695
Fees Received From County Officials	1,278,142	0	1,278,142	1,332,336	1,332,336	(54,194)
State of Tennessee	2,458,154	0	2,458,154	2,844,439	2,765,504	(307,350)
Federal Government	325,911	0	325,911	117,700	484,496	(158,585)
Other Governments and Citizens Groups	536,213	0	536,213	456,061	553,444	(17,231)
<b>Total Revenues</b>	<b>\$ 16,733,929</b>	<b>\$ 0</b>	<b>\$ 16,733,929</b>	<b>\$ 16,624,986</b>	<b>\$ 17,016,721</b>	<b>\$ (282,792)</b>
<u>Expenditures</u>						
<u>General Government</u>						
County Commission	\$ 162,588	\$ (187)	\$ 162,401	\$ 109,163	\$ 166,343	\$ 3,942
Beer Board	2,954	0	2,954	1,956	2,956	2
County Mayor/Executive	182,774	0	182,774	217,125	217,125	34,351
County Attorney	7,057	0	7,057	7,060	7,060	3
Election Commission	282,864	(100)	282,764	296,703	303,783	21,019
Register of Deeds	245,277	0	245,277	253,575	253,575	8,298
County Buildings	574,050	(1,175)	572,875	495,855	586,781	13,906
Preservation of Records	74,380	(347)	74,033	100,511	105,721	31,688
<u>Finance</u>						
Accounting and Budgeting	336,177	(328)	335,849	342,196	352,641	16,792
Property Assessor's Office	335,144	(121)	335,023	355,141	348,357	13,334
County Trustee's Office	69,511	0	69,511	89,837	83,054	13,543
County Clerk's Office	126,185	0	126,185	160,530	170,458	44,273

(Continued)



Exhibit C-5

Lawrence 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	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Expenditures (Cont.)</u>						
<u>Finance (Cont.)</u>						
Data Processing	\$ 151,071	\$ 0	\$ 151,071	\$ 179,822	\$ 196,350	\$ 45,279
<u>Administration of Justice</u>						
Circuit Court	572,620	0	572,620	612,610	618,695	46,075
General Sessions Court	329,152	0	329,152	352,586	348,531	19,379
Chancery Court	308,361	0	308,361	334,539	334,539	26,178
Juvenile Court	191,594	0	191,594	201,804	205,859	14,265
Courtroom Security	139,817	(1,792)	138,025	200,930	223,431	85,406
Victim Assistance Programs	59,389	0	59,389	74,850	74,850	15,461
<u>Public Safety</u>						
Sheriff's Department	3,491,008	(2,712)	3,488,296	3,711,052	3,852,565	364,269
Jail	2,741,082	(7,869)	2,733,213	2,808,619	2,847,011	113,798
Workhouse	58,174	0	58,174	58,600	58,600	426
Work Release Program	53,923	0	53,923	0	55,994	2,071
Fire Prevention and Control	2,000	0	2,000	2,000	2,000	0
Civil Defense	3,992	0	3,992	10,000	10,455	6,463
Rescue Squad	352,500	0	352,500	352,500	352,500	0
Other Emergency Management	339,245	0	339,245	339,245	339,245	0
County Coroner/Medical Examiner	97,735	0	97,735	107,233	106,733	8,998
Public Safety Grants Program	29,357	0	29,357	0	81,552	52,195
<u>Public Health and Welfare</u>						
Local Health Center	207,882	0	207,882	155,810	218,032	10,150
Ambulance/Emergency Medical Services	2,476,314	(1,052)	2,475,262	2,597,760	2,601,805	126,543
Alcohol and Drug Programs	65,853	(1,000)	64,853	67,142	72,141	7,288
Other Local Health Services	68,466	0	68,466	15,560	125,045	56,579
Appropriation to State	484,925	0	484,925	595,100	599,425	114,500

(Continued)

Exhibit C-5

Lawrence 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	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Expenditures (Cont.)</u>						
<u>Public Health and Welfare (Cont.)</u>						
Other Public Health and Welfare	\$ 75,974	\$ 0	\$ 75,974	\$ 75,975	\$ 75,975	\$ 1
<u>Social, Cultural, and Recreational Services</u>						
Senior Citizens Assistance	16,000	0	16,000	16,000	16,000	0
Libraries	343,097	(642)	342,455	376,774	400,801	58,346
Other Social, Cultural, and Recreational	42,000	0	42,000	42,000	42,000	0
<u>Agriculture and Natural Resources</u>						
Agricultural Extension Service	125,594	(100)	125,494	142,160	142,160	16,666
Soil Conservation	57,028	0	57,028	47,851	62,619	5,591
Other Agriculture and Natural Resources	1,031	(132)	899	0	987	88
<u>Other Operations</u>						
Tourism	55,549	0	55,549	56,000	56,025	476
Industrial Development	172,536	0	172,536	172,536	172,536	0
Airport	69,000	0	69,000	69,000	69,000	0
Veterans' Services	95,306	(100)	95,206	104,373	106,373	11,167
Other Charges	553,541	0	553,541	539,500	580,237	26,696
Miscellaneous	54,035	0	54,035	64,000	64,000	9,965
<u>Principal on Debt</u>						
General Government	95,276	0	95,276	95,277	95,277	1
<u>Interest on Debt</u>						
General Government	4,621	0	4,621	4,621	4,621	0
<u>Capital Projects</u>						
General Administration Projects	22,048	0	22,048	22,000	22,050	2
<b>Total Expenditures</b>	<b>\$ 16,406,057</b>	<b>\$ (17,657)</b>	<b>\$ 16,388,400</b>	<b>\$ 17,035,481</b>	<b>\$ 17,833,873</b>	<b>\$ 1,445,473</b>

(Continued)

Exhibit C-5

Lawrence 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	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Excess (Deficiency) of Revenues Over Expenditures	\$ 327,872	\$ 17,657	\$ 345,529	\$ (410,495)	\$ (817,152)	\$ 1,162,681
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,901	\$ (7,901)
Total Other Financing Sources	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,901	\$ (7,901)
Net Change in Fund Balance	\$ 327,872	\$ 17,657	\$ 345,529	\$ (410,495)	\$ (809,251)	\$ 1,154,780
Fund Balance, July 1, 2018	5,793,732	(17,657)	5,776,075	5,120,632	5,120,632	655,443
Fund Balance, June 30, 2019	\$ 6,121,604	\$ 0	\$ 6,121,604	\$ 4,710,137	\$ 4,311,381	\$ 1,810,223

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

Exhibit C-6

Lawrence 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	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 1,757,948	\$ 0	\$ 1,757,948	\$ 1,735,026	\$ 1,735,026	\$ 22,922
Other Local Revenues	7,951	0	7,951	0	5,649	2,302
State of Tennessee	3,024,938	0	3,024,938	2,938,900	2,938,900	86,038
Other Governments and Citizens Groups	208,454	0	208,454	0	208,454	0
<b>Total Revenues</b>	<b>\$ 4,999,291</b>	<b>\$ 0</b>	<b>\$ 4,999,291</b>	<b>\$ 4,673,926</b>	<b>\$ 4,888,029</b>	<b>\$ 111,262</b>
<u>Expenditures</u>						
<u>Highways</u>						
Administration	\$ 242,935	\$ 0	\$ 242,935	\$ 274,723	\$ 282,589	\$ 39,654
Highway and Bridge Maintenance	3,584,675	(35,160)	3,549,515	3,500,993	3,905,217	355,702
Operation and Maintenance of Equipment	569,339	(10,500)	558,839	637,917	619,260	60,421
Other Charges	120,969	0	120,969	119,047	124,247	3,278
Capital Outlay	369,237	0	369,237	560,000	404,225	34,988
<u>Principal on Debt</u>						
Highways and Streets	103,663	0	103,663	100,000	103,664	1
<u>Interest on Debt</u>						
Highways and Streets	2,934	0	2,934	10,000	6,336	3,402
<b>Total Expenditures</b>	<b>\$ 4,993,752</b>	<b>\$ (45,660)</b>	<b>\$ 4,948,092</b>	<b>\$ 5,202,680</b>	<b>\$ 5,445,538</b>	<b>\$ 497,446</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ 5,539</b>	<b>\$ 45,660</b>	<b>\$ 51,199</b>	<b>\$ (528,754)</b>	<b>\$ (557,509)</b>	<b>\$ 608,708</b>
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 21,318	\$ 0	\$ 21,318	\$ 0	\$ 21,318	\$ 0
<b>Total Other Financing Sources</b>	<b>\$ 21,318</b>	<b>\$ 0</b>	<b>\$ 21,318</b>	<b>\$ 0</b>	<b>\$ 21,318</b>	<b>\$ 0</b>

(Continued)

Exhibit C-6

Lawrence County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Net Change in Fund Balance	\$ 26,857	\$ 45,660	\$ 72,517	\$ (528,754)	\$ (536,191)	\$ 608,708
Fund Balance, July 1, 2018	1,050,703	(45,660)	1,005,043	851,336	851,336	153,707
Fund Balance, June 30, 2019	\$ 1,077,560	\$ 0	\$ 1,077,560	\$ 322,582	\$ 315,145	\$ 762,415

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

Exhibit D

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,512,823
Equity in Pooled Cash and Investments	136,114
Accounts Receivable	4,360
Due from Other Governments	<u>886,841</u>
Total Assets	<u><u>\$ 2,540,138</u></u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 1,727
Due to Other Taxing Units	886,841
Due to Litigants, Heirs, and Others	1,526,496
Due to Joint Ventures	<u>125,074</u>
Total Liabilities	<u><u>\$ 2,540,138</u></u>

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

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

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Lawrence 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 Lawrence County:

**A. Reporting Entity**

Lawrence County is a public municipal corporation governed by an elected 18-member board. As required by GAAP, these financial statements present Lawrence County (the primary government) and its component units. The financial statements of the Lawrence County Emergency Communications District, a component unit 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 Lawrence County School Department operates the public school system in the county, and the voters of Lawrence County elect its board. The school department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the County Commission's approval. The school department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The Lawrence County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Lawrence County, and the Lawrence County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Lawrence County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.



The Lawrence County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the Lawrence County School Department are included in this report as listed in the table of contents. Complete financial statements of the Lawrence County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Lawrence County Emergency  
Communications District  
PO Box 691  
Lawrenceburg, TN 38464-0691

**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 Lawrence 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 Lawrence 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.

Lawrence County issues all debt for the discretely presented Lawrence County School Department. Net debt issues totaling \$11,239,301 were contributed by the county to the school department during the year ended June 30, 2019.

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

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

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

Fund financial statements of Lawrence 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. Lawrence County has no proprietary funds to report.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Lawrence 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.

Fiduciary fund financial statements are reported using the economic resources measurement focus, except for agency funds, which have no measurement focus, and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Lawrence County reports the following major governmental funds:

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

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

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

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

Additionally, Lawrence County reports the following fund types:

**Permanent Fund** – The Permanent Fund accounts for two private gifts received by the county for which the principal amount must remain intact while interest earned on the principal is to be expended to benefit Lawrence County’s public library. The interest earned on the fund’s investments is posted directly to the General Fund.

**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 Lawrence County, state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force, and restricted revenues held for the benefit of the Office of District Attorney General. 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 Lawrence County School Department reports the following major governmental funds:

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

**Education Capital Projects Fund** – This fund is used to account for the receipt of debt issued by Lawrence County and contributed to the school department for building construction and renovations.

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

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

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

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

**1. Deposits and Investments**

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; the State Treasurer's Intermediate Term investment Fund; 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 Lawrence 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 Fund. Lawrence 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 Pooled complied with accounting principles generally accepted in the United State of America.

All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

## **2. Receivables and Payables**

Activity between funds for unremitted current collections outstanding at the end of the fiscal year is referred to as due to/from other funds.

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

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

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

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

Retainage payable in the primary government's nonmajor governmental funds represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the nonmajor governmental funds.

### **3. Inventories**

Inventories of the Lawrence County School Department are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

### **4. Restricted Assets**

Restricted assets also consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Lawrence 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 Lawrence County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Lawrence County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

**5. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$10,000 (bridge infrastructure \$50,000) 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	25 - 40
Other Capital Assets	5 - 10
Infrastructure:	
Roads	10 - 25
Bridges	25

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

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

in proportionate share of net pension liability, OPEB changes in assumptions, and OPEB benefits paid after the measurement date.

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

**7. Compensated Absences**

It is the primary government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Lawrence County does not have a policy to pay amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

It is the policy of the discretely presented Lawrence County School Department to permit central office and bus/building maintenance employees to earn vacation at the rate of 12 to 18 days per year, depending upon length of service and length of contract. The policy provides for employees to carry forward to the next year any unused annual days not to exceed 20 days. All vacation pay is accrued when incurred in the government-wide financial statements for the school department. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

General policy of the school department for all professional personnel (teachers) permits the unlimited accumulation of unused sick leave days. Noncertified personnel earn one day of sick leave per month with unlimited accumulation. The granting of sick leave has no guaranteed payment attached and, therefore, is not required to be accrued or recorded.



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

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and 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, other postemployment benefits, and landfill closure/postclosure care costs, are recognized to the extent that the liabilities have matured (come due for payment) each period.

## 9. Net Position and Fund Balance

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2019, Lawrence County had \$15,998,297 in outstanding debt for capital purposes for the discretely presented Lawrence County School Department. This debt is a liability of Lawrence County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Lawrence 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.

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 has by resolution authorized the county's Budget Committee to make

assignments for the general government. The Board of Education makes assignments for the school department.

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

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

**Discretely Presented Lawrence 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 Lawrence 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 Lawrence County School Department**

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

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

**Primary Government**

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

**Discretely Presented Lawrence County School Department**

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

### III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### Budgetary Information

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

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

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Beer Board, County Mayor/Executive, 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, the discretely presented Lawrence County School Department reported the following significant encumbrances:

<u>Fund</u>	<u>Amount</u>
School Department:	
Major Fund:	
General Purpose School	\$ 927,256
Nonmajor Fund:	
School Federal Projects	10,223

### IV. DETAILED NOTES ON ALL FUNDS

#### A. Deposits and Investments

Lawrence County and the discretely presented Lawrence 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 and investments reflected on the balance sheets or statements of net position represent 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.

The county had no pooled and nonpooled investments as of June 30, 2019.

### **TCRS Stabilization Trust**

**Legal Provisions.** The Lawrence 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 Lawrence 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 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 Lawrence 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	\$ 20,859
Developed Market International Equity	N/A	N/A	9,420
Emerging Market International Equity	N/A	N/A	2,691
U.S. Fixed Income	N/A	N/A	13,457
Real Estate	N/A	N/A	6,729
Short-term Securities	N/A	N/A	673
Investments at Amortized Cost using the NAV:			
Private Equity and Strategic Lending	N/A	N/A	13,457
Total			\$ 67,286

Investment by Fair Value Level	Fair Value 6-30-19	Fair Value Measurements Using			Amortized
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Cost
					NAV
U.S. Equity	\$ 20,859	\$ 20,859	\$ 0	\$ 0	0
Developed Market					
International Equity	9,420	9,420	0	0	0
Emerging Market					
International Equity	2,691	2,691	0	0	0
U.S. Fixed Income	13,457	0	13,457	0	0
Real Estate	6,729	0	0	6,729	0
Short-term Securities	673	0	673	0	0
Private Equity and Strategic Lending	13,457	0	0	0	13,457
Total	\$ 67,286	\$ 32,970	\$ 14,130	\$ 6,729	13,457

**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 Lawrence 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 Lawrence 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. Lawrence 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 Lawrence 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**

The Industrial/Economic Development Fund had a long-term note receivable of \$32,212 on June 30, 2019, from financing projects for the Lawrenceburg-Lawrence County Airport (Joint Venture) and is included in the committed fund balance account.

**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	\$ 1,309,719	\$ 0	\$ 0	\$ 1,309,719
Construction in Progress	1,424,048	2,054,937	(911,282)	2,567,703
<b>Total Capital Assets Not Depreciated</b>	<b>\$ 2,733,767</b>	<b>\$ 2,054,937</b>	<b>\$ (911,282)</b>	<b>\$ 3,877,422</b>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 27,025,501	\$ 181,748	\$ 0	\$ 27,207,249
Infrastructure	82,809,032	538,602	0	83,347,634
Other Capital Assets	12,210,858	1,525,235	(131,954)	13,604,139
<b>Total Capital Assets Depreciated</b>	<b>\$ 122,045,391</b>	<b>\$ 2,245,585</b>	<b>\$ (131,954)</b>	<b>\$ 124,159,022</b>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 7,649,586	\$ 661,788	\$ 0	\$ 8,311,374
Infrastructure	62,035,309	2,840,104	0	64,875,413
Other Capital Assets	9,683,046	788,833	(122,446)	10,349,433
<b>Total Accumulated Depreciation</b>	<b>\$ 79,367,941</b>	<b>\$ 4,290,725</b>	<b>\$ (122,446)</b>	<b>\$ 83,536,220</b>
<b>Total Capital Assets Depreciated, Net</b>	<b>\$ 42,677,450</b>	<b>\$ (2,045,140)</b>	<b>\$ (9,508)</b>	<b>\$ 40,622,802</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 45,411,217</b>	<b>\$ 9,797</b>	<b>\$ (920,790)</b>	<b>\$ 44,500,224</b>

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

**Governmental Activities:**

General Government	\$ 578,341
Finance	2,700
Public Safety	251,210
Public Health and Welfare	314,608
Social, Cultural, and Recreational Services	78,326
Agriculture and Natural Resources	5,472
Other Operations	3,026
Highways	<u>3,057,042</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 4,290,725</u>

**Discretely Presented Lawrence County School Department -  
Governmental Activities:**

	Balance 7-1-18	Increases	Decreases	Balance 6-30-19
Capital Assets Not Depreciated:				
Land	\$ 1,276,454	\$ 150,000	\$ 0	\$ 1,426,454
Construction in Progress	2,800,986	421,448	(81,282)	<u>3,141,152</u>
Total Capital Assets Not Depreciated	<u>\$ 4,077,440</u>	<u>\$ 571,448</u>	<u>\$ (81,282)</u>	<u>\$ 4,567,606</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 64,125,443	\$ 258,179	\$ 0	\$ 64,383,622
Other Capital Assets	13,495,640	351,698	(167,087)	<u>13,680,251</u>
Total Capital Assets Depreciated	<u>\$ 77,621,083</u>	<u>\$ 609,877</u>	<u>\$ (167,087)</u>	<u>\$ 78,063,873</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 32,613,775	\$ 1,641,243	\$ 0	\$ 34,255,018
Other Capital Assets	10,208,058	465,584	(167,087)	<u>10,506,555</u>
Total Accumulated Depreciation	<u>\$ 42,821,833</u>	<u>\$ 2,106,827</u>	<u>\$ (167,087)</u>	<u>\$ 44,761,573</u>
Total Capital Assets Depreciated, Net	<u>\$ 34,799,250</u>	<u>\$ (1,496,950)</u>	<u>\$ 0</u>	<u>\$ 33,302,300</u>
Governmental Activities Capital Assets, Net	<u>\$ 38,876,690</u>	<u>\$ (925,502)</u>	<u>\$ (81,282)</u>	<u>\$ 37,869,906</u>

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

**Governmental Activities:**

Instruction	\$ 1,510,876
Support Services	468,558
Operation of Non-instructional Services	<u>127,393</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 2,106,827</u></u>

**D. Construction Commitments**

At June 30, 2019, Lawrence County had uncompleted construction contracts of approximately \$11,175,223 in the Higher Education Fund for building construction. Funding for these future expenditures is expected to be received from state grants (\$6,100,000), general obligation bond proceeds (\$2,500,000), contributions from the City of Lawrenceburg (\$2,500,000), and private donations (\$1,500,000).

**E. Interfund Transfers**

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

**Discretely Presented Lawrence County School Department**

Transfers Out	Transfers In		Purpose
	General Purpose School Fund	Nonmajor Governmental Funds	
General Purpose School Fund	\$ 0	\$ 116,000	Operations
Education Capital Projects Fund	1,744,772	0	Reimbursement
Nonmajor governmental funds	<u>71,500</u>	<u>0</u>	Indirect Costs
 Total	 <u><u>\$ 1,816,272</u></u>	 <u><u>\$ 116,000</u></u>	

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 Purpose School Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The discretely presented Lawrence County School Department made a one-time transfer of \$1,744,772 from the Education Capital Projects Fund to the General Purpose School Fund to reimburse for the energy upgrade expenditures paid from the General Purpose School Fund before the debt was issued for the project.

**F. Long-term Debt**

**Primary Government**

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

General Obligation Bonds – Lawrence County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 38 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 – Lawrence County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were issued for original terms of up to 12 years for notes and up to 4 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2019, will be retired from the debt service funds.

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

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-19
General Obligation Bonds	2.47 to 3.70 %	6-21-50	\$ 17,182,000	\$ 15,431,293
General Obligation Bonds - Refunding	1.08 to 2.70	4-1-37	26,260,000	21,195,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	1.60 to 2.96	12-1-26	9,250,000	5,970,000
Other Loans	1.5	9-1-23	763,516	763,516

During the year, Lawrence County entered into a loan agreement with the Tennessee Energy Efficient Schools Council to receive funding from the Energy Efficient Schools Initiative program. This agreement provided for the council to make \$3,000,000 available for loan to Lawrence County to increase energy efficiency in the Lawrence County School Department. As of June 30, 2019, Lawrence County has borrowed \$763,516 of the authorized amount of the loan. The interest rate on the loan is 1.5 percent.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2020	\$ 2,954,999	\$ 995,956	\$ 3,950,955
2021	2,340,168	949,305	3,289,473
2022	2,400,342	888,144	3,288,486
2023	2,470,522	819,640	3,290,162
2024	2,540,708	747,953	3,288,661
2025-2029	11,646,565	2,711,953	14,358,518
2030-2034	9,397,264	1,219,110	10,616,374
2035-2039	2,748,990	162,388	2,911,378
2040-2044	51,934	17,996	69,930
2045-2049	61,307	8,623	69,930
2050	13,494	456	13,950
Total	\$ 36,626,293	\$ 8,521,524	\$ 45,147,817



Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2020	\$ 1,440,000	\$ 123,816	\$ 1,563,816
2021	1,470,000	91,079	1,561,079
2022	880,000	58,206	938,206
2023	905,000	41,969	946,969
2024	310,000	24,418	334,418
2025-2027	965,000	32,709	997,709
Total	\$ 5,970,000	\$ 372,197	\$ 6,342,197

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2020	\$ 229,908	\$ 43,428	\$ 273,336
2021	233,388	39,948	273,336
2022	236,904	36,432	273,336
2023	63,316	8,211	71,527
Total	\$ 763,516	\$ 128,019	\$ 891,535

There is \$5,072,510 available in the debt service funds to service long-term debt. Bonded debt per capita totaled \$875, based on the 2010 federal census. Total debt per capita, including bonds, notes, other loans, and unamortized debt premiums, totaled \$1,066, based on the 2010 federal census.

During the year, the school department contributed \$300,000 to service some of the debt issued on its behalf by the primary government.

#### Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Notes - Direct Placement
Balance, July 1, 2018	\$ 29,911,128	\$ 7,370,000
Additions	9,975,000	0
Reductions	(3,259,835)	(1,400,000)
	<u>\$ 36,626,293</u>	<u>\$ 5,970,000</u>
Balance, June 30, 2019		
Balance Due Within One Year	<u>\$ 2,954,999</u>	<u>\$ 1,440,000</u>

	Capital Leases - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2018	\$ 198,939	\$ 0
Additions	0	763,516
Reductions	(198,939)	0
	<u>\$ 0</u>	<u>\$ 763,516</u>
Balance, June 30, 2019		
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 229,908</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2019	\$ 43,359,809
Less: Balance Due Within One Year - Debt	(4,624,907)
Add: Unamortized Premium on Debt	<u>1,266,760</u>

Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 40,001,662</u>
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**G. Long-term Obligations**

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Landfill Postclosure Care Costs	Other Postemployment Benefits
Balance, July 1, 2018	\$ 785,266	\$ 697,327	\$ 508,228
Additions	917,396	14,805	94,870
Reductions	(930,944)	(53,641)	(65,883)
Balance, June 30, 2019	\$ 771,718	\$ 658,491	\$ 537,215
Balance Due Within One Year	\$ 771,718	\$ 5,000	\$ 0

Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds. Landfill postclosure costs will be paid from the Solid Waste/Sanitation Fund.

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2019	\$ 1,967,424
Less: Balance Due Within One Year - Other	<u>(776,718)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,190,706</u>

**Discretely Presented Lawrence County School Department**

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2018	\$ 79,732	\$ 18,680,278
Additions	70,016	1,216,294
Reductions	(65,644)	(5,839,461)
Balance, June 30, 2019	\$ 84,104	\$ 14,057,111
Balance Due Within One Year	\$ 84,104	\$ 0

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2019	\$ 14,141,215
Less: Balance Due Within One Year - Other	<u>(84,104)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 14,057,111</u>

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

**H. On-Behalf Payments – Discretely Presented Lawrence County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Lawrence County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2019, totaled \$217,984. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**V. OTHER INFORMATION**

**A. Risk Management**

**Primary Government**

The county is exposed to various risks related to general liability, property, and casualty losses. The county decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. The county joined the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$100,000 for each insured event.

The county decided it was more economically feasible to join a public entity risk pool as opposed to purchasing commercial insurance for workers' compensation coverage. Lawrence County joined the Local Government Workers' Compensation Fund (LGWCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. Lawrence County pays annual premiums to the LGWCF

for its workers' compensation coverage. The creation of the LGWCF provides for it to be self-sustaining through member premiums.

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

### **Discretely Presented Lawrence County School Department**

The discretely presented Lawrence County School Department participates in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The school department pays an annual premium to the TN-RMT for its general liability, property, casualty, and worker's compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

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

## **B. Accounting Changes**

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

GASB Statement No. 83, *Certain Asset Retirement Obligations* establishes accounting and reporting requirements for certain asset retirement

obligations (AROs) associated with tangible capital assets. The scope of this statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, and expense/expenditures. In addition, this standard establishes note disclosure requirements for AROs.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements* addresses note disclosure requirements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should report when disclosing information related to debt. These required disclosures include direct borrowings and direct placements, unused lines of credit, assets pledged as collateral for debt, terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant acceleration clauses.

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

**C. Contingent Liabilities**

The county is involved in several pending lawsuits. The county attorney has not responded to requests to provide estimates of the potential claims not covered by insurance. However, management believes that any claims resulting from such litigation would not materially affect the county's financial statements.

**D. Change in Administration**

On August 31, 2018, Jimmy Brown left the Office of Sheriff and was succeeded by John Myers.

**E. Landfill Closure/Postclosure Care Costs**

Lawrence County has an active permit on file with the state Department of Environment and Conservation for a sanitary landfill. The county has provided financial assurances for estimated postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation.

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a

portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Lawrence County closed its sanitary landfill in 2001. The \$658,491 reported as postclosure care liability at June 30, 2019, represents amounts based on what it would cost to perform all postclosure care in 2019. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**F. Joint Ventures**

Lawrence County and the City of Lawrenceburg jointly operate the Lawrenceburg-Lawrence County Airport. A six-member board, including three appointees from the county and three from the city, governs the Lawrenceburg-Lawrence County Airport. Lawrence County has control over budgeting and financing the joint venture only to the extent of representation by the three members appointed. Lawrence County contributed \$69,000 to the operations of the joint venture during the year ended June 30, 2019.

The Lawrence County Joint Economic Development Board is a joint venture between Lawrence County, the City of Loretto, and the City of Lawrenceburg. The board comprises the county executive, the mayors of the cities of Loretto and Lawrenceburg, and 11 additional members representing county and city governments, private citizens, industry, and business. The purpose of the board is to foster communication and facilitate economic and community development between and among governmental entities, industry, and private citizens. The county and cities will provide the majority of funding for the board based on the percentage of their population compared to the total census of the county. Lawrence County contributed \$172,536 to the Lawrence County Joint Economic Development Board during the year ended June 30, 2019.

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

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

Complete financial statements for the Lawrenceburg-Lawrence County Airport, the Lawrence County Joint Economic Development Board, and the

DTF can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Lawrenceburg-Lawrence County Airport  
4110 Airport Road  
Lawrenceburg, TN 38464

Lawrence County Joint Economic Development Board  
Lawrence County Executive  
200 West Gaines Street, Suite 201  
Lawrenceburg, TN 38464

Office of District Attorney General  
Twenty-second Judicial District Drug Task Force  
P.O. Box 852  
Lawrenceburg, TN 38464

**G. Jointly Governed Organization**

Lawrence County, in conjunction with Giles and Maury counties, created the Tennessee Southern Railroad Authority (TSRA). The TSRA's board includes the Lawrence County Executive and county executive/mayor of Giles and Maury counties, a representative appointed by the respective county commissions from each of the three counties, and a representative from the cities of Mt. Pleasant and Lawrenceburg. However, the counties and cities do not have any ongoing financial interest or responsibility for the entity. The majority of TSRA's funding is received from various grants from the Tennessee Department of Transportation. Lawrence County did not appropriate any funds to the authority for the year ended June 30, 2019.

**H. Retirement Commitments**

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

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Lawrence County and non-certified employees of the discretely presented Lawrence 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 57.84 percent, the non-certified employees of the discretely presented school department comprise 42.16 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper



operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

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

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

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	328
Inactive Employees Entitled to but not yet Receiving Benefits	494
Active Employees	567
Total	1,389

*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. Lawrence 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 Lawrence County was \$1,494,961 based on a rate of 9.77 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Lawrence 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)**

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

investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in the Net Pension Liability (Asset)**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2017	\$ 47,816,329	\$ 48,498,218	\$ (681,889)
Changes for the Year:			
Service Cost	\$ 1,353,325	\$ 0	\$ 1,353,325
Interest	3,489,668	0	3,489,668
Differences Between Expected and Actual Experience	(875,115)	0	(875,115)
Changes in Assumptions	0	0	0
Contributions-Employer	0	1,450,213	(1,450,213)
Contributions-Employees	0	743,238	(743,238)
Net Investment Income	0	4,028,396	(4,028,396)
Benefit Payments, Including Refunds of Employee Contributions	(2,072,594)	(2,072,594)	0
Administrative Expense	0	(54,409)	54,409
Other Changes	0	0	0
Net Changes	<u>\$ 1,895,284</u>	<u>\$ 4,094,844</u>	<u>\$ (2,199,560)</u>
Balance, June 30, 2018	<u>\$ 49,711,613</u>	<u>\$ 52,593,062</u>	<u>\$ (2,881,449)</u>

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	57.84%	\$ 28,753,197	\$ 30,419,827	\$ (1,666,630)
School Department	42.16%	<u>20,958,416</u>	<u>22,173,235</u>	<u>(1,214,819)</u>
Total		<u>\$ 49,711,613</u>	<u>\$ 52,593,062</u>	<u>\$ (2,881,449)</u>

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of Lawrence 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%	Current Discount Rate	1%
	Decrease		Increase
	6.25%	7.25%	8.25%

Net Pension Liability(Asset) \$ 3,443,746 \$ (2,881,449) \$ (8,132,576)

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

*Pension Expense.* For the year ended June 30, 2019, Lawrence County recognized pension expense of \$90,104.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, Lawrence County 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	\$ 79,590	\$ 1,296,863
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	222,065
Changes in Assumptions	817,575	0
Contributions Subsequent to the Measurement Date of June 30, 2018 (1)	<u>1,494,961</u>	<u>N/A</u>
Total	<u>\$ 2,392,126</u>	<u>\$ 1,518,928</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	57.84%	\$ 1,384,184	\$ 878,548
School Department	42.16%	1,007,942	640,380
Total		<u>\$ 2,392,126</u>	<u>\$ 1,518,928</u>

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:

Year Ending June 30	Amount
2020	\$ 98,581
2021	(135,136)
2022	(446,824)
2023	(138,384)
2024	0
Thereafter	0

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

**Discretely Presented Lawrence County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Lawrence County and non-certified employees of the discretely presented Lawrence 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 57.84 percent and the non-certified employees of the discretely presented school department comprise 42.16 percent of the plan based on contribution data.

## Certified Employees

### Teacher Retirement Plan

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

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

[www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

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

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

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2019, to the Teacher Retirement Plan were \$60,167, which is 1.94 percent of covered payroll. In addition, employer contributions of \$63,889, 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 (Negative 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 (\$127,580) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2018, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2018, the school department's proportion was .281306 percent. The proportion as of June 30, 2017, was .310756 percent.

*Pension Expense.* For the year ended June 30, 2019, the school department recognized pension expense of \$43,586.



*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	\$ 7,226	\$ 5,082
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	7,207
Changes in Assumptions	6,019	0
Changes in Proportion of Net Pension Liability (Asset)	7,128	6,284
LEA's Contributions Subsequent to the Measurement Date of June 30, 2018	60,167	N/A
Total	<u>\$ 80,540</u>	<u>\$ 18,573</u>

The school department's employer contributions of \$60,167, 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	\$ (918)
2021	(1,146)
2022	(2,173)
2023	(290)
2024	670
Thereafter	5,657

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

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

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

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

The actuarial assumptions used in the June 30, 2018, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major class are summarized in the following table:

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability (Asset)\$	19,725 \$	(127,580) \$	(236,108)

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

### **Teacher Legacy Pension Plan**

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

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

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

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

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Lawrence County School Department for the year ended June 30, 2019, to the Teacher Legacy Pension Plan were \$2,569,570, which is 9.08 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 (Negative Pension Expense), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

*Pension Liability (Assets).* At June 30, 2019, the school department reported a liability (asset) of (\$2,521,952) 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 .716684 percent. The proportion measured at June 30, 2017, was .715930 percent.

*Pension Expense.* For the year ended June 30, 2019, the school department recognized (negative) pension expense of (\$610,527).

*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	\$ 509,772	\$ 3,402,311
Changes in Assumptions	1,489,476	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	548,882
Changes in Proportion of Net Pension Liability (Asset)	307,868	0
LEA's Contributions Subsequent to the Measurement Date of June 30, 2018	<u>2,569,570</u>	<u>N/A</u>
Total	<u>\$ 4,876,686</u>	<u>\$ 3,951,193</u>

The school department's employer contributions of \$2,569,570 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2020	\$ 631,281
2021	(693,995)
2022	(1,348,718)
2023	(232,645)
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	5.69	%	31	%
Developed Market				
International Equity	5.29		14	
Emerging Market				
International Equity	6.36		4	
Private Equity and				
Strategic Lending	5.79		20	
U.S. Fixed Income	2.01		20	
Real Estate	4.32		10	
Short-term Securities	0.00		1	
			100	%
Total			100	%

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

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

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



School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability (Asset)    \$ 19,440,787    \$ (2,521,952)    \$ (20,693,057)

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

**2. Deferred Compensation**

Lawrence County offers its employees a deferred compensation plan established pursuant to IRC Section 457, and the Lawrence County School Department offers its employees a deferred compensation plan established pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of plan participants. The Section 403(b) and Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 403(b) and 457 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 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 \$168,319 and teachers contributed \$11,035 to this deferred compensation pension plan.

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

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

## OPEB Provided through State Administered Public Entity Risk Pools

### Primary Government

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

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

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

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2018, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.62%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.75% for the 2019 calendar year, and gradually decreasing over a 32-year period to an ultimate trend rate of 3.53% with .28% added to approximate the effect of the excise tax
Retirees Share of Benefit Related Cost	Discussed under each plan

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

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2018, valuations were the same as those employed in the July 1, 2018, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying

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

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

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

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

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

#### **Employees Covered by Benefit Terms**

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

	<u>Total</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	4
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	<u>255</u>
Total	<u><u>259</u></u>

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2019, the county paid \$19,410 to the LGP for OPEB benefits as they came due.

**Changes in the Total OPEB Liability**

	<u>Lawrence County</u>
Balance July 1, 2017	<u>\$ 508,228</u>
Changes for the Year:	
Service Cost	\$ 44,426
Interest	19,530
Changes in Benefit Terms	0
Difference between Expected and Actuarial Experience	(57,396)
Changes in Assumption and Other Inputs	30,552
Benefit Payments	<u>(8,125)</u>
Net Changes	<u>\$ 28,987</u>
Balance June 30, 2018	<u><u>\$ 537,215</u></u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the county recognized OPEB expense of \$58,520. At June 30, 2019, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 51,598
Changes of Assumptions/Inputs	27,466	22,068
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2018	<u>19,410</u>	<u>0</u>
Total	<u>\$ 46,876</u>	<u>\$ 73,666</u>

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

Year Ending June 30	Lawrence County
2020	\$ (5,436)
2021	(5,436)
2022	(5,436)
2023	(5,436)
2024	(5,436)
Thereafter	(19,020)

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

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

	1% Decrease	Current Discount Rate	1% Increase
Lawrence County	<u>2.62%</u>	<u>3.62%</u>	<u>4.62%</u>
Total OPEB Liability	\$ 582,820	\$ 537,215	\$ 495,280

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

	1% Decrease	Current Trend Rate	1% Increase
Lawrence County	5.75 to 2.81%	6.75 to 3.81%	7.75 to 4.81%
Total OPEB Liability	\$ 471,945	\$ 537,215	\$ 616,367

**Discretely Presented Lawrence County School Department**

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

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

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

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	Salary increases used in the July 1, 2018 TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.65%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.75% for the 2019 calendar year, and gradually decreasing over 32 years to an ultimate trend rate of 3.53% with .32% added to approximate the effect of the excise tax
Retirees Share of Benefit	
Related Cost	Discussed under each plan

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

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

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

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

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

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

*Benefits Provided.* The Lawrence County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The Lawrence County School Department does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent ; 20 but less than 30 years, 35 percent and less than 20 years, 20 percent of the scheduled premium. No subsidy is provided by the state for enrollees of the health savings CDHP.

### Employees Covered by Benefit Terms

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



	<u>School Department</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	64
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	715
Total	<u><u>779</u></u>

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$602,890 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Lawrence County School Department</u>	<u>State of TN</u>	<u>Total OPEB Liability</u>
	75.4714%	24.5286%	
Balance July 1, 2017	\$ 18,680,278	\$ 5,007,442	\$ 23,687,720
Changes for the Year:			
Service Cost	\$ 1,134,286	\$ 368,649	\$ 1,502,935
Interest	664,375	215,925	880,300
Changes in Benefit Terms	(2,705,881)	(879,426)	(3,585,307)
Difference between Expected and Actuarial Experience	(2,724,681)	(885,536)	(3,610,217)
Changes in Proportions	(802,824)	802,824	0
Changes in Assumption and Other Inputs	510,613	165,952	676,565
Benefit Payments	(699,055)	(227,196)	(926,251)
Net Changes	<u>\$ (4,623,167)</u>	<u>\$ (438,808)</u>	<u>\$ (5,061,975)</u>
Balance June 30, 2018	<u>\$ 14,057,111</u>	<u>\$ 4,568,634</u>	<u>\$ 18,625,745</u>

The Lawrence County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Lawrence County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$311,502 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Lawrence County School Department's proportionate share of the collective OPEB liability was 75.4714 percent and the State of Tennessee's share was 24.5286 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the school department recognized OPEB expense of \$1,612,901, including the state's share of the expense. At June 30, 2019, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 2,446,653
Changes of Assumptions/Inputs	458,510	631,001
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	0	740,255
Benefits Paid After the Measurement Date of June 30, 2018	602,890	0
Total	<u>\$ 1,061,400</u>	<u>\$ 3,817,909</u>

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

Year Ending June 30	School Department
2020	\$ (394,178)
2021	(310,058)
2022	(310,058)
2023	(310,058)
2024	(310,058)
Thereafter	(1,724,989)

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

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

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

Proportionate Share of the Collective Total OPEB Liability	\$ 15,061,039	\$ 14,057,111	\$ 13,092,009
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*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

Healthcare Cost Trend Rate

	1% Decrease	Curent Rates	1% Increase
	5.75 to 2.85%	6.75 to 3.85%	7.75 to 4.85%

Proportionate Share of the  
Collective Total OPEB  
Liability

\$ 12,461,050 \$ 14,057,111 \$ 15,934,754

**J. Office of Central Accounting and Budgeting**

Lawrence County operates under the provisions of the Fiscal Control Acts of 1957. These acts provide for a central system of accounting, budgeting, and purchasing covering all funds administered by the county executive and road superintendent. These funds are maintained in the Office of Central Accounting and Budgeting under the supervision of the director of accounts and budgets.

**K. Purchasing Laws**

Office of Central Purchasing

Purchasing procedures for the Office of County Executive and the Highway Department are governed by the County Purchasing Law of 1957, Section 5-14-101 et seq., *Tennessee Code Annotated (TCA)*. Purchases for the Highway Department are also governed by the Uniform Road Law, Section 54-7-113, *TCA*. Section 5-14-101 et seq., *TCA*, provides for a purchasing agent, appointed by the county executive and approved by the Lawrence County Commission, to make all purchases. Effective September 24, 2013, the Lawrence County Commission added the duties of the purchasing agent to the director of accounts and budgets. This statute also provides for a County Purchasing Committee to assist the purchasing agent in the determination of overall purchasing policies. These statutes require all purchases exceeding \$25,000 to be made on the basis of publicly advertised competitive bids. Additionally, the county commission requires three quotes for purchases over \$10,000.

Office of Director of Schools

Purchasing procedures for the Lawrence County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000. Additionally, the Board of Education requires three quotes for

purchases estimated to be between \$2,000 and \$10,000, and competitive bids on all purchases made from federal grant funds exceeding \$5,000.

**L. Subsequent Events**

On October 9, 2019, Lawrence County issued a capital outlay note totaling \$450,000 for highway equipment.

Register of Deeds Teresa Dunkin passed away on October 20, 2019, and was succeeded by Terra Dickey effective December 6, 2019.

On November 13, 2019, Lawrence County issued \$15,550,000 in general obligation public improvement bonds for various county and school construction/renovation projects.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit E-1

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

	2014	2015	2016	2017	2018
<b>Total Pension Liability</b>					
Service Cost	\$ 1,271,060	\$ 1,211,026	\$ 1,232,011	\$ 1,265,829	\$ 1,353,325
Interest	2,948,844	3,048,419	3,165,275	3,352,588	3,489,668
Changes in Benefit Terms	0	0	0	0	0
Differences Between Actual and Expected Experience	(787,746)	(607,124)	159,180	(394,656)	(875,115)
Changes of Assumptions	0	0	0	1,226,363	0
Benefit Payments, Including Refunds of Employee Contributions	(1,905,706)	(2,183,175)	(2,047,274)	(2,138,286)	(2,072,594)
Net Change in Total Pension Liability	\$ 1,526,452	\$ 1,469,146	\$ 2,509,192	\$ 3,311,838	\$ 1,895,284
Total Pension Liability, Beginning	38,999,701	40,526,153	41,995,299	44,504,491	47,816,329
Total Pension Liability, Ending (a)	\$ 40,526,153	\$ 41,995,299	\$ 44,504,491	\$ 47,816,329	\$ 49,711,613
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	\$ 1,393,943	\$ 1,320,163	\$ 1,397,768	\$ 1,433,034	\$ 1,450,213
Contributions - Employee	676,878	676,371	961,918	448,058	743,238
Net Investment Income	5,879,061	1,271,681	1,129,720	4,952,304	4,028,396
Benefit Payments, Including Refunds of Employee Contributions	(1,905,706)	(2,183,175)	(2,047,274)	(2,138,286)	(2,072,594)
Administrative Expense	(22,110)	(28,821)	(43,608)	(48,925)	(54,409)
Other	0	0	0	(25)	0
Net Change in Plan Fiduciary Net Position	\$ 6,022,066	\$ 1,056,219	\$ 1,398,524	\$ 4,646,160	\$ 4,094,844
Plan Fiduciary Net Position, Beginning	35,375,249	41,397,315	42,453,534	43,852,058	48,498,218
Plan Fiduciary Net Position, Ending (b)	\$ 41,397,315	\$ 42,453,534	\$ 43,852,058	\$ 48,498,218	\$ 52,593,062
Net Pension Liability (Asset), Ending (a - b)	\$ (871,162)	\$ (458,235)	\$ 652,433	\$ (681,889)	\$ (2,881,449)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	102.15%	101.09%	98.53%	101.43%	105.80%
Covered Payroll	\$ 13,507,051	\$ 13,508,240	\$ 14,307,019	\$ 14,667,955	\$ 14,843,552
Net Pension Liability (Asset) as a Percentage of Covered Payroll	6.45%	3.39%	4.56%	(4.65)%	(19.41)%

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

Note: The agent plan is a single plan that is participated in by the primary government and non-certified employees of the discretely presented school department.

Exhibit E-2

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

	2014	2015	2016	2017	2018	2019
Actuarially Determined Contribution	\$ 1,393,943	\$ 1,320,163	\$ 1,397,768	\$ 1,433,034	\$ 1,450,213	\$ 1,494,961
Less Contributions in Relation to the Actuarially Determined Contribution	(1,393,943)	(1,320,163)	(1,397,768)	(1,433,034)	(1,450,213)	(1,494,961)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 13,507,051	\$ 13,508,240	\$ 14,307,019	\$ 14,667,955	\$ 14,843,552	\$ 15,301,546
Contributions as a Percentage of Covered Payroll	10.32%	9.77%	9.77%	9.77%	9.77%	9.77%

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

Note: The agent plan is a single plan that is participated in by the primary government and non-certified employees of the discretely presented school department.



Exhibit E-3

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

	2015	2016	2017	2018	2019*
Contractually Required Contribution	\$ 13,833	\$ 48,374	\$ 81,585	\$ 98,331	\$ 60,167
Less Contributions in Relation to the Contractually Required Contribution	(13,833)	(48,374)	(81,585)	(98,331)	(60,167)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 345,812	\$ 1,209,349	\$ 1,937,690	\$ 2,493,546	\$ 3,101,408
Contributions as a Percentage of Covered Payroll	4%	4%	4%	4%	1.94%

\*In FY 2019 the school department placed the actuarially determined contribution rate (1.94%) of covered payroll into the pension plan and placed 2.06% of covered payroll into the Pension Stabilization Reserve Trust.

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

Exhibit E-4

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

	2014	2015	2016	2017	2018	2019
Contractually Required Contribution	\$ 2,266,972	\$ 2,284,174	\$ 2,269,765	\$ 2,287,823	\$ 2,278,712	\$ 2,569,570
Less Contributions in Relation to the Contractually Required Contribution	(2,266,972)	(2,284,174)	(2,269,765)	(2,287,823)	(2,278,712)	(2,569,570)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 25,528,961	\$ 25,267,416	\$ 25,108,537	\$ 25,409,660	\$ 25,060,676	\$ 28,299,229
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	9.08%

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

Exhibit E-5

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

	2015	2016	2017	2018
School Department's Proportion of the Net Pension Liability (Asset)	0.166438%	0.274849%	0.310756%	0.281306%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (6,696)	\$ (28,613)	\$ (81,990)	\$ (127,580)
Covered Payroll	\$ 345,812	\$ 1,209,349	\$ 1,937,690	\$ 2,493,546
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.23)%	(5.12)%
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.

Exhibit E-6

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

	2014	2015	2016	2017	2018
School Department's Proportion of the Net Pension Liability (Asset)	0.650421%	0.674967%	0.695552%	0.715930%	0.716684%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (105,690)	\$ 276,490	\$ 4,346,814	\$ (234,241)	\$ (2,521,952)
Covered Payroll	\$ 25,528,961	\$ 25,267,416	\$ 25,108,537	\$ 25,409,660	\$ 25,060,676
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.414002)%	1.094253%	17.31%	(.92)%	(10.06)%
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.

Exhibit E-7

Lawrence County, Tennessee  
Schedule of Changes in the Total OPEB Liability and Related Ratios  
Primary Government  
For the Fiscal Year Ended June 30

	<u>2017</u>	<u>2018</u>
<b>Total OPEB Liability</b>		
Service Cost	\$ 46,959	\$ 44,426
Interest	15,268	19,530
Changes in Benefit Terms	0	0
Differences Between Actual and Expected Experience	0	(57,396)
Changes in Assumptions or Other Inputs	(27,516)	30,552
Benefit Payments	(4,793)	(8,125)
Net Change in Total OPEB Liability	<u>\$ 29,918</u>	<u>\$ 28,987</u>
Total OPEB Liability, Beginning	<u>478,310</u>	<u>508,228</u>
Total OPEB Liability, Ending	<u><u>\$ 508,228</u></u>	<u><u>\$ 537,215</u></u>
Covered Employee Payroll	\$ 8,904,896	\$ 9,386,103
Net OPEB Liability as a Percentage of Covered Employee Payroll	5.71%	5.72%

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

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

2017	2.92%
2018	3.56%
2019	3.62%

Exhibit E-8

Lawrence County, Tennessee  
Schedule of Changes in the Total OPEB Liability and Related Ratios  
Discretely Presented Lawrence County School Department  
For the Fiscal Year Ended June 30

	<u>2017</u>	<u>2018</u>
<b>Total OPEB Liability</b>		
Service Cost	\$ 1,610,450	\$ 1,502,935
Interest	713,301	880,300
Changes in Benefit Terms	0	(3,585,307)
Differences Between Actual and Expected Experience	0	(3,610,217)
Changes in Assumptions or Other Inputs	(1,059,033)	676,565
Benefit Payments	(789,339)	(926,251)
Net Change in Total OPEB Liability	\$ 475,379	\$ (5,061,975)
Total OPEB Liability, Beginning	<u>23,212,341</u>	<u>23,687,720</u>
 Total OPEB Liability, Ending	 <u>\$ 23,687,720</u>	 <u>\$ 18,625,745</u>
 Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	 \$ 5,007,442	 \$ 4,568,634
Employer Proportionate Share of the Total OPEB Liability	18,680,278	14,057,111
 Covered Employee Payroll	 \$ 32,901,250	 \$ 34,363,765
Net OPEB Liability as a Percentage of Covered Employee Payroll	56.78%	40.91%

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

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

2017	2.92%
2018	3.56%
2019	3.62%

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

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2019 were calculated based on the June 30, 2017, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including 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 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for solid waste revenues and transfer fees for hauling solid waste.

Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to promote industrial and economic growth by encouraging enterprises to locate in or remain in Lawrence County.

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.

# Debt Service Funds

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

---

Education Debt Service Fund – The Education Debt Service Fund is used to account for the retirement of long-term debt issued for school construction and renovations.

Highway Debt Service Fund – The Highway Debt Service Fund is used to account for the retirement of long-term debt issued for the construction of roads and the purchases of capital equipment.

# Capital Projects Funds

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

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

Higher Education Fund – The Higher Education Fund is used to account for the construction of a college campus.

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for homeland security grant revenues and expenditures.

# Permanent Fund

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Permanent Funds are used to account for the proceeds of gift instruments, which require that the principal be invested, and only the income from investments is available for expenditures.

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Endowment Fund – The Endowment Fund accounts for two private gifts received by the county for which the principal amount must remain intact while interest earned on the principal is to be expended to benefit Lawrence County’s public library. The interest earned on the fund’s investments is posted directly to the General Fund.

Exhibit F-1

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

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	
<u>ASSETS</u>						
Cash	\$ 0	\$ 925	\$ 0	\$ 0	\$ 90,039	\$ 90,964
Equity in Pooled Cash and Investments	50,695	93,927	199,864	50,737	0	395,223
Accounts Receivable	1,477	2,313,441	0	15,778	15,566	2,346,262
Allowance for Uncollectibles	0	(1,860,500)	0	0	0	(1,860,500)
Due from Other Governments	0	14,465	0	0	0	14,465
Property Taxes Receivable	0	399,169	0	0	0	399,169
Allowance for Uncollectible Property Taxes	0	(9,339)	0	0	0	(9,339)
Notes Receivable - Long-term	0	0	32,212	0	0	32,212
Total Assets	<u>\$ 52,172</u>	<u>\$ 952,088</u>	<u>\$ 232,076</u>	<u>\$ 66,515</u>	<u>\$ 105,605</u>	<u>\$ 1,408,456</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 19,703	\$ 25,804	\$ 156	\$ 0	\$ 45,663
Contracts Payable	0	0	0	0	0	0
Retainage Payable	0	0	0	0	0	0
Due to Litigants, Heirs, and Others	0	0	0	0	26	26
Total Liabilities	<u>\$ 0</u>	<u>\$ 19,703</u>	<u>\$ 25,804</u>	<u>\$ 156</u>	<u>\$ 26</u>	<u>\$ 45,689</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 378,449	\$ 0	\$ 0	\$ 0	\$ 378,449
Deferred Delinquent Property Taxes	0	11,381	0	0	0	11,381
Other Deferred/Unavailable Revenue	0	420,833	0	0	0	420,833
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 810,663</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 810,663</u>

(Continued)

Exhibit F-1

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

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	
<u>FUND BALANCES</u>						
Nonspendable:						
Endowments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Restricted:						
Restricted for Public Safety	52,172	0	0	66,359	0	118,531
Restricted for Capital Projects	0	0	0	0	0	0
Committed:						
Committed for General Government	0	0	0	0	78,079	78,079
Committed for Finance	0	0	0	0	27,500	27,500
Committed for Public Health and Welfare	0	121,722	206,272	0	0	327,994
Committed for Debt Service	0	0	0	0	0	0
Total Fund Balances	<u>\$ 52,172</u>	<u>\$ 121,722</u>	<u>\$ 206,272</u>	<u>\$ 66,359</u>	<u>\$ 105,579</u>	<u>\$ 552,104</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 52,172</u>	<u>\$ 952,088</u>	<u>\$ 232,076</u>	<u>\$ 66,515</u>	<u>\$ 105,605</u>	<u>\$ 1,408,456</u>

(Continued)

Exhibit F-1

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

	Debt Service Funds			Capital Projects Funds	
	Education Debt Service	Highway Debt Service	Total	Highway Capital Projects	Higher Education Fund
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 0	0
Equity in Pooled Cash and Investments	980,922	685,766	1,666,688	5,000	765,026
Accounts Receivable	0	0	0	0	0
Allowance for Uncollectibles	0	0	0	0	0
Due from Other Governments	0	0	0	0	0
Property Taxes Receivable	409,404	307,053	716,457	0	0
Allowance for Uncollectible Property Taxes	(9,579)	(7,184)	(16,763)	0	0
Notes Receivable - Long-term	0	0	0	0	0
Total Assets	<u>\$ 1,380,747</u>	<u>\$ 985,635</u>	<u>\$ 2,366,382</u>	<u>\$ 5,000</u>	<u>\$ 765,026</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	0
Contracts Payable	0	0	0	0	323,503
Retainage Payable	0	0	0	0	17,027
Due to Litigants, Heirs, and Others	0	0	0	0	0
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>340,530</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 388,153	\$ 291,115	\$ 679,268	\$ 0	0
Deferred Delinquent Property Taxes	11,672	8,754	20,426	0	0
Other Deferred/Unavailable Revenue	0	0	0	0	0
Total Deferred Inflows of Resources	<u>\$ 399,825</u>	<u>\$ 299,869</u>	<u>\$ 699,694</u>	<u>\$ 0</u>	<u>0</u>

(Continued)

Exhibit F-1

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

	Debt Service Funds			Capital Projects Funds	
	Education Debt Service	Highway Debt Service	Total	Highway Capital Projects	Higher Education Fund
<u>FUND BALANCES</u>					
Nonspendable:					
Endowments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted:					
Restricted for Public Safety	0	0	0	0	0
Restricted for Capital Projects	0	0	0	5,000	424,496
Committed:					
Committed for General Government	0	0	0	0	0
Committed for Finance	0	0	0	0	0
Committed for Public Health and Welfare	0	0	0	0	0
Committed for Debt Service	980,922	685,766	1,666,688	0	0
Total Fund Balances	<u>\$ 980,922</u>	<u>\$ 685,766</u>	<u>\$ 1,666,688</u>	<u>\$ 5,000</u>	<u>\$ 424,496</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,380,747</u>	<u>\$ 985,635</u>	<u>\$ 2,366,382</u>	<u>\$ 5,000</u>	<u>\$ 765,026</u>

(Continued)

Exhibit F-1

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

	<u>Capital Projects Funds (Cont.)</u>		<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Other Capital Projects</u>	<u>Total</u>	<u>Endowment</u>	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 0	\$ 90,964
Equity in Pooled Cash and Investments	75,723	845,749	75,799	2,983,459
Accounts Receivable	0	0	0	2,346,262
Allowance for Uncollectibles	0	0	0	(1,860,500)
Due from Other Governments	0	0	0	14,465
Property Taxes Receivable	0	0	0	1,115,626
Allowance for Uncollectible Property Taxes	0	0	0	(26,102)
Notes Receivable - Long-term	0	0	0	32,212
Total Assets	<u>\$ 75,723</u>	<u>\$ 845,749</u>	<u>\$ 75,799</u>	<u>\$ 4,696,386</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 45,663
Contracts Payable	0	323,503	0	323,503
Retainage Payable	0	17,027	0	17,027
Due to Litigants, Heirs, and Others	0	0	0	26
Total Liabilities	<u>\$ 0</u>	<u>\$ 340,530</u>	<u>\$ 0</u>	<u>\$ 386,219</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 1,057,717
Deferred Delinquent Property Taxes	0	0	0	31,807
Other Deferred/Unavailable Revenue	0	0	0	420,833
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,510,357</u>

(Continued)



Exhibit F-1

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

	<u>Capital Projects Funds (Cont.)</u>		<u>Permanent</u>	<u>Total</u>
	<u>Other</u>	<u>Total</u>	<u>Fund</u>	
	<u>Capital</u>		<u>Endowment</u>	<u>Nonmajor</u>
	<u>Projects</u>			<u>Governmental</u>
				<u>Funds</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Endowments	\$ 0	\$ 0	\$ 75,799	\$ 75,799
Restricted:				
Restricted for Public Safety	75,723	75,723	0	194,254
Restricted for Capital Projects	0	429,496	0	429,496
Committed:				
Committed for General Government	0	0	0	78,079
Committed for Finance	0	0	0	27,500
Committed for Public Health and Welfare	0	0	0	327,994
Committed for Debt Service	0	0	0	1,666,688
Total Fund Balances	<u>\$ 75,723</u>	<u>\$ 505,219</u>	<u>\$ 75,799</u>	<u>\$ 2,799,810</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 75,723</u>	<u>\$ 845,749</u>	<u>\$ 75,799</u>	<u>\$ 4,696,386</u>

Exhibit F-2

Lawrence 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					Total
	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	
<u>Revenues</u>						
Local Taxes	\$ 19,277	\$ 152,052	\$ 0	\$ 0	\$ 0	\$ 171,329
Fines, Forfeitures, and Penalties	432	0	0	74,482	0	74,914
Charges for Current Services	0	1,159,021	0	0	545,259	1,704,280
Other Local Revenues	0	139,210	42,308	0	0	181,518
Federal Government	0	0	95,274	0	0	95,274
Other Governments and Citizens Groups	0	40,267	0	0	0	40,267
<b>Total Revenues</b>	<b>\$ 19,709</b>	<b>\$ 1,490,550</b>	<b>\$ 137,582</b>	<b>\$ 74,482</b>	<b>\$ 545,259</b>	<b>\$ 2,267,582</b>
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 515,299	\$ 515,299
Administration of Justice	0	0	0	0	22,526	22,526
Public Safety	0	0	0	37,432	0	37,432
Public Health and Welfare	0	1,775,209	0	0	0	1,775,209
Other Operations	17,198	0	0	0	0	17,198
Debt Service:						
Principal on Debt	0	0	0	0	0	0
Interest on Debt	0	0	0	0	0	0
Other Debt Service	0	0	0	0	0	0
Capital Projects	0	0	132,243	0	0	132,243
<b>Total Expenditures</b>	<b>\$ 17,198</b>	<b>\$ 1,775,209</b>	<b>\$ 132,243</b>	<b>\$ 37,432</b>	<b>\$ 537,825</b>	<b>\$ 2,499,907</b>

(Continued)

Exhibit F-2

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

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,511	\$ (284,659)	\$ 5,339	\$ 37,050	\$ 7,434	\$ (232,325)
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 0	\$ 2,100	\$ 0	\$ 0	\$ 0	\$ 2,100
Total Other Financing Sources (Uses)	\$ 0	\$ 2,100	\$ 0	\$ 0	\$ 0	\$ 2,100
Net Change in Fund Balances	\$ 2,511	\$ (282,559)	\$ 5,339	\$ 37,050	\$ 7,434	\$ (230,225)
Fund Balance, July 1, 2018	49,661	404,281	200,933	29,309	98,145	782,329
Fund Balance, June 30, 2019	\$ 52,172	\$ 121,722	\$ 206,272	\$ 66,359	\$ 105,579	\$ 552,104

(Continued)

Exhibit F-2

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

	Debt Service Funds			Capital Projects Funds	
	Education Debt Service	Highway Debt Service	Total	Highway Capital Projects	Higher Education Fund
<u>Revenues</u>					
Local Taxes	\$ 389,415	\$ 389,414	\$ 778,829	\$ 0	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	0	0
Charges for Current Services	0	0	0	0	0
Other Local Revenues	0	0	0	0	0
Federal Government	0	0	0	0	0
Other Governments and Citizens Groups	0	0	0	0	0
Total Revenues	<u>\$ 389,415</u>	<u>\$ 389,414</u>	<u>\$ 778,829</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Expenditures</u>					
Current:					
Finance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Administration of Justice	0	0	0	0	0
Public Safety	0	0	0	0	0
Public Health and Welfare	0	0	0	0	0
Other Operations	0	0	0	0	0
Debt Service:					
Principal on Debt	565,000	280,000	845,000	0	0
Interest on Debt	50,598	23,230	73,828	0	0
Other Debt Service	9,608	9,609	19,217	0	0
Capital Projects	0	0	0	0	1,897,523
Total Expenditures	<u>\$ 625,206</u>	<u>\$ 312,839</u>	<u>\$ 938,045</u>	<u>\$ 0</u>	<u>\$ 1,897,523</u>

(Continued)

Exhibit F-2

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

	Debt Service Funds			Capital Projects Funds	
	Education Debt Service	Highway Debt Service	Total	Highway Capital Projects	Higher Education Fund
Excess (Deficiency) of Revenues Over Expenditures	\$ (235,791)	\$ 76,575	\$ (159,216)	\$ 0	\$ (1,897,523)
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balances	\$ (235,791)	\$ 76,575	\$ (159,216)	\$ 0	\$ (1,897,523)
Fund Balance, July 1, 2018	1,216,713	609,191	1,825,904	5,000	2,322,019
Fund Balance, June 30, 2019	\$ 980,922	\$ 685,766	\$ 1,666,688	\$ 5,000	\$ 424,496

(Continued)

Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		<u>Permanent</u> <u>Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Other</u> <u>Capital</u> <u>Projects</u>	<u>Total</u>	<u>Endowment</u>	
<u>Revenues</u>				
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 950,158
Fines, Forfeitures, and Penalties	0	0	0	74,914
Charges for Current Services	0	0	0	1,704,280
Other Local Revenues	0	0	0	181,518
Federal Government	24,157	24,157	0	119,431
Other Governments and Citizens Groups	0	0	0	40,267
Total Revenues	<u>\$ 24,157</u>	<u>\$ 24,157</u>	<u>\$ 0</u>	<u>\$ 3,070,568</u>
<u>Expenditures</u>				
Current:				
Finance	\$ 0	\$ 0	\$ 0	\$ 515,299
Administration of Justice	0	0	0	22,526
Public Safety	0	0	0	37,432
Public Health and Welfare	0	0	0	1,775,209
Other Operations	0	0	0	17,198
Debt Service:				
Principal on Debt	0	0	0	845,000
Interest on Debt	0	0	0	73,828
Other Debt Service	0	0	0	19,217
Capital Projects	23,818	1,921,341	0	2,053,584
Total Expenditures	<u>\$ 23,818</u>	<u>\$ 1,921,341</u>	<u>\$ 0</u>	<u>\$ 5,359,293</u>

(Continued)

Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		<u>Permanent</u> <u>Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>Other</u> <u>Capital</u> <u>Projects</u>	<u>Total</u>	<u>Endowment</u>	
Excess (Deficiency) of Revenues Over Expenditures	\$ 339	\$ (1,897,184)	\$ 0	\$ (2,288,725)
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 2,100
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 2,100
Net Change in Fund Balances	\$ 339	\$ (1,897,184)	\$ 0	\$ (2,286,625)
Fund Balance, July 1, 2018	75,384	2,402,403	75,799	5,086,435
Fund Balance, June 30, 2019	\$ 75,723	\$ 505,219	\$ 75,799	\$ 2,799,810

Exhibit F-3

Lawrence County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Courthouse and Jail Maintenance Fund  
For the Year Ended June 30, 2019

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 19,277	\$ 16,200	\$ 16,200	\$ 3,077
Fines, Forfeitures, and Penalties	432	620	620	(188)
Total Revenues	<u>\$ 19,709</u>	<u>\$ 16,820</u>	<u>\$ 16,820</u>	<u>\$ 2,889</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
Other Charges	\$ 17,198	\$ 17,300	\$ 17,300	\$ 102
Total Expenditures	<u>\$ 17,198</u>	<u>\$ 17,300</u>	<u>\$ 17,300</u>	<u>\$ 102</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,511</u>	<u>\$ (480)</u>	<u>\$ (480)</u>	<u>\$ 2,991</u>
Net Change in Fund Balance	\$ 2,511	\$ (480)	\$ (480)	\$ 2,991
Fund Balance, July 1, 2018	<u>49,661</u>	<u>33,403</u>	<u>33,403</u>	<u>16,258</u>
Fund Balance, June 30, 2019	<u>\$ 52,172</u>	<u>\$ 32,923</u>	<u>\$ 32,923</u>	<u>\$ 19,249</u>



Exhibit F-4

Lawrence County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Solid Waste/Sanitation Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 152,052	\$ 0	\$ 152,052	\$ 150,735	\$ 150,735	\$ 1,317
Charges for Current Services	1,159,021	0	1,159,021	1,081,967	1,081,967	77,054
Other Local Revenues	139,210	0	139,210	175,500	175,500	(36,290)
State of Tennessee	0	0	0	0	128,000	(128,000)
Other Governments and Citizens Groups	40,267	0	40,267	21,200	21,200	19,067
<b>Total Revenues</b>	<b>\$ 1,490,550</b>	<b>\$ 0</b>	<b>\$ 1,490,550</b>	<b>\$ 1,429,402</b>	<b>\$ 1,557,402</b>	<b>\$ (66,852)</b>
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Landfill Operation and Maintenance	\$ 1,775,209	\$ (2,025)	\$ 1,773,184	\$ 1,634,731	\$ 1,877,651	\$ 104,467
<b>Total Expenditures</b>	<b>\$ 1,775,209</b>	<b>\$ (2,025)</b>	<b>\$ 1,773,184</b>	<b>\$ 1,634,731</b>	<b>\$ 1,877,651</b>	<b>\$ 104,467</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ (284,659)</b>	<b>\$ 2,025</b>	<b>\$ (282,634)</b>	<b>\$ (205,329)</b>	<b>\$ (320,249)</b>	<b>\$ 37,615</b>
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 2,100	\$ 0	\$ 2,100	\$ 0	\$ 2,600	\$ (500)
<b>Total Other Financing Sources</b>	<b>\$ 2,100</b>	<b>\$ 0</b>	<b>\$ 2,100</b>	<b>\$ 0</b>	<b>\$ 2,600</b>	<b>\$ (500)</b>
<b>Net Change in Fund Balance</b>	<b>\$ (282,559)</b>	<b>\$ 2,025</b>	<b>\$ (280,534)</b>	<b>\$ (205,329)</b>	<b>\$ (317,649)</b>	<b>\$ 37,115</b>
<b>Fund Balance, July 1, 2018</b>	<b>404,281</b>	<b>(2,025)</b>	<b>402,256</b>	<b>377,735</b>	<b>377,735</b>	<b>24,521</b>
<b>Fund Balance, June 30, 2019</b>	<b>\$ 121,722</b>	<b>\$ 0</b>	<b>\$ 121,722</b>	<b>\$ 172,406</b>	<b>\$ 60,086</b>	<b>\$ 61,636</b>

Exhibit F-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 42,308	\$ 29,302	\$ 29,302	\$ 13,006
Federal Government	95,274	436,500	436,500	(341,226)
Total Revenues	<u>\$ 137,582</u>	<u>\$ 465,802</u>	<u>\$ 465,802</u>	<u>\$ (328,220)</u>
<u>Expenditures</u>				
<u>Capital Projects</u>				
General Administration Projects	\$ 10,074	\$ 0	\$ 10,074	\$ 0
Public Utility Projects	122,169	494,833	517,610	395,441
Total Expenditures	<u>\$ 132,243</u>	<u>\$ 494,833</u>	<u>\$ 527,684</u>	<u>\$ 395,441</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 5,339</u>	<u>\$ (29,031)</u>	<u>\$ (61,882)</u>	<u>\$ 67,221</u>
Net Change in Fund Balance	\$ 5,339	\$ (29,031)	\$ (61,882)	\$ 67,221
Fund Balance, July 1, 2018	200,933	200,933	200,933	0
Fund Balance, June 30, 2019	<u>\$ 206,272</u>	<u>\$ 171,902</u>	<u>\$ 139,051</u>	<u>\$ 67,221</u>

Exhibit F-6

Lawrence 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	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Fines, Forfeitures, and Penalties	\$ 74,482	\$ 0	\$ 74,482	\$ 25,700	\$ 35,862	\$ 38,620
Total Revenues	\$ 74,482	\$ 0	\$ 74,482	\$ 25,700	\$ 35,862	\$ 38,620
<u>Expenditures</u>						
<u>Public Safety</u>						
Drug Enforcement	\$ 37,432	\$ (760)	\$ 36,672	\$ 27,475	\$ 40,475	\$ 3,803
Total Expenditures	\$ 37,432	\$ (760)	\$ 36,672	\$ 27,475	\$ 40,475	\$ 3,803
Excess (Deficiency) of Revenues Over Expenditures	\$ 37,050	\$ 760	\$ 37,810	\$ (1,775)	\$ (4,613)	\$ 42,423
Net Change in Fund Balance	\$ 37,050	\$ 760	\$ 37,810	\$ (1,775)	\$ (4,613)	\$ 42,423
Fund Balance, July 1, 2018	29,309	(760)	28,549	19,684	19,684	8,865
Fund Balance, June 30, 2019	\$ 66,359	\$ 0	\$ 66,359	\$ 17,909	\$ 15,071	\$ 51,288

Exhibit F-7

Lawrence County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Education 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	\$ 389,415	\$ 396,114	\$ 396,114	\$ (6,699)
Total Revenues	\$ 389,415	\$ 396,114	\$ 396,114	\$ (6,699)
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 565,000	\$ 565,000	\$ 565,000	\$ 0
<u>Interest on Debt</u>				
Education	50,598	0	50,598	0
<u>Other Debt Service</u>				
Education	9,608	59,798	11,050	1,442
Total Expenditures	\$ 625,206	\$ 624,798	\$ 626,648	\$ 1,442
Excess (Deficiency) of Revenues Over Expenditures	\$ (235,791)	\$ (228,684)	\$ (230,534)	\$ (5,257)
Net Change in Fund Balance	\$ (235,791)	\$ (228,684)	\$ (230,534)	\$ (5,257)
Fund Balance, July 1, 2018	1,216,713	1,209,294	1,209,294	7,419
Fund Balance, June 30, 2019	\$ 980,922	\$ 980,610	\$ 978,760	\$ 2,162

Exhibit F-8

Lawrence County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Highway 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	\$ 389,414	\$ 396,114	\$ 396,114	\$ (6,700)
Total Revenues	\$ 389,414	\$ 396,114	\$ 396,114	\$ (6,700)
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Highways and Streets	\$ 280,000	\$ 280,000	\$ 280,000	\$ 0
<u>Interest on Debt</u>				
Highways and Streets	23,230	23,231	23,231	1
<u>Other Debt Service</u>				
Highways and Streets	9,609	9,200	11,050	1,441
Total Expenditures	\$ 312,839	\$ 312,431	\$ 314,281	\$ 1,442
Excess (Deficiency) of Revenues Over Expenditures	\$ 76,575	\$ 83,683	\$ 81,833	\$ (5,258)
Net Change in Fund Balance	\$ 76,575	\$ 83,683	\$ 81,833	\$ (5,258)
Fund Balance, July 1, 2018	609,191	601,771	601,771	7,420
Fund Balance, June 30, 2019	\$ 685,766	\$ 685,454	\$ 683,604	\$ 2,162

Exhibit F-9

Lawrence County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Higher Education Fund  
For the Year Ended June 30, 2019

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2018	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>						
<u>Capital Projects</u>						
Education Capital Projects	\$ 1,897,523	\$ (1,156)	\$ 1,896,367	\$ 0	\$ 2,320,863	\$ 424,496
Total Expenditures	\$ 1,897,523	\$ (1,156)	\$ 1,896,367	\$ 0	\$ 2,320,863	\$ 424,496
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,897,523)	\$ 1,156	\$ (1,896,367)	\$ 0	\$ (2,320,863)	\$ 424,496
Net Change in Fund Balance	\$ (1,897,523)	\$ 1,156	\$ (1,896,367)	\$ 0	\$ (2,320,863)	\$ 424,496
Fund Balance, July 1, 2018	2,322,019	(1,156)	2,320,863	0	2,322,019	(1,156)
Fund Balance, June 30, 2019	\$ 424,496	\$ 0	\$ 424,496	\$ 0	\$ 1,156	\$ 423,340

Exhibit F-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 24,157	\$ 48,217	\$ 48,217	\$ (24,060)
Total Revenues	\$ 24,157	\$ 48,217	\$ 48,217	\$ (24,060)
<u>Expenditures</u>				
<u>Capital Projects</u>				
Public Safety Projects	\$ 23,818	\$ 47,298	\$ 47,298	\$ 23,480
Total Expenditures	\$ 23,818	\$ 47,298	\$ 47,298	\$ 23,480
Excess (Deficiency) of Revenues Over Expenditures	\$ 339	\$ 919	\$ 919	\$ (580)
Net Change in Fund Balance	\$ 339	\$ 919	\$ 919	\$ (580)
Fund Balance, July 1, 2018	75,384	75,734	75,734	(350)
Fund Balance, June 30, 2019	\$ 75,723	\$ 76,653	\$ 76,653	\$ (930)

# **Major Governmental Fund**

## **Debt Service Fund**

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

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## **General Capital Projects Fund**

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

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Exhibit G-1

Lawrence 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	\$ 4,501,750	\$ 4,431,587	\$ 4,431,587	\$ 70,163
Other Local Revenues	44,167	45,000	45,000	(833)
Other Governments and Citizens Groups	300,000	300,000	300,000	0
Total Revenues	\$ 4,845,917	\$ 4,776,587	\$ 4,776,587	\$ 69,330
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,898,585	\$ 3,097,107	\$ 1,898,585	\$ 0
Highways and Streets	77,000	0	77,000	0
Education	1,839,250	717,728	1,839,250	0
<u>Interest on Debt</u>				
General Government	669,204	723,877	669,204	0
Highways and Streets	16,310	0	16,310	0
Education	143,950	105,586	143,950	0
<u>Other Debt Service</u>				
General Government	80,861	89,001	97,625	16,764
Total Expenditures	\$ 4,725,160	\$ 4,733,299	\$ 4,741,924	\$ 16,764
Excess (Deficiency) of Revenues Over Expenditures	\$ 120,757	\$ 43,288	\$ 34,663	\$ 86,094
Net Change in Fund Balance	\$ 120,757	\$ 43,288	\$ 34,663	\$ 86,094
Fund Balance, July 1, 2018	3,285,065	3,297,574	3,297,574	(12,509)
Fund Balance, June 30, 2019	\$ 3,405,822	\$ 3,340,862	\$ 3,332,237	\$ 73,585

Exhibit G-2

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
State of Tennessee	\$ 166,699	\$ 0	\$ 166,699	\$ 0
Total Revenues	\$ 166,699	\$ 0	\$ 166,699	\$ 0
<u>Expenditures</u>				
<u>Capital Projects</u>				
General Administration Projects	\$ 51,780	\$ 0	\$ 203,540	\$ 151,760
Education Capital Projects	11,439,647	0	11,439,647	0
Total Expenditures	\$ 11,491,427	\$ 0	\$ 11,643,187	\$ 151,760
Excess (Deficiency) of Revenues Over Expenditures	\$ (11,324,728)	\$ 0	\$ (11,476,488)	\$ 151,760
<u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 9,975,000	\$ 0	\$ 9,975,000	\$ 0
Premiums on Debt Sold	701,131	0	701,131	0
Other Loans Issued	763,516	0	763,516	0
Total Other Financing Sources	\$ 11,439,647	\$ 0	\$ 11,439,647	\$ 0
Net Change in Fund Balance	\$ 114,919	\$ 0	\$ (36,841)	\$ 151,760
Fund Balance, July 1, 2018	151,508	0	302,991	(151,483)
Fund Balance, June 30, 2019	\$ 266,427	\$ 0	\$ 266,150	\$ 277

# Fiduciary Funds

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

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

Judicial District Drug Fund – The Judicial District Drug Fund is used to account for state grants and other restricted revenues that are held 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.

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, general sessions, and juvenile 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.

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.

Exhibit H-1

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

	Agency Funds					Total
	Cities - Sales Tax	Judicial District Drug	Constitu- tional Officers - Agency	District Attorney General		
<u>ASSETS</u>						
Cash	\$ 0	\$ 16,718	\$ 1,496,105	\$ 0	\$ 1,512,823	
Equity in Pooled Cash and Investments	0	109,809	0	26,305	136,114	
Accounts Receivable	0	274	4,086	0	4,360	
Due from Other Governments	886,841	0	0	0	886,841	
Total Assets	<u>\$ 886,841</u>	<u>\$ 126,801</u>	<u>\$ 1,500,191</u>	<u>\$ 26,305</u>	<u>\$ 2,540,138</u>	
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 1,727	\$ 0	\$ 0	\$ 1,727	
Due to Other Taxing Units	886,841	0	0	0	886,841	
Due to Litigants, Heirs, and Others	0	0	1,500,191	26,305	1,526,496	
Due to Joint Ventures	0	125,074	0	0	125,074	
Total Liabilities	<u>\$ 886,841</u>	<u>\$ 126,801</u>	<u>\$ 1,500,191</u>	<u>\$ 26,305</u>	<u>\$ 2,540,138</u>	

Lawrence 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	\$ 5,048,947	\$ 5,048,947	\$ 0
Due from Other Governments	938,126	886,841	938,126	886,841
Total Assets	\$ 938,126	\$ 5,935,788	\$ 5,987,073	\$ 886,841
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 938,126	\$ 5,935,788	\$ 5,987,073	\$ 886,841
Total Liabilities	\$ 938,126	\$ 5,935,788	\$ 5,987,073	\$ 886,841
<u>Judicial District Drug Fund</u>				
<u>Assets</u>				
Cash	\$ 22,509	\$ 16,718	\$ 22,509	\$ 16,718
Equity in Pooled Cash and Investments	68,008	109,809	68,008	109,809
Accounts Receivable	30,107	274	30,107	274
Due from Other Governments	5,139	0	5,139	0
Total Assets	\$ 125,763	\$ 126,801	\$ 125,763	\$ 126,801
<u>Liabilities</u>				
Accounts Payable	\$ 1,280	\$ 1,727	\$ 1,280	\$ 1,727
Due to Joint Ventures	124,483	125,074	124,483	125,074
Total Liabilities	\$ 125,763	\$ 126,801	\$ 125,763	\$ 126,801
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 1,466,260	\$ 11,230,277	\$ 11,200,432	\$ 1,496,105
Accounts Receivable	1,699	4,086	1,699	4,086
Total Assets	\$ 1,467,959	\$ 11,234,363	\$ 11,202,131	\$ 1,500,191
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,467,959	\$ 11,234,363	\$ 11,202,131	\$ 1,500,191
Total Liabilities	\$ 1,467,959	\$ 11,234,363	\$ 11,202,131	\$ 1,500,191
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 46,462	\$ 26,305	\$ 46,462	\$ 26,305
Total Assets	\$ 46,462	\$ 26,305	\$ 46,462	\$ 26,305
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 46,462	\$ 26,305	\$ 46,462	\$ 26,305
Total Liabilities	\$ 46,462	\$ 26,305	\$ 46,462	\$ 26,305

(Continued)

Exhibit H-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 1,488,769	\$ 11,246,995	\$ 11,222,941	\$ 1,512,823
Equity in Pooled Cash and Investments	114,470	5,185,061	5,163,417	136,114
Accounts Receivable	31,806	4,360	31,806	4,360
Due from Other Governments	943,265	886,841	943,265	886,841
Total Assets	<u>\$ 2,578,310</u>	<u>\$ 17,323,257</u>	<u>\$ 17,361,429</u>	<u>\$ 2,540,138</u>
<u>Totals - All Agency Funds</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 1,280	\$ 1,727	\$ 1,280	\$ 1,727
Due to Other Taxing Units	938,126	5,935,788	5,987,073	886,841
Due to Litigants, Heirs, and Others	1,514,421	11,260,668	11,248,593	1,526,496
Due to Joint Ventures	124,483	125,074	124,483	125,074
Total Liabilities	<u>\$ 2,578,310</u>	<u>\$ 17,323,257</u>	<u>\$ 17,361,429</u>	<u>\$ 2,540,138</u>

# Lawrence County School Department

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

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

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

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

Extended School Program Fund – The Extended School Program Fund is used to account for the transactions of the day-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 I-1

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

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:				
Instruction	\$ 31,454,141	\$ 292,039	\$ 4,555,474	\$ (26,606,628)
Support Services	27,922,169	6,456	11,715,595	(16,200,118)
Operation of Non-instructional Services	5,729,567	973,909	3,181,226	(1,574,432)
Total Governmental Activities	<u>\$ 65,105,877</u>	<u>\$ 1,272,404</u>	<u>\$ 19,452,295</u>	<u>\$ (44,381,178)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 6,016,149
Local Option Sales Tax				5,972,315
Other Local Taxes				10,227
Grants and Contributions Not Restricted to Specific Programs				40,821,924
Unrestricted Investment Earnings				10,711
Miscellaneous				19,531
Total General Revenues				<u>\$ 52,850,857</u>
Change in Net Position				\$ 8,469,679
Net Position, July 1, 2018				<u>32,021,882</u>
Net Position, June 30, 2019				<u>\$ 40,491,561</u>



Exhibit I-2

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 1,100	\$ 1,100
Equity in Pooled Cash and Investments	9,265,190	4,047,798	1,503,685	14,816,673
Inventories	0	0	114,300	114,300
Accounts Receivable	0	0	3,610	3,610
Due from Other Governments	2,581,040	0	305,813	2,886,853
Property Taxes Receivable	6,325,311	0	0	6,325,311
Allowance for Uncollectible Property Taxes	(117,677)	0	0	(117,677)
Restricted Assets	67,286	0	0	67,286
Total Assets	\$ 18,121,150	\$ 4,047,798	\$ 1,928,508	\$ 24,097,456
<u>LIABILITIES</u>				
Accounts Payable	\$ 90,985	\$ 0	\$ 34,245	\$ 125,230
Payroll Deductions Payable	1,926,157	0	281,333	2,207,490
Contracts Payable	0	1,418,041	0	1,418,041
Retainage Payable	0	74,634	0	74,634
Total Liabilities	\$ 2,017,142	\$ 1,492,675	\$ 315,578	\$ 3,825,395
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 5,972,055	\$ 0	\$ 0	\$ 5,972,055
Deferred Delinquent Property Taxes	200,332	0	0	200,332
Other Deferred/Unavailable Revenue	497,360	0	0	497,360
Total Deferred Inflows of Resources	\$ 6,669,747	\$ 0	\$ 0	\$ 6,669,747

(Continued)

Exhibit I-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Other</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>Funds</u>	<u>Funds</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Inventory	\$ 0	\$ 0	\$ 114,300	\$ 114,300
Restricted:				
Restricted for Education	30,699	2,555,123	1,268,069	3,853,891
Restricted for Hybrid Retirement Stabilization Funds	67,286	0	0	67,286
Committed:				
Committed for Education	0	0	230,561	230,561
Assigned:				
Assigned for Education	1,783,609	0	0	1,783,609
Unassigned	7,552,667	0	0	7,552,667
Total Fund Balances	<u>\$ 9,434,261</u>	<u>\$ 2,555,123</u>	<u>\$ 1,612,930</u>	<u>\$ 13,602,314</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,121,150</u>	<u>\$ 4,047,798</u>	<u>\$ 1,928,508</u>	<u>\$ 24,097,456</u>

Exhibit I-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$	13,602,314
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,426,454	
Add: construction in progress		3,141,152	
Add: buildings and improvements net of accumulated depreciation		30,128,604	
Add: other capital assets net of accumulated depreciation		<u>3,173,696</u>	37,869,906
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$	(84,104)	
Less: net OPEB liability		<u>(14,057,111)</u>	(14,141,215)
(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 in future years.			
Add: deferred outflows of resources related to pensions	\$	5,965,168	
Add: deferred outflows of resources related to OPEB		1,061,400	
Less: deferred inflows of resources related to pensions		(4,610,146)	
Less: deferred inflows of resources related to OPEB		<u>(3,817,909)</u>	(1,401,487)
(4) Net pension assets of the agent, teacher retirement, and teacher legacy pension plans are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	1,214,819	
Add: net pension asset - teacher retirement plan		127,580	
Add: net pension asset - teacher legacy retirement plan		<u>2,521,952</u>	3,864,351
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>697,692</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>40,491,561</u></u>

Exhibit I-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 11,999,230	\$ 0	\$ 0	\$ 11,999,230
Licenses and Permits	1,691	0	0	1,691
Charges for Current Services	138,812	0	1,127,136	1,265,948
Other Local Revenues	57,919	0	7,314	65,233
State of Tennessee	40,458,690	0	46,410	40,505,100
Federal Government	424,005	0	8,075,587	8,499,592
Other Governments and Citizens Groups	0	11,239,301	0	11,239,301
Total Revenues	<u>\$ 53,080,347</u>	<u>\$ 11,239,301</u>	<u>\$ 9,256,447</u>	<u>\$ 73,576,095</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 31,500,906	\$ 0	\$ 2,397,311	\$ 33,898,217
Support Services	18,387,159	0	2,178,444	20,565,603
Operation of Non-Instructional Services	1,420,931	0	4,537,357	5,958,288
Capital Outlay	824,681	0	0	824,681
Capital Projects	0	8,739,751	0	8,739,751
Total Expenditures	<u>\$ 52,133,677</u>	<u>\$ 8,739,751</u>	<u>\$ 9,113,112</u>	<u>\$ 69,986,540</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 946,670</u>	<u>\$ 2,499,550</u>	<u>\$ 143,335</u>	<u>\$ 3,589,555</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 195,412	\$ 0	\$ 0	\$ 195,412
Transfers In	1,816,272	0	116,000	1,932,272
Transfers Out	(116,000)	(1,744,772)	(71,500)	(1,932,272)
Total Other Financing Sources (Uses)	<u>\$ 1,895,684</u>	<u>\$ (1,744,772)</u>	<u>\$ 44,500</u>	<u>\$ 195,412</u>

(Continued)

Exhibit I-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
Net Change in Fund Balances	\$ 2,842,354	\$ 754,778	\$ 187,835	\$ 3,784,967
Fund Balance, July 1, 2018	6,591,907	1,800,345	1,425,095	9,817,347
Fund Balance, June 30, 2019	\$ 9,434,261	\$ 2,555,123	\$ 1,612,930	\$ 13,602,314

Exhibit I-5

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

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$ 3,784,967
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated 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	\$ 1,100,043	
Less: current-year depreciation expense	<u>(2,106,827)</u>	(1,006,784)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2018	\$ (698,231)	
Add: deferred delinquent property taxes and other deferred June 30, 2019	<u>697,692</u>	(539)
(3) 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 compensated absences payable	\$ (4,372)	
Change in net pension asset - agent plan	929,176	
Change in net pension asset - teacher retirement plan	45,590	
Change in net pension asset - teacher legacy retirement plan	2,287,711	
Change in deferred outflows related to pensions	(94,970)	
Change in deferred inflows related to pensions	624,612	
Change in OPEB liability	4,623,167	
Change in deferred outflows related to OPEB	351,781	
Change in deferred inflows related to OPEB	<u>(3,070,660)</u>	<u>5,692,035</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 8,469,679</u>

Exhibit I-6

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

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>ASSETS</u>				
Cash	\$ 0	\$ 1,100	\$ 0	\$ 1,100
Equity in Pooled Cash and Investments	80,495	1,344,115	79,075	1,503,685
Inventories	0	114,300	0	114,300
Accounts Receivable	0	2,124	1,486	3,610
Due from Other Governments	256,740	49,073	0	305,813
Total Assets	<u>\$ 337,235</u>	<u>\$ 1,510,712</u>	<u>\$ 80,561</u>	<u>\$ 1,928,508</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 34,245	\$ 0	\$ 34,245
Payroll Deductions Payable	186,921	94,412	0	281,333
Total Liabilities	<u>\$ 186,921</u>	<u>\$ 128,657</u>	<u>\$ 0</u>	<u>\$ 315,578</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Inventory	\$ 0	\$ 114,300	\$ 0	\$ 114,300
Restricted:				
Restricted for Education	314	1,267,755	0	1,268,069
Committed:				
Committed for Education	150,000	0	80,561	230,561
Total Fund Balances	<u>\$ 150,314</u>	<u>\$ 1,382,055</u>	<u>\$ 80,561</u>	<u>\$ 1,612,930</u>
Total Liabilities and Fund Balances	<u>\$ 337,235</u>	<u>\$ 1,510,712</u>	<u>\$ 80,561</u>	<u>\$ 1,928,508</u>

Exhibit I-7

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

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 973,909	\$ 153,227	\$ 1,127,136
Other Local Revenues	0	7,314	0	7,314
State of Tennessee	0	42,847	3,563	46,410
Federal Government	4,937,208	3,138,379	0	8,075,587
Total Revenues	<u>\$ 4,937,208</u>	<u>\$ 4,162,449</u>	<u>\$ 156,790</u>	<u>\$ 9,256,447</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 2,397,311	\$ 0	\$ 0	\$ 2,397,311
Support Services	2,178,444	0	0	2,178,444
Operation of Non-Instructional Services	288,858	4,105,621	142,878	4,537,357
Total Expenditures	<u>\$ 4,864,613</u>	<u>\$ 4,105,621</u>	<u>\$ 142,878</u>	<u>\$ 9,113,112</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 72,595</u>	<u>\$ 56,828</u>	<u>\$ 13,912</u>	<u>\$ 143,335</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 116,000	\$ 0	\$ 0	\$ 116,000
Transfers Out	(71,500)	0	0	(71,500)
Total Other Financing Sources (Uses)	<u>\$ 44,500</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 44,500</u>

(Continued)



Exhibit I-7

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

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
Net Change in Fund Balances	\$ 117,095	\$ 56,828	\$ 13,912	\$ 187,835
Fund Balance, July 1, 2018	33,219	1,325,227	66,649	1,425,095
Fund Balance, June 30, 2019	<u>\$ 150,314</u>	<u>\$ 1,382,055</u>	<u>\$ 80,561</u>	<u>\$ 1,612,930</u>

Exhibit I-8

Lawrence County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Lawrence 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	
<b>Revenues</b>							
Local Taxes	\$ 11,999,230	\$ 0	\$ 0	\$ 11,999,230	\$ 10,857,374	\$ 10,857,374	\$ 1,141,856
Licenses and Permits	1,691	0	0	1,691	1,000	1,000	691
Charges for Current Services	138,812	0	0	138,812	65,000	65,000	73,812
Other Local Revenues	57,919	0	0	57,919	8,700	23,390	34,529
State of Tennessee	40,458,690	0	0	40,458,690	38,394,748	40,144,881	313,809
Federal Government	424,005	0	0	424,005	0	424,062	(57)
<b>Total Revenues</b>	<b>\$ 53,080,347</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 53,080,347</b>	<b>\$ 49,326,822</b>	<b>\$ 51,515,707</b>	<b>\$ 1,564,640</b>
<b>Expenditures</b>							
<b>Instruction</b>							
Regular Instruction Program	\$ 25,876,611	\$ (362,489)	\$ 158,995	\$ 25,673,117	\$ 25,632,597	\$ 25,725,032	\$ 51,915
Alternative Instruction Program	214,343	0	0	214,343	332,512	230,612	16,269
Special Education Program	3,139,127	0	0	3,139,127	3,189,880	3,190,580	51,453
Career and Technical Education Program	2,270,825	(168)	4,949	2,275,606	2,234,593	2,310,593	34,987
<b>Support Services</b>							
Attendance	0	0	0	0	39,744	1,744	1,744
Health Services	606,451	(900)	2,500	608,051	536,133	613,933	5,882
Other Student Support	1,168,602	0	4,915	1,173,517	1,361,579	1,236,752	63,235
Regular Instruction Program	1,562,320	(6,071)	297,329	1,853,578	1,338,646	1,885,724	32,146
Alternative Instruction Program	16,311	0	0	16,311	7,750	19,750	3,439
Special Education Program	168,923	0	0	168,923	235,337	204,705	35,782
Career and Technical Education Program	104,742	(971)	0	103,771	104,370	111,370	7,599
Technology	487,150	(60,859)	33,750	460,041	449,406	464,173	4,132
Other Programs	217,984	0	0	217,984	0	217,984	0
Board of Education	1,366,233	(4,145)	5,625	1,367,713	1,119,435	1,399,999	32,286
Director of Schools	367,413	(7,756)	6,546	366,203	380,909	386,437	20,234
Office of the Principal	4,141,365	(15,996)	0	4,125,369	4,117,076	4,167,791	42,422
Fiscal Services	270,028	0	232,494	502,522	276,405	511,299	8,777
Human Services/Personnel	158,827	0	0	158,827	164,044	166,644	7,817

(Continued)

Exhibit I-8

Lawrence County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Lawrence 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>							
Operation of Plant	\$ 3,749,063	\$ (98,850)	\$ 122,171	\$ 3,772,384	\$ 3,725,210	\$ 3,771,795	\$ (589)
Maintenance of Plant	1,260,103	(53,208)	26,882	1,233,777	1,004,647	1,335,147	101,370
Transportation	2,671,448	(29,012)	29,300	2,671,736	2,549,033	2,716,433	44,697
Central and Other	70,196	0	0	70,196	144,702	74,702	4,506
<u>Operation of Non-Instructional Services</u>							
Community Services	340,296	(77)	0	340,219	82,814	379,077	38,858
Early Childhood Education	1,080,635	0	1,800	1,082,435	0	1,083,873	1,438
<u>Capital Outlay</u>							
Regular Capital Outlay	824,681	(239,162)	0	585,519	0	2,606,019	2,020,500
<u>Other Debt Service</u>							
Education	0	0	0	0	300,000	0	0
Total Expenditures	\$ 52,133,677	\$ (879,664)	\$ 927,256	\$ 52,181,269	\$ 49,326,822	\$ 54,812,168	\$ 2,630,899
Excess (Deficiency) of Revenues Over Expenditures							
	\$ 946,670	\$ 879,664	\$ (927,256)	\$ 899,078	\$ 0	\$ (3,296,461)	\$ 4,195,539
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 195,412	\$ 0	\$ 0	\$ 195,412	\$ 0	\$ 194,988	\$ 424
Transfers In	1,816,272	0	0	1,816,272	0	49,408	1,766,864
Transfers Out	(116,000)	0	0	(116,000)	0	(116,000)	0
Total Other Financing Sources	\$ 1,895,684	\$ 0	\$ 0	\$ 1,895,684	\$ 0	\$ 128,396	\$ 1,767,288
Net Change in Fund Balance							
Fund Balance, July 1, 2018	\$ 2,842,354	\$ 879,664	\$ (927,256)	\$ 2,794,762	\$ 0	\$ (3,168,065)	\$ 5,962,827
	6,591,907	(879,664)	0	5,712,243	4,537,361	4,537,361	1,174,882
Fund Balance, June 30, 2019							
	\$ 9,434,261	\$ 0	\$ (927,256)	\$ 8,507,005	\$ 4,537,361	\$ 1,369,296	\$ 7,137,709

Exhibit I-9

Lawrence County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Lawrence County School Department  
School Federal 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	\$ 4,937,208	\$ 0	\$ 4,937,208	\$ 4,861,358	\$ 6,230,113	\$ (1,292,905)
<b>Total Revenues</b>	<b>\$ 4,937,208</b>	<b>\$ 0</b>	<b>\$ 4,937,208</b>	<b>\$ 4,861,358</b>	<b>\$ 6,230,113</b>	<b>\$ (1,292,905)</b>
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 1,057,053	\$ 10,223	\$ 1,067,276	\$ 1,324,162	\$ 1,440,982	\$ 373,706
Special Education Program	1,239,801	0	1,239,801	1,273,165	1,282,713	42,912
Career and Technical Education Program	100,457	0	100,457	97,056	100,457	0
<u>Support Services</u>						
Health Services	71,404	0	71,404	102,005	102,005	30,601
Other Student Support	368,159	0	368,159	82,447	512,342	144,183
Regular Instruction Program	1,291,982	0	1,291,982	1,527,361	1,592,242	300,260
Special Education Program	446,899	0	446,899	437,207	447,035	136
Transportation	0	0	0	5,355	65,753	65,753
<u>Operation of Non-Instructional Services</u>						
Food Service	2,435	0	2,435	0	2,698	263
Community Services	286,423	0	286,423	0	601,307	314,884
<b>Total Expenditures</b>	<b>\$ 4,864,613</b>	<b>\$ 10,223</b>	<b>\$ 4,874,836</b>	<b>\$ 4,848,758</b>	<b>\$ 6,147,534</b>	<b>\$ 1,272,698</b>
Excess (Deficiency) of Revenues Over Expenditures	\$ 72,595	\$ (10,223)	\$ 62,372	\$ 12,600	\$ 82,579	\$ (20,207)
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 116,000	\$ 0	\$ 116,000	\$ 0	\$ 0	\$ 116,000
Transfers Out	(71,500)	0	(71,500)	(12,600)	(82,579)	11,079
<b>Total Other Financing Sources</b>	<b>\$ 44,500</b>	<b>\$ 0</b>	<b>\$ 44,500</b>	<b>\$ (12,600)</b>	<b>\$ (82,579)</b>	<b>\$ 127,079</b>

(Continued)

Exhibit I-9

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

	Actual (GAAP Basis)	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	\$ 117,095	\$ (10,223)	\$ 106,872	\$ 0	\$ 0	\$ 106,872
Fund Balance, July 1, 2018	33,219	0	33,219	33,219	33,219	0
Fund Balance, June 30, 2019	<u>\$ 150,314</u>	<u>\$ (10,223)</u>	<u>\$ 140,091</u>	<u>\$ 33,219</u>	<u>\$ 33,219</u>	<u>\$ 106,872</u>

Exhibit I-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 973,909	\$ 1,041,050	\$ 994,550	\$ (20,641)
Other Local Revenues	7,314	1,600	7,600	(286)
State of Tennessee	42,847	34,000	42,900	(53)
Federal Government	3,138,379	3,079,000	3,192,000	(53,621)
Total Revenues	<u>\$ 4,162,449</u>	<u>\$ 4,155,650</u>	<u>\$ 4,237,050</u>	<u>\$ (74,601)</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 4,105,621	\$ 4,155,650	\$ 4,270,650	\$ 165,029
Total Expenditures	<u>\$ 4,105,621</u>	<u>\$ 4,155,650</u>	<u>\$ 4,270,650</u>	<u>\$ 165,029</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 56,828</u>	<u>\$ 0</u>	<u>\$ (33,600)</u>	<u>\$ 90,428</u>
Net Change in Fund Balance	\$ 56,828	\$ 0	\$ (33,600)	\$ 90,428
Fund Balance, July 1, 2018	1,325,227	1,437,146	1,437,146	(111,919)
Fund Balance, June 30, 2019	<u>\$ 1,382,055</u>	<u>\$ 1,437,146</u>	<u>\$ 1,403,546</u>	<u>\$ (21,491)</u>

Exhibit I-11

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 153,227	\$ 142,000	\$ 149,500	\$ 3,727
State of Tennessee	3,563	3,500	8,000	(4,437)
Total Revenues	<u>\$ 156,790</u>	<u>\$ 145,500</u>	<u>\$ 157,500</u>	<u>\$ (710)</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Community Services	\$ 142,878	\$ 145,500	\$ 159,750	\$ 16,872
Total Expenditures	<u>\$ 142,878</u>	<u>\$ 145,500</u>	<u>\$ 159,750</u>	<u>\$ 16,872</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 13,912</u>	<u>\$ 0</u>	<u>\$ (2,250)</u>	<u>\$ 16,162</u>
Net Change in Fund Balance	\$ 13,912	\$ 0	\$ (2,250)	\$ 16,162
Fund Balance, July 1, 2018	<u>66,649</u>	<u>61,408</u>	<u>61,408</u>	<u>5,241</u>
Fund Balance, June 30, 2019	<u>\$ 80,561</u>	<u>\$ 61,408</u>	<u>\$ 59,158</u>	<u>\$ 21,403</u>

Exhibit I-12

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Governments and Citizens Groups	\$ 11,239,301	\$ 0	\$ 11,239,301	\$ 0
Total Revenues	\$ 11,239,301	\$ 0	\$ 11,239,301	\$ 0
<u>Expenditures</u>				
<u>Capital Projects</u>				
Education Capital Projects	\$ 8,739,751	\$ 0	\$ 11,688,926	\$ 2,949,175
Total Expenditures	\$ 8,739,751	\$ 0	\$ 11,688,926	\$ 2,949,175
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,499,550	\$ 0	\$ (449,625)	\$ 2,949,175
<u>Other Financing Sources (Uses)</u>				
Notes Issued	\$ 0	\$ 0	\$ 449,625	\$ (449,625)
Transfers Out	(1,744,772)	0	(1,744,772)	0
Total Other Financing Sources	\$ (1,744,772)	\$ 0	\$ (1,295,147)	\$ (449,625)
Net Change in Fund Balance	\$ 754,778	\$ 0	\$ (1,744,772)	\$ 2,499,550
Fund Balance, July 1, 2018	1,800,345	0	1,800,345	0
Fund Balance, June 30, 2019	\$ 2,555,123	\$ 0	\$ 55,573	\$ 2,499,550



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## MISCELLANEOUS SCHEDULES

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Exhibit J-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-18	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-19
<u>NOTES PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
General Obligation Capital Outlay Note Series 2014	\$ 3,500,000	1.83	% 12-19-14	12-1-26	\$ 2,725,000	\$ 0	\$ 275,000	\$ 2,450,000
General Obligation Capital Outlay Note Series 2016	2,000,000	1.60	3-3-16	3-1-23	1,447,500	0	280,000	1,167,500
Total Payable through General Debt Service Fund					<u>\$ 4,172,500</u>	<u>\$ 0</u>	<u>\$ 555,000</u>	<u>\$ 3,617,500</u>
<u>Payable through Highway Debt Service Fund</u>								
General Obligation Capital Outlay Note Series 2016	2,000,000	1.60	3-3-16	3-1-23	\$ 1,447,500	\$ 0	\$ 280,000	\$ 1,167,500
<u>Payable through Education Debt Service Fund</u>								
General Obligation School Capital Outlay Note Series 2016	1,750,000	2.96	3-9-18	3-1-21	\$ 1,750,000	\$ 0	\$ 565,000	\$ 1,185,000
Total Notes Payable					<u>\$ 7,370,000</u>	<u>\$ 0</u>	<u>\$ 1,400,000</u>	<u>\$ 5,970,000</u>
<u>CAPITAL LEASES PAYABLE</u>								
<u>Payable through Highway/Public Works Fund</u>								
Wheel Loader for Highway Department	208,015	2.49	5-7-15	4-6-19	\$ 53,937	\$ 0	\$ 53,937	\$ 0
Skytrim for Highway Department	195,910	3.20	2-3-16	3-22-19	49,726	0	49,726	0
Total Payable through Highway/Public Works Fund					<u>\$ 103,663</u>	<u>\$ 0</u>	<u>\$ 103,663</u>	<u>\$ 0</u>
<u>Payable through General Fund</u>								
Patrol Vehicles for Sheriff Department	286,044	4.85	3-13-17	2-18-19	\$ 95,276	\$ 0	\$ 95,276	\$ 0
Total Capital Leases Payable					<u>\$ 198,939</u>	<u>\$ 0</u>	<u>\$ 198,939</u>	<u>\$ 0</u>

(Continued)

Exhibit J-1

Lawrence County, Tennessee

Schedule of Changes in Long-term Notes, Capital Leases, Other Loans, and Bonds (Con't)

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-18	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-19	
<b><u>OTHER LOANS PAYABLE</u></b>									
<u>Payable through General Debt Service Fund</u>									
Energy Efficient Schools Initiative	\$ 763,516	(1)	1.5 %	6-25-19	9-1-23	\$ 0	\$ 763,516	\$ 0	\$ 763,516
Total Other Loans Payable						\$ 0	\$ 763,516	\$ 0	\$ 763,516
<b><u>BONDS PAYABLE</u></b>									
<u>Payable through General Debt Service Fund</u>									
School Refunding, Series 2010	2,700,000	3.70	1-13-10	9-5-18	\$ 875,000	\$ 0	\$ 875,000	\$ 0	
School Improvement, Series 2010	2,160,000	3.70	1-13-10	10-1-34	1,640,000	0	90,000	1,550,000	
General Obligation, Series 2012	132,000	3.38	4-26-12	4-26-50	120,502	0	2,149	118,353	
General Obligation, Series 2012	165,000	3.38	6-21-12	6-21-50	150,626	0	2,686	147,940	
General Obligation, Series 2012	2,750,000	3.38	12-1-12	12-1-27	1,915,000	0	175,000	1,740,000	
School Refunding, Series 2014	3,170,000	1.08	7-23-14	8-1-19	1,290,000	0	640,000	650,000	
General Obligation Refunding, Series 2016	7,015,000	1.70	4-27-16	5-1-31	6,195,000	0	420,000	5,775,000	
General Obligation Refunding, Series 2017	8,215,000	2.57	4-28-17	4-1-37	7,885,000	0	320,000	7,565,000	
General Obligation Improvement, Series 2017	495,000	2.57	4-28-17	4-1-37	475,000	0	20,000	455,000	
General Obligation Refunding, Series 2017A	7,860,000	2.70	12-14-17	12-1-36	7,860,000	0	655,000	7,205,000	
General Obligation Improvement, Series 2017A	1,505,000	2.70	12-14-17	12-1-36	1,505,000	0	60,000	1,445,000	
General Obligation School Improvement, Series 2019	9,975,000	2.47	5-15-19	5-1-34	0	9,975,000	0	9,975,000	
Total Bonds Payable					\$ 29,911,128	\$ 9,975,000	\$ 3,259,835	\$ 36,626,293	

(1) Total amount approved was \$3,000,000, of which \$2,236,484 remains available for draws as of June 30, 2019.

Exhibit J-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2020	\$ 2,954,999	\$ 995,956	\$ 3,950,955
2021	2,340,168	949,305	3,289,473
2022	2,400,342	888,144	3,288,486
2023	2,470,522	819,640	3,290,162
2024	2,540,708	747,953	3,288,661
2025	2,615,901	672,174	3,288,075
2026	2,691,100	599,000	3,290,100
2027	2,126,306	537,291	2,663,597
2028	2,186,519	480,085	2,666,604
2029	2,026,739	423,403	2,450,142
2030	2,086,966	367,425	2,454,391
2031	2,147,202	302,590	2,449,792
2032	1,672,445	234,228	1,906,673
2033	1,722,695	183,570	1,906,265
2034	1,767,956	131,297	1,899,253
2035	973,224	77,427	1,050,651
2036	868,501	50,206	918,707
2037	888,788	25,260	914,048
2038	9,085	4,901	13,986
2039	9,392	4,594	13,986
2040	9,709	4,277	13,986
2041	10,037	3,949	13,986
2042	10,375	3,611	13,986
2043	10,725	3,261	13,986
2044	11,088	2,898	13,986
2045	11,461	2,525	13,986
2046	11,848	2,138	13,986
2047	12,248	1,738	13,986
2048	12,661	1,325	13,986
2049	13,089	897	13,986
2050	13,494	456	13,950
Total	\$ 36,626,293	\$ 8,521,524	\$ 45,147,817

(Continued)

Exhibit J-2

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

Year Ending June 30	Notes		
	Principal	Interest	Total
2020	\$ 1,440,000	\$ 123,816	\$ 1,563,816
2021	1,470,000	91,079	1,561,079
2022	880,000	58,206	938,206
2023	905,000	41,969	946,969
2024	310,000	24,418	334,418
2025	315,000	17,972	332,972
2026	320,000	11,025	331,025
2027	330,000	3,712	333,712
Total	<u>\$ 5,970,000</u>	<u>\$ 372,197</u>	<u>\$ 6,342,197</u>

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2020	\$ 229,908	\$ 43,428	\$ 273,336
2021	233,388	39,948	273,336
2022	236,904	36,432	273,336
2023	63,316	8,211	71,527
Total	<u>\$ 763,516</u>	<u>\$ 128,019</u>	<u>\$ 891,535</u>

Exhibit J-3

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

<u>Description</u>	<u>Debtor</u>	<u>Original Amount of Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance 6-30-19</u>
<u>Industrial/Economic Development Fund</u> Airport Renovation	Lawrenceburg-Lawrence County Airport	\$ 150,000	5-18-07	Various	0%	<u>\$ 32,212</u>
Total Notes Receivable						<u><u>\$ 32,212</u></u>

Exhibit J-4

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

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>DISCRETELY PRESENTED LAWRENCE</u>			
<u>COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	School Federal Projects	Operations	\$ 116,000
School Federal Projects	General Purpose School	Indirect costs	71,500
Education Capital Projects	General Purpose School	Reimbursement	<u>1,744,772</u>
Total Transfers Discretely Presented Lawrence County School Department			<u>\$ 1,932,272</u>

Exhibit J-5

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, <i>TCA</i>	\$ 96,174	\$ 100,000	(7) Auto-Owners Insurance Company
Road Superintendent	Section 8-24-102, <i>TCA</i>	86,661	100,000	(7) "
Director of Schools	State Board of Education and County Board of Education	158,235 (1)	(6)	
Trustee	Section 8-24-102, <i>TCA</i>	78,782	1,660,000	(7) Auto-Owners Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	78,782 (2)	50,000	"
Director of Accounts and Budgets	County Commission	75,918 (3)	100,000	(7) "
County Clerk	Section 8-24-102, <i>TCA</i>	78,782	100,000	(7) "
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	78,782	100,000	(7) "
Clerk and Master	Section 8-24-102, <i>TCA</i>	78,782 (4)	100,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	78,782	100,000	(7) "
Sheriff:				
Jimmy Brown (7-1-18 through 8-31-18)	Section 8-24-102, <i>TCA</i>	15,166	100,000	"
John Myers (9-1-18 through 6-30-19)	Section 8-24-102, <i>TCA</i>	75,828 (5)	(7)	
<u>Employee Blanket Bonds</u>				
Public Employee Dishonesty - County Departments			400,000	Local Government Property and Casualty Fund
Public Employee Dishonesty - School Departments			400,000	Tennessee Risk Managemnet Trust

- (1) Includes a cell phone allowance of \$1,800, travel allowance of \$12,000, and accrued vacation leave of \$4,695. Does not include a \$1,000 career ladder CEO supplement.
- (2) Does not include Tennessee Master Assessor supplement of \$1,000.
- (3) Does not include longevity pay of \$750.
- (4) Does not include special commissioner fees of \$22,526.
- (5) Does not include a law enforcement training supplement of \$600.
- (6) Covered under the Public Employee Dishonesty - School Blanket Bond.
- (7) Covered under the Public Employee Dishonesty - County Blanket Bond.



Exhibit J-6

Lawrence 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	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 8,089,647	\$ 0	\$ 144,518	\$ 0	\$ 0	0
Trustee's Collections - Prior Year	240,750	0	5,192	0	0	0
Trustee's Collections - Bankruptcy	334	0	6	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	86,057	0	1,537	0	0	0
Interest and Penalty	44,667	0	799	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	2,290	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	364,062	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	32,989	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	108,111	0	0	0	0	0
Wheel Tax	0	0	0	0	0	0
Litigation Tax - General	129,898	0	0	0	0	0
Litigation Tax - Special Purpose	74,701	19,277	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Litigation Tax - Victim-Offender Mediation Center	8,034	0	0	0	0	0
Litigation Tax - Courthouse Security	70	0	0	0	0	0
Business Tax	377,064	0	0	0	0	0
Mixed Drink Tax	2,638	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	0
Wholesale Beer Tax	154,695	0	0	0	0	0
Other Statutory Local Taxes	1,349	0	0	0	0	0
<b>Total Local Taxes</b>	<b>\$ 9,717,356</b>	<b>\$ 19,277</b>	<b>\$ 152,052</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 1,691	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	51,684	0	0	0	0	0
<u>Permits</u>						
Beer Permits	3,222	0	0	0	0	0
<b>Total Licenses and Permits</b>	<b>\$ 56,597</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 8,495	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	25,418	0	0	0	0	0
Drug Control Fines	10,798	0	0	0	12,158	0
Jail Fees	5,130	0	0	0	0	0
Data Entry Fee - Circuit Court	2,364	0	0	0	0	0
Courtroom Security Fee	0	432	0	0	0	0
<u>Criminal Court</u>						
DUI Treatment Fines	1,176	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	14,158	0	0	0	0	0
Fines for Littering	285	0	0	0	0	0
Officers Costs	39,414	0	0	0	0	0
Game and Fish Fines	412	0	0	0	0	0
Drug Control Fines	9,513	0	0	0	8,854	0
Jail Fees	428	0	0	0	0	0
DUI Treatment Fines	8,358	0	0	0	0	0
Data Entry Fee - General Sessions Court	18,678	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Juvenile Court</u>						
Fines	\$ 1,246	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	1,090	0	0	0	0	0
Data Entry Fee - Juvenile Court	282	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	2,805	0	0	0	0	0
Data Entry Fee - Chancery Court	4,026	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Drug Task Force Forfeitures and Seizures	0	0	0	0	34,461	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	19,009	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 154,076</b>	<b>\$ 432</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 74,482</b>	<b>0</b>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Commercial and Industrial Waste Collection Charge	\$ 0	\$ 0	\$ 396,814	\$ 0	\$ 0	0
Residential Waste Collection Charge	0	0	704,552	0	0	0
Tipping Fees	0	0	1,328	0	0	0
Solid Waste Disposal Fee	0	0	4,565	0	0	0
Surcharge - Waste Tire Disposal	0	0	51,762	0	0	0
Patient Charges	1,790,731	0	0	0	0	0
Service Charges	1,035	0	0	0	0	0
<u>Fees</u>						
Copy Fees	8,494	0	0	0	0	0
Library Fees	3,255	0	0	0	0	0
Greenbelt Late Application Fee	50	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Telephone Commissions	\$ 90,764	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	522,733
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	22,526
Data Processing Fee - Register	13,632	0	0	0	0	0
Data Processing Fee - Sheriff	2,136	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	6,300	0	0	0	0	0
Data Processing Fee - County Clerk	3,753	0	0	0	0	0
<u>Education Charges</u>						
Other Charges for Services	1,187	0	0	0	0	0
<b>Total Charges for Current Services</b>	<b>\$ 1,921,337</b>	<b>\$ 0</b>	<b>\$ 1,159,021</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 545,259</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 211,237	\$ 0	\$ 3,248	\$ 0	\$ 0	\$ 0
Lease/Rentals	625	0	0	0	0	0
Sale of Materials and Supplies	109	0	0	0	0	0
Commissary Sales	38,997	0	0	0	0	0
Sale of Recycled Materials	0	0	135,962	0	0	0
E-Rate Funding	1,151	0	0	0	0	0
Miscellaneous Refunds	28,741	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	3,210	0	0	0	0	0
Sale of Property	713	0	0	42,308	0	0
Damages Recovered from Individuals	1,360	0	0	0	0	0
<b>Total Other Local Revenues</b>	<b>\$ 286,143</b>	<b>\$ 0</b>	<b>\$ 139,210</b>	<b>\$ 42,308</b>	<b>\$ 0</b>	<b>\$ 0</b>

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
County Clerk	\$ 137,465	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Trustee	463,161	0	0	0	0	0
<u>Fees In-Lieu-of Salary</u>						
Circuit Court Clerk	121,224	0	0	0	0	0
General Sessions Court Clerk	207,048	0	0	0	0	0
Clerk and Master	127,020	0	0	0	0	0
Juvenile Court Clerk	25,206	0	0	0	0	0
Register	175,297	0	0	0	0	0
Sheriff	21,721	0	0	0	0	0
<b>Total Fees Received From County Officials</b>	<b>\$ 1,278,142</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 8,415	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Solid Waste Grants	0	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	27,600	0	0	0	0	0
Other Public Safety Grants	9,308	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	313,204	0	0	0	0	0
Other Health and Welfare Grants	82,222	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	48,453	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues</u>						
Income Tax	\$ 65,798	\$ 0	\$ 0	\$ 0	\$ 0	0
Beer Tax	17,959	0	0	0	0	0
Vehicle Certificate of Title Fees	9,496	0	0	0	0	0
Alcoholic Beverage Tax	102,671	0	0	0	0	0
State Revenue Sharing - T.V.A.	745,560	0	0	0	0	0
State Revenue Sharing - Telecommunications	72,619	0	0	0	0	0
Contracted Prisoner Boarding	937,677	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	1,518	0	0	0	0	0
Other State Revenues	490	0	0	0	0	0
<b>Total State of Tennessee</b>	<b>\$ 2,458,154</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 0	\$ 0	\$ 0	\$ 95,274	\$ 0	0
Homeland Security Grants	0	0	0	0	0	0
Law Enforcement Grants	34,351	0	0	0	0	0
Other Federal through State	288,360	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	3,200	0	0	0	0	0
<b>Total Federal Government</b>	<b>\$ 325,911</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 95,274</b>	<b>\$ 0</b>	<b>0</b>

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 522,500	\$ 0	\$ 40,267	\$ 0	\$ 0	\$ 0
Contracted Services	3,800	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	8,018	0	0	0	0	0
<u>Other</u>						
Other	1,895	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 536,213</u>	<u>\$ 0</u>	<u>\$ 40,267</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 16,733,929</u>	<u>\$ 19,709</u>	<u>\$ 1,490,550</u>	<u>\$ 137,582</u>	<u>\$ 74,482</u>	<u>\$ 545,259</u>

(Continued)

Exhibit J-6

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

	Special	Debt Service Funds			Capital		
	Revenue Fund	Highway / Public Works	General Debt Service	Education Debt Service	Highway Debt Service	Projects Funds General Capital Projects	
<u>Local Taxes</u>							
<u>County Property Taxes</u>							
Current Property Tax	\$ 1,630,932	\$	1,881,736	\$	370,182	\$ 370,182	0
Trustee's Collections - Prior Year	58,592		153,179		13,256	13,256	0
Trustee's Collections - Bankruptcy	67		77		15	15	0
Circuit Clerk/Clerk and Master Collections - Prior Years	17,350		19,954		3,926	3,926	0
Interest and Penalty	9,008		10,357		2,036	2,035	0
Payments in-Lieu-of Taxes - T.V.A.	0		0		0	0	0
Payments in-Lieu-of Taxes - Local Utilities	0		0		0	0	0
Payments in-Lieu-of Taxes - Other	0		0		0	0	0
<u>County Local Option Taxes</u>							
Local Option Sales Tax	0		1,225,259		0	0	0
Hotel/Motel Tax	0		0		0	0	0
Wheel Tax	0		999,389		0	0	0
Litigation Tax - General	0		0		0	0	0
Litigation Tax - Special Purpose	0		0		0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0		121,168		0	0	0
Litigation Tax - Victim-Offender Mediation Center	0		0		0	0	0
Litigation Tax - Courthouse Security	0		0		0	0	0
Business Tax	0		0		0	0	0
Mixed Drink Tax	0		0		0	0	0
Mineral Severance Tax	41,999		0		0	0	0
<u>Statutory Local Taxes</u>							
Bank Excise Tax	0		90,631		0	0	0
Wholesale Beer Tax	0		0		0	0	0
Other Statutory Local Taxes	0		0		0	0	0
Total Local Taxes	\$ 1,757,948	\$	4,501,750	\$	389,415	\$ 389,414	\$ 0

(Continued)



Exhibit J-6

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

	Special	Debt Service Funds			Capital	
	Revenue Fund	Highway / Public Works	General Debt Service	Education Debt Service	Highway Debt Service	Projects Funds General Capital Projects
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	0	0	0	0	0	0
<u>Permits</u>						
Beer Permits	0	0	0	0	0	0
Total Licenses and Permits	<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>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0
Jail Fees	0	0	0	0	0	0
Data Entry Fee - Circuit Court	0	0	0	0	0	0
Courtroom Security Fee	0	0	0	0	0	0
<u>Criminal Court</u>						
DUI Treatment Fines	0	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	0
Fines for Littering	0	0	0	0	0	0
Officers Costs	0	0	0	0	0	0
Game and Fish Fines	0	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	0
Jail Fees	0	0	0	0	0	0
DUI Treatment Fines	0	0	0	0	0	0
Data Entry Fee - General Sessions Court	0	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special	Debt Service Funds			Capital	
	Revenue Fund	Highway / Public Works	General Debt Service	Education Debt Service	Highway Debt Service	Projects Funds
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Juvenile Court</u>						
Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	0	0	0	0	0	0
Data Entry Fee - Juvenile Court	0	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	0
Data Entry Fee - Chancery Court	0	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Drug Task Force Forfeitures and Seizures	0	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Commercial and Industrial Waste Collection Charge	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Residential Waste Collection Charge	0	0	0	0	0	0
Tipping Fees	0	0	0	0	0	0
Solid Waste Disposal Fee	0	0	0	0	0	0
Surcharge - Waste Tire Disposal	0	0	0	0	0	0
Patient Charges	0	0	0	0	0	0
Service Charges	0	0	0	0	0	0
<u>Fees</u>						
Copy Fees	0	0	0	0	0	0
Library Fees	0	0	0	0	0	0
Greenbelt Late Application Fee	0	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special	Debt Service Funds			Capital	
	Revenue Fund	Highway / Public Works	General Debt Service	Education Debt Service	Highway Debt Service	Projects Funds
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Telephone Commissions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	0
Data Processing Fee - Register	0	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	0
Data Processing Fee - County Clerk	0	0	0	0	0	0
<u>Education Charges</u>						
Other Charges for Services	0	0	0	0	0	0
<b>Total Charges for Current Services</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Lease/Rentals	0	44,167	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	0	0
Commissary Sales	0	0	0	0	0	0
Sale of Recycled Materials	5,649	0	0	0	0	0
E-Rate Funding	0	0	0	0	0	0
Miscellaneous Refunds	2,302	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	0	0
Sale of Property	0	0	0	0	0	0
Damages Recovered from Individuals	0	0	0	0	0	0
<b>Total Other Local Revenues</b>	<b>\$ 7,951</b>	<b>\$ 44,167</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>

(Continued)

Exhibit J-6

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

	Special	Debt Service Funds			Capital	
	Revenue Fund	Highway / Public Works	General Debt Service	Education Debt Service	Highway Debt Service	Projects Funds
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Trustee	0	0	0	0	0	0
<u>Fees In-Lieu-of Salary</u>						
Circuit Court Clerk	0	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0	0
Clerk and Master	0	0	0	0	0	0
Juvenile Court Clerk	0	0	0	0	0	0
Register	0	0	0	0	0	0
Sheriff	0	0	0	0	0	0
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Solid Waste Grants	0	0	0	0	0	166,699
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	0
Other Public Safety Grants	0	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	0	0	0	0	0	0
Other Health and Welfare Grants	0	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	245,692	0	0	0	0	0
Litter Program	0	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special	Debt Service Funds			Capital	
	Revenue Fund	Highway / Public Works	General Debt Service	Education Debt Service	Highway Debt Service	Projects Funds General Capital Projects
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues</u>						
Income Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Beer Tax	0	0	0	0	0	0
Vehicle Certificate of Title Fees	0	0	0	0	0	0
Alcoholic Beverage Tax	0	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	2,749,036	0	0	0	0	0
Petroleum Special Tax	30,210	0	0	0	0	0
Registrar's Salary Supplement	0	0	0	0	0	0
Other State Grants	0	0	0	0	0	0
Other State Revenues	0	0	0	0	0	0
<b>Total State of Tennessee</b>	<b>\$ 3,024,938</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>166,699</b>
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Homeland Security Grants	0	0	0	0	0	0
Law Enforcement Grants	0	0	0	0	0	0
Other Federal through State	0	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Other Direct Federal Revenue	0	0	0	0	0	0
<b>Total Federal Government</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>0</b>

(Continued)

Exhibit J-6

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

	Special	Debt Service Funds			Capital
	Revenue Fund	General Debt Service	Education Debt Service	Highway Debt Service	Projects Funds
	Highway / Public Works				General Capital Projects
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 0	\$ 300,000	\$ 0	\$ 0	\$ 0
Contracted Services	0	0	0	0	0
<u>Citizens Groups</u>					
Donations	208,454	0	0	0	0
<u>Other</u>					
Other	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 208,454</u>	<u>\$ 300,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 4,999,291</u>	<u>\$ 4,845,917</u>	<u>\$ 389,415</u>	<u>\$ 389,414</u>	<u>\$ 166,699</u>

(Continued)

Exhibit J-6

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

	<u>Capital</u> <u>Projects Fund</u>	
	Other Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 0	\$ 12,487,197
Trustee's Collections - Prior Year	0	484,225
Trustee's Collections - Bankruptcy	0	514
Circuit Clerk/Clerk and Master Collections - Prior Years	0	132,750
Interest and Penalty	0	68,902
Payments in-Lieu-of Taxes - T.V.A.	0	2,290
Payments in-Lieu-of Taxes - Local Utilities	0	364,062
Payments in-Lieu-of Taxes - Other	0	32,989
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	1,225,259
Hotel/Motel Tax	0	108,111
Wheel Tax	0	999,389
Litigation Tax - General	0	129,898
Litigation Tax - Special Purpose	0	93,978
Litigation Tax - Jail, Workhouse, or Courthouse	0	121,168
Litigation Tax - Victim-Offender Mediation Center	0	8,034
Litigation Tax - Courthouse Security	0	70
Business Tax	0	377,064
Mixed Drink Tax	0	2,638
Mineral Severance Tax	0	41,999
<u>Statutory Local Taxes</u>		
Bank Excise Tax	0	90,631
Wholesale Beer Tax	0	154,695
Other Statutory Local Taxes	0	1,349
Total Local Taxes	<u>\$ 0</u>	<u>\$ 16,927,212</u>

(Continued)

Exhibit J-6

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Marriage Licenses	\$ 0	\$ 1,691
Cable TV Franchise	0	51,684
<u>Permits</u>		
Beer Permits	0	3,222
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 56,597</u>
<u>Fines, Forfeitures, and Penalties</u>		
<u>Circuit Court</u>		
Fines	\$ 0	\$ 8,495
Officers Costs	0	25,418
Drug Control Fines	0	22,956
Jail Fees	0	5,130
Data Entry Fee - Circuit Court	0	2,364
Courtroom Security Fee	0	432
<u>Criminal Court</u>		
DUI Treatment Fines	0	1,176
<u>General Sessions Court</u>		
Fines	0	14,158
Fines for Littering	0	285
Officers Costs	0	39,414
Game and Fish Fines	0	412
Drug Control Fines	0	18,367
Jail Fees	0	428
DUI Treatment Fines	0	8,358
Data Entry Fee - General Sessions Court	0	18,678

(Continued)



Exhibit J-6

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

	<u>Capital</u> <u>Projects Fund</u>	
	Other Capital Projects	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>		
<u>Juvenile Court</u>		
Fines	\$ 0	\$ 1,246
Officers Costs	0	1,090
Data Entry Fee - Juvenile Court	0	282
<u>Chancery Court</u>		
Officers Costs	0	2,805
Data Entry Fee - Chancery Court	0	4,026
<u>Judicial District Drug Program</u>		
Drug Task Force Forfeitures and Seizures	0	34,461
<u>Other Fines, Forfeitures, and Penalties</u>		
Proceeds from Confiscated Property	0	19,009
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 228,990</u>
<u>Charges for Current Services</u>		
<u>General Service Charges</u>		
Commercial and Industrial Waste Collection Charge	\$ 0	\$ 396,814
Residential Waste Collection Charge	0	704,552
Tipping Fees	0	1,328
Solid Waste Disposal Fee	0	4,565
Surcharge - Waste Tire Disposal	0	51,762
Patient Charges	0	1,790,731
Service Charges	0	1,035
<u>Fees</u>		
Copy Fees	0	8,494
Library Fees	0	3,255
Greenbelt Late Application Fee	0	50

(Continued)

Exhibit J-6

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

	<u>Capital</u> <u>Projects Fund</u>	
	Other Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>		
<u>Fees (Cont.)</u>		
Telephone Commissions	\$ 0	\$ 90,764
Constitutional Officers' Fees and Commissions	0	522,733
Special Commissioner Fees/Special Master Fees	0	22,526
Data Processing Fee - Register	0	13,632
Data Processing Fee - Sheriff	0	2,136
Sexual Offender Registration Fee - Sheriff	0	6,300
Data Processing Fee - County Clerk	0	3,753
<u>Education Charges</u>		
Other Charges for Services	0	1,187
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 3,625,617</u>
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 0	\$ 214,485
Lease/Rentals	0	44,792
Sale of Materials and Supplies	0	109
Commissary Sales	0	38,997
Sale of Recycled Materials	0	141,611
E-Rate Funding	0	1,151
Miscellaneous Refunds	0	31,043
<u>Nonrecurring Items</u>		
Sale of Equipment	0	3,210
Sale of Property	0	43,021
Damages Recovered from Individuals	0	1,360
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 519,779</u>

(Continued)

Exhibit J-6

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

	<u>Capital</u> <u>Projects Fund</u>		
	Other Capital Projects		Total
<hr/>			
<u>Fees Received From County Officials</u>			
<u>Excess Fees</u>			
County Clerk	\$	0	\$ 137,465
Trustee		0	463,161
<u>Fees In-Lieu-of Salary</u>			
Circuit Court Clerk		0	121,224
General Sessions Court Clerk		0	207,048
Clerk and Master		0	127,020
Juvenile Court Clerk		0	25,206
Register		0	175,297
Sheriff		0	21,721
Total Fees Received From County Officials	<u>\$</u>	<u>0</u>	<u>\$ 1,278,142</u>
<u>State of Tennessee</u>			
<u>General Government Grants</u>			
Juvenile Services Program	\$	0	\$ 8,415
Solid Waste Grants		0	166,699
<u>Public Safety Grants</u>			
Law Enforcement Training Programs		0	27,600
Other Public Safety Grants		0	9,308
<u>Health and Welfare Grants</u>			
Health Department Programs		0	313,204
Other Health and Welfare Grants		0	82,222
<u>Public Works Grants</u>			
State Aid Program		0	245,692
Litter Program		0	48,453

(Continued)

Exhibit J-6

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
<u>State of Tennessee (Cont.)</u>		
<u>Other State Revenues</u>		
Income Tax	\$ 0	\$ 65,798
Beer Tax	0	17,959
Vehicle Certificate of Title Fees	0	9,496
Alcoholic Beverage Tax	0	102,671
State Revenue Sharing - T.V.A.	0	745,560
State Revenue Sharing - Telecommunications	0	72,619
Contracted Prisoner Boarding	0	937,677
Gasoline and Motor Fuel Tax	0	2,749,036
Petroleum Special Tax	0	30,210
Registrar's Salary Supplement	0	15,164
Other State Grants	0	1,518
Other State Revenues	0	490
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 5,649,791</u>
<u>Federal Government</u>		
<u>Federal Through State</u>		
Community Development	\$ 0	\$ 95,274
Homeland Security Grants	24,157	24,157
Law Enforcement Grants	0	34,351
Other Federal through State	0	288,360
<u>Direct Federal Revenue</u>		
Other Direct Federal Revenue	0	3,200
Total Federal Government	<u>\$ 24,157</u>	<u>\$ 445,342</u>

(Continued)

Exhibit J-6

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
<hr/>		
<u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Contributions	\$ 0	\$ 862,767
Contracted Services	0	3,800
<u>Citizens Groups</u>		
Donations	0	216,472
<u>Other</u>		
Other	0	1,895
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 1,084,934</u>
Total	<u>\$ 24,157</u>	<u>\$ 29,816,404</u>

Exhibit J-7

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Projects Fund Education Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 5,753,355	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,753,355
Trustee's Collections - Prior Year	170,176	0	0	0	0	170,176
Trustee's Collections - Bankruptcy	236	0	0	0	0	236
Circuit Clerk/Clerk and Master Collections - Prior Years	60,830	0	0	0	0	60,830
Interest and Penalty	31,552	0	0	0	0	31,552
<u>County Local Option Taxes</u>						
Local Option Sales Tax	5,972,854	0	0	0	0	5,972,854
Mixed Drink Tax	10,227	0	0	0	0	10,227
<b>Total Local Taxes</b>	<b>\$ 11,999,230</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 11,999,230</b>
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 1,691	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,691
<b>Total Licenses and Permits</b>	<b>\$ 1,691</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,691</b>
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Other	\$ 0	\$ 0	\$ 0	\$ 153,227	\$ 0	\$ 153,227
Lunch Payments - Children	0	0	647,998	0	0	647,998
Lunch Payments - Adults	0	0	104,812	0	0	104,812
Income from Breakfast	0	0	109,026	0	0	109,026
A la Carte Sales	0	0	107,051	0	0	107,051
Receipts from Individual Schools	76,831	0	5,022	0	0	81,853
Other Charges for Services	61,981	0	0	0	0	61,981
<b>Total Charges for Current Services</b>	<b>\$ 138,812</b>	<b>\$ 0</b>	<b>\$ 973,909</b>	<b>\$ 153,227</b>	<b>\$ 0</b>	<b>\$ 1,265,948</b>

(Continued)

Exhibit J-7

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Projects Fund Education Capital Projects	
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 3,397	\$ 0	\$ 7,314	\$ 0	\$ 0	10,711
Lease/Rentals	1,200	0	0	0	0	1,200
Sale of Materials and Supplies	5,256	0	0	0	0	5,256
Miscellaneous Refunds	4,590	0	0	0	0	4,590
<u>Nonrecurring Items</u>						
Sale of Equipment	12,386	0	0	0	0	12,386
Damages Recovered from Individuals	2,555	0	0	0	0	2,555
Contributions and Gifts	28,535	0	0	0	0	28,535
<b>Total Other Local Revenues</b>	<b>\$ 57,919</b>	<b>\$ 0</b>	<b>\$ 7,314</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>65,233</b>
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 217,984	\$ 0	\$ 0	\$ 0	\$ 0	217,984
<u>State Education Funds</u>						
Basic Education Program	38,507,748	0	0	0	0	38,507,748
Early Childhood Education	1,106,573	0	0	0	0	1,106,573
School Food Service	0	0	37,847	0	0	37,847
Driver Education	26,379	0	0	0	0	26,379
Other State Education Funds	238,241	0	0	0	0	238,241
Career Ladder Program	157,336	0	0	0	0	157,336
<u>Other State Revenues</u>						
State Revenue Sharing - T.V.A.	200,000	0	0	0	0	200,000
Other State Grants	0	0	5,000	0	0	5,000
Other State Revenues	4,429	0	0	3,563	0	7,992
<b>Total State of Tennessee</b>	<b>\$ 40,458,690</b>	<b>\$ 0</b>	<b>\$ 42,847</b>	<b>\$ 3,563</b>	<b>\$ 0</b>	<b>40,505,100</b>

(Continued)

Exhibit J-7

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

	Special Revenue Funds				Capital	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Projects Fund Education Capital Projects	
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,984,287	\$ 0	\$ 0	\$ 1,984,287
USDA - Commodities	0	0	310,996	0	0	310,996
Breakfast	0	0	787,680	0	0	787,680
USDA - Other	0	0	55,416	0	0	55,416
Vocational Education - Basic Grants to States	0	131,827	0	0	0	131,827
Title I Grants to Local Education Agencies	0	1,865,966	0	0	0	1,865,966
Special Education - Grants to States	43,568	1,683,538	0	0	0	1,727,106
Special Education Preschool Grants	0	46,177	0	0	0	46,177
English Language Acquisition Grants	9,480	0	0	0	0	9,480
Rural Education	0	63,652	0	0	0	63,652
Eisenhower Professional Development State Grants	0	287,683	0	0	0	287,683
Other Federal through State	246,286	514,734	0	0	0	761,020
<u>Direct Federal Revenue</u>						
Public Safety Partnership and Community Policing - COPS	124,671	0	0	0	0	124,671
Other Direct Federal Revenue	0	343,631	0	0	0	343,631
Total Federal Government	\$ 424,005	\$ 4,937,208	\$ 3,138,379	\$ 0	\$ 0	\$ 8,499,592
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,239,301	\$ 11,239,301
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,239,301	\$ 11,239,301
Total	\$ 53,080,347	\$ 4,937,208	\$ 4,162,449	\$ 156,790	\$ 11,239,301	\$ 73,576,095



Exhibit J-8

Lawrence 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	\$	61,650	
In-service Training		1,250	
Social Security		3,750	
Pensions		5,057	
Employer Medicare		877	
Advertising		576	
Audit Services		47,282	
Data Processing Services		520	
Dues and Memberships		8,780	
Travel		9,511	
Office Supplies		119	
Other Supplies and Materials		150	
Workers' Compensation Insurance		84	
Other Charges		671	
Data Processing Equipment		22,311	
Total County Commission			\$ 162,588

Beer Board

Board and Committee Members Fees	\$	2,250	
Social Security		139	
Pensions		15	
Medical Insurance		7	
Employer Medicare		33	
Legal Notices, Recording, and Court Costs		332	
Workers' Compensation Insurance		4	
Criminal Investigation of Applicants - TBI		174	
Total Beer Board			2,954

County Mayor/Executive

County Official/Administrative Officer	\$	96,174	
Secretary(ies)		40,936	
Social Security		7,585	
Pensions		13,396	
Employee and Dependent Insurance		180	
Life Insurance		37	
Medical Insurance		17,734	
Dental Insurance		121	
Disability Insurance		131	
Unemployment Compensation		25	
Employer Medicare		1,774	
Dues and Memberships		1,885	
Maintenance Agreements		53	
Pest Control		60	
Postal Charges		57	
Travel		417	
Office Supplies		522	
Other Supplies and Materials		569	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Workers' Compensation Insurance	\$	312	
Other Charges		806	
Total County Mayor/Executive			\$ 182,774

County Attorney

County Official/Administrative Officer	\$	6,000	
Social Security		372	
Pensions		586	
Employer Medicare		87	
Workers' Compensation Insurance		12	
Total County Attorney			7,057

Election Commission

County Official/Administrative Officer	\$	70,904	
Deputy(ies)		50,990	
Longevity Pay		250	
Overtime Pay		645	
Election Commission		3,100	
Election Workers		44,440	
Social Security		8,268	
Pensions		11,996	
Medical Insurance		21,017	
Unemployment Compensation		83	
Employer Medicare		1,934	
Contracts with Private Agencies		22,574	
Data Processing Services		3,570	
Dues and Memberships		300	
Legal Notices, Recording, and Court Costs		3,122	
Maintenance Agreements		10,500	
Pest Control		180	
Postal Charges		1,932	
Printing, Stationery, and Forms		938	
Rentals		1,600	
Travel		4,857	
Office Supplies		2,429	
Utilities		4,880	
Other Supplies and Materials		48	
Liability Insurance		3,794	
Workers' Compensation Insurance		236	
Data Processing Equipment		8,277	
Total Election Commission			282,864

Register of Deeds

County Official/Administrative Officer	\$	78,782	
Deputy(ies)		84,094	
Longevity Pay		1,300	
Social Security		9,625	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Pensions	\$	16,040	
Medical Insurance		28,318	
Unemployment Compensation		63	
Employer Medicare		2,251	
Data Processing Services		915	
Dues and Memberships		1,185	
Operating Lease Payments		11,934	
Pest Control		60	
Postal Charges		532	
Printing, Stationery, and Forms		126	
Travel		1,365	
Office Supplies		2,206	
Workers' Compensation Insurance		316	
Furniture and Fixtures		880	
Office Equipment		5,285	
Total Register of Deeds			\$ 245,277

County Buildings

Supervisor/Director	\$	46,800
Custodial Personnel		48,360
Longevity Pay		750
In-service Training		140
Social Security		5,792
Pensions		9,019
Life Insurance		74
Medical Insurance		14,159
Dental Insurance		242
Disability Insurance		261
Unemployment Compensation		63
Employer Medicare		1,355
Communication		57,591
Contracts with Private Agencies		8,525
Evaluation and Testing		100
Maintenance and Repair Services - Buildings		80,286
Maintenance and Repair Services - Equipment		1,629
Maintenance and Repair Services - Vehicles		1,425
Pest Control		900
Postal Charges		94
Rentals		2,373
Travel		88
Custodial Supplies		10,969
Food Supplies		9,894
Gasoline		4,323
Office Supplies		4
Utilities		154,428
Other Supplies and Materials		571
Workers' Compensation Insurance		3,376

(Continued)

Exhibit J-8

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Other Self-insured Claims	\$	1,000	
Building Purchases		91,410	
Other Equipment		2,485	
Other Capital Outlay		15,564	
Total County Buildings			\$ 574,050

Preservation of Records

Supervisor/Director	\$	30,811	
Deputy(ies)		6,357	
Longevity Pay		750	
Overtime Pay		3,990	
Social Security		2,502	
Pensions		2,115	
Medical Insurance		7,876	
Unemployment Compensation		48	
Employer Medicare		585	
Communication		2,217	
Contracts with Private Agencies		748	
Data Processing Services		1,525	
Evaluation and Testing		25	
Maintenance and Repair Services - Buildings		178	
Pest Control		180	
Postal Charges		77	
Office Supplies		156	
Utilities		6,700	
Other Supplies and Materials		2,542	
Workers' Compensation Insurance		108	
Office Equipment		4,890	
Total Preservation of Records			74,380

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	75,918	
Accountants/Bookkeepers		144,841	
Part-time Personnel		210	
Longevity Pay		2,550	
In-service Training		1,060	
Social Security		12,997	
Pensions		21,759	
Employee and Dependent Insurance		360	
Life Insurance		74	
Medical Insurance		28,318	
Dental Insurance		242	
Disability Insurance		261	
Unemployment Compensation		99	
Employer Medicare		3,040	
Communication		753	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Data Processing Services	\$	14,847	
Dues and Memberships		375	
Evaluation and Testing		29	
Legal Notices, Recording, and Court Costs		1,454	
Maintenance Agreements		533	
Maintenance and Repair Services - Buildings		18	
Pest Control		1,305	
Postal Charges		2,361	
Printing, Stationery, and Forms		1,252	
Travel		4,174	
Office Supplies		4,771	
Utilities		6,855	
Other Supplies and Materials		124	
Workers' Compensation Insurance		416	
Other Charges		592	
Data Processing Equipment		683	
Furniture and Fixtures		3,217	
Office Equipment		689	
Total Accounting and Budgeting			\$ 336,177

Property Assessor's Office

County Official/Administrative Officer	\$	78,782	
Deputy(ies)		115,727	
Salary Supplements		1,000	
Longevity Pay		2,400	
Other Salaries and Wages		33,667	
Board and Committee Members Fees		1,163	
Social Security		13,709	
Pensions		22,527	
Employee and Dependent Insurance		360	
Life Insurance		74	
Medical Insurance		33,464	
Unemployment Compensation		105	
Employer Medicare		3,206	
Data Processing Services		4,169	
Dues and Memberships		2,390	
Maintenance Agreements		3,079	
Maintenance and Repair Services - Vehicles		801	
Pest Control		60	
Postal Charges		1,729	
Printing, Stationery, and Forms		792	
Travel		3,457	
Gasoline		1,427	
Office Supplies		3,532	
Workers' Compensation Insurance		2,296	
Other Charges		268	
Office Equipment		4,960	
Total Property Assessor's Office			335,144

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

Pensions	\$	16,395	
Employee and Dependent Insurance		600	
Life Insurance		115	
Medical Insurance		21,822	
Dental Insurance		384	
Disability Insurance		413	
Unemployment Compensation		126	
Data Processing Services		10,392	
Dues and Memberships		690	
Evaluation and Testing		28	
Maintenance Agreements		92	
Pest Control		60	
Postal Charges		7,731	
Printing, Stationery, and Forms		6,497	
Office Supplies		1,561	
Other Supplies and Materials		80	
Workers' Compensation Insurance		1,680	
Office Equipment		845	
Total County Trustee's Office			\$ 69,511

County Clerk's Office

Pensions	\$	26,670	
Employee and Dependent Insurance		540	
Life Insurance		112	
Medical Insurance		43,128	
Dental Insurance		121	
Disability Insurance		388	
Unemployment Compensation		168	
Communication		22	
Dues and Memberships		1,315	
Evaluation and Testing		14	
Maintenance Agreements		23,379	
Pest Control		60	
Postal Charges		6,916	
Printing, Stationery, and Forms		1,130	
Travel		150	
Office Supplies		3,310	
Other Supplies and Materials		200	
Workers' Compensation Insurance		584	
Data Processing Equipment		17,778	
Furniture and Fixtures		200	
Total County Clerk's Office			126,185

Data Processing

Assistant(s)	\$	2,912	
Supervisor/Director		49,458	
Longevity Pay		600	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Finance (Cont.)

Data Processing (Cont.)

Overtime Pay	\$	16,528	
In-service Training		6,291	
Social Security		4,244	
Pensions		4,911	
Medical Insurance		7,178	
Unemployment Compensation		21	
Employer Medicare		993	
Communication		1,462	
Contracts with Private Agencies		550	
Data Processing Services		3,020	
Maintenance Agreements		37,552	
Travel		376	
Office Supplies		78	
Other Supplies and Materials		115	
Workers' Compensation Insurance		1,084	
Data Processing Equipment		13,698	
Total Data Processing	\$		151,071

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	78,782	
Deputy(ies)		284,112	
Part-time Personnel		954	
Longevity Pay		4,500	
Overtime Pay		5,305	
Jury and Witness Expense		9,511	
Social Security		22,196	
Pensions		34,167	
Employee and Dependent Insurance		360	
Life Insurance		74	
Medical Insurance		64,938	
Unemployment Compensation		218	
Employer Medicare		5,191	
Data Processing Services		29,171	
Dues and Memberships		950	
Evaluation and Testing		278	
Legal Notices, Recording, and Court Costs		261	
Maintenance Agreements		4,375	
Pest Control		102	
Postal Charges		4,543	
Printing, Stationery, and Forms		3,214	
Travel		4,442	
Office Supplies		5,173	
Workers' Compensation Insurance		712	
Other Charges		1,016	
Office Equipment		8,075	
Total Circuit Court			572,620

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court

Judge(s)	\$	158,499	
Deputy(ies)		29,891	
Guards		57,648	
Temporary Personnel		350	
Part-time Personnel		10,335	
Longevity Pay		1,400	
Overtime Pay		2,626	
Social Security		12,946	
Pensions		23,627	
Employee and Dependent Insurance		360	
Life Insurance		26	
Medical Insurance		21,238	
Disability Insurance		261	
Unemployment Compensation		84	
Employer Medicare		3,028	
Dues and Memberships		560	
Maintenance Agreements		67	
Pest Control		102	
Postal Charges		85	
Travel		2,971	
Office Supplies		1,766	
Other Supplies and Materials		448	
Workers' Compensation Insurance		524	
Other Charges		95	
Data Processing Equipment		215	
Total General Sessions Court			\$ 329,152

Chancery Court

County Official/Administrative Officer	\$	78,782
Deputy(ies)		140,755
Longevity Pay		2,200
Overtime Pay		203
Social Security		13,206
Pensions		20,941
Employee and Dependent Insurance		420
Life Insurance		87
Medical Insurance		27,362
Dental Insurance		283
Disability Insurance		305
Unemployment Compensation		105
Employer Medicare		3,089
Data Processing Services		10,098
Dues and Memberships		850
Evaluation and Testing		28
Maintenance Agreements		126
Pest Control		102
Postal Charges		2,812

(Continued)



Exhibit J-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Printing, Stationery, and Forms	\$	2,379	
Travel		802	
Office Supplies		2,774	
Other Supplies and Materials		216	
Workers' Compensation Insurance		436	
Total Chancery Court			\$ 308,361

Juvenile Court

Deputy(ies)	\$	64,115	
Youth Service Officer(s)		8,415	
Salary Supplements		66,496	
Longevity Pay		550	
Overtime Pay		2,919	
Social Security		8,579	
Pensions		13,641	
Medical Insurance		20,642	
Unemployment Compensation		58	
Employer Medicare		2,006	
Evaluation and Testing		14	
Postal Charges		726	
Printing, Stationery, and Forms		78	
Travel		2,649	
Office Supplies		438	
Workers' Compensation Insurance		268	
Total Juvenile Court			191,594

Courtroom Security

Deputy(ies)	\$	77,427	
Longevity Pay		300	
Overtime Pay		10,110	
In-service Training		3,375	
Social Security		5,307	
Pensions		8,467	
Employee and Dependent Insurance		60	
Life Insurance		37	
Medical Insurance		15,471	
Dental Insurance		121	
Disability Insurance		131	
Unemployment Compensation		58	
Employer Medicare		1,241	
Evaluation and Testing		39	
Law Enforcement Supplies		895	
Uniforms		4,787	
Law Enforcement Equipment		11,991	
Total Courtroom Security			139,817

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Victim Assistance Programs

Assistant(s)	\$	41,648	
Social Security		2,582	
Pensions		4,069	
Life Insurance		74	
Disability Insurance		261	
Unemployment Compensation		21	
Employer Medicare		604	
Contracts with Private Agencies		10,034	
Workers' Compensation Insurance		96	
Total Victim Assistance Programs			\$ 59,389

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	90,994
Supervisor/Director		69,330
Deputy(ies)		670,550
Investigator(s)		210,388
Captain(s)		60,142
Lieutenant(s)		203,438
Sergeant(s)		264,653
Secretary(ies)		149,669
School Resource Officer		459,920
Longevity Pay		21,100
Overtime Pay		54,954
In-service Training		41,444
Social Security		136,983
Pensions		207,740
Employee and Dependent Insurance		2,513
Life Insurance		519
Medical Insurance		321,462
Dental Insurance		1,111
Disability Insurance		1,588
Unemployment Compensation		1,284
Employer Medicare		32,036
Communication		1,931
Contracts with Private Agencies		8,684
Dues and Memberships		3,115
Evaluation and Testing		2,314
Freight Expenses		4,638
Legal Notices, Recording, and Court Costs		61
Maintenance Agreements		11,515
Maintenance and Repair Services - Buildings		2,918
Maintenance and Repair Services - Equipment		210
Maintenance and Repair Services - Office Equipment		460
Maintenance and Repair Services - Vehicles		93,860
Pest Control		282
Postal Charges		1,140

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Printing, Stationery, and Forms	\$	1,956	
Rentals		18,100	
Towing Services		3,320	
Travel		20,171	
Permits		100	
Custodial Supplies		9,580	
Gasoline		110,780	
Law Enforcement Supplies		14,479	
Office Supplies		11,387	
Tires and Tubes		14,936	
Uniforms		44,399	
Utilities		11,052	
Other Supplies and Materials		2,202	
Workers' Compensation Insurance		55,024	
Other Self-insured Claims		1,500	
Other Charges		1,441	
Data Processing Equipment		26,923	
Furniture and Fixtures		3,963	
Law Enforcement Equipment		6,749	
Total Sheriff's Department			\$ 3,491,008

Jail

Assistant(s)	\$	33,824
Lieutenant(s)		46,569
Sergeant(s)		119,097
Medical Personnel		91,383
Guards		812,128
Longevity Pay		4,200
Overtime Pay		53,489
In-service Training		500
Social Security		67,909
Pensions		87,719
Employee and Dependent Insurance		1,842
Life Insurance		558
Medical Insurance		192,036
Dental Insurance		1,283
Disability Insurance		1,850
Unemployment Compensation		1,117
Employer Medicare		15,882
Communication		11,851
Contracts with Private Agencies		2,790
Evaluation and Testing		6,345
Maintenance Agreements		6,437
Maintenance and Repair Services - Buildings		21,761
Maintenance and Repair Services - Equipment		21,104
Pest Control		360
Printing, Stationery, and Forms		2,468

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Travel	\$	5,797	
Custodial Supplies		28,409	
Drugs and Medical Supplies		41,321	
Food Supplies		330,282	
Law Enforcement Supplies		578	
Office Supplies		268	
Uniforms		11,309	
Utilities		290,320	
Other Supplies and Materials		35,171	
Medical Claims		356,972	
Workers' Compensation Insurance		31,496	
Other Charges		318	
Data Processing Equipment		1,115	
Furniture and Fixtures		3,224	
Total Jail			\$ 2,741,082

Workhouse

Accountants/Bookkeepers	\$	8,200	
Guards		18,539	
Social Security		508	
Unemployment Compensation		6	
Employer Medicare		119	
Food Supplies		3,804	
Gasoline		1,130	
Other Supplies and Materials		86	
Other Charges		25,782	
Total Workhouse			58,174

Work Release Program

Maintenance Personnel	\$	15,200	
Overtime Pay		1,253	
Social Security		998	
Pensions		1,436	
Medical Insurance		2,164	
Unemployment Compensation		32	
Employer Medicare		233	
Maintenance and Repair Services - Equipment		153	
Maintenance and Repair Services - Vehicles		2,058	
Food Supplies		317	
Gasoline		1,168	
Lubricants		15	
Small Tools		150	
Other Supplies and Materials		2,296	
Maintenance Equipment		13,450	
Motor Vehicles		13,000	
Total Work Release Program			53,923

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Public Safety (Cont.)

Fire Prevention and Control

Contracts with Government Agencies	\$ 2,000	
Total Fire Prevention and Control		\$ 2,000

Civil Defense

In-service Training	\$ 580	
Maintenance and Repair Services - Equipment	1,609	
Maintenance and Repair Services - Vehicles	288	
Gasoline	230	
Other Supplies and Materials	146	
Data Processing Equipment	737	
Other Equipment	402	
Total Civil Defense		3,992

Rescue Squad

Contributions	\$ 352,500	
Total Rescue Squad		352,500

Other Emergency Management

Contributions	\$ 339,245	
Total Other Emergency Management		339,245

County Coroner/Medical Examiner

Social Security	\$ 687	
Pensions	1,099	
Employer Medicare	161	
Maintenance and Repair Services - Vehicles	590	
Medical and Dental Services	10,000	
Travel	672	
Other Contracted Services	82,425	
Gasoline	169	
Data Processing Equipment	1,932	
Total County Coroner/Medical Examiner		97,735

Public Safety Grants Program

Deputy(ies)	\$ 4,698	
Longevity Pay	300	
Social Security	296	
Pensions	488	
Medical Insurance	1,116	
Employer Medicare	69	
Other Supplies and Materials	22,390	
Total Public Safety Grants Program		29,357

Public Health and Welfare

Local Health Center

Communication	\$ 3,058	
Contracts with Government Agencies	90,290	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

Dues and Memberships	\$	415	
Janitorial Services		20,400	
Legal Notices, Recording, and Court Costs		54	
Maintenance and Repair Services - Buildings		2,179	
Pest Control		288	
Disposal Fees		400	
Food Supplies		201	
Office Supplies		546	
Utilities		24,819	
Other Supplies and Materials		1,084	
Other Charges		1,308	
Building Improvements		62,840	
Total Local Health Center			\$ 207,882

Ambulance/Emergency Medical Services

County Official/Administrative Officer	\$	58,013
Assistant(s)		47,174
Medical Personnel		1,231,788
Secretary(ies)		29,638
Part-time Personnel		45,806
Longevity Pay		8,150
Overtime Pay		84,619
In-service Training		3,966
Social Security		89,882
Pensions		131,832
Employee and Dependent Insurance		247
Life Insurance		74
Medical Insurance		175,732
Disability Insurance		261
Unemployment Compensation		734
Employer Medicare		21,021
Communication		13,259
Contracts with Private Agencies		107,109
Dues and Memberships		795
Evaluation and Testing		248
Licenses		2,630
Maintenance Agreements		43
Maintenance and Repair Services - Buildings		7,926
Maintenance and Repair Services - Equipment		1,883
Maintenance and Repair Services - Office Equipment		149
Maintenance and Repair Services - Vehicles		42,211
Pest Control		180
Postal Charges		133
Towing Services		215
Travel		3,070
Disposal Fees		550
Custodial Supplies		2,479

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Drugs and Medical Supplies	\$	94,540	
Gasoline		67,219	
Office Supplies		1,378	
Tires and Tubes		6,955	
Uniforms		13,116	
Utilities		20,482	
Other Supplies and Materials		374	
Liability Insurance		14,085	
Vehicle and Equipment Insurance		26,254	
Workers' Compensation Insurance		115,388	
Other Charges		1,731	
Communication Equipment		2,577	
Furniture and Fixtures		398	
Total Ambulance/Emergency Medical Services			\$ 2,476,314

Alcohol and Drug Programs

Assistant(s)	\$	19,449	
Other Salaries and Wages		14,314	
Social Security		1,747	
Pensions		3,045	
Unemployment Compensation		26	
Employer Medicare		408	
Advertising		6,655	
Communication		688	
Dues and Memberships		930	
Postal Charges		129	
Travel		4,257	
Office Supplies		14,205	
Total Alcohol and Drug Programs			65,853

Other Local Health Services

Assistant(s)	\$	2,652	
Supervisor/Director		25,579	
Social Security		1,299	
Pensions		2,724	
Medical Insurance		3,575	
Unemployment Compensation		21	
Employer Medicare		304	
Travel		8,824	
Other Contracted Services		15,197	
Office Supplies		7,221	
Other Charges		1,070	
Total Other Local Health Services			68,466

Appropriation to State

Longevity Pay	\$	1,250	
Other Salaries and Wages		354,935	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Appropriation to State (Cont.)

Social Security	\$	20,579	
Pensions		30,045	
Employee and Dependent Insurance		1,090	
Life Insurance		236	
Medical Insurance		48,863	
Dental Insurance		727	
Disability Insurance		827	
Unemployment Compensation		291	
Employer Medicare		4,813	
Evaluation and Testing		42	
Travel		7,991	
Other Supplies and Materials		334	
Liability Insurance		446	
Workers' Compensation Insurance		2,060	
Other Charges		10,396	
Total Appropriation to State			\$ 484,925

Other Public Health and Welfare

Dues and Memberships	\$	9,223	
Other Contracted Services		66,751	
Total Other Public Health and Welfare			75,974

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	16,000	
Total Senior Citizens Assistance			16,000

Libraries

Supervisor/Director	\$	44,713	
Deputy(ies)		29,000	
Librarians		44,257	
Part-time Personnel		55,127	
Longevity Pay		750	
Overtime Pay		83	
Social Security		9,962	
Pensions		5,791	
Medical Insurance		24,357	
Unemployment Compensation		170	
Employer Medicare		2,330	
Advertising		603	
Communication		4,455	
Dues and Memberships		585	
Evaluation and Testing		14	
Janitorial Services		900	
Maintenance Agreements		1,292	
Maintenance and Repair Services - Buildings		4,942	
Maintenance and Repair Services - Equipment		218	

(Continued)



Exhibit J-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Pest Control	\$	420	
Postal Charges		2,306	
Printing, Stationery, and Forms		1,920	
Travel		734	
Custodial Supplies		1,394	
Instructional Supplies and Materials		13,497	
Library Books/Media		41,790	
Office Supplies		9,175	
Periodicals		4,452	
Utilities		24,223	
Refunds		117	
Workers' Compensation Insurance		396	
Other Charges		100	
Data Processing Equipment		6,678	
Furniture and Fixtures		919	
Office Equipment		5,427	
Total Libraries			\$ 343,097

Other Social, Cultural, and Recreational

Contributions	\$	42,000	
Total Other Social, Cultural, and Recreational			42,000

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	108,322	
Secretary(ies)		4,873	
Board and Committee Members Fees		175	
Social Security		302	
Pensions		276	
Unemployment Compensation		15	
Employer Medicare		71	
Communication		1,908	
Dues and Memberships		335	
Maintenance Agreements		300	
Maintenance and Repair Services - Buildings		18	
Pest Control		144	
Disposal Fees		400	
Gasoline		439	
Utilities		8,004	
Workers' Compensation Insurance		12	
Total Agricultural Extension Service			125,594

Soil Conservation

Salary Supplements	\$	42,746	
Longevity Pay		250	
Social Security		2,444	
Pensions		4,201	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation (Cont.)

Medical Insurance	\$	5,146	
Unemployment Compensation		21	
Employer Medicare		572	
Postal Charges		72	
Office Supplies		40	
Workers' Compensation Insurance		76	
Other Charges		1,460	
Total Soil Conservation			\$ 57,028

Other Agriculture and Natural Resources

Advertising	\$	44	
Postal Charges		531	
Printing, Stationery, and Forms		456	
Total Other Agriculture and Natural Resources			1,031

Other Operations

Tourism

Contributions	\$	53,924	
Dues and Memberships		1,625	
Total Tourism			55,549

Industrial Development

Contributions	\$	172,536	
Total Industrial Development			172,536

Airport

Contributions	\$	69,000	
Total Airport			69,000

Veterans' Services

Supervisor/Director	\$	32,448	
Secretary(ies)		28,561	
Longevity Pay		700	
Social Security		3,609	
Pensions		6,029	
Employee and Dependent Insurance		360	
Life Insurance		74	
Medical Insurance		7,079	
Dental Insurance		242	
Disability Insurance		261	
Unemployment Compensation		42	
Employer Medicare		844	
Communication		1,674	
Maintenance Agreements		757	
Maintenance and Repair Services - Buildings		2,395	
Maintenance and Repair Services - Vehicles		471	
Pest Control		120	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Postal Charges	\$	294	
Printing, Stationery, and Forms		174	
Travel		79	
Disposal Fees		400	
Gasoline		459	
Office Supplies		1,018	
Utilities		2,749	
Other Supplies and Materials		3,047	
Workers' Compensation Insurance		120	
Other Charges		700	
Data Processing Equipment		57	
Office Equipment		543	
Total Veterans' Services			\$ 95,306

Other Charges

Contracts with Private Agencies	\$	350	
Contributions		5,500	
Data Processing Services		10,437	
Postal Charges		1,598	
Other Supplies and Materials		219	
Building and Contents Insurance		79,172	
Liability Insurance		130,874	
Refunds		35,312	
Trustee's Commission		219,062	
Vehicle and Equipment Insurance		64,410	
Other Charges		6,607	
Total Other Charges			553,541

Miscellaneous

Tax Relief Program	\$	54,035	
Total Miscellaneous			54,035

Principal on Debt

General Government

Principal on Capital Leases	\$	95,276	
Total General Government			95,276

Interest on Debt

General Government

Interest on Capital Leases	\$	4,621	
Total General Government			4,621

Capital Projects

General Administration Projects

Communication	\$	22,048	
Total General Administration Projects			22,048

Total General Fund \$ 16,406,057

(Continued)

Exhibit J-8

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

Courthouse and Jail Maintenance Fund

Other Operations

Other Charges

Maintenance and Repair Services - Buildings	\$	17,001	
Trustee's Commission		197	
Total Other Charges			\$ 17,198

Total Courthouse and Jail Maintenance Fund \$ 17,198

Solid Waste/Sanitation Fund

Public Health and Welfare

Landfill Operation and Maintenance

Salary Supplements	\$	45,386
Laborers		240,488
Secretary(ies)		37,917
Clerical Personnel		31,203
Longevity Pay		4,200
Overtime Pay		9,897
In-service Training		600
Social Security		20,319
Pensions		30,996
Medical Insurance		82,177
Unemployment Compensation		2,193
Employer Medicare		4,752
Communication		3,141
Contracts with Private Agencies		785,878
Data Processing Services		1,980
Dues and Memberships		588
Engineering Services		27,082
Evaluation and Testing		569
Legal Notices, Recording, and Court Costs		27
Maintenance Agreements		2,799
Maintenance and Repair Services - Buildings		2,472
Maintenance and Repair Services - Equipment		43,665
Maintenance and Repair Services - Vehicles		6,629
Pest Control		120
Postal Charges		10,695
Printing, Stationery, and Forms		2,636
Travel		2,115
Brokerage Fees - Recyclables		63,652
Permits		2,650
Other Contracted Services		2,230
Custodial Supplies		987
Diesel Fuel		12,133
Food Supplies		13,102
Garage Supplies		17,508
Gasoline		4,385
Office Supplies		1,200
Propane Gas		4,857
Small Tools		84

(Continued)

Exhibit J-8

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

<u>Solid Waste/Sanitation Fund (Cont.)</u>		
<u>Public Health and Welfare (Cont.)</u>		
<u>Landfill Operation and Maintenance (Cont.)</u>		
Tires and Tubes	\$	1,738
Uniforms		989
Utilities		30,089
Wire		4,053
Other Supplies and Materials		1,246
Building and Contents Insurance		7,186
Liability Insurance		1,936
Refunds		1,194
Trustee's Commission		14,097
Vehicle and Equipment Insurance		3,984
Workers' Compensation Insurance		13,644
Other Self-insured Claims		1,000
Landfill Closure/Postclosure Care Costs		4,291
Other Charges		1,373
Furniture and Fixtures		450
Motor Vehicles		2,500
Solid Waste Equipment		162,127
Total Landfill Operation and Maintenance		<u>\$ 1,775,209</u>
Total Solid Waste/Sanitation Fund		\$ 1,775,209
<u>Industrial/Economic Development Fund</u>		
<u>Capital Projects</u>		
<u>General Administration Projects</u>		
Contributions	\$	10,074
Total General Administration Projects		\$ 10,074
<u>Public Utility Projects</u>		
Contracts with Private Agencies	\$	99,392
Contributions		22,777
Total Public Utility Projects		<u>122,169</u>
Total Industrial/Economic Development Fund		132,243
<u>Drug Control Fund</u>		
<u>Public Safety</u>		
<u>Drug Enforcement</u>		
Communication	\$	9,962
Contracts with Private Agencies		143
Dues and Memberships		1,450
Maintenance and Repair Services - Buildings		36
Veterinary Services		245
Animal Food and Supplies		2,336
Trustee's Commission		597
Other Charges		1,163
Law Enforcement Equipment		8,000
Motor Vehicles		13,500
Total Drug Enforcement		<u>\$ 37,432</u>
Total Drug Control Fund		37,432

(Continued)

Exhibit J-8

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

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$ 205,093	
Total County Trustee's Office		\$ 205,093

County Clerk's Office

Constitutional Officers' Operating Expenses	\$ 310,206	
Total County Clerk's Office		310,206

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 22,526	
Total Chancery Court		<u>22,526</u>

Total Constitutional Officers - Fees Fund		\$ 537,825
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Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 86,661	
Accountants/Bookkeepers	64,080	
Longevity Pay	1,000	
Social Security	9,152	
Pensions	14,825	
Medical Insurance	20,808	
Unemployment Compensation	416	
Employer Medicare	2,140	
Communication	5,123	
Data Processing Services	400	
Dues and Memberships	4,920	
Evaluation and Testing	1,172	
Legal Notices, Recording, and Court Costs	69	
Maintenance Agreements	210	
Pest Control	240	
Postal Charges	50	
Travel	2,958	
Custodial Supplies	214	
Office Supplies	1,529	
Utilities	13,673	
Refunds	7,438	
Workers' Compensation Insurance	4,232	
Other Self-insured Claims	500	
Other Charges	585	
Office Equipment	540	
Total Administration		\$ 242,935

Highway and Bridge Maintenance

Foremen	\$ 132,969
Equipment Operators	292,978

(Continued)

Exhibit J-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Equipment Operators - Light	\$	248,910	
Truck Drivers		246,238	
Laborers		156,068	
Longevity Pay		14,450	
Social Security		64,593	
Pensions		99,838	
Employee and Dependent Insurance		369	
Life Insurance		74	
Medical Insurance		199,887	
Dental Insurance		241	
Disability Insurance		259	
Unemployment Compensation		7,368	
Employer Medicare		15,106	
Evaluation and Testing		87	
Rentals		17,050	
Asphalt		1,385,051	
Asphalt - Cold Mix		62,472	
Concrete		7,976	
Crushed Stone		426,868	
Pipe - Metal		84,252	
Road Signs		15,738	
Wood Products		392	
Workers' Compensation Insurance		59,348	
Other Charges		46,093	
Total Highway and Bridge Maintenance			\$ 3,584,675

Operation and Maintenance of Equipment

Mechanic(s)	\$	155,878	
Longevity Pay		1,950	
Social Security		9,444	
Pensions		15,420	
Medical Insurance		28,317	
Unemployment Compensation		840	
Employer Medicare		2,209	
Maintenance and Repair Services - Equipment		120,974	
Diesel Fuel		120,130	
Garage Supplies		2,206	
Gasoline		52,934	
Lubricants		14,702	
Tires and Tubes		28,747	
Workers' Compensation Insurance		4,484	
Other Charges		11,104	
Total Operation and Maintenance of Equipment			569,339

Other Charges

Building and Contents Insurance	\$	1,854	
Liability Insurance		24,047	

(Continued)

Exhibit J-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges (Cont.)

Trustee's Commission	\$	62,382	
Vehicle and Equipment Insurance		31,208	
Other Charges		1,478	
Total Other Charges			\$ 120,969

Capital Outlay

Engineering Services	\$	4,010	
Highway Construction		325,000	
Other Construction		40,227	
Total Capital Outlay			369,237

Principal on Debt

Highways and Streets

Principal on Capital Leases	\$	103,663	
Total Highways and Streets			103,663

Interest on Debt

Highways and Streets

Interest on Capital Leases	\$	2,934	
Total Highways and Streets			2,934

Total Highway/Public Works Fund \$ 4,993,752

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	1,561,835	
Principal on Notes		336,750	
Total General Government			\$ 1,898,585

Highways and Streets

Principal on Bonds	\$	77,000	
Total Highways and Streets			77,000

Education

Principal on Bonds	\$	1,621,000	
Principal on Notes		218,250	
Total Education			1,839,250

Interest on Debt

General Government

Interest on Bonds	\$	621,916	
Interest on Notes		47,288	
Total General Government			669,204

Highways and Streets

Interest on Bonds	\$	16,310	
Total Highways and Streets			16,310

(Continued)



Exhibit J-8

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

General Debt Service Fund (Cont.)

Interest on Debt (Cont.)

Education

Interest on Bonds	\$ 110,013	
Interest on Notes	33,937	
Total Education	<u>143,950</u>	\$ 143,950

Other Debt Service

General Government

Refunds	\$ 8,624	
Trustee's Commission	65,367	
Other Debt Service	6,870	
Total General Government	<u>80,861</u>	<u>80,861</u>

Total General Debt Service Fund \$ 4,725,160

Education Debt Service Fund

Principal on Debt

Education

Principal on Notes	\$ 565,000	
Total Education	<u>565,000</u>	\$ 565,000

Interest on Debt

Education

Interest on Notes	\$ 50,598	
Total Education	<u>50,598</u>	50,598

Other Debt Service

Education

Refunds	\$ 1,850	
Trustee's Commission	7,758	
Total Education	<u>9,608</u>	<u>9,608</u>

Total Education Debt Service Fund 625,206

Highway Debt Service Fund

Principal on Debt

Highways and Streets

Principal on Notes	\$ 280,000	
Total Highways and Streets	<u>280,000</u>	\$ 280,000

Interest on Debt

Highways and Streets

Interest on Notes	\$ 23,230	
Total Highways and Streets	<u>23,230</u>	23,230

Other Debt Service

Highways and Streets

Refunds	\$ 1,850	
Trustee's Commission	7,759	
Total Highways and Streets	<u>9,609</u>	<u>9,609</u>

Total Highway Debt Service Fund 312,839

(Continued)

Exhibit J-8

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

<u>General Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>General Administration Projects</u>		
Contracts with Private Agencies	\$ 14,723	
Asphalt	13,602	
Crushed Stone	1,175	
Other Charges	114	
Building Construction	13,106	
Data Processing Equipment	9,060	
Total General Administration Projects		\$ 51,780
<u>Education Capital Projects</u>		
Contributions	\$ 11,239,301	
Other Debt Issuance Charges	200,346	
Total Education Capital Projects		<u>11,439,647</u>
Total General Capital Projects Fund		\$ 11,491,427
<u>Higher Education Fund Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Advertising	\$ 1,156	
Architects	77,325	
Building and Contents Insurance	16,795	
Building Construction	1,802,247	
Total Education Capital Projects		<u>\$ 1,897,523</u>
Total Higher Education Fund Fund		1,897,523
<u>Other Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Public Safety Projects</u>		
Other Charges	\$ 23,818	
Total Public Safety Projects		<u>\$ 23,818</u>
Total Other Capital Projects Fund		<u>23,818</u>
Total Governmental Funds - Primary Government		<u>\$ 42,975,689</u>

Exhibit J-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 17,165,705	
Career Ladder Program	88,292	
Homebound Teachers	17,370	
Educational Assistants	702,480	
Other Salaries and Wages	1,800	
Certified Substitute Teachers	25,685	
Non-certified Substitute Teachers	228,979	
Social Security	1,057,265	
Pensions	1,766,967	
Medical Insurance	3,355,976	
Unemployment Compensation	11,231	
Employer Medicare	248,534	
Other Contracted Services	117,335	
Instructional Supplies and Materials	526,325	
Textbooks - Bound	6,195	
Other Supplies and Materials	4,912	
Other Charges	110	
Regular Instruction Equipment	551,450	
<b>Total Regular Instruction Program</b>		<b>\$ 25,876,611</b>

Alternative Instruction Program

Teachers	\$ 107,134	
Educational Assistants	45,673	
Social Security	9,643	
Pensions	15,708	
Medical Insurance	31,597	
Employer Medicare	2,255	
Instructional Supplies and Materials	1,213	
Other Supplies and Materials	1,120	
<b>Total Alternative Instruction Program</b>		<b>214,343</b>

Special Education Program

Teachers	\$ 1,178,235
Career Ladder Program	4,800
Homebound Teachers	18,390
Educational Assistants	592,821
Speech Pathologist	238,197
Other Salaries and Wages	108,030
Certified Substitute Teachers	3,960
Non-certified Substitute Teachers	31,708
Social Security	122,898
Pensions	197,465
Medical Insurance	545,497
Employer Medicare	29,328
Contracts with Private Agencies	51,465
Maintenance and Repair Services - Equipment	350

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Instructional Supplies and Materials	\$	14,518	
Other Supplies and Materials		1,465	
Total Special Education Program			\$ 3,139,127

Career and Technical Education Program

Teachers	\$	1,396,008	
Career Ladder Program		5,000	
Certified Substitute Teachers		1,018	
Non-certified Substitute Teachers		26,290	
Social Security		83,871	
Pensions		141,882	
Medical Insurance		263,812	
Employer Medicare		19,643	
Contracts with Other School Systems		201,279	
Maintenance and Repair Services - Equipment		168	
Other Contracted Services		319	
Instructional Supplies and Materials		87,865	
Textbooks - Bound		10,159	
Other Supplies and Materials		1,027	
Other Charges		358	
Vocational Instruction Equipment		32,126	
Total Career and Technical Education Program			2,270,825

Support Services

Health Services

Supervisor/Director	\$	17,112	
Medical Personnel		327,729	
Other Salaries and Wages		29,850	
Social Security		20,740	
Pensions		34,756	
Medical Insurance		108,375	
Employer Medicare		4,859	
Travel		626	
Other Contracted Services		8,240	
Drugs and Medical Supplies		11,423	
Other Supplies and Materials		35,668	
In Service/Staff Development		4,215	
Other Charges		156	
Health Equipment		2,702	
Total Health Services			606,451

Other Student Support

Guidance Personnel	\$	744,102	
Other Salaries and Wages		81,606	
Social Security		45,114	
Pensions		74,351	

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Medical Insurance	\$	107,320	
Employer Medicare		11,426	
Evaluation and Testing		54,786	
Other Contracted Services		29,597	
In Service/Staff Development		17,105	
Other Charges		94	
Other Equipment		3,101	
Total Other Student Support			\$ 1,168,602

Regular Instruction Program

Supervisor/Director	\$	230,780	
Career Ladder Program		2,000	
Librarians		598,100	
Other Salaries and Wages		46,715	
Social Security		51,597	
Pensions		87,631	
Medical Insurance		138,654	
Employer Medicare		12,067	
Travel		5,365	
Other Contracted Services		103,348	
Other Supplies and Materials		38,521	
In Service/Staff Development		44,353	
Other Charges		844	
Other Equipment		202,345	
Total Regular Instruction Program			1,562,320

Alternative Instruction Program

Travel	\$	30	
Other Contracted Services		14,041	
Other Charges		2,240	
Total Alternative Instruction Program			16,311

Special Education Program

Supervisor/Director	\$	82,283	
Career Ladder Program		1,000	
Other Salaries and Wages		1,152	
Social Security		5,053	
Pensions		8,711	
Medical Insurance		8,135	
Employer Medicare		1,182	
Travel		8,576	
Other Contracted Services		37,357	
Other Supplies and Materials		12,136	
In Service/Staff Development		3,338	
Total Special Education Program			168,923

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

Supervisor/Director	\$	37,920	
Social Security		2,067	
Pensions		3,966	
Medical Insurance		6,344	
Employer Medicare		483	
Travel		38,470	
Other Supplies and Materials		8,489	
In Service/Staff Development		3,430	
Other Charges		2,573	
Other Equipment		1,000	
Total Career and Technical Education Program			\$ 104,742

Technology

Supervisor/Director	\$	68,448	
Computer Programmer(s)		130,322	
Other Salaries and Wages		22,758	
Social Security		13,608	
Pensions		22,606	
Medical Insurance		38,041	
Employer Medicare		3,182	
Internet Connectivity		70,800	
Travel		1,528	
Other Contracted Services		3,384	
Data Processing Supplies		7,244	
Other Supplies and Materials		2,358	
In Service/Staff Development		2,615	
Other Charges		316	
Data Processing Equipment		99,940	
Total Technology			487,150

Other Programs

On-behalf Payments to OPEB	\$	217,984	
Total Other Programs			217,984

Board of Education

Secretary to Board	\$	2,400	
Board and Committee Members Fees		21,600	
Social Security		1,041	
Pensions		469	
Medical Insurance		256,696	
Employer Medicare		348	
Audit Services		14,935	
Dues and Memberships		4,635	
Legal Services		19,156	
Travel		170	
Other Contracted Services		15,245	

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Other Supplies and Materials	\$	208	
Liability Insurance		90,795	
Trustee's Commission		253,903	
Workers' Compensation Insurance		336,003	
In Service/Staff Development		3,926	
Criminal Investigation of Applicants - TBI		17,728	
Other Charges		411	
Total Board of Education			\$ 1,039,669

Director of Schools

County Official/Administrative Officer	\$	158,235	
Career Ladder Program		1,000	
Secretary(ies)		34,990	
Social Security		10,244	
Pensions		20,075	
Medical Insurance		9,831	
Employer Medicare		2,736	
Communication		70,820	
Dues and Memberships		5,573	
Postal Charges		8,509	
Travel		459	
Other Contracted Services		30,156	
Office Supplies		8,064	
Other Supplies and Materials		1,881	
In Service/Staff Development		2,102	
Other Charges		758	
Administration Equipment		1,980	
Total Director of Schools			367,413

Office of the Principal

Principals	\$	945,122	
Career Ladder Program		7,800	
Assistant Principals		1,272,224	
Secretary(ies)		572,255	
Social Security		167,132	
Pensions		282,632	
Medical Insurance		400,885	
Employer Medicare		39,087	
Contributions		409,715	
Dues and Memberships		15,600	
Other Contracted Services		4,656	
Other Supplies and Materials		1,218	
In Service/Staff Development		15,051	
Other Charges		7,988	
Total Office of the Principal			4,141,365

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services

Supervisor/Director	\$	73,903	
Accountants/Bookkeepers		110,875	
Social Security		11,276	
Pensions		18,053	
Medical Insurance		20,601	
Employer Medicare		2,637	
Data Processing Services		30,092	
Data Processing Supplies		837	
Other Supplies and Materials		115	
In Service/Staff Development		1,639	
Total Fiscal Services			\$ 270,028

Human Services/Personnel

Supervisor/Director	\$	82,283	
Secretary(ies)		32,815	
Social Security		6,427	
Pensions		11,813	
Medical Insurance		19,121	
Employer Medicare		1,503	
Dues and Memberships		1,400	
Other Supplies and Materials		435	
In Service/Staff Development		3,030	
Total Human Services/Personnel			158,827

Operation of Plant

Custodial Personnel	\$	629,102	
Other Salaries and Wages		457,939	
Social Security		64,074	
Pensions		100,722	
Medical Insurance		287,433	
Employer Medicare		14,985	
Laundry Service		13,959	
Travel		9,438	
Disposal Fees		40,440	
Other Contracted Services		46,595	
Custodial Supplies		177,677	
Electricity		1,274,823	
Natural Gas		175,982	
Water and Sewer		235,260	
Other Supplies and Materials		3,739	
Building and Contents Insurance		163,481	
In Service/Staff Development		1,176	
Other Charges		330	
Plant Operation Equipment		51,908	
Total Operation of Plant			3,749,063

(Continued)



Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

Supervisor/Director	\$	60,230	
Other Salaries and Wages		345,645	
Social Security		24,750	
Pensions		39,654	
Medical Insurance		57,080	
Employer Medicare		5,788	
Laundry Service		9,196	
Maintenance and Repair Services - Equipment		11,161	
Maintenance and Repair Services - Vehicles		5,934	
Travel		45	
Other Contracted Services		246,661	
Other Supplies and Materials		439,871	
Other Charges		640	
Maintenance Equipment		1,200	
Plant Operation Equipment		12,248	
Total Maintenance of Plant			\$ 1,260,103

Transportation

Supervisor/Director	\$	68,531	
Mechanic(s)		170,386	
Bus Drivers		844,975	
Clerical Personnel		31,500	
Other Salaries and Wages		75,703	
Social Security		67,649	
Pensions		98,093	
Medical Insurance		468,808	
Employer Medicare		15,821	
Communication		3,900	
Contracts with Parents		13,579	
Laundry Service		5,451	
Maintenance and Repair Services - Vehicles		13,429	
Medical and Dental Services		2,850	
Travel		7,990	
Other Contracted Services		27,025	
Diesel Fuel		239,107	
Gasoline		30,355	
Lubricants		10,721	
Tires and Tubes		39,859	
Vehicle Parts		104,600	
Other Supplies and Materials		21,229	
Vehicle and Equipment Insurance		46,232	
In Service/Staff Development		2,906	
Other Charges		978	
Transportation Equipment		259,771	
Total Transportation			2,671,448

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Central and Other

Other Salaries and Wages	\$	40,694	
Social Security		2,219	
Pensions		3,976	
Medical Insurance		9,515	
Employer Medicare		519	
Other Contracted Services		13,273	
Total Central and Other	\$		70,196

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	18,301	
Teachers		122,398	
Career Ladder Program		1,000	
Clerical Personnel		5,165	
Educational Assistants		20,741	
Other Salaries and Wages		70,210	
Social Security		13,910	
Pensions		23,652	
Medical Insurance		12,487	
Employer Medicare		3,253	
Travel		190	
Other Contracted Services		6,462	
Food Supplies		328	
Instructional Supplies and Materials		6,378	
Other Supplies and Materials		21,168	
In Service/Staff Development		5,249	
Other Charges		9,404	
Total Community Services			340,296

Early Childhood Education

Supervisor/Director	\$	6,952	
Teachers		524,360	
Clerical Personnel		8,314	
Educational Assistants		168,305	
Certified Substitute Teachers		5,720	
Non-certified Substitute Teachers		16,528	
Social Security		41,223	
Pensions		71,018	
Medical Insurance		186,295	
Employer Medicare		9,661	
Maintenance and Repair Services - Equipment		108	
Travel		159	
Instructional Supplies and Materials		8,597	
Other Supplies and Materials		21,336	
In Service/Staff Development		7,592	
Other Charges		3,120	
Regular Instruction Equipment		1,347	
Total Early Childhood Education			1,080,635

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Capital Outlay

Regular Capital Outlay

Other Contracted Services	\$	505,645	
Building Improvements		167,474	
Land		151,562	
Total Regular Capital Outlay			\$ 824,681

Other Debt Service

Education

Refunds	\$	26,564	
Debt Service Contribution to Primary Government		300,000	
Total Education			326,564

Total General Purpose School Fund \$ 52,133,677

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	447,251	
Educational Assistants		213,562	
Certified Substitute Teachers		522	
Non-certified Substitute Teachers		16,885	
Social Security		39,284	
Pensions		57,552	
Medical Insurance		130,438	
Employer Medicare		9,204	
Instructional Supplies and Materials		136,989	
Other Supplies and Materials		2,406	
Other Charges		2,960	
Total Regular Instruction Program			\$ 1,057,053

Special Education Program

Teachers	\$	434,580	
Educational Assistants		290,337	
Speech Pathologist		105,714	
Certified Substitute Teachers		248	
Non-certified Substitute Teachers		28,352	
Social Security		49,017	
Pensions		79,228	
Medical Insurance		204,229	
Employer Medicare		11,533	
Instructional Supplies and Materials		35,614	
Other Supplies and Materials		949	
Total Special Education Program			1,239,801

Career and Technical Education Program

Maintenance and Repair Services - Equipment	\$	951	
Other Contracted Services		18,913	

(Continued)

Exhibit J-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Other Supplies and Materials	\$	16,190	
Vocational Instruction Equipment		64,403	
Total Career and Technical Education Program			\$ 100,457

Support Services

Health Services

Medical Personnel	\$	25,863	
Other Salaries and Wages		16,682	
Social Security		2,079	
Pensions		4,121	
Medical Insurance		22,173	
Employer Medicare		486	
Total Health Services			71,404

Other Student Support

Supervisor/Director	\$	51,336	
Social Workers		108,878	
Certified Substitute Teachers		385	
Non-certified Substitute Teachers		8,910	
Social Security		9,805	
Pensions		13,843	
Medical Insurance		33,067	
Employer Medicare		2,299	
Travel		22,981	
Other Contracted Services		58,850	
Office Supplies		4,104	
Other Supplies and Materials		6,345	
In Service/Staff Development		27,724	
Other Charges		19,632	
Total Other Student Support			368,159

Regular Instruction Program

Supervisor/Director	\$	47,401	
Other Salaries and Wages		826,288	
Social Security		51,554	
Pensions		91,231	
Medical Insurance		137,505	
Employer Medicare		12,057	
Other Contracted Services		17,500	
Office Supplies		657	
Other Supplies and Materials		288	
In Service/Staff Development		101,185	
Other Charges		915	
Office Equipment		5,401	
Total Regular Instruction Program			1,291,982

(Continued)

Exhibit J-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program

Psychological Personnel	\$	117,574	
Clerical Personnel		33,915	
Other Salaries and Wages		89,920	
Social Security		14,202	
Pensions		23,435	
Medical Insurance		41,578	
Employer Medicare		3,321	
Travel		1,509	
Other Contracted Services		100,762	
Other Supplies and Materials		5,483	
In Service/Staff Development		15,200	
Total Special Education Program			\$ 446,899

Operation of Non-Instructional Services

Food Service

Food Supplies	\$	2,435	
Total Food Service			2,435

Community Services

Teachers	\$	33,550	
Other Salaries and Wages		18,888	
Social Security		3,244	
Pensions		4,421	
Employer Medicare		759	
Other Contracted Services		104,907	
Instructional Supplies and Materials		120,654	
Total Community Services			286,423

Total School Federal Projects Fund \$ 4,864,613

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	72,445	
Accountants/Bookkeepers		36,508	
Cafeteria Personnel		1,213,856	
Social Security		78,434	
Pensions		84,866	
Medical Insurance		316,954	
Unemployment Compensation		577	
Employer Medicare		18,343	
Maintenance and Repair Services - Equipment		63,981	
Transportation - Other than Students		31,923	
Travel		1,914	
Other Contracted Services		36,244	
Food Supplies		1,562,733	

(Continued)

Exhibit J-9

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

<u>Central Cafeteria Fund (Cont.)</u>		
<u>Operation of Non-Instructional Services (Cont.)</u>		
<u>Food Service (Cont.)</u>		
Office Supplies	\$	9,837
USDA - Commodities		310,996
Other Supplies and Materials		186,003
In Service/Staff Development		1,468
Other Charges		1,545
Food Service Equipment		76,994
Total Food Service		<u>\$ 4,105,621</u>
Total Central Cafeteria Fund		\$ 4,105,621
<u>Extended School Program Fund</u>		
<u>Operation of Non-Instructional Services</u>		
<u>Community Services</u>		
Other Salaries and Wages	\$	110,046
Social Security		6,815
Pensions		10,678
Employer Medicare		1,596
Other Supplies and Materials		4,831
Trustee's Commission		1,559
Other Charges		7,353
Total Community Services		<u>\$ 142,878</u>
Total Extended School Program Fund		142,878
<u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Contracts with Private Agencies	\$	8,739,751
Total Education Capital Projects		<u>\$ 8,739,751</u>
Total Education Capital Projects Fund		<u>8,739,751</u>
Total Governmental Funds - Lawrence County School Department		<u>\$ 69,986,540</u>

Lawrence County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balance - City Agency Fund  
For the Year Ended June 30, 2019

	Cities - Sales Tax Fund
	<u>                    </u>
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 5,048,947
Total Cash Receipts	<u>\$ 5,048,947</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 4,998,458
Trustee's Commission	<u>50,489</u>
Total Cash Disbursements	<u>\$ 5,048,947</u>
 Excess of Cash Receipts Over (Under) Cash Disbursements	 \$ 0
Cash, July 1, 2018	<u>0</u>
 Cash, June 30, 2019	 <u><u>\$ 0</u></u>

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## **SINGLE AUDIT SECTION**

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JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

**Report on Internal Control Over Financial Reporting and  
on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance With *Government Auditing Standards***

Independent Auditor's Report

Lawrence County Executive and  
Board of County Commissioners  
Lawrence, Tennessee

To the County Executive 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 Lawrence County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Lawrence County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 10, 2020.

**Internal Control Over Financial Reporting**

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

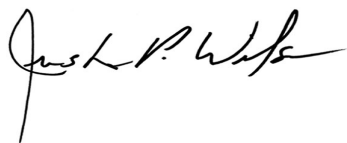
### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Lawrence 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 Lawrence 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

February 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

Lawrence County Executive and  
Board of County Commissioners  
Lawrence, Tennessee

To the County Executive and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

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

### ***Opinion on Each Major Federal Program***

In our opinion, Lawrence 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 Lawrence 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 Lawrence 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 Lawrence 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.

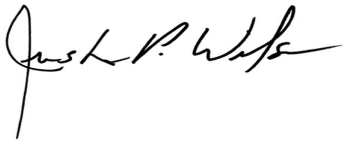
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any 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 Lawrence County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Lawrence County's basic financial statements. We issued our report thereon dated February 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

February 10, 2020

JPW/tg

Lawrence County, Tennessee, and the Lawrence 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 Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	\$ 310,996 (5)
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	787,680
National School Lunch Program	10.555	N/A	1,984,287 (5)
Fresh Fruit and Vegetable Program	10.582	N/A	24,659
Passed-through State Department of Health:			
Special Supplement Nutrition Program for Women, Infants, and Children	10.557	GG1958228	89,450
Passed-through State Department of Human Services:			
Child Nutrition Cluster: (4)			
Summer Food Service Program for Children	10.559	N/A	30,757
Total U.S. Department of Agriculture			<u>\$ 3,227,829</u>
U.S. Department of Defense:			
Passed-through State Department of General Services:			
Section 1033 Excess Property Program (Noncash Assistance)	12.U01	(3)	\$ 730,522 (6)
Total U.S. Department of Defense			<u>\$ 730,522</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	(3)	\$ 95,274
Total U.S. Department of Housing and Urban Development			<u>\$ 95,274</u>
U.S. Department of Justice:			
Direct Program:			
Public Safety Partnership and Community Policing Grants	16.710	N/A	\$ 124,671
Passed-through State Department of Finance and Administration:			
Crime Victim Assistance	16.575	(3)	49,356
Total U.S. Department of Justice			<u>\$ 174,027</u>
U.S. Department of Education:			
Direct Program:			
Funds for the Improvement of Education	84.215	N/A	\$ 343,631
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	1,865,966
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	1,727,105
Special Education - Preschool Grants	84.173	N/A	46,177
Career and Technical Education - Basic Grants to States	84.048	N/A	131,827
Education for Homeless Children and Youth	84.196	N/A	1,488
Twenty-first Century Community Learning Centers	84.287	N/A	239,294
Rural Education	84.358	N/A	63,652
English Language Acquisition State Grants	84.365	N/A	9,480
Supporting Effective Instruction State Grants	84.367	N/A	287,683
Statewide Longitudinal Data System	84.372	N/A	6,992
Student Support and Academic Enrichment Program	84.424	N/A	82,861
Total U.S. Department of Education			<u>\$ 4,806,156</u>

(Continued)

Lawrence County, Tennessee, and the Lawrence County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
U.S. Department of Health and Human Services:			
Passed-through State Department of Education:			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	(3)	\$ 329,288
Passed-through State Department of Health:			
Injury Prevention and Control Research and State and Community Based Programs	93.136	(3)	5,000
Family Planning Services	93.217	GG1958228	7,045
National State Based Tobacco Control Programs	93.305	GG1958228	34,209
Maternal and Child Health Services Block Grant to the States	93.994	GG1958228	36,692
Passed-through State Department of Human Services:			
Child Support Enforcement	93.563	(3)	34,351
CCDF Cluster: (4)			
Child Care and Development Block Grant	93.575	(3)	100,003
Block Grants for Prevention and Treatment of Substance Abuse	93.959	(3)	66,608
Total U.S. Department of Health and Human Services			\$ 613,196
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Homeland Security Grant Program	97.067	(3)	\$ 24,157
Total U.S. Department of Homeland Security			\$ 24,157
Total Expenditures of Federal Grants			\$ 9,671,161
		Contract Number	
<u>State Grants</u>			
Read to be Ready Coaching Network - State Department of Education	N/A	(3)	\$ 9,848
TAEP Farmers Market - State Department of Agriculture	N/A	(3)	950
TECH Grant - Tennessee State Library and Archives	N/A	(3)	568
School Safety and Security Grant - State Department of Education	N/A	(3)	21,874
Safe Schools Act - State Department of Education	N/A	(3)	61,146
Early Childhood Education - State Department of Education	N/A	(3)	1,106,573
Kindergarten Entry Inventory - State Department of Education	N/A	(3)	8,050
Coordinated School Health - State Department of Education	N/A	(3)	100,000
Alternative Breakfast Grant - State Department of Education	N/A	(3)	5,000
Special Needs - State Department of Health	N/A	GG1958228	62,222
Litter Grant - State Department of Transportation	N/A	(3)	48,453
Family Resources Center - State Department of Education	N/A	(3)	29,612
Principal Pipeline Partnership - State Department of Education	N/A	(3)	7,711
Healthy Active Built Environments Grant - State Department of Health	N/A	GG1958571	20,000
Health Department Programs - State Department of Health	N/A	(3)	313,204
Class 1 Old Closed Landfill Grant - State Department of Environment and Conservation	N/A	(3)	166,699
Administrative Office of the Courts Court Security Grant Program - Supreme Court of Tennessee	N/A	(3)	9,308
State Supplement Juvenile Court Improvement Funds - State Commission on Children and Youth	N/A	(3)	8,415
Total State Grants			\$ 1,979,633

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) Lawrence 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 \$3,113,720; Special Education Cluster (IDEA) total \$1,773,282; CCDF Cluster total \$100,003.
- (5) Total for CFDA No. 10.555 is \$2,295,283.
- (6) During the year ended June 30, 2019, Lawrence County received surplus military equipment from the U.S. Department of Defense valued at \$730,522.

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

***Prior-year Financial Statement Findings***

Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	Current Status
2018	222	2018-001	Expenditures Exceeded Appropriations in the General Purpose School Fund	N/A	Corrected
2018	223	2018-002	An Investigation at the Lawrence County Sheriff Department Resulted in Several Indictments	N/A	Corrected

***Prior-year Federal Awards Findings***

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



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

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

1. Our report on the financial statements of Lawrence County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* CFDA Numbers: 10.553, 10.555, and 10.559      Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

There were no findings and recommendations as a result of our audit of the financial statements of Lawrence County, Tennessee.

### **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.

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

The audit of Lawrence 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).

## **BEST PRACTICE**

Accounting literature describes a best practice as a recommended policy, procedure, or technique that aids management in improving financial performance. Historically, a best practice has consistently shown superior results over conventional methods.

The Division of Local Government Audit strongly believes that the item noted below is a best practice that should be adopted by the governing body as a means of significantly improving accountability and the quality of services provided to the citizens of Lawrence County.

### **LAWRENCE COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING**

Lawrence County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Lawrence County. Therefore, we recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.