



## ANNUAL FINANCIAL REPORT

# Bledsoe County, Tennessee

*For the Year Ended June 30, 2020*

**Jason E. Mumpower**  
*Comptroller of the Treasury*



**DIVISION OF  
LOCAL GOVERNMENT AUDIT**

**ANNUAL FINANCIAL REPORT  
BLEDSOE COUNTY, TENNESSEE  
FOR THE YEAR ENDED JUNE 30, 2020**

***COMPTROLLER OF THE TREASURY  
JASON E. MUMPOWER***

***DIVISION OF LOCAL GOVERNMENT AUDIT  
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**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  
Bledsoe County, Tennessee  
For the Year Ended June 30, 2020

## ***Scope***

We have audited the basic financial statements of Bledsoe County as of and for the year ended June 30, 2020.

## ***Results***

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

Our audit resulted in four findings and recommendations, which we have reviewed with Bledsoe County management. The detailed findings, recommendations, and management's responses are included in the Single Audit section of this report.

## ***Findings***

The following are summaries of the audit findings:

### **OFFICE OF COUNTY MAYOR**

- ◆ Official prenumbered receipts were not issued for some collections at the ambulance service.
- ◆ Expenditures exceeded appropriations.

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### **OFFICE OF ROAD SUPERINTENDENT**

- ◆ Competitive bids were not solicited for employee health insurance.

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### **OFFICE OF REGISTER OF DEEDS**

- ◆ The office did not implement adequate controls to protect its information resources.

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# INTRODUCTORY SECTION

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Bledsoe County Officials  
June 30, 2020

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**Officials**

Gregg Ridley, County Mayor  
Robby Roberson, Road Superintendent  
Jennifer Terry, Director of Schools  
Deanna Rains, Trustee  
Zach Olendorf, Assessor of Property  
Genese Sapp, County Clerk  
Michael Walker, Circuit, General Sessions, and Juvenile Courts Clerk  
Debbie DeBord, Clerk and Master  
Emma Boynton, Register of Deeds  
James Morris, Sheriff

**Board of County Commissioners**

Craig Mercer, Chairman	
Ruth Burton	Tanya Roberson
Tim Campbell	Ronald Sapp
Matthew Colvard	Roger Simmons
Joshua Griffith	Johnny Swafford
Junior Hankins	Perry Swafford
Robert Reece	Robert Worthington

**Board of Education**

Vincent Boring, Chairman	
Andy Billingsley	Carolyn Oakes
Stacy Farmer	Charles Reece
Jacob Frady	Donald Snow

**Industrial Development Corporation Board**

George Hamilton, Chairman	Wayne Griffith
Matthew Ashburn	Greg Hardwood
Ruth Burton	Ethan Loyd
Tim Burks	Travis Smith

**Audit Committee**

Elizabeth Turner, Chairman  
Dylan Hankins  
Marietta Thompson



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## FINANCIAL SECTION

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JASON E. MUMPOWER  
*Comptroller*

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bledsoe County, Tennessee, as of and for the year ended June 30, 2020, 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 Bledsoe County, Tennessee, as of June 30, 2020, and the respective changes in financial position and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Bledsoe County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Bledsoe County School Department and the Bledsoe County Industrial Development Corporation Board (discretely presented component units), miscellaneous schedules, and other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2021, on our consideration of Bledsoe 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 Bledsoe 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 Bledsoe County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 8, 2021

JEM/tg

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

Bledsoe County, Tennessee  
Statement of Net Position  
June 30, 2020

	<u>Component Units</u>		
	<u>Primary Government Governmental Activities</u>	<u>Bledsoe County School Department</u>	<u>Bledsoe County Industrial Development Corporation Board</u>
<b><u>ASSETS</u></b>			
Cash	\$ 14,447	\$ 18,081	\$ 276,475
Equity in Pooled Cash and Investments	7,824,960	3,428,568	0
Accounts Receivable	1,401,747	14,020	0
Allowance for Uncollectible	(790,642)	0	0
Due from Other Governments	768,140	520,355	0
Due from Component Units	7,406,005	0	0
Property Taxes Receivable	3,677,208	2,149,474	0
Allowance for Uncollectible Property Taxes	(270,411)	(158,066)	0
Restricted Assets:			
Amounts Accumulated for Pension Benefits	0	46,115	
Net Pension Asset - Agent Plan	165,670	132,376	0
Net Pension Asset - Teacher Retirement Plan	0	51,620	0
Net Pension Asset - Teacher Legacy Pension Plan	0	2,201,791	0
Capital Assets:			
Assets Not Depreciated:			
Land	271,140	375,847	16,576
Construction in Progress	849,991	0	0
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	7,492,210	9,757,688	122,000
Infrastructure	3,640,406	75,622	0
Other Capital Assets	923,023	1,348,306	0
<b>Total Assets</b>	<b>\$ 33,373,894</b>	<b>\$ 19,961,797</b>	<b>\$ 415,051</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Deferred Charge on Refunding	\$ 491,053	\$ 0	\$ 0
Pension Changes in Experience	202,472	271,122	0
Pension Changes in Assumptions	90,192	370,563	0
Pension Changes in Proportion	0	61,775	0
Pension Contributions After Measurement Date	213,981	885,182	0
OPEB Changes in Experience	3,409	134,370	0
OPEB Changes in Assumptions	5,732	32,337	0
OPEB Changes in Proportion	0	15,145	0
OPEB Contributions After Measurement Date	6,149	43,250	0
<b>Total Deferred Outflows of Resources</b>	<b>\$ 1,012,988</b>	<b>\$ 1,813,744</b>	<b>\$ 0</b>
<b><u>LIABILITIES</u></b>			
Accounts Payable	\$ 47,092	\$ 15,433	\$ 0
Accrued Payroll	349	31,417	0
Payroll Deductions Payable	1,437	150	0
Accrued Interest Payable	59,469	0	0
Customer Deposits Payable	0	1,070	0
Due to Primary Government	0	7,406,005	0
Noncurrent Liabilities:			
Due Within One Year - Debt	1,398,555	0	0
Due Within One Year - Other	3,200	0	0
Due in More Than One Year - Debt	18,817,547	0	0
Due in More Than One Year - Other	146,538	1,217,092	0
<b>Total Liabilities</b>	<b>\$ 20,474,187</b>	<b>\$ 8,671,167</b>	<b>\$ 0</b>

(Continued)

Exhibit A

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

	Primary Governmental Activities	Component Units	
		Bledsoe County School Department	Bledsoe County Industrial Development Corporation Board
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 3,228,897	\$ 1,887,419	\$ 0
Pension Changes in Experience	42,866	1,388,161	0
Pension Changes in Investment Earnings	116,576	724,424	0
Pension Changes in Proportion	0	8,451	0
OPEB Changes in Experience	26,892	297,490	0
OPEB Changes in Assumptions	2,374	133,456	0
OPEB Changes in Proportion	0	21,931	0
Total Deferred Inflows of Resources	<u>\$ 3,417,605</u>	<u>\$ 4,461,332</u>	<u>\$ 0</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 366,673	\$ 11,557,463	\$ 138,576
Restricted for:			
General Government	59,588	0	0
Finance	18,629	0	0
Administration of Justice	55,112	0	0
Public Safety	85,818	0	0
Public Health and Welfare	344,340	0	0
Highways	1,184,591	0	0
Debt Service	1,575,276	0	0
Capital Projects	3,579,062	0	0
Education	0	1,947,993	0
Pensions	165,670	2,431,902	0
Unrestricted	<u>3,060,331</u>	<u>(7,294,316)</u>	<u>276,475</u>
Total Net Position	<u>\$ 10,495,090</u>	<u>\$ 8,643,042</u>	<u>\$ 415,051</u>

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

Exhibit B

Bledsoe County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2020

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 Government	Component Units	
					Total Governmental Activities	Bledsoe County School Department	Bledsoe County Industrial Development Corporation Board
Primary Government:							
Governmental Activities:							
General Government	\$ 433,840	\$ 224,145	\$ 67,597	\$ 0	\$ (142,098)	\$ 0	\$ 0
Finance	435,000	265,421	0	0	(169,579)	0	0
Administration of Justice	535,192	207,787	32,660	0	(294,745)	0	0
Public Safety	2,680,451	1,411,761	20,585	0	(1,248,105)	0	0
Public Health and Welfare	2,424,890	938,370	953,323	259,798	(273,399)	0	0
Social, Cultural, and Recreational Services	122,852	717	0	0	(122,135)	0	0
Agriculture and Natural Resources	73,862	0	0	0	(73,862)	0	0
Highways/Public Works	2,836,774	0	2,144,220	717,344	24,790	0	0
Interest on Long-term Debt	581,656	0	0	0	(581,656)	0	0
Education (Contributions from Component Unit)	0	0	0	223,811	223,811	0	0
Total Governmental Activities	\$ 10,124,517	\$ 3,048,201	\$ 3,218,385	\$ 1,200,953	\$ (2,656,978)	\$ 0	\$ 0
Total Primary Government	\$ 10,124,517	\$ 3,048,201	\$ 3,218,385	\$ 1,200,953	\$ (2,656,978)	\$ 0	\$ 0
Component Units:							
Bledsoe County School Department	\$ 18,203,795	\$ 87,233	\$ 3,298,857	\$ 221,425	\$ 0	\$ (14,596,280)	\$ 0
Bledsoe County Industrial Development Corporation Board	6,805	20,400	0	0	0	0	13,595
Total Component Units	\$ 18,210,600	\$ 107,633	\$ 3,298,857	\$ 221,425	\$ 0	\$ (14,596,280)	\$ 13,595

(Continued)



Exhibit B

Bledsoe County, Tennessee  
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component Units	
					Government	Bledsoe County School Department	Bledsoe County Industrial Development Corporation Board
				Total Governmental Activities			
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes				\$ 2,769,992	\$ 1,845,026	\$ 0	
Property Taxes Levied for Debt Service				535,364	87,622	0	
Local Option Sales Taxes				131,951	862,971	0	
Litigation Tax - General				12,870	0	0	
Business Tax				42,081	0	0	
Wholesale Beer Tax				72,920	0	0	
Grants and Contributions Not Restricted to Specific Programs				487,252	13,557,770	0	
Unrestricted Investment Income				164,340	1,424	2,693	
Miscellaneous				28,968	12,667	0	
Sale of Equipment				11,236	3,510	0	
<b>Total General Revenues</b>				<b>\$ 4,256,974</b>	<b>\$ 16,370,990</b>	<b>\$ 2,693</b>	
Insurance Recovery				\$ 10,499	\$ 0	\$ 0	
Change in Net Position				\$ 1,610,495	\$ 1,774,710	\$ 16,288	
Net Position, July 1, 2019				8,924,402	6,868,332	398,763	
Reclassification (see Note I.D.9.)				(39,807)	0	0	
Net Position, June 30, 2020				<b>\$ 10,495,090</b>	<b>\$ 8,643,042</b>	<b>\$ 415,051</b>	

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

Exhibit C-1

Bledsoe County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2020

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Community Development/ Industrial Park	Other Governmental Funds	
<u>ASSETS</u>						
Cash	\$ 0	\$ 14,396	\$ 0	\$ 0	\$ 51	\$ 14,447
Equity in Pooled Cash and Investments	1,867,024	862,015	1,114,883	3,579,062	401,976	7,824,960
Accounts Receivable	1,399,012	0	0	0	2,735	1,401,747
Allowance for Uncollectibles	(790,642)	0	0	0	0	(790,642)
Due from Other Governments	416,082	309,721	0	0	42,337	768,140
Due from Other Funds	1,948	0	0	0	0	1,948
Property Taxes Receivable	2,772,192	0	595,367	0	309,649	3,677,208
Allowance for Uncollectible Property Taxes	(203,859)	0	(43,781)	0	(22,771)	(270,411)
Total Assets	\$ 5,461,757	\$ 1,186,132	\$ 1,666,469	\$ 3,579,062	\$ 733,977	\$ 12,627,397
<u>LIABILITIES</u>						
Accounts Payable	\$ 11,955	\$ 437	\$ 0	\$ 0	\$ 34,700	\$ 47,092
Accrued Payroll	0	349	0	0	0	349
Payroll Deductions Payable	749	0	0	0	688	1,437
Due to Other Funds	0	0	0	0	1,948	1,948
Total Liabilities	\$ 12,704	\$ 786	\$ 0	\$ 0	\$ 37,336	\$ 50,826
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 2,434,217	\$ 0	\$ 522,782	\$ 0	\$ 271,898	\$ 3,228,897
Deferred Delinquent Property Taxes	125,742	0	27,006	0	14,045	166,793
Other Deferred/Unavailable Revenue	608,200	154,861	0	0	0	763,061
Total Deferred Inflows of Resources	\$ 3,168,159	\$ 154,861	\$ 549,788	\$ 0	\$ 285,943	\$ 4,158,751

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Community Development/ Industrial Park	Other Governmental Funds	
<u>FUND BALANCES</u>						
Restricted:						
Restricted for General Government	\$ 59,588	\$ 0	\$ 0	\$ 0	\$ 0	\$ 59,588
Restricted for Finance	18,629	0	0	0	0	18,629
Restricted for Administration of Justice	55,112	0	0	0	0	55,112
Restricted for Public Safety	19,460	0	0	0	66,358	85,818
Restricted for Public Health and Welfare	0	0	0	0	344,340	344,340
Restricted for Highways/Public Works	0	1,030,485	0	0	0	1,030,485
Restricted for Capital Outlay	0	0	0	3,579,062	0	3,579,062
Restricted for Debt Service	0	0	1,116,681	0	0	1,116,681
Unassigned	2,128,105	0	0	0	0	2,128,105
Total Fund Balances	<u>\$ 2,280,894</u>	<u>\$ 1,030,485</u>	<u>\$ 1,116,681</u>	<u>\$ 3,579,062</u>	<u>\$ 410,698</u>	<u>\$ 8,417,820</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,461,757</u>	<u>\$ 1,186,132</u>	<u>\$ 1,666,469</u>	<u>\$ 3,579,062</u>	<u>\$ 733,977</u>	<u>\$ 12,627,397</u>

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

Exhibit C-2

Bledsoe County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
June 30, 2020

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)		\$	8,417,820
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	271,140	
Add: construction in progress		849,991	
Add: buildings and improvements net of accumulated depreciation		7,492,210	
Add: infrastructure net of accumulated depreciation		3,640,406	
Add: other capital assets net of accumulated depreciation		<u>923,023</u>	13,176,770
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: bonds payable	\$	(20,150,000)	
Less: notes payable		(66,005)	
Less: capital lease payable		(97)	
Less: accrued interest on bonds, notes, and other loans		(59,469)	
Less: compensated absences payable		(64,008)	
Less: other postemployment benefits liability		(85,730)	
Add: debt to be contributed by the school department		7,406,005	
Add: deferred amount on refunding		<u>491,053</u>	(12,528,251)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.			
Add: deferred outflows of resources related to pensions	\$	506,645	
Less: deferred inflows of resources related to pensions		(159,442)	
Add: deferred outflows of resources related to OPEB		15,290	
Less: deferred inflows of resources related to OPEB		<u>(29,266)</u>	333,227
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			165,670
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>929,854</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>10,495,090</u></u>

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

Exhibit C-3

Bledsoe County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2020

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Community Development/ Industrial Park	Other Governmental Funds	
<u>Revenues</u>						
Local Taxes	\$ 2,794,219	\$ 0	\$ 543,056	\$ 0	\$ 284,678	\$ 3,621,953
Licenses and Permits	13,283	0	3,071	0	1,597	17,951
Fines, Forfeitures, and Penalties	44,882	0	0	0	11,774	56,656
Charges for Current Services	972,161	0	0	0	2,984	975,145
Other Local Revenues	190,967	4,860	164,340	0	8,539	368,706
Fees Received From County Officials	475,824	0	0	0	0	475,824
State of Tennessee	1,460,117	2,867,649	60,554	440,000	75,908	4,904,228
Federal Government	15,878	10,000	0	259,798	200,272	485,948
Other Governments and Citizens Groups	465,582	0	1,115,164	0	0	1,580,746
<b>Total Revenues</b>	<b>\$ 6,432,913</b>	<b>\$ 2,882,509</b>	<b>\$ 1,886,185</b>	<b>\$ 699,798</b>	<b>\$ 585,752</b>	<b>\$ 12,487,157</b>
<u>Expenditures</u>						
Current:						
General Government	\$ 976,052	\$ 0	\$ 0	\$ 0	\$ 0	\$ 976,052
Finance	429,611	0	0	0	7	429,618
Administration of Justice	521,387	0	0	0	28	521,415
Public Safety	2,427,184	0	0	0	373	2,427,557
Public Health and Welfare	1,158,147	0	0	0	299,411	1,457,558
Social, Cultural, and Recreational Services	89,723	0	0	0	0	89,723
Agriculture and Natural Resources	77,969	0	0	0	0	77,969
Other Operations	57,212	0	0	0	0	57,212
Highways	0	2,851,904	0	0	72,153	2,924,057
Debt Service:						
Principal on Debt	0	0	1,356,353	0	0	1,356,353
Interest on Debt	0	0	571,421	0	0	571,421
Other Debt Service	0	0	12,803	0	0	12,803

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Community Development/ Industrial Park	Other Governmental Funds	
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 849,991	\$ 319,592	\$ 1,169,583
Total Expenditures	\$ 5,737,285	\$ 2,851,904	\$ 1,940,577	\$ 849,991	\$ 691,564	\$ 12,071,321
Excess (Deficiency) of Revenues Over Expenditures	\$ 695,628	\$ 30,605	\$ (54,392)	\$ (150,193)	\$ (105,812)	\$ 415,836
<u>Other Financing Sources (Uses)</u>						
Proceeds from Sale of Capital Assets	\$ 0	\$ 14,346	\$ 0	\$ 0	\$ 0	\$ 14,346
Insurance Recovery	10,499	0	0	0	0	10,499
Transfers In	0	0	0	27,693	41,255	68,948
Transfers Out	0	0	0	(41,255)	(27,693)	(68,948)
Total Other Financing Sources (Uses)	\$ 10,499	\$ 14,346	\$ 0	\$ (13,562)	\$ 13,562	\$ 24,845
Net Change in Fund Balances	\$ 706,127	\$ 44,951	\$ (54,392)	\$ (163,755)	\$ (92,250)	\$ 440,681
Reclassification	0	0	0	0	(39,807)	(39,807)
Fund Balance, July 1, 2019	1,574,767	985,534	1,171,073	3,742,817	542,755	8,016,946
Fund Balance, June 30, 2020	\$ 2,280,894	\$ 1,030,485	\$ 1,116,681	\$ 3,579,062	\$ 410,698	\$ 8,417,820

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

Exhibit C-4

Bledsoe 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, 2020

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)		\$	440,681
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital assets purchased in the current period	\$	1,267,128	
Less: current-year depreciation expense		<u>(592,466)</u>	674,662
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2020	\$	929,854	
Less: deferred delinquent property taxes and other deferred June 30, 2019		<u>(808,381)</u>	121,473
(3) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Less: contribution from the school department for bonds, notes, and other loans	\$	(891,353)	
Less: change in deferred amount on refunding debt		(49,117)	
Add: principal payments on bonds		1,315,000	
Add: principal payments on notes		41,353	
Add: principal payments on capital lease		<u>15,027</u>	430,910
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in accrued interest payable	\$	(10,235)	
Change in compensated absences payable		(14,017)	
Change in net pension liability/asset		54,447	
Change in deferred outflows related to pensions		(42,596)	
Change in deferred inflows related to pensions		(39,225)	
Change in net OPEB liability/asset		(21,945)	
Change in deferred outflows related to OPEB		12,637	
Change in deferred inflows related to OPEB		<u>3,703</u>	<u>(57,231)</u>
Change in net position of governmental activities (Exhibit B)			<u>\$ 1,610,495</u>

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

Exhibit C-5

Bledsoe County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,794,219	\$ 2,798,475	\$ 2,798,475	\$ (4,256)
Licenses and Permits	13,283	13,500	13,500	(217)
Fines, Forfeitures, and Penalties	44,882	44,220	44,220	662
Charges for Current Services	972,161	983,184	983,184	(11,023)
Other Local Revenues	190,967	166,670	170,670	20,297
Fees Received From County Officials	475,824	443,850	443,850	31,974
State of Tennessee	1,460,117	1,403,472	1,403,472	56,645
Federal Government	15,878	45,000	60,878	(45,000)
Other Governments and Citizens Groups	465,582	190,000	190,000	275,582
<b>Total Revenues</b>	<b>\$ 6,432,913</b>	<b>\$ 6,088,371</b>	<b>\$ 6,108,249</b>	<b>\$ 324,664</b>
<u>Expenditures</u>				
<u>General Government</u>				
County Commission	\$ 74,371	\$ 74,949	\$ 74,949	\$ 578
County Mayor/Executive	202,875	208,917	208,917	6,042
County Attorney	13,488	18,600	22,350	8,862
Election Commission	126,243	133,025	133,025	6,782
Register of Deeds	130,705	136,662	136,662	5,957
County Buildings	109,698	145,395	145,395	35,697
Other General Administration	318,672	287,071	287,071	(31,601)
<u>Finance</u>				
Property Assessor's Office	152,681	167,566	167,566	14,885
County Trustee's Office	133,937	140,715	140,715	6,778
County Clerk's Office	142,993	147,595	147,595	4,602
<u>Administration of Justice</u>				
Circuit Court	201,555	218,191	218,191	16,636
General Sessions Court	119,680	123,450	123,450	3,770
Chancery Court	163,242	171,579	171,579	8,337
Juvenile Court	36,910	38,094	38,094	1,184
<u>Public Safety</u>				
Sheriff's Department	885,811	1,046,271	1,046,271	160,460
Jail	1,415,498	1,483,232	1,483,232	67,734
Fire Prevention and Control	50,440	45,460	45,460	(4,980)
Rescue Squad	6,200	6,200	6,200	0
Other Emergency Management	39,634	43,900	43,900	4,266
County Coroner/Medical Examiner	29,601	25,500	25,500	(4,101)
<u>Public Health and Welfare</u>				
Local Health Center	31,633	58,260	58,260	26,627
Ambulance/Emergency Medical Services	1,042,060	1,166,480	1,166,480	124,420
Other Local Health Services	82,909	148,400	148,400	65,491
General Welfare Assistance	1,545	1,600	1,600	55
<u>Social, Cultural, and Recreational Services</u>				
Senior Citizens Assistance	4,500	4,500	4,500	0
Libraries	85,223	92,760	92,760	7,537
<u>Agriculture and Natural Resources</u>				
Agricultural Extension Service	72,969	75,234	75,234	2,265
Soil Conservation	5,000	5,000	5,000	0

(Continued)



Exhibit C-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Expenditures (Cont.)</u>				
<u>Other Operations</u>				
Other Economic and Community Development	\$ 5,204	\$ 3,600	\$ 3,600	\$ (1,604)
Veterans' Services	29,130	33,555	33,555	4,425
Contributions to Other Agencies	7,000	7,000	7,000	0
COVID-19 Grant B	15,878	0	15,878	0
Total Expenditures	<u>\$ 5,737,285</u>	<u>\$ 6,258,761</u>	<u>\$ 6,278,389</u>	<u>\$ 541,104</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 695,628	\$ (170,390)	\$ (170,140)	\$ 865,768
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 10,499	\$ 0	\$ 0	\$ 10,499
Total Other Financing Sources	<u>\$ 10,499</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,499</u>
Net Change in Fund Balance	\$ 706,127	\$ (170,390)	\$ (170,140)	\$ 876,267
Fund Balance, July 1, 2019	<u>1,574,767</u>	<u>1,318,290</u>	<u>1,318,290</u>	<u>256,477</u>
Fund Balance, June 30, 2020	<u>\$ 2,280,894</u>	<u>\$ 1,147,900</u>	<u>\$ 1,148,150</u>	<u>\$ 1,132,744</u>

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

Exhibit C-6

Bledsoe County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 4,860	\$ 3,000	\$ 3,000	\$ 1,860
State of Tennessee	2,867,649	2,748,232	3,086,100	(218,451)
Federal Government	10,000	100,000	100,000	(90,000)
Total Revenues	<u>\$ 2,882,509</u>	<u>\$ 2,851,232</u>	<u>\$ 3,189,100</u>	<u>\$ (306,591)</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 184,546	\$ 192,918	\$ 196,668	\$ 12,122
Highway and Bridge Maintenance	1,028,029	1,037,000	1,197,000	168,971
Operation and Maintenance of Equipment	273,649	306,400	331,400	57,751
Quarry Operations	1,762	3,250	3,250	1,488
Other Charges	104,579	124,589	124,589	20,010
Employee Benefits	307,441	380,500	380,500	73,059
Capital Outlay	951,898	558,000	970,214	18,316
Total Expenditures	<u>\$ 2,851,904</u>	<u>\$ 2,602,657</u>	<u>\$ 3,203,621</u>	<u>\$ 351,717</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 30,605</u>	<u>\$ 248,575</u>	<u>\$ (14,521)</u>	<u>\$ 45,126</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Capital Assets	\$ 14,346	\$ 0	\$ 14,346	\$ 0
Total Other Financing Sources	<u>\$ 14,346</u>	<u>\$ 0</u>	<u>\$ 14,346</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 44,951	\$ 248,575	\$ (175)	\$ 45,126
Fund Balance, July 1, 2019	<u>985,534</u>	<u>855,085</u>	<u>855,085</u>	<u>130,449</u>
Fund Balance, June 30, 2020	<u>\$ 1,030,485</u>	<u>\$ 1,103,660</u>	<u>\$ 854,910</u>	<u>\$ 175,575</u>

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

Exhibit D

Bledsoe County, Tennessee  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2020

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,011,904
Equity in Pooled Cash and Investments	103,706
Due from Other Governments	<u>32,769</u>
Total Assets	<u><u>\$ 1,148,379</u></u>
<u>LIABILITIES</u>	
Payroll Deductions Payable	\$ 1,490
Due to Other Taxing Units	32,769
Due to Litigants, Heirs, and Others	<u>1,114,120</u>
Total Liabilities	<u><u>\$ 1,148,379</u></u>

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

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

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**BLEDSOE COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Bledsoe 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 Bledsoe County:

**A. Reporting Entity**

Bledsoe County is a public municipal corporation governed by an elected 13-member board. As required by GAAP, these financial statements present Bledsoe County (the primary government) and its component units. The financial statements of the Bledsoe County Emergency Communications District and the Bledsoe County Nursing Home, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of their 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 Bledsoe County School Department operates the public school system in the county, and the voters of Bledsoe 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 Bledsoe County Industrial Development Corporation Board provides assistance in industrial recruitment in Bledsoe County, and the Bledsoe County Commission appoints its eight-member board. The board is funded primarily through lease payments collected from tenants in property owned by the Bledsoe County Industrial Development Corporation Board and through annual contributions from Bledsoe County.

The Bledsoe County Nursing Home provides nursing care to the citizens of Bledsoe County, and the Bledsoe County Commission appoints its governing body. Patient charges provide the majority of the revenues for the entity.

Before the issuance of debt instruments, the nursing home must obtain the county commission's approval. The financial statements of the Bledsoe County Nursing Home were not material to the component units' opinion unit and therefore have been omitted from this report.

The Bledsoe County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Bledsoe County, and the Bledsoe 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 Bledsoe County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Bledsoe County School Department and the Bledsoe County Industrial Development Corporation Board do not issue separate financial statements from those of the county. Therefore, basic financial statements of the school department and the Industrial Development Corporation Board are included in this report as listed in the table of contents. Complete financial statements of the Bledsoe County Nursing Home and the Bledsoe County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Bledsoe County Nursing Home  
107 Wheelertown Avenue  
Pikeville, TN 37367

Bledsoe County Emergency Communications District  
305 Allen P. Deakins Road  
Pikeville, TN 37367

**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 Bledsoe 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 Bledsoe County School Department and the Bledsoe County Industrial Development Corporation Board component units only report 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.

Bledsoe County issues all debt for the discretely presented Bledsoe County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2020.

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 Bledsoe 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 outflows of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Bledsoe County has no proprietary funds to report.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Bledsoe 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 debt service funds 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 funds financial statements are reported using the economic resources measurement focus (except for agency funds, which have no measurement focus) and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Bledsoe 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.

**Community Development/Industrial Park Fund** – This capital projects fund accounts for expenditures associated with the construction of a new health department.

Additionally, Bledsoe County reports the following fund type:

**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 Bledsoe County, and assets held in a custodial capacity for the emergency communications district. 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 Bledsoe County School Department reports the following major governmental funds:

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

**Central Cafeteria Fund** – This special revenue fund is used to account for the cafeteria operations in each of the schools. USDA School Lunch and Breakfast Programs and payments received from the sale of meals are the foundational revenues of this fund.

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

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

**Capital Projects Fund** – The Education Capital Projects Fund is used to account for contributions from Bledsoe County and contributed to the school department for building renovations.

The discretely presented Bledsoe County Industrial Development Corporation Board reports the following major governmental fund:

**General Fund** – This is the primary operating fund of the Bledsoe County Industrial Development Corporation Board. It is used to account for all operations of the board.

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 Bledsoe 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 Debt Service Fund. Bledsoe 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 polices is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United States of America.

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund 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 polices 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 as prescribed for other funds invested by the state treasurer. Compliance with Funding Board polices 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 Intermediate Term Investment Fund complied with accounting principles generally accepted in the United State of America. Bledsoe County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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 and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 4.18 percent of total taxes levied.

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

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

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

Most payables are disaggregated on the face of the financial statements.

**3. Restricted Assets**

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

**4. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items) are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than three years. Such assets are recorded at

historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

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

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

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for deferred charge on refunding; pension changes in experience, assumptions, and proportionate share of contributions; other postemployment benefits (OPEB) changes in experience, assumptions, and proportionate share of contributions; and employer contributions made to the pension and OPEB plans after the measurement date. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that

time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes; pension changes in experience, investment earnings, and proportionate share of contributions; OPEB changes in experience, assumptions, and proportionate share of contributions; and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**6. Compensated Absences**

It is the county's policy to permit employees to accumulate earned but unused vacation beyond fiscal year-end. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for vacation pay is reported in the governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements. Employees are allowed to accumulate sick leave days equal to the number of days earned in a year; however, the granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

The general policy of the discretely presented Bledsoe County School Department does not allow for the accumulation of vacation days beyond fiscal year-end for professional or support personnel. All professional (teachers) and support personnel of the school department are allowed to accumulate unlimited sick leave days. The granting of sick leave has no guaranteed payment attached, and therefore, is not required to be accrued or recorded.

**7. Long-term Debt and Long-term Obligations**

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

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the

current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

## **8. Net Position and Fund Balance**

In the government-wide financial statements, 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, 2020, Bledsoe County had \$7,406,005 in outstanding debt for capital purposes for the discretely presented Bledsoe County School Department. This debt is a liability of Bledsoe County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Bledsoe County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

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

These classifications may consist of the following:

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by resolution authorized the county's Budget/Finance 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.



**9. Reclassification**

In prior years, the Other Special Revenue Fund was classified as a special revenue fund; however, effective June 30, 2020, this fund was reclassified as an agency fund to better reflect the control of these funds by the Bledsoe County Emergency Communications District.

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

**Discretely Presented Bledsoe 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 Bledsoe 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 Bledsoe 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.

**Discretely Presented Bledsoe County Industrial Development Corporation Board**

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

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

**Primary Government**

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

### **Discretely Presented Bledsoe 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.

### **Discretely Presented Bledsoe County Industrial Development Corporation Board**

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

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

### **A. Budgetary Information**

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

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

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

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

**B. Expenditures Exceeded Appropriations**

Expenditures exceeded appropriations approved by the county commission in the following major appropriation categories (the legal level of control) of the General Fund as reflected in the following table:

<u>Major Appropriation Category</u>	<u>Amount Overspent</u>
Other General Administration	\$ 31,601
Fire Prevention and Control	4,980
County Coroner/Medical Examiner	4,101
Other Economic and Community Development	1,604

Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balance.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

Bledsoe County and the Bledsoe 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, depositing, 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, the State Treasurer's Intermediate Term Investment Fund, 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. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund 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 Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

**Investment Balances.** As of June 30, 2020, Bledsoe County had the following investments carried at amortized cost using a Stable Net Asset Value established by generally accepted accounting principles. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled

investments cannot be made for Bledsoe County and the discretely presented Bledsoe County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)	Maturity	Amortized Cost
State Treasurer's Investment Pool	1 to 105	N/A	\$ 4,875,749

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. Bledsoe County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. Bledsoe County has no investment policy that would further limit its investment choices. As of June 30, 2020, Bledsoe County's investment in the State Treasurer's Investment Pool was unrated.

**TCRS Stabilization Trust**

**Legal Provisions.** The Bledsoe 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 Bledsoe 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. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments and interest and dividend income. Interest income is recognized when earned. 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 where fair value is measured using the Net Asset Value (“NAV”) per share have no readily determinable fair value and have been determined to be calculated consistent with FASB principles for investment companies.

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, 2020, the Bledsoe 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	\$ 14,296
Developed Market International Equity	N/A	N/A	6,456
Emerging Market International Equity	N/A	N/A	1,845
U.S. Fixed Income	N/A	N/A	9,223
Real Estate	N/A	N/A	4,611
Short-term Securities	N/A	N/A	461
NAV - Private Equity and Strategic Lending	N/A	N/A	9,223
Total			<u>\$ 46,115</u>

Investment by Fair Value Level	Fair Value 6-30-20	Fair Value Measurements Using			NAV
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
U.S. Equity	\$ 14,296	\$ 14,296	\$ 0	\$ 0	0
Developed Market International Equity	6,456	6,456	0	0	0
Emerging Market International Equity	1,845	1,845	0	0	0
U.S. Fixed Income	9,223	0	9,223	0	0
Real Estate	4,611	0	0	4,611	0
Short-term Securities	461	0	461	0	0
Private Equity and Strategic Lending	9,223	0	0	0	9,223
Total	<u>\$ 46,115</u>	<u>\$ 22,597</u>	<u>\$ 9,684</u>	<u>\$ 4,611</u>	<u>9,223</u>

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

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Bledsoe 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 Bledsoe 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. Bledsoe 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 Bledsoe 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/2020/ag19091.pdf>.

**B. Capital Assets**

Capital assets activity for the year ended June 30, 2020, was as follows:

**Primary Government - Governmental Activities:**

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 271,140	\$ 0	\$ 0	\$ 271,140
Construction in Progress	1,468,566	849,991	(1,468,566)	849,991
Total Capital Assets Not Depreciated	<u>\$ 1,739,706</u>	<u>\$ 849,991</u>	<u>\$ (1,468,566)</u>	<u>\$ 1,121,131</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 8,280,735	\$ 1,542,824	\$ 0	\$ 9,823,559
Infrastructure	6,974,851	0	0	6,974,851
Other Capital Assets	3,420,311	342,879	(26,890)	3,736,300
Total Capital Assets Depreciated	<u>\$ 18,675,897</u>	<u>\$ 1,885,703</u>	<u>\$ (26,890)</u>	<u>\$ 20,534,710</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 2,113,815	\$ 217,534	\$ 0	\$ 2,331,349
Infrastructure	3,182,144	152,301	0	3,334,445
Other Capital Assets	2,617,536	222,631	(26,890)	2,813,277
Total Accumulated Depreciation	<u>\$ 7,913,495</u>	<u>\$ 592,466</u>	<u>\$ (26,890)</u>	<u>\$ 8,479,071</u>
Total Capital Assets Depreciated, Net	<u>\$ 10,762,402</u>	<u>\$ 1,293,237</u>	<u>\$ 0</u>	<u>\$ 12,055,639</u>
Governmental Activities Capital Assets, Net	<u>\$ 12,502,108</u>	<u>\$ 2,143,228</u>	<u>\$ (1,468,566)</u>	<u>\$ 13,176,770</u>

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

**Governmental Activities:**

General Government	\$ 14,365
Finance	2,940
Administration of Justice	12,412
Public Safety	236,394
Public Health and Welfare	95,860
Social, Cultural, and Recreational Services	3,972
Agriculture and Natural Resources	3,920
Highways/Public Works	<u>222,603</u>

Total Depreciation Expense - Governmental Activities	<u>\$ 592,466</u>
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**Discretely Presented Bledsoe County School Department -  
Governmental Activities:**

	Balance 7-1-19	Increases	Balance 6-30-20
Capital Assets Not Depreciated:			
Land	\$ 375,847	\$ 0	\$ 375,847
Total Capital Assets Not Depreciated	<u>\$ 375,847</u>	<u>\$ 0</u>	<u>\$ 375,847</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 18,569,042	\$ 0	\$ 18,569,042
Infrastructure	184,674	0	184,674
Other Capital Assets	2,715,053	391,135	3,106,188
Total Capital Assets Depreciated	<u>\$ 21,468,769</u>	<u>\$ 391,135</u>	<u>\$ 21,859,904</u>
Less Accumulated Depreciated For:			
Buildings and Improvements	\$ 8,350,289	\$ 461,065	\$ 8,811,354
Infrastructure	100,341	8,711	109,052
Other Capital Assets	1,604,364	153,518	1,757,882
Total Accumulated Depreciation	<u>\$ 10,054,994</u>	<u>\$ 623,294</u>	<u>\$ 10,678,288</u>
Total Capital Assets Depreciated, Net	<u>\$ 11,413,775</u>	<u>\$ (232,159)</u>	<u>\$ 11,181,616</u>
Governmental Activities Capital Assets, Net	<u>\$ 11,789,622</u>	<u>\$ (232,159)</u>	<u>\$ 11,557,463</u>

There were no decreases in capital assets to report during the year ended June 30, 2020.

Depreciation expense was charged to functions of the school department as follows:

**Governmental Activities:**

Instruction	\$ 7,965
Support Services	602,761
Operation of Non-instructional Services	<u>12,568</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 623,294</u></u>

**Discretely Presented Bledsoe County Industrial Development Corporation Board - Government Activities:**

	Balance 7-1-20	Increases	Balance 6-30-20
Capital Assets Not Depreciated:			
Land	\$ 0	\$ 16,576	\$ 16,576
Total Capital Assets Not Depreciated	<u>\$ 0</u>	<u>\$ 16,576</u>	<u>\$ 16,576</u>
Capital Assets Depreciated:			
Buildings and Improvements	\$ 160,000	\$ 0	\$ 160,000
Total Capital Assets Depreciated	<u>\$ 160,000</u>	<u>\$ 0</u>	<u>\$ 160,000</u>
Less Accumulated Depreciated For:			
Buildings and Improvements	\$ 34,000	\$ 4,000	\$ 38,000
Total Accumulated Depreciation	<u>\$ 34,000</u>	<u>\$ 4,000</u>	<u>\$ 38,000</u>
Total Capital Assets Depreciated, Net	<u>\$ 126,000</u>	<u>\$ (4,000)</u>	<u>\$ 122,000</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 126,000</u></u>	<u><u>\$ 12,576</u></u>	<u><u>\$ 138,576</u></u>

There were no decreases in capital assets to report during the year ended June 30, 2020.

Depreciation expense was charged to functions of the Industrial Development Corporation Board as follows:

**Governmental Activities:**

Other General Government	\$ 4,000
Total Depreciation Expense - Governmental Activities	<u>\$ 4,000</u>

**C. Construction Commitments**

At June 30, 2020, the county has uncompleted construction contracts of approximately \$483,854 for the construction of a health department. Funding has been received for these future expenditures.

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

The composition of interfund balances as of June 30, 2020, was as follows:

**Due to/from Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government: General	Nonmajor governmental	\$ 1,948

This balance resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

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

<u>Receivable</u>	<u>Payable</u>	<u>Amount</u>
Primary Government: Governmental Activities	Component Unit: School Department: Governmental Activities	\$ 7,406,005

The Due to Primary Government consists of the balance of bonds (\$7,340,000) and notes (\$66,005) issued for the school department. The school department has agreed to contribute funds annually to retire the debt. This long-term debt

obligation is reflected in the governmental activities on the Statement of Net Position.

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2020, consisted of the following amounts:

**Primary Government**

Transfers Out	Transfers In		Purpose
	Community Development/ Industrial Park Fund	Nonmajor Governmental Funds	
Community Development/ Industrial Park Fund	\$ 0	\$ 41,255	Jail construction
Nonmajor governmental	27,693	0	Return of funds not spent on jail construction
Total	<u>\$ 27,693</u>	<u>\$ 41,255</u>	

**Discretely Presented Bledsoe County School Department**

Transfers Out	Transfers In			Purpose
	General Purpose School Fund	Education Debt Service Fund	Nonmajor Governmental Funds	
General Purpose School	\$ 0	\$ 525,000	\$ 0	Debt retirement
"		0	95,000	Capital projects
Nonmajor governmental	31,122	0	0	Indirect costs
Total	<u>\$ 31,122</u>	<u>\$ 525,000</u>	<u>\$ 95,000</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 in accordance with budgetary authorizations.

**E. Capital Leases**

On April 6, 2016, Bledsoe County entered into a five-year lease-purchase agreement for a trackhoe for the highway department. The terms of the

agreement require total lease payments of \$71,950 plus interest of 4.803 percent. Title to the trackhoe transfers to the Bledsoe County Highway Department at the end of the lease period. The lease payments are made from the Highway/Public Works Fund.

The assets acquired through the capital lease are as follows:

<u>Asset</u>	<u>Governmental Activities</u>
Machinery and Equipment	\$ 132,000
Less: Accumulated Depreciation	<u>(67,836)</u>
Total Book Value	<u><u>\$ 64,164</u></u>

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

<u>Year Ending June 30</u>	<u>Governmental Funds</u>
2021	\$ 102
Total Minimum Lease Payments	\$ 102
Less: Amount Representing Interest	<u>(5)</u>
Present Value of Minimum Lease Payments	<u><u>\$ 97</u></u>

**F. Long-term Debt**

**Primary Government**

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

General Obligation Bonds - Bledsoe 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 25 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, 2020, will be retired from the General Debt Service Fund.



Direct Borrowing and Direct Placements - Bledsoe County issues capital outlay notes 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 outstanding were issued for original terms of up to 12 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes, and capital leases outstanding as of June 30, 2020, for governmental activities are as follows:

Type	Interest Rate		Final Maturity	Original Amount of Issue	Balance 6-30-20
General Obligation Bonds -	2 to 3.5	%	6-1-42	\$ 9,500,000	\$ 8,550,000
General Obligation Bonds - Refunding	1 to 3.5		6-30-41	16,990,000	11,600,000
Direct Borrowing and Direct Placement:					
Capital Outlay Notes	4.95		12-20-21	412,269	66,005
Capital Leases	4.803		4-1-21	71,950	97

The annual requirements to amortize all general obligation bonds and notes outstanding as of June 30, 2020, including interest payments, are presented in the following tables:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 1,355,000	\$ 538,906	\$ 1,893,906
2022	1,380,000	508,600	1,888,600
2023	1,425,000	476,004	1,901,004
2024	1,055,000	446,180	1,501,180
2025	1,090,000	419,347	1,509,347
2026-2030	4,430,000	1,708,379	6,138,379
2031-2035	3,935,000	1,199,779	5,134,779
2036-2040	4,365,000	571,162	4,936,162
2041-2042	1,115,000	45,612	1,160,612
Total	<u>\$ 20,150,000</u>	<u>\$ 5,913,969</u>	<u>\$ 26,063,969</u>

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 43,458	\$ 2,292	\$ 45,750
2022	22,547	327	22,874
Total	\$ 66,005	\$ 2,619	\$ 68,624

There is \$1,116,681 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,565, based on the 2010 federal census. Total debt per capita, including bonds, notes, and capital leases, totaled \$1,570, based on the 2010 federal census.

The school department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below. This debt is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the school department and as Due from Component Units in the financial statements of the primary government.

Description of Debt	Outstanding 6-30-20
<u>Bonds Payable</u>	
<u>Contributions from the Education Debt Service Fund</u>	
School Refunding Series 2011	\$ 2,995,000
School Refunding Series 2013	1,115,000
General Obligation Series 2013	3,230,000
<u>Notes Payable - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Energy Program	66,005
Total	<u>\$ 7,406,005</u>

#### Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2020, was as follows:

Governmental Activities:	Bonds	Notes - Direct Placement	Capital Leases- Direct Placement
Balance, July 1, 2019	\$ 21,465,000	\$ 107,358	\$ 15,124
Reductions	(1,315,000)	(41,353)	(15,027)
Balance, June 30, 2020	<u>\$ 20,150,000</u>	<u>\$ 66,005</u>	<u>\$ 97</u>
Balance Due Within One Year	<u>\$ 1,355,000</u>	<u>\$ 43,458</u>	<u>\$ 97</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 20,216,102
Less: Balance Due Within One Year - Debt	<u>(1,398,555)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 18,817,547</u>

**G. Long-term Obligations**

Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2020, was as follows:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2019	\$ 49,991	\$ 63,785
Additions	119,586	22,447
Reductions	(105,569)	(502)
Balance, June 30, 2020	<u>\$ 64,008</u>	<u>\$ 85,730</u>
Balance Due Within One Year	<u>\$ 3,200</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2020	\$ 149,738
Less: Balance Due Within One Year - Other	<u>(3,200)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 146,538</u>

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

**Discretely Presented Bledsoe County School Department**

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Bledsoe County School Department for the year ended June 30, 2020, was as follows:

	<u>Other Postemployment Benefits</u>
Balance, July 1, 2019	\$ 1,122,065
Additions	255,939
Reductions	<u>(160,912)</u>
Balance, June 30, 2020	<u>\$ 1,217,092</u>
Balance Due Within One Year	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2020	\$ 1,217,092
Less: Balance Due Within One Year - Other	<u>0</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,217,092</u>

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 Bledsoe County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Bledsoe County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2020, were \$26,531 and \$17,463, respectively. 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, casualty, and workers' compensation losses. Bledsoe County is a member of the Local Government Property and Causality 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.

**Employee Health Insurance**

Bledsoe County, with the exception of the highway department, 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.

The Bledsoe County Highway Department provides commercial health insurance coverage to its employees. Settled claims have not exceeded this

commercial coverage over the past three fiscal years. Highway department pre-65 age retirees are not allowed to remain in the program.

### **Discretely Presented Bledsoe County School Department**

The 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 workers' compensation, general liability, property, and casualty insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

### **Employee Health Insurance**

The discretely presented Bledsoe 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. Contingent Liabilities**

The county is involved in several pending lawsuits. However, the county attorney estimates that the potential claims against the county, not covered by insurance, resulting from such litigation should not be material to the county's financial statements.

## **C. Joint Ventures**

The Sequatchie/Bledsoe Landfill Board is responsible for a closed regional sanitary landfill, which is owned by Bledsoe County, Sequatchie County, the City of Dunlap, and the City of Pikeville. The landfill is governed by a twelve-member board, including the county mayor and two members appointed by the county commission. The remaining nine members are appointed by the other joint owners. Bledsoe County has control over budgeting and financing the joint venture only to the extent of representation by the three board members and is responsible for funding approximately 39 percent of any postclosure care costs. Bledsoe County contributed \$14,164 to the board during the year ended June 30, 2020.

The Twelfth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twelfth Judicial District and the municipalities within the district. The district is

composed of Bledsoe, Franklin, Grundy, Marion, Rhea, and Sequatchie 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 the participating law enforcement agencies within the judicial district. Bledsoe County made no contributions to the DTF for the year ended June 30, 2020.

Bledsoe County does not have an equity interest in the above-noted joint ventures. Complete financial statements for the Sequatchie/Bledsoe Landfill Board and the DTF can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Sequatchie/Bledsoe Landfill  
P.O. Box 149  
Pikeville, TN 37367

Office of District Attorney General  
Twelfth Judicial District Drug Task Force  
375 Church Street, Suite 300  
Dayton, TN 37321

**D. Retirement Commitments**

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

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Bledsoe County, non-certified employees of the discretely presented Bledsoe County School Department, and employees of the discretely presented Bledsoe County Nursing Home 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 comprised 47.52 percent, the non-certified employees of the discretely presented school department comprised 37.97 percent, and employees of the discretely presented Bledsoe County Nursing Home comprised 14.51 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, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	160
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	283
Active Employees	254
Total	<u><u>697</u></u>



*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Bledsoe 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, 2020, the employer contribution for Bledsoe County was \$467,457 based on a rate of 6.09 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Bledsoe 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)**

Bledsoe County’s net pension liability (asset) was measured as of June 30, 2019, 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, 2019, 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, 2019, actuarial valuations 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 asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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 Bledsoe 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, 2018	\$ 19,799,848	\$ 20,034,594	\$ (234,746)
Changes for the Year:			
Service Cost	\$ 611,069	\$ 0	\$ 611,069
Interest	1,435,649	0	1,435,649
Differences Between Expected and Actual Experience	336,384	0	336,384
Contributions-Employer	0	655,156	(655,156)
Contributions-Employees	0	380,902	(380,902)
Net Investment Income	0	1,484,142	(1,484,142)
Benefit Payments, Including Refunds of Employee Contributions	(1,217,724)	(1,217,724)	0
Administrative Expense	0	(23,212)	23,212
Net Changes	\$ 1,165,378	\$ 1,279,264	\$ (113,886)
Balance, June 30, 2019	\$ 20,965,226	\$ 21,313,858	\$ (348,632)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	47.52%	\$ 9,962,675	\$ 10,128,345	\$ (165,670)
Nursing Home	14.51%	3,042,054	3,092,641	(50,587)
School Department	37.97%	7,960,497	8,092,872	(132,375)
<b>Total</b>		<b>\$ 20,965,226</b>	<b>\$ 21,313,858</b>	<b>\$ (348,632)</b>

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

	1% Decrease	Current Discount Rate	1% Increase
<b>Bledsoe County</b>	<b>6.25%</b>	<b>7.25%</b>	<b>8.25%</b>

Net Pension Liability (Asset)    \$ 2,341,369    \$ (348,632)    \$ (2,590,935)

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

*Pension Expense.* For the year ended June 30, 2020, Bledsoe County recognized pension expense of \$509,529.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, Bledsoe 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	\$ 426,078	\$ 90,207
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	245,319
Changes in Assumptions	189,798	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	<u>467,457</u>	<u>N/A</u>
Total	<u>\$ 1,083,333</u>	<u>\$ 335,526</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2019,” 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	\$ 506,645	\$ 159,442
School Department	392,289	127,399
Nursing Home	<u>184,399</u>	<u>48,685</u>
Total	<u>\$ 1,083,333</u>	<u>\$ 335,526</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
2021	\$ 123,546
2022	24,227
2023	73,108
2024	59,465
2025	0
Thereafter	0

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

### **Discretely Presented Bledsoe County School Department**

#### **Non-certified Employees**

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

*Plan Description.* As noted above under the primary government, employees of Bledsoe County, non-certified employees of the discretely presented Bledsoe County School Department, and employees of the discretely presented Bledsoe County Nursing Home 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 comprised 47.52 percent, the non-certified employees of the discretely presented school department comprised 37.97 percent, and employees of the Bledsoe County Nursing Home comprised 14.51 percent of the plan based on contribution data.

#### **Certified Employees**

##### **Teacher Retirement Plan**

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

*Plan Description.* Teachers of the Bledsoe 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, 2020, to the Teacher Retirement Plan were \$23,613, which is 1.96 percent of covered payroll. In addition, employer contributions of \$24,502, which is 2.04 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 Fund, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liabilities (Assets).* At June 30, 2020, the school department reported a liability (asset) of (\$51,620) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, 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, 2019, the school department's proportion was .091447 percent. The proportion as of June 30, 2018, was .095625 percent.

*Pension Expense.* For the year ended June 30, 2020, the school department recognized pension expense of \$16,047.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, 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	\$ 2,140	\$ 9,011
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	2,182
Changes in Assumptions	1,794	0
Changes in Proportion of Net Pension Liability (Asset)	1,762	3,127
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	23,613	N/A
Total	<u>\$ 29,309</u>	<u>\$ 14,320</u>

The school department's employer contributions of \$23,613, 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, 2021. 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
2021	\$ (1,247)
2022	(1,581)
2023	(968)
2024	(656)
2025	(567)
Thereafter	(3,606)

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, 2019, 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, 2019, 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 asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) 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) \$ 16,355 \$ (51,620) \$ (101,867)

*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 Bledsoe 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 Bledsoe County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$703,128, which is 10.68 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liability (Assets).* At June 30, 2020, the school department reported a liability (asset) of (\$2,201,791) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, 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, 2019, the school department's proportion was .214144 percent. The proportion measured at June 30, 2018, was .205777 percent.

*Pension Expense.* For the year ended June 30, 2020, the school department recognized pension expense of \$328,115.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, 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	\$ 107,200	\$ 1,344,898
Changes in Assumptions	296,703	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	629,094
Changes in Proportion of Net Pension Liability (Asset)	60,013	5,324
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	703,128	N/A
Total	<u>\$ 1,167,044</u>	<u>\$ 1,979,316</u>

The school department's employer contributions of \$703,128 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, 2021. 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
2021	\$ (414,976)
2022	(611,933)
2023	(278,310)
2024	(210,180)
2025	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, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2019, 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 asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) 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)    \$ 4,502,026    \$ (2,201,791)    \$ (7,534,491)

*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**

**Discretely Presented Bledsoe County School Department**

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 \$62,109 and teachers contributed \$66,072 to this deferred compensation plan.

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

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

## OPEB Provided through State Administered Public Entity Risk Pools

Retirees of Bledsoe County are provided healthcare under the Local Government Plan (LGP) until they reach Medicare eligibility. Likewise, the school department provides healthcare benefits to its employees under the Local Education Plan (LEP) until they reach Medicare eligibility. The certified retirees of the Bledsoe 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 county and school department's total OPEB liability for each plan was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2019, 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	2.20%
Salary Increases	Salary increases used in the July 1, 2018, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.51%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.03 for pre-65 retirees in the 2019 calendar year, and gradually decreasing over a 10 year period to an ultimate trend rate of 4.5%.
Retirees Share of Benefit Related Cost	Discussed under each plan

The discount rate was 3.51 percent, based on an average rating of AA/Aa as shown the Bond Buyer 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 2.0 percent load for males and a -3.0 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 3.62 percent as of the beginning of the measurement period to 3.51 percent as of the measurement date of June 30, 2019. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The trend rate applicable to the 2020 plan year was revised from 6.75 to 6.03 percent.

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

*Plan description.* Employees of Bledsoe 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.* Bledsoe 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. Bledsoe 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, 2019, the following employees were covered by the benefit terms:

	<u>Bledsoe County</u>
Inactive Employees Currently Receiving Benefit Payments	1
Inactive Employees Entitled to but Not Yet Receiving Benefits	0
Active Employees	74
 Total	 <u><u>75</u></u>

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2019, the county paid \$6,149 to the LGP for OPEB benefits as they came due.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2018	<u>\$ 63,785</u>
Changes for the Year:	
Service Cost	\$ 11,508
Interest	2,717
Difference between Expected and Actuarial Experience	3,879
Changes in Assumption and Other Inputs	4,343
Benefit Payments	<u>(502)</u>
Net Changes	<u>\$ 21,945</u>
 Balance June 30, 2019	 <u><u>\$ 85,730</u></u>

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the county recognized OPEB expense of \$11,754. At June 30, 2020, 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	\$ 3,409	\$ 26,892
Changes of Assumptions/Inputs	5,732	2,374
Net Difference Between Projected and Benefits Paid after the Measurement Date of June 30, 2019	<u>6,149</u>	<u>0</u>
Total	<u>\$ 15,290</u>	<u>\$ 29,266</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	County
2021	\$ (2,471)
2022	(2,471)
2023	(2,471)
2024	(2,471)
2025	(2,471)
Thereafter	(7,770)

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:

<u>Discount Rate</u>	1% Decrease 2.51%	Current Discount Rate 3.51%	1% Increase 4.51%
Total OPEB Liability	\$ 92,602	\$ 85,730	\$ 79,454

*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:

	<u>Healthcare Cost Trend Rate</u>		
	1% Decrease 5.03 to 3.5%	Current Trend Rate 6.03 to 4.5%	1% Increase 7.03 to 5.5%
	Total OPEB Liability	\$ 75,964	\$ 85,730

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

*Plan Description.* Employees of the Bledsoe 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 Bledsoe 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 Bledsoe 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, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2019, the following employees were covered by the benefit terms:

	<u>School Department</u>
Inactive Employees Currently Receiving Benefit Payments	7
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	200
Total	<u><u>207</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 \$43,250 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Bledsoe County School Department 64.7825%</u>	<u>State of TN 35.2175%</u>	<u>Total OPEB Liability</u>
Balance July 1, 2018	\$ 1,122,065	\$ 583,077	\$ 1,705,142
Changes for the Year:			
Service Cost	\$ 63,554	\$ 34,549	\$ 98,103
Interest	41,468	22,543	64,011
Difference between Expected and Actuarial Experience	150,918	82,043	232,961
Changes in Assumption and Other Inputs	(97,761)	(53,146)	(150,907)
Change in Proportion Benefit Payments	(17,432)	17,432	0
Benefit Payments	(45,720)	(24,854)	(70,574)
Net Changes	<u>\$ 95,027</u>	<u>\$ 78,567</u>	<u>\$ 173,594</u>
Balance June 30, 2019	<u>\$ 1,217,092</u>	<u>\$ 661,644</u>	<u>\$ 1,878,736</u>

The Bledsoe 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 Bledsoe 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 \$40,288 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Bledsoe County School Department's proportionate share of the collective OPEB liability was 64.7825 percent and the State of Tennessee's share was 35.2175 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the school department recognized OPEB expense of \$111,850 including the state's share of the expense. At June 30, 2020, 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	\$ 134,370	\$ 297,490
Changes of Assumptions/Inputs	32,337	133,456
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	15,145	21,931
Benefits Paid After the Measurement Date of June 30, 2019	<u>43,250</u>	<u>0</u>
Total	<u>\$ 225,102</u>	<u>\$ 452,877</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
2021	\$ (33,460)
2022	(33,460)
2023	(33,460)
2024	(33,460)
2025	(33,460)
Thereafter	(130,725)

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 2.51%	Current Discount Rate 3.51%	1% Increase 4.51%
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Proportionate Share of the Collective Total OPEB Liability	\$ 1,316,865	\$ 1,217,092	\$ 1,122,928
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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.

<u>Healthcare Cost Trend Rate</u>	1% Decrease 5.03 to 3.5%	Current Rates 6.03 to 4.5%	1% Increase 7.03 to 5.5%
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Proportionate Share of the Collective Total OPEB Liability	\$ 1,077,036	\$ 1,217,092	\$ 1,382,277
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**F. Purchasing Laws**

Office of County Mayor

Purchasing procedures for the Bledsoe County Mayor's Office are governed by the County Purchasing Law of 1983, Section 5-14-201, *Tennessee Code Annotated (TCA)*. This act provides for all purchases exceeding \$10,000 (excluding emergency purchases) to be made based on competitive bids solicited through newspaper advertisement.

Office of Road Superintendent

Purchasing procedures for the highway department are governed by provisions of Chapter 153, Private Acts of 1941, and the Uniform Road Law, Section 54-7-113, *TCA*, which provide for purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids.

### Office of Director of Schools

Purchasing procedures for the 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.

### Bledsoe County Industrial Development Corporation Board

Purchasing procedures utilized by the Industrial Development Corporation Board are governed by the County Purchasing Law of 1983, Section 5-14-201, *Tennessee Code Annotated (TCA)*. This act provides for all purchases exceeding \$10,000 (excluding emergency purchases) to be made based on competitive bids solicited through newspaper advertisement.

## **G. Subsequent Events**

On August 31, 2020, Deanna Rains left the Office of Trustee and was succeeded by Tracey Cagle on an interim basis. In the November 3, 2020, special election, Matt Fields was elected to the Office of Trustee, but resigned on November 18, 2020. On January 21, 2021, Tracey Cagle was appointed by the county commission to fill the unexpired term until the next general election.

On June 30, 2020, Jennifer Terry left the office of Director of Schools and was succeeded by Dr. James Ellis.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit E-1

Bledsoe 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	2019
<b>Total Pension Liability</b>						
Service Cost	\$ 461,164	\$ 485,583	\$ 511,034	\$ 558,060	\$ 582,536	\$ 611,069
Interest	1,071,540	1,141,559	1,218,537	1,278,614	1,345,781	1,435,649
Differences Between Actual and Expected Experience	(8,480)	41,725	(266,568)	(92,239)	261,617	336,384
Change of Assumptions	0	0	0	474,498	0	0
Benefit Payments, Including Refunds of Employee Contributions	(594,151)	(635,980)	(699,910)	(718,110)	(740,084)	(1,217,724)
Net Change in Total Pension Liability	\$ 930,073	\$ 1,032,887	\$ 763,093	\$ 1,500,823	\$ 1,449,850	\$ 1,165,378
Total Pension Liability, Beginning	14,123,122	15,053,195	16,086,082	16,849,175	18,349,998	19,799,848
Total Pension Liability, Ending (a)	\$ 15,053,195	\$ 16,086,082	\$ 16,849,175	\$ 18,349,998	\$ 19,799,848	\$ 20,965,226
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ 481,040	\$ 496,981	\$ 529,435	\$ 576,669	\$ 608,015	\$ 655,156
Contributions - Employee	288,734	300,511	305,528	377,443	352,791	380,902
Net Investment Income	2,127,188	467,027	418,156	1,852,789	1,528,017	1,484,142
Benefit Payments, Including Refunds of Employee Contributions	(594,151)	(635,980)	(699,910)	(718,110)	(740,084)	(1,217,724)
Administrative Expense	(9,219)	(12,566)	(19,500)	(21,894)	(24,648)	(23,212)
Other	0	0	23,974	4,719	0	0
Net Change in Plan Fiduciary Net Position	\$ 2,293,592	\$ 615,973	\$ 557,683	\$ 2,071,616	\$ 1,724,091	\$ 1,279,264
Plan Fiduciary Net Position, Beginning	12,771,639	15,065,231	15,681,204	16,238,887	18,310,503	20,034,594
Plan Fiduciary Net Position, Ending (b)	\$ 15,065,231	\$ 15,681,204	\$ 16,238,887	\$ 18,310,503	\$ 20,034,594	\$ 21,313,858
Net Pension Liability (Asset), Ending (a - b)	\$ (12,036)	\$ 404,878	\$ 610,288	\$ 39,495	\$ (234,746)	\$ (348,632)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	100.08%	97.48%	96.38%	99.78%	101.19%	101.66%
Covered Payroll	\$ 5,774,661	\$ 5,758,755	\$ 6,160,509	\$ 6,682,140	\$ 7,045,360	\$ 7,591,608
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(0.21%)	7.03%	9.91%	.59%	(3.33%)	(4.59%)

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

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government, discretely presented Bledsoe County Nursing Home, and non-certified employees of the discretely presented school department.

Exhibit E-2

Bledsoe 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	2020
Actuarially Determined Contribution	\$ 481,040	\$ 496,981	\$ 529,435	\$ 576,669	\$ 608,015	\$ 655,156	\$ 467,457
Less Contributions in Relation to the Actuarially Determined Contribution	(481,040)	(496,981)	(529,435)	(576,669)	(608,015)	(655,156)	(467,457)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 5,774,661	\$ 5,758,755	\$ 6,160,509	\$ 6,682,140	\$ 7,045,360	\$ 7,591,608	\$ 7,674,080
Contributions as a Percentage of Covered Payroll	8.33%	8.63%	8.59%	8.63%	8.63%	8.63%	6.09%

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

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government, discretely presented Bledsoe County Nursing Home, and non-certified employees of the discretely presented school department.

Exhibit E-3

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

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 4,664	\$ 14,672	\$ 22,277	\$ 33,426	\$ 18,773	\$ 23,613
Less Contributions in Relation to the Actuarially Required Contribution	(4,664)	(14,672)	(22,277)	(33,426)	(18,773)	(23,613)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 116,593	\$ 366,802	\$ 556,915	\$ 835,645	\$ 967,695	\$ 1,202,867
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	1.96%

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

Exhibit E-4

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

	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 636,679	\$ 649,696	\$ 659,171	\$ 650,375	\$ 654,272	\$ 751,088	\$ 703,128
Less Contributions in Relation to the Actuarially Required Contribution	(636,679)	(649,696)	(659,171)	(650,375)	(654,272)	(751,088)	(703,128)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 7,169,758	\$ 7,186,910	\$ 7,291,703	\$ 7,194,408	\$ 7,205,650	\$ 7,180,572	\$ 6,583,986
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.68%

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



Exhibit E-5

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

	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Asset	0.056114%	0.083365%	0.084852%	0.095625%	0.091447%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (2,257) \$	(8,679) \$	(22,387) \$	(43,369) \$	(51,620)
Covered Payroll	\$ 116,593 \$	366,802 \$	556,915 \$	835,645 \$	967,695
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94%)	(2.37%)	(4.02%)	(5.19%)	(5.33%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%	126.97%	123.07%

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

Exhibit E-6

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

	2014	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability	0.182671%	0.191983%	0.201998%	0.203522%	0.205777%	0.214144%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (29,683)	\$ 78,643	\$ 1,262,374	\$ (66,593)	\$ (724,112)	\$ (2,201,791)
Covered Payroll	\$ 7,169,813	\$ 7,186,910	\$ 7,291,703	\$ 7,194,408	\$ 7,205,650	\$ 7,180,572
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41%)	1.09%	17.31%	(0.93%)	(10.05%)	(30.66%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%

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

Exhibit E-7

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

	2017	2018	2019
<b>Total OPEB Liability</b>			
Service Cost	\$ 9,881	\$ 9,361	\$ 11,508
Interest	2,456	3,276	2,717
Differences Between Actual and Expected Experience	0	(33,532)	3,879
Changes in Assumptions or Other Inputs	(3,523)	2,387	4,343
Benefit Payments	0	(764)	(502)
Net Change in Total OPEB Liability	\$ 8,814	\$ (19,272)	\$ 21,945
Total OPEB Liability, Beginning	74,243	83,057	63,785
Total OPEB Liability, Ending	<u>\$ 83,057</u>	<u>\$ 63,785</u>	<u>\$ 85,730</u>
Covered Employee Payroll	\$ 6,682,140	\$ 7,045,360	\$ 7,591,608
Net OPEB Liability as a Percentage of Covered Employee Payroll	1.24%	0.91%	1.13%

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

Note 2: Changes in assumptions.

(a) The following are the discount rates used in each period:

2016 2.92%

2017 3.56%

2018 3.62%

2019 3.51%

(b) The assumed initial trend rate applicable to plan years was revised as follows:

2019 plan year - from 5.4% to 6.75%

2020 plan year - from 6.75% to 6.03%

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

Exhibit E-8

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

**Local Education Plan**

	2017	2018	2019
<b>Total OPEB Liability</b>			
Service Cost	\$ 117,222	\$ 108,316	\$ 98,103
Interest	63,809	77,490	64,011
Differences Between Actual and Expected Experience	0	(568,549)	232,961
Changes in Assumptions or Other Inputs	(103,254)	61,802	(150,907)
Benefit Payments	(70,298)	(84,561)	(70,574)
Net Change in Total OPEB Liability	\$ 7,479	\$ (405,502)	\$ 173,594
Total OPEB Liability, Beginning	2,103,165	2,110,644	1,705,142
Total OPEB Liability, Ending	\$ 2,110,644	\$ 1,705,142	\$ 1,878,736
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 742,556	\$ 583,077	\$ 661,644
Employer Proportionate Share of the Total OPEB Liability	\$ 1,368,088	\$ 1,122,065	\$ 1,217,092
Covered Employee Payroll	\$ 7,658,505	\$ 7,751,323	\$ 8,041,295
Total OPEB Liability as a Percentage of Covered Employee Payroll	27.56%	22.00%	23.36%

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

Note 2: Changes in assumptions.

(a) The following are the discount rates used in each period:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%

(b) The assumed initial trend rate applicable to plan years was revised as follows:

2019 plan year	- from 5.4% to 6.75%
2020 plan year	- from 6.75% to 6.03%

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

**BLEDSOE COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2020**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2020 were calculated based on the June 30, 2018, 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 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and modified mortality assumptions.

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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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Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions involving solid waste collection.

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

Other Special Revenue Fund – The Other Special Revenue Fund was used to account for some transactions of the Bledsoe County Emergency Communications District, a discretely presented component unit, based upon a contract with the district. Effective June 30, 2020, this fund has been reclassified as an agency fund to better reflect the control of these funds by the Bledsoe County Emergency Communications District.

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

# Capital Projects Funds

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

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General Capital Projects Fund – The General Capital Projects Fund is used to account for expenditures associated with the construction of a new detention center.

HUD Grant Projects Fund – The HUD Grant Projects Fund is used to account for grant expenditures of the county.



Exhibit F-1

Bledsoe County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2020

	Special Revenue Funds				Capital	Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	Projects Fund HUD Grant Projects	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 51	\$ 51	\$ 0	\$ 51
Equity in Pooled Cash and Investments	335,618	66,358	0	401,976	0	401,976
Accounts Receivable	838	0	1,897	2,735	0	2,735
Due from Other Governments	7,637	0	0	7,637	34,700	42,337
Property Taxes Receivable	309,649	0	0	309,649	0	309,649
Allowance for Uncollectible Property Taxes	(22,771)	0	0	(22,771)	0	(22,771)
<b>Total Assets</b>	<b>\$ 630,971</b>	<b>\$ 66,358</b>	<b>\$ 1,948</b>	<b>\$ 699,277</b>	<b>\$ 34,700</b>	<b>\$ 733,977</b>
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 34,700	\$ 34,700
Payroll Deductions Payable	688	0	0	688	0	688
Due to Other Funds	0	0	1,948	1,948	0	1,948
<b>Total Liabilities</b>	<b>\$ 688</b>	<b>\$ 0</b>	<b>\$ 1,948</b>	<b>\$ 2,636</b>	<b>\$ 34,700</b>	<b>\$ 37,336</b>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 271,898	\$ 0	\$ 0	\$ 271,898	\$ 0	\$ 271,898
Deferred Delinquent Property Taxes	14,045	0	0	14,045	0	14,045
<b>Total Deferred Inflows of Resources</b>	<b>\$ 285,943</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 285,943</b>	<b>\$ 0</b>	<b>\$ 285,943</b>

(Continued)

Exhibit F-1

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

	Special Revenue Funds			Total	Capital	Total
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees		Projects Fund	
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 66,358	\$ 0	\$ 66,358	\$ 0	\$ 66,358
Restricted for Public Health and Welfare	344,340	0	0	344,340	0	344,340
Total Fund Balances	<u>\$ 344,340</u>	<u>\$ 66,358</u>	<u>\$ 0</u>	<u>\$ 410,698</u>	<u>\$ 0</u>	<u>\$ 410,698</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 630,971</u>	<u>\$ 66,358</u>	<u>\$ 1,948</u>	<u>\$ 699,277</u>	<u>\$ 34,700</u>	<u>\$ 733,977</u>

Exhibit F-2

Bledsoe County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2020

	Special Revenue Funds					Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Total	General Capital Projects
<u>Revenues</u>						
Local Taxes	\$ 284,678	\$ 0	\$ 0	\$ 0	\$ 284,678	\$ 0
Licenses and Permits	1,597	0	0	0	1,597	0
Fines, Forfeitures, and Penalties	0	11,774	0	0	11,774	0
Charges for Current Services	2,949	0	0	35	2,984	0
Other Local Revenues	8,539	0	0	0	8,539	0
State of Tennessee	75,908	0	0	0	75,908	0
Federal Government	0	0	0	0	0	0
<b>Total Revenues</b>	<b>\$ 373,671</b>	<b>\$ 11,774</b>	<b>\$ 0</b>	<b>\$ 35</b>	<b>\$ 385,480</b>	<b>\$ 0</b>
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 0	\$ 7	\$ 7	\$ 0
Administration of Justice	0	0	0	28	28	0
Public Safety	0	373	0	0	373	0
Public Health and Welfare	299,411	0	0	0	299,411	0
Highways	72,153	0	0	0	72,153	0
Capital Projects	0	0	0	0	0	119,320
<b>Total Expenditures</b>	<b>\$ 371,564</b>	<b>\$ 373</b>	<b>\$ 0</b>	<b>\$ 35</b>	<b>\$ 371,972</b>	<b>\$ 119,320</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ 2,107</b>	<b>\$ 11,401</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 13,508</b>	<b>\$ (119,320)</b>

(Continued)

Exhibit F-2

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

	Special Revenue Funds					Capital Projects Funds
	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Total	General Capital Projects
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 41,255
Transfers Out	0	0	0	0	0	(27,693)
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,562
Net Change in Fund Balances	\$ 2,107	\$ 11,401	\$ 0	\$ 0	\$ 13,508	\$ (105,758)
Reclassification	0	0	(39,807)	0	(39,807)	0
Fund Balance, July 1, 2019	342,233	54,957	39,807	0	436,997	105,758
Fund Balance, June 30, 2020	\$ 344,340	\$ 66,358	\$ 0	\$ 0	\$ 410,698	\$ 0

(Continued)

Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	HUD Grant Projects	Total	
<u>Revenues</u>			
Local Taxes	\$ 0	\$ 0	\$ 284,678
Licenses and Permits	0	0	1,597
Fines, Forfeitures, and Penalties	0	0	11,774
Charges for Current Services	0	0	2,984
Other Local Revenues	0	0	8,539
State of Tennessee	0	0	75,908
Federal Government	200,272	200,272	200,272
Total Revenues	<u>\$ 200,272</u>	<u>\$ 200,272</u>	<u>\$ 585,752</u>
<u>Expenditures</u>			
Current:			
Finance	\$ 0	\$ 0	\$ 7
Administration of Justice	0	0	28
Public Safety	0	0	373
Public Health and Welfare	0	0	299,411
Highways	0	0	72,153
Capital Projects	200,272	319,592	319,592
Total Expenditures	<u>\$ 200,272</u>	<u>\$ 319,592</u>	<u>\$ 691,564</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 0</u>	<u>\$ (119,320)</u>	<u>\$ (105,812)</u>

(Continued)

Exhibit F-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	HUD Grant Projects	Total	
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 0	\$ 41,255	\$ 41,255
Transfers Out	0	(27,693)	(27,693)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 13,562</u>	<u>\$ 13,562</u>
Net Change in Fund Balances	\$ 0	\$ (105,758)	\$ (92,250)
Reclassification	0	0	(39,807)
Fund Balance, July 1, 2019	0	105,758	542,755
Fund Balance, June 30, 2020	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 410,698</u>

Exhibit F-3

Bledsoe County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Solid Waste/Sanitation Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 284,678	\$ 289,943	\$ 289,943	\$ (5,265)
Licenses and Permits	1,597	1,700	1,700	(103)
Charges for Current Services	2,949	4,000	4,000	(1,051)
Other Local Revenues	8,539	5,500	5,500	3,039
State of Tennessee	75,908	74,500	74,500	1,408
Total Revenues	<u>\$ 373,671</u>	<u>\$ 375,643</u>	<u>\$ 375,643</u>	<u>\$ (1,972)</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Convenience Centers	\$ 285,247	\$ 300,172	\$ 317,172	\$ 31,925
Landfill Operation and Maintenance	14,164	14,164	14,164	0
<u>Highways</u>				
Litter and Trash Collection	72,153	76,758	76,758	4,605
Total Expenditures	<u>\$ 371,564</u>	<u>\$ 391,094</u>	<u>\$ 408,094</u>	<u>\$ 36,530</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,107</u>	<u>\$ (15,451)</u>	<u>\$ (32,451)</u>	<u>\$ 34,558</u>
Net Change in Fund Balance	\$ 2,107	\$ (15,451)	\$ (32,451)	\$ 34,558
Fund Balance, July 1, 2019	<u>342,233</u>	<u>330,421</u>	<u>330,421</u>	<u>11,812</u>
Fund Balance, June 30, 2020	<u>\$ 344,340</u>	<u>\$ 314,970</u>	<u>\$ 297,970</u>	<u>\$ 46,370</u>

Exhibit F-4

Bledsoe County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Drug Control Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 11,774	\$ 9,700	\$ 9,700	\$ 2,074
Total Revenues	\$ 11,774	\$ 9,700	\$ 9,700	\$ 2,074
<u>Expenditures</u>				
<u>Public Safety</u>				
Sheriff's Department	\$ 265	\$ 2,500	\$ 16,500	\$ 16,235
Drug Enforcement	108	3,230	3,230	3,122
Total Expenditures	\$ 373	\$ 5,730	\$ 19,730	\$ 19,357
Excess (Deficiency) of Revenues Over Expenditures	\$ 11,401	\$ 3,970	\$ (10,030)	\$ 21,431
Net Change in Fund Balance	\$ 11,401	\$ 3,970	\$ (10,030)	\$ 21,431
Fund Balance, July 1, 2019	54,957	47,005	47,005	7,952
Fund Balance, June 30, 2020	\$ 66,358	\$ 50,975	\$ 36,975	\$ 29,383



Exhibit F-5

Bledsoe County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Other Special Revenue Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Governments and Citizens Groups	\$ 0	\$ 403,415	\$ 403,415	\$ (403,415)
Total Revenues	\$ 0	\$ 403,415	\$ 403,415	\$ (403,415)
<u>Expenditures</u>				
<u>Public Safety</u>				
Other Public Safety	\$ 0	\$ 403,415	\$ 403,415	\$ 403,415
Total Expenditures	\$ 0	\$ 403,415	\$ 403,415	\$ 403,415
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
Net Change in Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0
Reclassification	(39,807)	0	(39,807)	0
Fund Balance, July 1, 2019	39,807	41,361	41,361	(1,554)
Fund Balance, June 30, 2020	\$ 0	\$ 41,361	\$ 1,554	\$ (1,554)

# **Major Governmental Fund**

## **General Debt Service Fund**

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

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Exhibit G

Bledsoe County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 543,056	\$ 557,895	\$ 557,895	\$ (14,839)
Licenses and Permits	3,071	3,300	3,300	(229)
Charges for Current Services	0	100,000	100,000	(100,000)
Other Local Revenues	164,340	98,000	98,000	66,340
State of Tennessee	60,554	34,000	34,000	26,554
Other Governments and Citizens Groups	1,115,164	0	1,115,164	0
Total Revenues	<u>\$ 1,886,185</u>	<u>\$ 793,195</u>	<u>\$ 1,908,359</u>	<u>\$ (22,174)</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 465,000	\$ 465,000	\$ 465,000	\$ 0
Education	891,353	0	891,353	0
<u>Interest on Debt</u>				
General Government	347,610	349,610	349,610	2,000
Education	223,811	0	223,811	0
<u>Other Debt Service</u>				
General Government	12,803	13,800	13,800	997
Total Expenditures	<u>\$ 1,940,577</u>	<u>\$ 828,410</u>	<u>\$ 1,943,574</u>	<u>\$ 2,997</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (54,392)</u>	<u>\$ (35,215)</u>	<u>\$ (35,215)</u>	<u>\$ (19,177)</u>
Net Change in Fund Balance	\$ (54,392)	\$ (35,215)	\$ (35,215)	\$ (19,177)
Fund Balance, July 1, 2019	<u>1,171,073</u>	<u>1,014,414</u>	<u>1,014,414</u>	<u>156,659</u>
Fund Balance, June 30, 2020	<u>\$ 1,116,681</u>	<u>\$ 979,199</u>	<u>\$ 979,199</u>	<u>\$ 137,482</u>

# Fiduciary Funds

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

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

Constitutional Officers - Agency Fund – The Constitutional Officers - Agency Fund is used to account for amounts collected in an agency capacity by the county clerk; circuit, 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.

Other Agency Fund – The Other Agency Fund is used to account for some transactions of the Bledsoe County Emergency Communications District, a discretely presented component unit, based upon a contract with the district. The district contributes funds to the county annually, and the county uses these funds to manage a portion of the operating expenses for the district.

Exhibit H-1

Bledsoe County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2020

	Agency Funds			
	Cities - Sales Tax	Constitu - tional Officers - Agency	Other Agency	Total
<u>ASSETS</u>				
Cash	\$ 0	\$ 1,011,904	\$ 0	\$ 1,011,904
Equity in Pooled Cash and Investments	0	0	103,706	103,706
Due from Other Governments	32,769	0	0	32,769
Total Assets	\$ 32,769	\$ 1,011,904	\$ 103,706	\$ 1,148,379
<u>LIABILITIES</u>				
Payroll Deductions Payable	\$ 0	\$ 0	\$ 1,490	\$ 1,490
Due to Other Taxing Units	32,769	0	0	32,769
Due to Litigants, Heirs, and Others	0	1,011,904	102,216	1,114,120
Total Liabilities	\$ 32,769	\$ 1,011,904	\$ 103,706	\$ 1,148,379

Exhibit H-2

Bledsoe County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2020

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 208,730	\$ 208,730	\$ 0
Due from Other Governments	37,429	32,769	37,429	32,769
<b>Total Assets</b>	<b>\$ 37,429</b>	<b>\$ 241,499</b>	<b>\$ 246,159</b>	<b>\$ 32,769</b>
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 37,429	\$ 241,499	\$ 246,159	\$ 32,769
<b>Total Liabilities</b>	<b>\$ 37,429</b>	<b>\$ 241,499</b>	<b>\$ 246,159</b>	<b>\$ 32,769</b>
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 864,646	\$ 2,028,392	\$ 1,881,134	\$ 1,011,904
<b>Total Assets</b>	<b>\$ 864,646</b>	<b>\$ 2,028,392</b>	<b>\$ 1,881,134</b>	<b>\$ 1,011,904</b>
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 864,646	\$ 2,028,392	\$ 1,881,134	\$ 1,011,904
<b>Total Liabilities</b>	<b>\$ 864,646</b>	<b>\$ 2,028,392</b>	<b>\$ 1,881,134</b>	<b>\$ 1,011,904</b>
<u>Other Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 443,222	\$ 339,516	\$ 103,706
<b>Total Assets</b>	<b>\$ 0</b>	<b>\$ 443,222</b>	<b>\$ 339,516</b>	<b>\$ 103,706</b>
<u>Liabilities</u>				
Payroll Deductions Payable	\$ 0	\$ 1,490	\$ 0	\$ 1,490
Due to Litigants, Heirs, and Others	0	441,732	339,516	102,216
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 443,222</b>	<b>\$ 339,516</b>	<b>\$ 103,706</b>
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 864,646	\$ 2,028,392	\$ 1,881,134	\$ 1,011,904
Equity in Pooled Cash and Investments	0	651,952	548,246	103,706
Due from Other Governments	37,429	32,769	37,429	32,769
<b>Total Assets</b>	<b>\$ 902,075</b>	<b>\$ 2,713,113</b>	<b>\$ 2,466,809</b>	<b>\$ 1,148,379</b>
<u>Liabilities</u>				
Payroll Deductions Payable	\$ 0	\$ 1,490	\$ 0	\$ 1,490
Due to Other Taxing Units	37,429	241,499	246,159	32,769
Due to Litigants, Heirs, and Others	864,646	2,470,124	2,220,650	1,114,120
<b>Total Liabilities</b>	<b>\$ 902,075</b>	<b>\$ 2,713,113</b>	<b>\$ 2,466,809</b>	<b>\$ 1,148,379</b>

# Bledsoe County School Department

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This section presents combining and individual fund financial statements for the Bledsoe County School Department, a discretely presented component unit. The school department uses a General Fund, two Special Revenue Funds, a Debt Service Fund, and a 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.

Education Debt Service Fund – The Education Debt Service Fund is used to account for the accumulation of resources for, and the contribution to the primary government of, education related long-term debt principal, interest, and related costs.

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

Exhibit I-1

Bledsoe County, Tennessee  
Statement of Activities  
Discretely Presented Bledsoe County School Department  
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:					
Instruction	\$ 9,595,898	\$ 0	\$ 685,788	\$ 0	\$ (8,910,110)
Support Services	6,158,514	0	110,426	221,425	(5,826,663)
Operation of Non-instructional Services	2,225,572	87,233	2,502,643	0	364,304
Interest on Long-term Debt	223,811	0	0	0	(223,811)
<b>Total Governmental Activities</b>	<b>\$ 18,203,795</b>	<b>\$ 87,233</b>	<b>\$ 3,298,857</b>	<b>\$ 221,425</b>	<b>\$ (14,596,280)</b>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 1,845,026
Property Taxes Levied for Debt Service					87,622
Local Option Sales Taxes					862,971
Grants and Contributions Not Restricted to Specific Programs					13,557,770
Unrestricted Investment Earnings					1,424
Miscellaneous					12,667
Sale of Equipment					3,510
<b>Total General Revenues</b>					<b>\$ 16,370,990</b>
Change in Net Position					\$ 1,774,710
Net Position, July 1, 2019					6,868,332
Net Position, June 30, 2020					<b>\$ 8,643,042</b>



Exhibit I-2

Bledsoe County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Bledsoe County School Department  
June 30, 2020

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	Central Cafeteria	Education Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>					
Cash	\$ 0	\$ 18,081	\$ 0	\$ 0	\$ 18,081
Equity in Pooled Cash and Investments	1,780,080	660,360	884,599	103,529	3,428,568
Accounts Receivable	14,020	0	0	0	14,020
Due from Other Governments	93,038	296,577	104,316	26,424	520,355
Property Taxes Receivable	2,052,037	0	97,437	0	2,149,474
Allowance for Uncollectible Property Taxes	(150,901)	0	(7,165)	0	(158,066)
Restricted Assets	46,115	0	0	0	46,115
Total Assets	<u>\$ 3,834,389</u>	<u>\$ 975,018</u>	<u>\$ 1,079,187</u>	<u>\$ 129,953</u>	<u>\$ 6,018,547</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 11,819	\$ 3,614	\$ 0	\$ 0	\$ 15,433
Accrued Payroll	0	31,417	0	0	31,417
Payroll Deductions Payable	0	0	0	150	150
Current Liabilities Payable From Restricted Assets	0	1,070	0	0	1,070
Total Liabilities	<u>\$ 11,819</u>	<u>\$ 36,101</u>	<u>\$ 0</u>	<u>\$ 150</u>	<u>\$ 48,070</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 1,801,861	\$ 0	\$ 85,558	\$ 0	\$ 1,887,419
Deferred Delinquent Property Taxes	93,077	0	4,420	0	97,497
Other Deferred/Unavailable Revenue	26,062	0	59,936	0	85,998
Total Deferred Inflows of Resources	<u>\$ 1,921,000</u>	<u>\$ 0</u>	<u>\$ 149,914</u>	<u>\$ 0</u>	<u>\$ 2,070,914</u>

(Continued)

Exhibit I-2

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	Central Cafeteria	Education Debt Service	Other Governmental Funds	
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Education	\$ 0	\$ 938,917	\$ 929,273	\$ 79,803	\$ 1,947,993
Restricted for Hybrid Retirement Stabilization Funds	46,115	0	0	0	46,115
Committed:					
Committed for Education	0	0	0	50,000	50,000
Unassigned	1,855,455	0	0	0	1,855,455
Total Fund Balances	<u>\$ 1,901,570</u>	<u>\$ 938,917</u>	<u>\$ 929,273</u>	<u>\$ 129,803</u>	<u>\$ 3,899,563</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,834,389</u>	<u>\$ 975,018</u>	<u>\$ 1,079,187</u>	<u>\$ 129,953</u>	<u>\$ 6,018,547</u>

Exhibit I-3

Bledsoe County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
Discretely Presented Bledsoe County School Department  
June 30, 2020

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)		\$	3,899,563
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	375,847	
Add: buildings and improvements net of accumulated depreciation		9,757,688	
Add: infrastructure net of accumulated depreciation		75,622	
Add: other capital assets net of accumulated depreciation		<u>1,348,306</u>	11,557,463
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: contributions due on primary government debt for bonds	\$	(7,406,005)	
Less: other postemployment benefits liability		<u>(1,217,092)</u>	(8,623,097)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions/OPEB will be amortized and recognized as components of pension/OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	1,588,642	
Less: deferred inflows of resources related to pensions		(2,121,036)	
Add: deferred outflows of resources related to OPEB		225,102	
Less: deferred inflows of resources related to OPEB		<u>(452,877)</u>	(760,169)
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	132,376	
Add: net pension asset - teacher retirement plan		51,620	
Add: net pension asset - teacher legacy pension plan		<u>2,201,791</u>	2,385,787
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>183,495</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>8,643,042</u></u>

Exhibit I-4

Bledsoe County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Bledsoe County School Department  
For the Year Ended June 30, 2020

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	Central Cafeteria	Education Debt Service	Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 2,148,868	\$ 0	\$ 675,575	\$ 0	\$ 2,824,443
Licenses and Permits	11,039	0	503	0	11,542
Charges for Current Services	0	87,233	0	0	87,233
Other Local Revenues	19,411	20,774	0	0	40,185
State of Tennessee	13,701,662	18,949	10,072	0	13,730,683
Federal Government	83,305	1,875,137	0	1,407,412	3,365,854
<b>Total Revenues</b>	<b>\$ 15,964,285</b>	<b>\$ 2,002,093</b>	<b>\$ 686,150</b>	<b>\$ 1,407,412</b>	<b>\$ 20,059,940</b>
<u>Expenditures</u>					
Current:					
Instruction	\$ 8,927,756	\$ 0	\$ 0	\$ 986,266	\$ 9,914,022
Support Services	5,549,964	0	0	397,856	5,947,820
Operation of Non-Instructional Services	654,309	1,558,695	0	0	2,213,004
Capital Outlay	24,803	0	0	0	24,803
Debt Service:					
Principal on Debt	41,353	0	850,000	0	891,353
Interest on Debt	4,397	0	219,414	0	223,811
Other Debt Service	0	0	9,111	0	9,111
Capital Projects	0	0	0	36,820	36,820
<b>Total Expenditures</b>	<b>\$ 15,202,582</b>	<b>\$ 1,558,695</b>	<b>\$ 1,078,525</b>	<b>\$ 1,420,942</b>	<b>\$ 19,260,744</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ 761,703</b>	<b>\$ 443,398</b>	<b>\$ (392,375)</b>	<b>\$ (13,530)</b>	<b>\$ 799,196</b>

(Continued)

Exhibit I-4

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General Purpose School	Central Cafeteria	Education Debt Service	Other Govern- mental Funds	
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 31,122	\$ 0	\$ 525,000	\$ 95,000	\$ 651,122
Transfers Out	(620,000)	0	0	(31,122)	(651,122)
Total Other Financing Sources (Uses)	\$ (588,878)	\$ 0	\$ 525,000	\$ 63,878	\$ 0
Net Change in Fund Balances	\$ 172,825	\$ 443,398	\$ 132,625	\$ 50,348	\$ 799,196
Fund Balance, July 1, 2019	1,728,745	495,519	796,648	79,455	3,100,367
Fund Balance, June 30, 2020	\$ 1,901,570	\$ 938,917	\$ 929,273	\$ 129,803	\$ 3,899,563

Exhibit I-5

Bledsoe County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
Discretely Presented Bledsoe County School Department  
For the Year Ended June 30, 2020

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)		\$	799,196
(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	\$	391,135	
Less: current-year depreciation expense		<u>(623,294)</u>	(232,159)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2020	\$	183,495	
Less: deferred delinquent property taxes and other deferred June 30, 2019		<u>(180,648)</u>	2,847
(3) The contributions of long-term debt (e.g., bonds, notes, other loans) by the primary government provide current financial resources to governmental funds, while the contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.			
Add: principal contributions on bonds to primary government			891,353
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in OPEB liability	\$	(95,027)	
Change in deferred outflows related to OPEB		127,353	
Change in deferred inflows related to OPEB		(60,639)	
Change in net pension asset - agent plan		40,426	
Change in net pension asset - teacher retirement plan		8,251	
Change in net pension asset - teacher legacy plan		1,477,679	
Change in deferred outflows related to pensions		(305,003)	
Change in deferred inflows related to pensions		<u>(879,567)</u>	<u>313,473</u>
Change in net position of governmental activities (Exhibit B)			<u>\$ 1,774,710</u>

Exhibit I-6

Bledsoe County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Bledsoe County School Department  
June 30, 2020

	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	School Federal Projects	Education Capital Projects	
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 23,726	\$ 79,803	\$ 103,529
Due from Other Governments	26,424	0	26,424
Total Assets	<u>\$ 50,150</u>	<u>\$ 79,803</u>	<u>\$ 129,953</u>
<u>LIABILITIES</u>			
Payroll Deductions Payable	\$ 150	\$ 0	\$ 150
Total Liabilities	<u>\$ 150</u>	<u>\$ 0</u>	<u>\$ 150</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 0	\$ 79,803	\$ 79,803
Committed:			
Committed for Education	50,000	0	50,000
Total Fund Balances	<u>\$ 50,000</u>	<u>\$ 79,803</u>	<u>\$ 129,803</u>
Total Liabilities and Fund Balances	<u>\$ 50,150</u>	<u>\$ 79,803</u>	<u>\$ 129,953</u>

Exhibit I-7

Bledsoe County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented Bledsoe County School Department  
For the Year Ended June 30, 2020

	Special Revenue Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Education Capital Projects	
<u>Revenues</u>			
Federal Government	\$ 1,407,412	\$ 0	\$ 1,407,412
Total Revenues	<u>\$ 1,407,412</u>	<u>\$ 0</u>	<u>\$ 1,407,412</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 986,266	\$ 0	\$ 986,266
Support Services	397,856	0	397,856
Capital Projects	0	36,820	36,820
Total Expenditures	<u>\$ 1,384,122</u>	<u>\$ 36,820</u>	<u>\$ 1,420,942</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 23,290</u>	<u>\$ (36,820)</u>	<u>\$ (13,530)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 0	\$ 95,000	\$ 95,000
Transfers Out	(31,122)	0	(31,122)
Total Other Financing Sources (Uses)	<u>\$ (31,122)</u>	<u>\$ 95,000</u>	<u>\$ 63,878</u>
Net Change in Fund Balances	\$ (7,832)	\$ 58,180	\$ 50,348
Fund Balance, July 1, 2019	<u>57,832</u>	<u>21,623</u>	<u>79,455</u>
Fund Balance, June 30, 2020	<u><u>\$ 50,000</u></u>	<u><u>\$ 79,803</u></u>	<u><u>\$ 129,803</u></u>



Exhibit I-8

Bledsoe County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Bledsoe County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,148,868	\$ 2,163,267	\$ 2,163,267	\$ (14,399)
Licenses and Permits	11,039	9,650	9,650	1,389
Other Local Revenues	19,411	31,700	34,314	(14,903)
State of Tennessee	13,701,662	13,458,944	13,695,372	6,290
Federal Government	83,305	55,898	155,412	(72,107)
Total Revenues	<u>\$ 15,964,285</u>	<u>\$ 15,719,459</u>	<u>\$ 16,058,015</u>	<u>\$ (93,730)</u>
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 6,657,557	\$ 6,915,483	\$ 7,048,195	\$ 390,638
Alternative Instruction Program	91,649	95,083	95,133	3,484
Special Education Program	1,614,746	1,671,092	1,646,692	31,946
Career and Technical Education Program	563,804	489,561	578,409	14,605
<u>Support Services</u>				
Attendance	76,549	94,141	86,741	10,192
Health Services	277,393	312,796	308,496	31,103
Other Student Support	310,050	307,116	350,702	40,652
Regular Instruction Program	355,011	453,861	454,961	99,950
Special Education Program	399,223	387,480	411,880	12,657
Career and Technical Education Program	900	1,800	1,800	900
Technology	180,250	248,212	244,212	63,962
Other Programs	43,994	0	43,994	0
Board of Education	370,083	391,180	391,180	21,097
Director of Schools	169,027	188,882	188,882	19,855
Office of the Principal	824,354	845,104	852,054	27,700
Fiscal Services	254,798	260,003	263,003	8,205
Operation of Plant	992,724	1,086,680	1,085,280	92,556
Maintenance of Plant	396,285	366,417	397,828	1,543
Transportation	899,323	894,980	972,731	73,408
<u>Operation of Non-Instructional Services</u>				
Food Service	14,020	11,328	15,228	1,208
Community Services	212,039	259,920	272,684	60,645
Early Childhood Education	428,250	429,975	429,114	864
<u>Capital Outlay</u>				
Regular Capital Outlay	24,803	25,000	25,000	197
<u>Principal on Debt</u>				
Education	41,353	41,500	41,500	147
<u>Interest on Debt</u>				
Education	4,397	4,500	4,500	103
Total Expenditures	<u>\$ 15,202,582</u>	<u>\$ 15,782,094</u>	<u>\$ 16,210,199</u>	<u>\$ 1,007,617</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 761,703</u>	<u>\$ (62,635)</u>	<u>\$ (152,184)</u>	<u>\$ 913,887</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 0	\$ 5,000	\$ 5,000	\$ (5,000)
Transfers In	31,122	20,000	25,548	5,574

(Continued)

Exhibit I-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Other Financing Sources (Uses) (Cont.)</u>				
Transfers Out	\$ (620,000)	\$ (620,000)	\$ (620,000)	\$ 0
Total Other Financing Sources	\$ (588,878)	\$ (595,000)	\$ (589,452)	\$ 574
Net Change in Fund Balance	\$ 172,825	\$ (657,635)	\$ (741,636)	\$ 914,461
Fund Balance, July 1, 2019	1,728,745	1,450,905	1,450,905	277,840
Fund Balance, June 30, 2020	\$ 1,901,570	\$ 793,270	\$ 709,269	\$ 1,192,301

Exhibit I-9

Bledsoe County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Bledsoe County School Department  
School Federal Projects Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 1,407,412	\$ 1,592,388	\$ 1,592,388	\$ (184,976)
Total Revenues	\$ 1,407,412	\$ 1,592,388	\$ 1,592,388	\$ (184,976)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 564,114	\$ 582,995	\$ 587,995	\$ 23,881
Special Education Program	384,171	465,921	462,021	77,850
Career and Technical Education Program	37,981	38,639	42,298	4,317
<u>Support Services</u>				
Other Student Support	13,062	17,205	13,772	710
Regular Instruction Program	313,892	366,375	361,376	47,484
Special Education Program	68,209	90,776	90,676	22,467
Career and Technical Education Program	1,030	1,256	1,030	0
Transportation	1,663	0	4,000	2,337
Total Expenditures	\$ 1,384,122	\$ 1,563,167	\$ 1,563,168	\$ 179,046
Excess (Deficiency) of Revenues Over Expenditures	\$ 23,290	\$ 29,221	\$ 29,220	\$ (5,930)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (31,122)	\$ (29,219)	\$ (34,767)	\$ 3,645
Total Other Financing Sources	\$ (31,122)	\$ (29,219)	\$ (34,767)	\$ 3,645
Net Change in Fund Balance	\$ (7,832)	\$ 2	\$ (5,547)	\$ (2,285)
Fund Balance, July 1, 2019	57,832	5,548	5,548	52,284
Fund Balance, June 30, 2020	\$ 50,000	\$ 5,550	\$ 1	\$ 49,999

Exhibit I-10

Bledsoe County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Bledsoe County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 87,233	\$ 129,000	\$ 129,000	\$ (41,767)
Other Local Revenues	20,774	1,000	1,000	19,774
State of Tennessee	18,949	14,000	14,000	4,949
Federal Government	1,875,137	1,445,000	1,635,000	240,137
Total Revenues	<u>\$ 2,002,093</u>	<u>\$ 1,589,000</u>	<u>\$ 1,779,000</u>	<u>\$ 223,093</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 1,556,758	\$ 1,586,928	\$ 1,806,408	\$ 249,650
Community Services	1,937	0	1,937	0
Total Expenditures	<u>\$ 1,558,695</u>	<u>\$ 1,586,928</u>	<u>\$ 1,808,345</u>	<u>\$ 249,650</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 443,398</u>	<u>\$ 2,072</u>	<u>\$ (29,345)</u>	<u>\$ 472,743</u>
Net Change in Fund Balance	\$ 443,398	\$ 2,072	\$ (29,345)	\$ 472,743
Fund Balance, July 1, 2019	<u>495,519</u>	<u>462,298</u>	<u>462,298</u>	<u>33,221</u>
Fund Balance, June 30, 2020	<u>\$ 938,917</u>	<u>\$ 464,370</u>	<u>\$ 432,953</u>	<u>\$ 505,964</u>

Exhibit I-11

Bledsoe County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Bledsoe County School Department  
Education Debt Service Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 675,575	\$ 570,050	\$ 570,050	\$ 105,525
Licenses and Permits	503	375	375	128
State of Tennessee	10,072	10,000	10,000	72
Total Revenues	<u>\$ 686,150</u>	<u>\$ 580,425</u>	<u>\$ 580,425</u>	<u>\$ 105,725</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 850,000	\$ 850,000	\$ 850,000	\$ 0
<u>Interest on Debt</u>				
Education	219,414	219,414	219,414	0
<u>Other Debt Service</u>				
Education	9,111	11,000	11,000	1,889
Total Expenditures	<u>\$ 1,078,525</u>	<u>\$ 1,080,414</u>	<u>\$ 1,080,414</u>	<u>\$ 1,889</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (392,375)</u>	<u>\$ (499,989)</u>	<u>\$ (499,989)</u>	<u>\$ 107,614</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 525,000	\$ 525,000	\$ 525,000	\$ 0
Total Other Financing Sources	<u>\$ 525,000</u>	<u>\$ 525,000</u>	<u>\$ 525,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 132,625	\$ 25,011	\$ 25,011	\$ 107,614
Fund Balance, July 1, 2019	<u>796,648</u>	<u>685,715</u>	<u>685,715</u>	<u>110,933</u>
Fund Balance, June 30, 2020	<u>\$ 929,273</u>	<u>\$ 710,726</u>	<u>\$ 710,726</u>	<u>\$ 218,547</u>

# Bledsoe County Industrial Development Corporation Board

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This section presents combining and individual fund financial statements for the Bledsoe County Industrial Development Corporation Board, a discretely presented component unit. The Industrial Development Corporation Board only uses one fund, a General Fund.

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General Fund – The General Fund is used to account for general operations of the Industrial Development Corporation Board.

Exhibit J-1

Bledsoe County, Tennessee  
Statement of Activities  
Discretely Presented Bledsoe County Industrial Development Corporation Board  
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:			
Other Operations	\$ 6,805	\$ 20,400	\$ 13,595
Total Governmental Activities	\$ 6,805	\$ 20,400	\$ 13,595
General Revenues:			
Interest Income			\$ 2,693
Total General Revenues			\$ 2,693
Change in Net Position			\$ 16,288
Net Position, July 1, 2019			398,763
Net Position, June 30, 2020			\$ 415,051

Exhibit J-2

Bledsoe County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Bledsoe County Industrial Development Corporation Board  
June 30, 2020

	<u>Major Fund</u>		Total
	General		Governmental Funds
<u>ASSETS</u>			
Cash	\$ 276,475	\$	276,475
Total Assets	<u>\$ 276,475</u>	<u>\$</u>	<u>276,475</u>
<u>FUND BALANCES</u>			
Unassigned	\$ 276,475	\$	276,475
Total Fund Balances	<u>\$ 276,475</u>	<u>\$</u>	<u>276,475</u>



Exhibit J-3

Bledsoe County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
Discretely Presented Bledsoe County Industrial Development Corporation Board  
June 30, 2020

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)	\$	276,475
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land		16,576
Add: buildings and improvements net of accumulated depreciation		<u>122,000</u>
Net position of governmental activities (Exhibit A)	\$	<u><u>415,051</u></u>

Exhibit J-4

Bledsoe County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Bledsoe County Industrial Development Corporation Board  
For the Year Ended June 30, 2020

	<u>Major Fund</u>	Total
	General	Governmental Funds
<hr/>		
<u>Revenues</u>		
Other Local Revenues	\$ 23,093	\$ 23,093
Total Revenues	<u>\$ 23,093</u>	<u>\$ 23,093</u>
 <u>Expenditures</u>		
Current:		
Other Operations	\$ 19,381	\$ 19,381
Total Expenditures	<u>\$ 19,381</u>	<u>\$ 19,381</u>
 Excess (Deficiency) of Revenues Over Expenditures	 \$ 3,712	 \$ 3,712
 Net Change in Fund Balances	 \$ 3,712	 \$ 3,712
Fund Balance, July 1, 2019	<u>272,763</u>	<u>272,763</u>
 Fund Balance, June 30, 2020	 <u>\$ 276,475</u>	 <u>\$ 276,475</u>

Exhibit J-5

Bledsoe County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
Discretely Presented Bledsoe County Industrial Development Corporation Board  
For the Year Ended June 30, 2020

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

Net change in fund balances - total governmental funds (Exhibit J-4)	\$ 3,712
(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	16,576
Less: current-year depreciation expense	<u>(4,000)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 16,288</u>

Exhibit J-6

Bledsoe County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Bledsoe County Industrial Development Corporation Board  
General Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 23,093	\$ 20,400	\$ 20,400	\$ 2,693
Other Governments and Citizens Groups	0	60,000	60,000	(60,000)
Total Revenues	\$ 23,093	\$ 80,400	\$ 80,400	\$ (57,307)
<u>Expenditures</u>				
<u>Other Operations</u>				
Industrial Development	\$ 19,381	\$ 22,850	\$ 22,850	\$ 3,469
<u>Principal on Debt</u>				
General Government	0	29,500	29,500	29,500
<u>Interest on Debt</u>				
General Government	0	500	500	500
Total Expenditures	\$ 19,381	\$ 52,850	\$ 52,850	\$ 33,469
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,712	\$ 27,550	\$ 27,550	\$ (23,838)
Net Change in Fund Balance	\$ 3,712	\$ 27,550	\$ 27,550	\$ (23,838)
Fund Balance, July 1, 2019	272,763	340,360	340,360	(67,597)
Fund Balance, June 30, 2020	\$ 276,475	\$ 367,910	\$ 367,910	\$ (91,435)

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## MISCELLANEOUS SCHEDULES

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Exhibit K-1

Bledsoe County, Tennessee  
Schedule of Changes in Long-term Bonds, Notes, and Capital Leases  
Primary Government  
For the Year Ended June 30, 2020

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Paid and/or Matured During Period	Outstanding 6-30-20
<b><u>BONDS PAYABLE</u></b>							
<u>Payable through General Debt Service Fund</u>							
General Obligation Series 2017	\$ 5,500,000	2 to 3.25 %	12-7-17	6-1-42	\$ 5,500,000	\$ 180,000	\$ 5,320,000
General Refunding Bonds Series 2016	8,025,000	2 to 3	4-15-16	6-1-41	7,775,000	285,000	7,490,000
Total Payable through General Debt Service Fund					<u>\$ 13,275,000</u>	<u>\$ 465,000</u>	<u>\$ 12,810,000</u>
<u>Contributions Due by the School Department from the Education Debt Service Fund to the General Debt Service Fund</u>							
School Refunding Series 2011	5,850,000	1 to 3.5	7-15-11	10-1-26	\$ 3,365,000	\$ 370,000	\$ 2,995,000
School Refunding Series 2013	3,115,000	2 to 3.5	4-10-13	12-1-38	1,465,000	350,000	1,115,000
General Obligation Series 2013	4,000,000	2 to 3.5	4-10-13	12-1-38	3,360,000	130,000	3,230,000
Total Contributions Due by the School Department from the Education Debt Service Fund to the General Debt Service Fund					<u>\$ 8,190,000</u>	<u>\$ 850,000</u>	<u>\$ 7,340,000</u>
Total Bonds Payable					<u>\$ 21,465,000</u>	<u>\$ 1,315,000</u>	<u>\$ 20,150,000</u>
<b><u>NOTES PAYABLE</u></b>							
<u>Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund</u>							
Energy Program	412,269	4.95	12-2-09	12-20-21	\$ 107,358	\$ 41,353	\$ 66,005
Total Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund					<u>\$ 107,358</u>	<u>\$ 41,353</u>	<u>\$ 66,005</u>
Total Notes Payable					<u>\$ 107,358</u>	<u>\$ 41,353</u>	<u>\$ 66,005</u>
<b><u>CAPITAL LEASES PAYABLE</u></b>							
<u>Payable through Highway/Public Works Fund</u>							
Trackhoe	71,950	4.803	4-6-16	4-1-21	\$ 15,124	\$ 15,027	\$ 97
Total Payable through Highway/Public Works Fund					<u>\$ 15,124</u>	<u>\$ 15,027</u>	<u>\$ 97</u>
Total Capital Leases Payable					<u>\$ 15,124</u>	<u>\$ 15,027</u>	<u>\$ 97</u>

Exhibit K-2

Bledsoe County, Tennessee  
Schedule of Long-term Debt Requirements by Year  
Primary Government

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 1,355,000	\$ 538,906	\$ 1,893,906
2022	1,380,000	508,600	1,888,600
2023	1,425,000	476,004	1,901,004
2024	1,055,000	446,180	1,501,180
2025	1,090,000	419,347	1,509,347
2026	1,115,000	390,860	1,505,860
2027	1,180,000	360,245	1,540,245
2028	700,000	335,808	1,035,808
2029	710,000	319,533	1,029,533
2030	725,000	301,933	1,026,933
2031	745,000	282,343	1,027,343
2032	765,000	262,737	1,027,737
2033	785,000	241,487	1,026,487
2034	805,000	218,531	1,023,531
2035	835,000	194,681	1,029,681
2036	855,000	170,012	1,025,012
2037	885,000	142,863	1,027,863
2038	915,000	114,425	1,029,425
2039	945,000	85,100	1,030,100
2040	765,000	58,762	823,762
2041	790,000	35,050	825,050
2042	325,000	10,562	335,562
<b>Total</b>	<b>\$ 20,150,000</b>	<b>\$ 5,913,969</b>	<b>\$ 26,063,969</b>

Year Ending June 30	Notes		
	Principal	Interest	Total
2021	\$ 43,458	\$ 2,292	\$ 45,750
2022	22,547	327	22,874
<b>Total</b>	<b>\$ 66,005</b>	<b>\$ 2,619</b>	<b>\$ 68,624</b>

Year Ending June 30	Capital Leases		
	Principal	Interest	Total
2021	\$ 97	\$ 5	\$ 102
<b>Total</b>	<b>\$ 97</b>	<b>\$ 5</b>	<b>\$ 102</b>

Exhibit K-3

Bledsoe County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Bledsoe County School Department  
For the Year Ended June 30, 2020

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
Community Development/Industrial Park	General Capital Projects	Jail construction	\$ 41,255
General Capital Projects	Community Development/Industrial Park	Unspent for jail construction	<u>27,693</u>
Total Transfers Primary Government			<u>\$ 68,948</u>
<u>DISCRETELY PRESENTED BLEDSOE COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	\$ 31,122
General Purpose School	Education Debt Service	Debt retirement	525,000
General Purpose School	Education Capital Projects	Capital projects	<u>95,000</u>
Total Transfers Discretely Presented Bledsoe County School Department			<u>\$ 651,122</u>



Exhibit K-4

Bledsoe County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Bledsoe County School Department  
For the Year Ended June 30, 2020

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 85,435	\$ (4)	Local Government Insurance Pool
Road Superintendent	Section 8-24-102, <i>TCA</i>	81,368	100,000	RLI Insurance Company
Director of Schools	State Board of Education and County Board of Education	103,856 (1)	(4)	Tennessee Risk Management Trust
Trustee	Section 8-24-102, <i>TCA</i>	73,971	688,574	RLI Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	73,971	(4)	Local Government Insurance Pool
County Clerk	Section 8-24-102, <i>TCA</i>	73,971	(4)	"
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	73,971	(4)	"
Clerk and Master	Section 8-24-102, <i>TCA</i> and Chancery Court Judge	73,971 (2)	(4)	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	73,971	(4)	"
Sheriff	Section 8-24-102, <i>TCA</i>	81,368 (3)	(4)	"
Employee Dishonesty Bond Coverage:				
General County Government			400,000	Local Government Insurance Pool
Highway Department			400,000	"
School Department			400,000	Tennessee Risk Management Trust

- (1) Does not includes a chief executive officer training supplement of \$1,000 or a travel allowance of \$5,000.  
(2) Does not include special commissioner fees of \$750.  
(3) Does not include a law enforcement training supplement of \$800.  
(4) Official was covered by the applicable \$400,000 employee blanket bond.

Exhibit K-5

Bledsoe County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
For the Year Ended June 30, 2020

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 2,270,091	\$ 253,563	\$ 0	\$ 0	\$ 0	\$ 487,532
Trustee's Collections - Prior Year	98,315	12,570	0	0	0	24,169
Circuit Clerk/Clerk and Master Collections - Prior Years	104,776	12,226	0	0	0	23,508
Interest and Penalty	18,029	2,257	0	0	0	4,339
Payments in-Lieu-of Taxes - T.V.A.	7,480	867	0	0	0	1,667
Payments in-Lieu-of Taxes - Local Utilities	3,572	400	0	0	0	769
Payments in-Lieu-of Taxes - Other	9,312	558	0	0	0	1,072
<u>County Local Option Taxes</u>						
Local Option Sales Tax	138,551	0	0	0	0	0
Litigation Tax - General	12,870	0	0	0	0	0
Business Tax	42,081	0	0	0	0	0
Mixed Drink Tax	4	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	16,218	2,237	0	0	0	0
Wholesale Beer Tax	72,920	0	0	0	0	0
<b>Total Local Taxes</b>	<b>\$ 2,794,219</b>	<b>\$ 284,678</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 543,056</b>
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 13,283	\$ 1,597	\$ 0	\$ 0	\$ 0	\$ 3,071
<b>Total Licenses and Permits</b>	<b>\$ 13,283</b>	<b>\$ 1,597</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,071</b>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 8,145	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Circuit Court (Cont.)</u>						
Officers Costs	\$ 3,417	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Drug Control Fines	0	0	2,091	0	0	0
Drug Court Fees	581	0	0	0	0	0
Jail Fees	303	0	0	0	0	0
DUI Treatment Fines	190	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	3,578	0	0	0	0	0
Officers Costs	14,454	0	0	0	0	0
Drug Control Fines	0	0	8,683	0	0	0
Drug Court Fees	3,647	0	0	0	0	0
Jail Fees	3,296	0	0	0	0	0
DUI Treatment Fines	1,827	0	0	0	0	0
Data Entry Fee - General Sessions Court	3,138	0	0	0	0	0
Courtroom Security Fee	4	0	0	0	0	0
<u>Chancery Court</u>						
Data Entry Fee - Chancery Court	2,294	0	0	0	0	0
Courtroom Security Fee	8	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	1,000	0	0	0
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 44,882</b>	<b>\$ 0</b>	<b>\$ 11,774</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Surcharge - Waste Tire Disposal	\$ 0	\$ 2,949	\$ 0	\$ 0	\$ 0	\$ 0
Patient Charges	926,882	0	0	0	0	0
Work Release Charges for Board	2,100	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Charges for Current Services (Cont.)</u>						
<u>Fees</u>						
Copy Fees	\$ 1,133	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Library Fees	717	0	0	0	0	0
Greenbelt Late Application Fee	100	0	0	0	0	0
Telephone Commissions	31,085	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	35	0	0
Data Processing Fee - Register	4,338	0	0	0	0	0
Data Processing Fee - Sheriff	6	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	4,200	0	0	0	0	0
Data Processing Fee - County Clerk	990	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	610	0	0	0	0	0
<b>Total Charges for Current Services</b>	<b>\$ 972,161</b>	<b>\$ 2,949</b>	<b>\$ 0</b>	<b>\$ 35</b>	<b>\$ 0</b>	<b>\$ 0</b>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 164,340
Lease/Rentals	150,000	0	0	0	0	0
Sale of Materials and Supplies	50	0	0	0	0	0
Commissary Sales	10,665	0	0	0	0	0
Sale of Recycled Materials	0	8,539	0	0	0	0
E-Rate Funding	1,161	0	0	0	0	0
Miscellaneous Refunds	24,767	0	0	0	4,860	0
<u>Nonrecurring Items</u>						
Sale of Equipment	4,000	0	0	0	0	0
Contributions and Gifts	324	0	0	0	0	0
<b>Total Other Local Revenues</b>	<b>\$ 190,967</b>	<b>\$ 8,539</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 4,860</b>	<b>\$ 164,340</b>

(Continued)

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
Juvenile Court Clerk	\$ 348	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fees In-Lieu-of Salary</u>						
County Clerk	98,939	0	0	0	0	0
Circuit Court Clerk	33,955	0	0	0	0	0
General Sessions Court Clerk	61,928	0	0	0	0	0
Clerk and Master	55,410	0	0	0	0	0
Juvenile Court Clerk	462	0	0	0	0	0
Register	50,577	0	0	0	0	0
Sheriff	9,252	0	0	0	0	0
Trustee	164,953	0	0	0	0	0
Total Fees Received From County Officials	\$ 475,824	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	11,200	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	82,714	0	0	0	0	0
<u>Public Works Grants</u>						
Bridge Program	0	0	0	0	250,125	0
State Aid Program	0	0	0	0	457,219	0
Litter Program	0	44,200	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	9,909	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Vehicle Certificate of Title Fees	\$ 5,888	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Alcoholic Beverage Tax	49,896	0	0	0	0	0
State Revenue Sharing - T.V.A.	259,686	29,006	0	0	0	55,771
State Revenue Sharing - Telecommunications	22,992	2,702	0	0	0	4,783
Contracted Prisoner Boarding	887,871	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	2,151,014	0
Petroleum Special Tax	0	0	0	0	9,291	0
Registrar's Salary Supplement	18,955	0	0	0	0	0
Other State Grants	82,570	0	0	0	0	0
Other State Revenues	19,436	0	0	0	0	0
<b>Total State of Tennessee</b>	<b>\$ 1,460,117</b>	<b>\$ 75,908</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 2,867,649</b>	<b>\$ 60,554</b>
<u>Federal Government</u>						
<u>Federal Through State</u>						
COVID-19 Grant B	\$ 15,878	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Federal through State	0	0	0	0	10,000	0
<b>Total Federal Government</b>	<b>\$ 15,878</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 10,000</b>	<b>\$ 0</b>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board Contributions	\$ 465,582	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	0	0	0	0	0	1,115,164
<b>Total Other Governments and Citizens Groups</b>	<b>\$ 465,582</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,115,164</b>
<b>Total</b>	<b>\$ 6,432,913</b>	<b>\$ 373,671</b>	<b>\$ 11,774</b>	<b>\$ 35</b>	<b>\$ 2,882,509</b>	<b>\$ 1,886,185</b>

(Continued)

Exhibit K-5

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

	<u>Capital Projects Funds</u>		Total
	Community Development/ Industrial Park	HUD Grant Projects	
<u>Local Taxes</u>			
<u>County Property Taxes</u>			
Current Property Tax	\$ 0	\$ 0	\$ 3,011,186
Trustee's Collections - Prior Year	0	0	135,054
Circuit Clerk/Clerk and Master Collections - Prior Years	0	0	140,510
Interest and Penalty	0	0	24,625
Payments in-Lieu-of Taxes - T.V.A.	0	0	10,014
Payments in-Lieu-of Taxes - Local Utilities	0	0	4,741
Payments in-Lieu-of Taxes - Other	0	0	10,942
<u>County Local Option Taxes</u>			
Local Option Sales Tax	0	0	138,551
Litigation Tax - General	0	0	12,870
Business Tax	0	0	42,081
Mixed Drink Tax	0	0	4
<u>Statutory Local Taxes</u>			
Bank Excise Tax	0	0	18,455
Wholesale Beer Tax	0	0	72,920
Total Local Taxes	\$ 0	\$ 0	\$ 3,621,953
<u>Licenses and Permits</u>			
<u>Licenses</u>			
Cable TV Franchise	\$ 0	\$ 0	\$ 17,951
Total Licenses and Permits	\$ 0	\$ 0	\$ 17,951
<u>Fines, Forfeitures, and Penalties</u>			
<u>Circuit Court</u>			
Fines	\$ 0	\$ 0	\$ 8,145

(Continued)

Exhibit K-5

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

	<u>Capital Projects Funds</u>		Total
	Community Development/ Industrial Park	HUD Grant Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>			
<u>Circuit Court (Cont.)</u>			
Officers Costs	\$ 0	\$ 0	\$ 3,417
Drug Control Fines	0	0	2,091
Drug Court Fees	0	0	581
Jail Fees	0	0	303
DUI Treatment Fines	0	0	190
<u>General Sessions Court</u>			
Fines	0	0	3,578
Officers Costs	0	0	14,454
Drug Control Fines	0	0	8,683
Drug Court Fees	0	0	3,647
Jail Fees	0	0	3,296
DUI Treatment Fines	0	0	1,827
Data Entry Fee - General Sessions Court	0	0	3,138
Courtroom Security Fee	0	0	4
<u>Chancery Court</u>			
Data Entry Fee - Chancery Court	0	0	2,294
Courtroom Security Fee	0	0	8
<u>Other Fines, Forfeitures, and Penalties</u>			
Proceeds from Confiscated Property	0	0	1,000
<b>Total Fines, Forfeitures, and Penalties</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 56,656</b>
<u>Charges for Current Services</u>			
<u>General Service Charges</u>			
Surcharge - Waste Tire Disposal	\$ 0	\$ 0	\$ 2,949
Patient Charges	0	0	926,882
Work Release Charges for Board	0	0	2,100

(Continued)



Exhibit K-5

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

	<u>Capital Projects Funds</u>		Total
	Community Development/ Industrial Park	HUD Grant Projects	
<u>Charges for Current Services (Cont.)</u>			
<u>Fees</u>			
Copy Fees	\$ 0	\$ 0	\$ 1,133
Library Fees	0	0	717
Greenbelt Late Application Fee	0	0	100
Telephone Commissions	0	0	31,085
Constitutional Officers' Fees and Commissions	0	0	35
Data Processing Fee - Register	0	0	4,338
Data Processing Fee - Sheriff	0	0	6
Sexual Offender Registration Fee - Sheriff	0	0	4,200
Data Processing Fee - County Clerk	0	0	990
Vehicle Insurance Coverage and Reinstatement Fees	0	0	610
Total Charges for Current Services	\$ 0	\$ 0	\$ 975,145
<u>Other Local Revenues</u>			
<u>Recurring Items</u>			
Investment Income	\$ 0	\$ 0	\$ 164,340
Lease/Rentals	0	0	150,000
Sale of Materials and Supplies	0	0	50
Commissary Sales	0	0	10,665
Sale of Recycled Materials	0	0	8,539
E-Rate Funding	0	0	1,161
Miscellaneous Refunds	0	0	29,627
<u>Nonrecurring Items</u>			
Sale of Equipment	0	0	4,000
Contributions and Gifts	0	0	324
Total Other Local Revenues	\$ 0	\$ 0	\$ 368,706

(Continued)

Exhibit K-5

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

	<u>Capital Projects Funds</u>		Total
	Community Development/ Industrial Park	HUD Grant Projects	
<u>Fees Received From County Officials</u>			
<u>Excess Fees</u>			
Juvenile Court Clerk	\$ 0	\$ 0	\$ 348
<u>Fees In-Lieu-of Salary</u>			
County Clerk	0	0	98,939
Circuit Court Clerk	0	0	33,955
General Sessions Court Clerk	0	0	61,928
Clerk and Master	0	0	55,410
Juvenile Court Clerk	0	0	462
Register	0	0	50,577
Sheriff	0	0	9,252
Trustee	0	0	164,953
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 475,824</u>
<u>State of Tennessee</u>			
<u>General Government Grants</u>			
Juvenile Services Program	\$ 0	\$ 0	\$ 9,000
<u>Public Safety Grants</u>			
Law Enforcement Training Programs	0	0	11,200
<u>Health and Welfare Grants</u>			
Health Department Programs	0	0	82,714
<u>Public Works Grants</u>			
Bridge Program	0	0	250,125
State Aid Program	0	0	457,219
Litter Program	0	0	44,200
<u>Other State Revenues</u>			
Income Tax	0	0	9,909

(Continued)

Exhibit K-5

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

	<u>Capital Projects Funds</u>			Total
	Community Development/ Industrial Park	HUD Grant Projects		
<u>State of Tennessee (Cont.)</u>				
<u>Other State Revenues (Cont.)</u>				
Vehicle Certificate of Title Fees	\$ 0	\$ 0	\$ 0	5,888
Alcoholic Beverage Tax	0	0	0	49,896
State Revenue Sharing - T.V.A.	0	0	0	344,463
State Revenue Sharing - Telecommunications	0	0	0	30,477
Contracted Prisoner Boarding	0	0	0	887,871
Gasoline and Motor Fuel Tax	0	0	0	2,151,014
Petroleum Special Tax	0	0	0	9,291
Registrar's Salary Supplement	0	0	0	18,955
Other State Grants	440,000	0	0	522,570
Other State Revenues	0	0	0	19,436
Total State of Tennessee	\$ 440,000	\$ 0	\$ 0	\$ 4,904,228
<u>Federal Government</u>				
<u>Federal Through State</u>				
COVID-19 Grant B	\$ 0	\$ 0	\$ 0	15,878
Other Federal through State	259,798	200,272	0	470,070
Total Federal Government	\$ 259,798	\$ 200,272	\$ 0	\$ 485,948
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Prisoner Board Contributions	\$ 0	\$ 0	\$ 0	465,582
Contributions	0	0	0	1,115,164
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 1,580,746
Total	\$ 699,798	\$ 200,272	\$ 0	\$ 12,487,157

Exhibit K-6

Bledsoe County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Bledsoe County School Department  
For the Year Ended June 30, 2020

	Special Revenue Funds			Debt Service Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Education Debt Service	Total
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 1,680,368	\$ 0	\$ 0	\$ 79,794	\$ 1,760,162
Trustee's Collections - Prior Year	81,009	0	0	3,956	84,965
Circuit Clerk/Clerk and Master Collections - Prior Years	80,269	0	0	3,847	84,116
Interest and Penalty	14,606	0	0	709	15,315
Payments in-Lieu-of Taxes - T.V.A.	5,699	0	0	273	5,972
Payments in-Lieu-of Taxes - Local Utilities	2,650	0	0	126	2,776
Payments in-Lieu-of Taxes - Other	3,610	0	0	175	3,785
<u>County Local Option Taxes</u>					
Local Option Sales Tax	263,197	0	0	585,017	848,214
Mixed Drink Tax	123	0	0	0	123
<u>Statutory Local Taxes</u>					
Bank Excise Tax	17,337	0	0	1,678	19,015
<b>Total Local Taxes</b>	<b>\$ 2,148,868</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 675,575</b>	<b>\$ 2,824,443</b>
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 618	\$ 0	\$ 0	\$ 0	\$ 618
Cable TV Franchise	10,421	0	0	503	10,924
<b>Total Licenses and Permits</b>	<b>\$ 11,039</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 503</b>	<b>\$ 11,542</b>
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Lunch Payments - Adults	\$ 0	\$ 0	\$ 28,072	\$ 0	\$ 28,072
A la Carte Sales	0	0	59,161	0	59,161
<b>Total Charges for Current Services</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 87,233</b>	<b>\$ 0</b>	<b>\$ 87,233</b>

(Continued)

Exhibit K-6

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

	Special Revenue Funds			Debt Service Fund	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Education Debt Service	
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 1,424	\$ 0	\$ 774	\$ 0	\$ 2,198
Miscellaneous Refunds	1,478	0	0	0	1,478
<u>Nonrecurring Items</u>					
Sale of Equipment	3,510	0	0	0	3,510
Damages Recovered from Individuals	65	0	0	0	65
Contributions and Gifts	12,734	0	20,000	0	32,734
<u>Other Local Revenues</u>					
Other Local Revenues	200	0	0	0	200
<b>Total Other Local Revenues</b>	<b>\$ 19,411</b>	<b>\$ 0</b>	<b>\$ 20,774</b>	<b>\$ 0</b>	<b>\$ 40,185</b>
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 43,994	\$ 0	\$ 0	\$ 0	\$ 43,994
<u>State Education Funds</u>					
Basic Education Program	12,546,073	0	0	0	12,546,073
Early Childhood Education	429,113	0	0	0	429,113
School Food Service	0	0	11,449	0	11,449
Other State Education Funds	239,146	0	0	0	239,146
Career Ladder Program	24,300	0	0	0	24,300
<u>Other State Revenues</u>					
State Revenue Sharing - T.V.A.	192,225	0	0	9,128	201,353
State Revenue Sharing - Telecommunications	18,015	0	0	944	18,959
Other State Grants	208,796	0	7,500	0	216,296
<b>Total State of Tennessee</b>	<b>\$ 13,701,662</b>	<b>\$ 0</b>	<b>\$ 18,949</b>	<b>\$ 10,072</b>	<b>\$ 13,730,683</b>

(Continued)

Exhibit K-6

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

	General Purpose School	Special Revenue Funds		Debt Service Fund	Total
		School Federal Projects	Central Cafeteria	Education Debt Service	
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,047,779	\$ 0	\$ 1,047,779
USDA - Commodities	0	0	83,866	0	83,866
Breakfast	0	0	641,684	0	641,684
USDA - Other	0	0	91,517	0	91,517
Vocational Education - Basic Grants to States	45,791	45,265	0	0	91,056
Title I Grants to Local Education Agencies	0	726,362	0	0	726,362
Special Education - Grants to States	0	421,391	0	0	421,391
Special Education Preschool Grants	0	40,092	0	0	40,092
Rural Education	0	29,552	0	0	29,552
Eisenhower Professional Development State Grants	0	87,797	0	0	87,797
Other Federal through State	37,514	56,953	10,291	0	104,758
<b>Total Federal Government</b>	<b>\$ 83,305</b>	<b>\$ 1,407,412</b>	<b>\$ 1,875,137</b>	<b>\$ 0</b>	<b>\$ 3,365,854</b>
<b>Total</b>	<b>\$ 15,964,285</b>	<b>\$ 1,407,412</b>	<b>\$ 2,002,093</b>	<b>\$ 686,150</b>	<b>\$ 20,059,940</b>

Exhibit K-7

Bledsoe County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Bledsoe County Industrial Development Corporation Board  
For the Year Ended June 30, 2020

	General	Total
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 2,693	\$ 2,693
Lease/Rentals	20,400	20,400
Total Other Local Revenues	<u>\$ 23,093</u>	<u>\$ 23,093</u>
Total	<u>\$ 23,093</u>	<u>\$ 23,093</u>

Exhibit K-8

Bledsoe County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2020

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	50,427	
Social Security		2,487	
Pensions		906	
Medical Insurance		11,421	
Employer Medicare		582	
Audit Services		4,893	
Dues and Memberships		1,350	
Legal Notices, Recording, and Court Costs		1,305	
Postal Charges		1,000	
Total County Commission			\$ 74,371

County Mayor/Executive

County Official/Administrative Officer	\$	85,435	
Accountants/Bookkeepers		60,436	
Social Security		8,806	
Pensions		8,144	
Life Insurance		101	
Medical Insurance		9,664	
Employer Medicare		2,060	
Communication		2,581	
Data Processing Services		15,397	
Dues and Memberships		1,450	
Maintenance Agreements		1,245	
Postal Charges		1,420	
Rentals		94	
Travel		4,311	
Office Supplies		1,731	
Total County Mayor/Executive			202,875

County Attorney

Legal Services	\$	12,578	
Legal Notices, Recording, and Court Costs		910	
Total County Attorney			13,488

Election Commission

County Official/Administrative Officer	\$	62,876	
Secretary(ies)		6,530	
Election Commission		5,200	
Election Workers		14,518	
Social Security		3,569	
Pensions		3,540	
Life Insurance		35	
Medical Insurance		4,832	
Employer Medicare		835	
Communication		814	
Legal Notices, Recording, and Court Costs		3,115	
Maintenance Agreements		900	

(Continued)



Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Postal Charges	\$	1,944	
Rentals		64	
Other Contracted Services		85	
Data Processing Supplies		15,955	
Office Supplies		1,431	
Total Election Commission			\$ 126,243

Register of Deeds

County Official/Administrative Officer	\$	73,971	
Clerical Personnel		26,619	
Social Security		5,717	
Pensions		5,663	
Life Insurance		40	
Medical Insurance		8,804	
Employer Medicare		1,337	
Communication		715	
Data Processing Services		4,447	
Dues and Memberships		660	
Maintenance Agreements		900	
Postal Charges		150	
Rentals		64	
Travel		432	
Office Supplies		1,186	
Total Register of Deeds			130,705

County Buildings

Custodial Personnel	\$	23,480	
Social Security		1,480	
Pensions		1,322	
Life Insurance		35	
Medical Insurance		4,832	
Employer Medicare		346	
Communication		1,585	
Maintenance and Repair Services - Buildings		44,573	
Other Contracted Services		666	
Custodial Supplies		2,980	
Electricity		24,236	
Water and Sewer		3,904	
Other Supplies and Materials		259	
Total County Buildings			109,698

Other General Administration

Other Salaries and Wages	\$	10,471	
Social Security		613	
Employer Medicare		143	
Dues and Memberships		1,071	
Other Contracted Services		68,933	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration (Cont.)

Office Supplies	\$	514	
Other Supplies and Materials		4,934	
Building and Contents Insurance		99,490	
Refunds		96	
Trustee's Commission		55,479	
Workers' Compensation Insurance		74,928	
Liability Claims		2,000	
Total Other General Administration			\$ 318,672

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	73,971	
Deputy(ies)		32,415	
Clerical Personnel		12,355	
Social Security		7,075	
Pensions		5,990	
Medical Insurance		4,832	
Employer Medicare		1,655	
Communication		1,256	
Contracts with Government Agencies		5,869	
Data Processing Services		2,211	
Maintenance Agreements		926	
Postal Charges		509	
Rentals		86	
Travel		2,132	
Other Contracted Services		1,150	
Office Supplies		249	
Total Property Assessor's Office			152,681

County Trustee's Office

County Official/Administrative Officer	\$	73,971	
Deputy(ies)		19,000	
Social Security		5,751	
Pensions		5,234	
Life Insurance		70	
Employer Medicare		1,345	
Communication		1,387	
Data Processing Services		24,089	
Dues and Memberships		560	
Legal Notices, Recording, and Court Costs		320	
Maintenance Agreements		473	
Postal Charges		559	
Printing, Stationery, and Forms		320	
Rentals		64	
Travel		53	
Data Processing Supplies		225	
Office Supplies		516	
Total County Trustee's Office			133,937

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office

County Official/Administrative Officer	\$	73,971	
Deputy(ies)		29,500	
Social Security		6,196	
Pensions		5,826	
Life Insurance		63	
Medical Insurance		9,664	
Employer Medicare		1,449	
Communication		1,387	
Dues and Memberships		660	
Maintenance Agreements		473	
Postal Charges		3,500	
Rentals		64	
Data Processing Supplies		7,800	
Office Supplies		2,440	
Total County Clerk's Office			\$ 142,993

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	73,971	
Deputy(ies)		70,910	
Jury and Witness Expense		5,886	
Social Security		8,861	
Pensions		7,776	
Life Insurance		70	
Medical Insurance		9,699	
Employer Medicare		2,072	
Communication		3,568	
Data Processing Services		12,480	
Dues and Memberships		560	
Maintenance Agreements		1,171	
Postal Charges		1,685	
Rentals		86	
Other Contracted Services		86	
Office Supplies		2,674	
Total Circuit Court			201,555

General Sessions Court

Judge(s)	\$	105,650	
Social Security		6,550	
Pensions		5,948	
Employer Medicare		1,532	
Total General Sessions Court			119,680

Chancery Court

County Official/Administrative Officer	\$	73,971	
Deputy(ies)		48,600	
Social Security		6,802	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Pensions	\$	6,303	
Life Insurance		87	
Medical Insurance		7,248	
Employer Medicare		1,591	
Communication		1,378	
Data Processing Services		6,136	
Dues and Memberships		714	
Maintenance Agreements		900	
Postal Charges		3,616	
Rentals		94	
Travel		120	
Data Processing Supplies		291	
Office Supplies		5,391	
Total Chancery Court			\$ 163,242

Juvenile Court

Social Workers	\$	30,009	
In-service Training		350	
Social Security		1,818	
Pensions		1,689	
Life Insurance		35	
Employer Medicare		425	
Communication		581	
Maintenance Agreements		483	
Travel		929	
Office Supplies		591	
Total Juvenile Court			36,910

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	81,368	
Deputy(ies)		317,213	
Youth Service Officer(s)		135,188	
Salary Supplements		11,200	
Overtime Pay		72,363	
In-service Training		1,326	
Social Security		37,607	
Pensions		34,018	
Life Insurance		362	
Medical Insurance		51,435	
Employer Medicare		8,795	
Communication		445	
Maintenance Agreements		979	
Maintenance and Repair Services - Vehicles		25,030	
Medical and Dental Services		218	
Towing Services		5,065	
Travel		1,375	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Gasoline	\$	48,252	
Uniforms		3,490	
Other Supplies and Materials		847	
Law Enforcement Equipment		8,785	
Motor Vehicles		40,450	
Total Sheriff's Department			\$ 885,811

Jail

Supervisor/Director	\$	42,415	
Guards		598,303	
Cafeteria Personnel		34,899	
Maintenance Personnel		12,545	
Part-time Personnel		44,523	
Overtime Pay		56,049	
In-service Training		579	
Social Security		47,478	
Pensions		35,311	
Life Insurance		408	
Medical Insurance		68,102	
Employer Medicare		11,104	
Communication		10,104	
Medical and Dental Services		76,842	
Postal Charges		1,000	
Travel		1,852	
Other Contracted Services		31,041	
Custodial Supplies		12,642	
Drugs and Medical Supplies		9,997	
Electricity		58,552	
Food Supplies		165,311	
Natural Gas		25,145	
Office Supplies		2,529	
Prisoners Clothing		5,040	
Uniforms		487	
Water and Sewer		44,047	
Other Supplies and Materials		19,193	
Total Jail			1,415,498

Fire Prevention and Control

Contributions	\$	45,000	
Other Supplies and Materials		4,940	
Other Charges		500	
Total Fire Prevention and Control			50,440

Rescue Squad

Contributions	\$	6,200	
Total Rescue Squad			6,200

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management

Supervisor/Director	\$	10,200	
Social Security		632	
Employer Medicare		148	
Communication		2,048	
Dues and Memberships		290	
Maintenance and Repair Services - Vehicles		372	
Diesel Fuel		628	
Other Supplies and Materials		25,316	
Total Other Emergency Management			\$ 39,634

County Coroner/Medical Examiner

Medical and Dental Services	\$	24,525	
Travel		5,076	
Total County Coroner/Medical Examiner			29,601

Public Health and Welfare

Local Health Center

Secretary(ies)	\$	5,600	
Social Security		347	
Employer Medicare		81	
Communication		3,847	
Dues and Memberships		200	
Other Contracted Services		6,574	
Electricity		11,830	
Office Supplies		368	
Utilities		2,786	
Total Local Health Center			31,633

Ambulance/Emergency Medical Services

Supervisor/Director	\$	60,629	
Medical Personnel		290,410	
Clerical Personnel		20,333	
Part-time Personnel		39,576	
Overtime Pay		219,416	
In-service Training		2,680	
Social Security		46,638	
Pensions		28,683	
Life Insurance		216	
Medical Insurance		99,681	
Communication		4,063	
Consultants		44,579	
Dues and Memberships		250	
Licenses		1,180	
Maintenance and Repair Services - Equipment		3,488	
Maintenance and Repair Services - Vehicles		29,562	
Postal Charges		26	
Travel		839	

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Other Contracted Services	\$	21,989	
Drugs and Medical Supplies		28,392	
Electricity		5,217	
Gasoline		36,151	
Office Supplies		2,083	
Uniforms		4,927	
Water and Sewer		1,462	
Other Supplies and Materials		1,399	
Refunds		730	
Vehicle and Equipment Insurance		4,000	
Workers' Compensation Insurance		13,000	
Other Charges		962	
Communication Equipment		2,916	
Health Equipment		26,583	
Total Ambulance/Emergency Medical Services			\$ 1,042,060

Other Local Health Services

Medical Personnel	\$	39,920	
Clerical Personnel		23,931	
Other Salaries and Wages		304	
Social Security		3,895	
Pensions		3,129	
Medical Insurance		4,832	
Employer Medicare		911	
Travel		3,895	
Other Contracted Services		2,092	
Total Other Local Health Services			82,909

General Welfare Assistance

Contributions	\$	1,545	
Total General Welfare Assistance			1,545

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	4,500	
Total Senior Citizens Assistance			4,500

Libraries

Assistant(s)	\$	18,960	
Librarians		34,972	
Social Security		3,056	
Pensions		3,037	
Life Insurance		47	
Medical Insurance		8,564	
Employer Medicare		715	
Communication		2,538	
Maintenance and Repair Services - Buildings		1,274	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Postal Charges	\$	200	
Travel		130	
Other Contracted Services		1,690	
Data Processing Supplies		1,488	
Electricity		2,187	
Library Books/Media		3,066	
Water and Sewer		2,160	
Other Supplies and Materials		1,139	
Total Libraries			\$ 85,223

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	47,036	
Social Security		2,926	
Pensions		8,223	
Medical Insurance		2,009	
Unemployment Compensation		3	
Employer Medicare		505	
Communication		2,546	
Transportation - Other than Students		4,800	
Other Supplies and Materials		4,900	
Workers' Compensation Insurance		21	
Total Agricultural Extension Service			72,969

Soil Conservation

Contributions	\$	5,000	
Total Soil Conservation			5,000

Other Operations

Other Economic and Community Development

Contracts with Other Public Agencies	\$	5,204	
Total Other Economic and Community Development			5,204

Veterans' Services

Supervisor/Director	\$	18,600	
Social Security		1,153	
Pensions		1,047	
Employer Medicare		270	
Communication		2,083	
Maintenance Agreements		449	
Postal Charges		97	
Travel		517	
Other Contracted Services		655	
Electricity		1,590	
Office Supplies		431	
Water and Sewer		2,238	
Total Veterans' Services			29,130

(Continued)



Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Contributions to Other Agencies

Contributions	\$ 7,000	
Total Contributions to Other Agencies		\$ 7,000

COVID-19 Grant B

Other Charges	\$ 15,878	
Total COVID-19 Grant B		<u>15,878</u>

Total General Fund \$ 5,737,285

Solid Waste/Sanitation Fund

Public Health and Welfare

Convenience Centers

Truck Drivers	\$ 29,478	
Other Salaries and Wages	79,171	
Social Security	4,891	
Pensions	2,138	
Life Insurance	50	
Medical Insurance	604	
Employer Medicare	1,144	
Communication	1,622	
Maintenance and Repair Services - Buildings	1,525	
Other Contracted Services	101,220	
Diesel Fuel	14,613	
Electricity	3,963	
Equipment and Machinery Parts	22,150	
Water and Sewer	528	
Other Supplies and Materials	1,030	
Building and Contents Insurance	5,000	
Refunds	12	
Trustee's Commission	5,866	
Vehicle and Equipment Insurance	5,000	
Workers' Compensation Insurance	4,700	
Solid Waste Equipment	542	
Total Convenience Centers		\$ 285,247

Landfill Operation and Maintenance

Contracts for Landfill Facilities	\$ 14,164	
Total Landfill Operation and Maintenance		14,164

Highways

Litter and Trash Collection

Education Media Personnel	\$ 8,840	
Clerical Personnel	4,700	
Other Salaries and Wages	38,745	
Social Security	2,544	
Pensions	2,181	
Life Insurance	60	

(Continued)

Exhibit K-8

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

Solid Waste/Sanitation Fund (Cont.)

Highways (Cont.)

Litter and Trash Collection (Cont.)

Medical Insurance	\$	9,664	
Employer Medicare		595	
Other Supplies and Materials		4,824	
Total Litter and Trash Collection		<u>          </u>	\$ 72,153

Total Solid Waste/Sanitation Fund \$ 371,564

Drug Control Fund

Public Safety

Sheriff's Department

Other Supplies and Materials	\$	265	
Total Sheriff's Department		<u>          </u>	\$ 265

Drug Enforcement

Trustee's Commission	\$	108	
Total Drug Enforcement		<u>          </u>	108

Total Drug Control Fund 373

Constitutional Officers - Fees Fund

Finance

County Trustee's Office

Constitutional Officers' Operating Expenses	\$	7	
Total County Trustee's Office		<u>          </u>	\$ 7

Administration of Justice

Circuit Court

Constitutional Officers' Operating Expenses	\$	28	
Total Circuit Court		<u>          </u>	28

Total Constitutional Officers - Fees Fund 35

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	81,368	
Data Processing Personnel		33,983	
Secretary(ies)		22,538	
Communication		5,499	
Data Processing Services		8,659	
Dues and Memberships		3,253	
Legal Services		3,750	
Legal Notices, Recording, and Court Costs		30	
Maintenance and Repair Services - Office Equipment		378	
Postal Charges		468	
Travel		2,179	
Other Contracted Services		1,625	

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Data Processing Supplies	\$	118	
Electricity		7,296	
Office Supplies		771	
Propane Gas		1,515	
Uniforms		2,337	
Water and Sewer		3,533	
Other Supplies and Materials		1,277	
Other Charges		3,969	
Total Administration			\$ 184,546

Highway and Bridge Maintenance

Foremen	\$	46,478	
Equipment Operators		199,678	
Truck Drivers		83,366	
Laborers		161,572	
Freight Expenses		802	
Other Contracted Services		4,146	
Asphalt		178,417	
Concrete		6,049	
Crushed Stone		305,457	
Ice		1,160	
Other Road Materials		76	
Pipe - Metal		35,186	
Propane Gas		180	
Road Signs		4,495	
Wood Products		21	
Other Supplies and Materials		867	
Other Charges		79	
Total Highway and Bridge Maintenance			1,028,029

Operation and Maintenance of Equipment

Mechanic(s)	\$	37,028	
Nightwatchmen		42,728	
Overtime Pay		33	
Freight Expenses		1,487	
Maintenance and Repair Services - Equipment		19,702	
Maintenance and Repair Services - Vehicles		924	
Diesel Fuel		57,270	
Equipment and Machinery Parts		56,074	
Garage Supplies		6,500	
Gasoline		12,205	
Lubricants		15,366	
Small Tools		4,290	
Tires and Tubes		15,011	
Other Supplies and Materials		2,043	
Other Charges		2,988	
Total Operation and Maintenance of Equipment			273,649

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Quarry Operations

Other Charges	\$ 1,762	
Total Quarry Operations		\$ 1,762

Other Charges

Licenses	\$ 75	
Other Contracted Services	1,729	
Building and Contents Insurance	845	
Liability Insurance	13,469	
Trustee's Commission	21,764	
Vehicle and Equipment Insurance	6,992	
Workers' Compensation Insurance	41,945	
Principal on Capital Leases	15,027	
Interest on Capital Leases	726	
Other Debt Service	2,007	
Total Other Charges		104,579

Employee Benefits

Social Security	\$ 52,389	
Pensions	32,571	
Employee and Dependent Insurance	217,659	
Unemployment Compensation	4,447	
Other Fringe Benefits	375	
Total Employee Benefits		307,441

Capital Outlay

Engineering Services	\$ 48,986	
Bridge Construction	11,085	
Building Improvements	1,079	
Communication Equipment	650	
Highway Construction	43,050	
Highway Equipment	250,119	
Office Equipment	3,266	
State Aid Projects	593,663	
Total Capital Outlay		951,898

Total Highway/Public Works Fund \$ 2,851,904

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$ 465,000	
Total General Government		\$ 465,000

Education

Principal on Bonds	\$ 850,000	
Principal on Notes	41,353	
Total Education		891,353

(Continued)

Exhibit K-8

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

General Debt Service Fund (Cont.)

Interest on Debt

General Government

Interest on Bonds	\$ 347,610	
Total General Government		\$ 347,610

Education

Interest on Bonds	\$ 219,414	
Interest on Notes	4,397	
Total Education		223,811

Other Debt Service

General Government

Fiscal Agent Charges	\$ 1,550	
Refunds	24	
Trustee's Commission	11,229	
Total General Government		12,803

Total General Debt Service Fund		\$ 1,940,577
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General Capital Projects Fund

Capital Projects

Administration of Justice Projects

Other Contracted Services	\$ 960	
Total Administration of Justice Projects		\$ 960

Other General Government Projects

Other Capital Outlay	\$ 118,360	
Total Other General Government Projects		118,360

Total General Capital Projects Fund		119,320
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Community Development/Industrial Park Fund

Capital Projects

Public Health and Welfare Projects

Other Capital Outlay	\$ 806,817	
Total Public Health and Welfare Projects		\$ 806,817

Other General Government Projects

Other Capital Outlay	\$ 43,174	
Total Other General Government Projects		43,174

Total Community Development/Industrial Park Fund		849,991
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HUD Grant Projects Fund

Capital Projects

Public Health and Welfare Projects

Other Contracted Services	\$ 200,272	
Total Public Health and Welfare Projects		\$ 200,272

Total HUD Grant Projects Fund		200,272
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Total Governmental Funds - Primary Government		<u>\$ 12,071,321</u>
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Exhibit K-9

Bledsoe County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Bledsoe County School Department  
For the Year Ended June 30, 2020

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$	4,396,645	
Career Ladder Program		14,018	
Homebound Teachers		1,912	
Educational Assistants		228,672	
Certified Substitute Teachers		34,655	
Non-certified Substitute Teachers		49,226	
Social Security		271,994	
Pensions		448,293	
Life Insurance		670	
Medical Insurance		668,633	
Employer Medicare		64,876	
Maintenance and Repair Services - Equipment		412	
Other Contracted Services		7,446	
Instructional Supplies and Materials		82,379	
Textbooks - Bound		308,000	
Other Supplies and Materials		5,854	
Other Charges		7,338	
Regular Instruction Equipment		66,534	
Total Regular Instruction Program			\$ 6,657,557

Alternative Instruction Program

Teachers	\$	66,876	
Social Security		3,784	
Pensions		6,019	
Medical Insurance		14,085	
Employer Medicare		885	
Total Alternative Instruction Program			91,649

Special Education Program

Teachers	\$	808,456	
Career Ladder Program		5,000	
Homebound Teachers		650	
Educational Assistants		281,092	
Speech Pathologist		123,172	
Social Security		70,622	
Pensions		105,599	
Medical Insurance		180,760	
Employer Medicare		16,520	
Contracts with Private Agencies		90	
Maintenance and Repair Services - Equipment		1,710	
Instructional Supplies and Materials		11,518	
Other Supplies and Materials		5,346	
Special Education Equipment		4,211	
Total Special Education Program			1,614,746

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program

Teachers	\$	355,744	
Career Ladder Program		3,000	
Certified Substitute Teachers		450	
Non-certified Substitute Teachers		4,440	
Social Security		21,369	
Pensions		35,096	
Medical Insurance		50,612	
Employer Medicare		5,005	
Other Contracted Services		76	
Instructional Supplies and Materials		7,973	
Vocational Instruction Equipment		80,039	
Total Career and Technical Education Program			\$ 563,804

Support Services

Attendance

Supervisor/Director	\$	33,428	
Other Salaries and Wages		15,312	
Social Security		2,011	
Pensions		3,553	
Medical Insurance		2,986	
Employer Medicare		692	
Data Processing Services		9,125	
Postal Charges		338	
Travel		49	
Other Supplies and Materials		5,926	
In Service/Staff Development		2,140	
Attendance Equipment		989	
Total Attendance			76,549

Health Services

Supervisor/Director	\$	53,897	
Medical Personnel		137,106	
Other Salaries and Wages		14,379	
Social Security		12,951	
Pensions		15,040	
Medical Insurance		14,670	
Employer Medicare		3,029	
Postal Charges		200	
Travel		1,077	
Other Supplies and Materials		8,674	
In Service/Staff Development		2,926	
Other Charges		1,700	
Health Equipment		11,744	
Total Health Services			277,393

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Guidance Personnel	\$	174,307	
Social Security		10,291	
Pensions		18,529	
Medical Insurance		21,865	
Employer Medicare		2,407	
Evaluation and Testing		11,050	
Other Contracted Services		4,000	
Other Supplies and Materials		16,005	
In Service/Staff Development		722	
Other Charges		3,189	
Other Equipment		44,886	
Other Capital Outlay		2,799	
Total Other Student Support			\$ 310,050

Regular Instruction Program

Supervisor/Director	\$	94,147	
Career Ladder Program		1,000	
Librarians		131,676	
Other Salaries and Wages		34,665	
Social Security		15,397	
Pensions		26,063	
Medical Insurance		23,842	
Employer Medicare		3,601	
Maintenance and Repair Services - Equipment		5,206	
Travel		650	
Other Contracted Services		200	
Library Books/Media		8,077	
Other Supplies and Materials		257	
In Service/Staff Development		9,330	
Other Charges		900	
Total Regular Instruction Program			355,011

Special Education Program

Supervisor/Director	\$	86,757	
Career Ladder Program		1,000	
Psychological Personnel		58,223	
Assessment Personnel		62,147	
Secretary(ies)		33,538	
Social Security		14,133	
Pensions		24,012	
Medical Insurance		36,214	
Employer Medicare		3,305	
Communication		4,775	
Postal Charges		450	
Travel		2,100	
Other Contracted Services		61,009	

(Continued)



Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Other Supplies and Materials	\$	3,555	
In Service/Staff Development		8,005	
Total Special Education Program			\$ 399,223

Career and Technical Education Program

Maintenance and Repair Services - Equipment	\$	800	
In Service/Staff Development		100	
Total Career and Technical Education Program			900

Technology

Supervisor/Director	\$	1,706	
Other Salaries and Wages		75,925	
Social Security		4,498	
Pensions		4,275	
Medical Insurance		12,038	
Employer Medicare		1,077	
Communication		10,489	
Maintenance and Repair Services - Equipment		122	
Internet Connectivity		41,279	
Travel		111	
Other Supplies and Materials		1,377	
In Service/Staff Development		946	
Other Charges		16,649	
Other Equipment		9,758	
Total Technology			180,250

Other Programs

On-behalf Payments to OPEB	\$	43,994	
Total Other Programs			43,994

Board of Education

Board and Committee Members Fees	\$	27,616	
Social Security		1,145	
Medical Insurance		35,244	
Unemployment Compensation		13,945	
Employer Medicare		268	
Audit Services		5,750	
Dues and Memberships		7,141	
Legal Services		20,755	
Other Contracted Services		9,500	
Office Supplies		136	
Other Supplies and Materials		1,472	
Liability Insurance		112,798	
Trustee's Commission		60,535	
Workers' Compensation Insurance		61,573	
In Service/Staff Development		5,958	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Refund to Applicant for Criminal Investigation	\$	2,004	
Other Charges		4,243	
Total Board of Education			\$ 370,083

Director of Schools

County Official/Administrative Officer	\$	103,856	
Career Ladder Program		1,000	
Social Security		6,499	
Pensions		11,678	
Medical Insurance		19,078	
Employer Medicare		1,520	
Communication		11,783	
Dues and Memberships		1,588	
Maintenance and Repair Services - Equipment		500	
Postal Charges		961	
Travel		5,000	
Office Supplies		161	
In Service/Staff Development		4,201	
Other Charges		902	
Administration Equipment		300	
Total Director of Schools			169,027

Office of the Principal

Principals	\$	438,003	
Career Ladder Program		2,000	
Assistant Principals		73,794	
Secretary(ies)		135,615	
Social Security		39,158	
Pensions		63,777	
Medical Insurance		54,128	
Employer Medicare		9,158	
Communication		2,443	
Other Charges		4,082	
Administration Equipment		2,196	
Total Office of the Principal			824,354

Fiscal Services

Supervisor/Director	\$	76,132	
Accountants/Bookkeepers		94,026	
Other Salaries and Wages		1,200	
Social Security		9,888	
Pensions		13,454	
Medical Insurance		30,859	
Employer Medicare		2,313	
Data Processing Services		22,924	
Travel		167	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Office Supplies	\$	1,477	
In Service/Staff Development		1,159	
Administration Equipment		1,199	
Total Fiscal Services			\$ 254,798

Operation of Plant

Custodial Personnel	\$	339,942	
Social Security		19,725	
Pensions		19,139	
Medical Insurance		62,578	
Employer Medicare		4,613	
Other Contracted Services		53,902	
Custodial Supplies		97,523	
Electricity		319,691	
Natural Gas		24,999	
Water and Sewer		49,575	
Other Supplies and Materials		172	
Plant Operation Equipment		865	
Total Operation of Plant			992,724

Maintenance of Plant

Supervisor/Director	\$	33,428	
Maintenance Personnel		99,780	
Social Security		7,739	
Pensions		9,171	
Medical Insurance		24,989	
Employer Medicare		1,810	
Dues and Memberships		250	
Maintenance and Repair Services - Buildings		115,839	
Maintenance and Repair Services - Equipment		9,908	
Other Contracted Services		11,609	
Other Supplies and Materials		9,987	
In Service/Staff Development		313	
Administration Equipment		21,011	
Maintenance Equipment		50,451	
Total Maintenance of Plant			396,285

Transportation

Mechanic(s)	\$	69,493	
Bus Drivers		341,906	
Other Salaries and Wages		26,981	
Social Security		26,544	
Pensions		24,478	
Medical Insurance		25,404	
Employer Medicare		6,269	
Maintenance and Repair Services - Vehicles		4,345	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Medical and Dental Services	\$	3,782	
Other Contracted Services		8,935	
Diesel Fuel		50,707	
Gasoline		5,228	
Lubricants		557	
Tires and Tubes		4,733	
Vehicle Parts		22,488	
Other Supplies and Materials		14,970	
Other Charges		315	
Administration Equipment		2,365	
Transportation Equipment		259,823	
Total Transportation			\$ 899,323

Operation of Non-Instructional Services

Food Service

Other Salaries and Wages	\$	9,818	
Social Security		556	
Pensions		553	
Medical Insurance		2,963	
Employer Medicare		130	
Total Food Service			14,020

Community Services

Supervisor/Director	\$	11,880	
Teachers		46,195	
Clerical Personnel		31,500	
Educational Assistants		13,928	
Other Salaries and Wages		46,860	
Social Security		7,923	
Pensions		10,598	
Medical Insurance		17,026	
Employer Medicare		2,022	
Communication		3,472	
Postal Charges		475	
Travel		676	
Instructional Supplies and Materials		10,023	
Other Supplies and Materials		6,589	
In Service/Staff Development		1,370	
Other Charges		1,502	
Total Community Services			212,039

Early Childhood Education

Supervisor/Director	\$	12,780	
Teachers		206,505	
Educational Assistants		65,153	
Other Salaries and Wages		14,996	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Non-certified Substitute Teachers	\$	1,172	
Social Security		17,738	
Pensions		25,433	
Medical Insurance		36,500	
Employer Medicare		4,150	
Communication		3,538	
Travel		61	
Instructional Supplies and Materials		25,132	
Other Supplies and Materials		11,252	
In Service/Staff Development		3,840	
Total Early Childhood Education			\$ 428,250

Capital Outlay

Regular Capital Outlay

Other Capital Outlay	\$	24,803	
Total Regular Capital Outlay			24,803

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$	41,353	
Total Education			41,353

Interest on Debt

Education

Debt Service Contribution to Primary Government	\$	4,397	
Total Education			<u>4,397</u>

Total General Purpose School Fund \$ 15,202,582

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	265,520	
Educational Assistants		55,442	
Certified Substitute Teachers		240	
Non-certified Substitute Teachers		2,661	
Social Security		18,398	
Pensions		31,356	
Medical Insurance		66,679	
Employer Medicare		4,313	
Instructional Supplies and Materials		76,385	
Software		8,200	
Regular Instruction Equipment		34,920	
Total Regular Instruction Program			\$ 564,114

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program

Educational Assistants	\$	260,720	
Non-certified Substitute Teachers		3,580	
Social Security		15,268	
Pensions		14,705	
Medical Insurance		52,659	
Employer Medicare		3,575	
Instructional Supplies and Materials		10,557	
Special Education Equipment		23,107	
Total Special Education Program			\$ 384,171

Career and Technical Education Program

Instructional Supplies and Materials	\$	1,501	
Other Supplies and Materials		8,700	
Vocational Instruction Equipment		27,780	
Total Career and Technical Education Program			37,981

Support Services

Other Student Support

Travel	\$	3,421	
Other Supplies and Materials		6,808	
In Service/Staff Development		2,833	
Total Other Student Support			13,062

Regular Instruction Program

Supervisor/Director	\$	59,722	
Clerical Personnel		20,338	
In-service Training		4,725	
Social Security		4,479	
Pensions		7,985	
Medical Insurance		29,340	
Employer Medicare		1,048	
Consultants		160,824	
Travel		219	
Other Supplies and Materials		2,375	
In Service/Staff Development		22,837	
Total Regular Instruction Program			313,892

Special Education Program

Psychological Personnel	\$	46,410	
Social Security		2,752	
Pensions		3,518	
Medical Insurance		4,514	
Employer Medicare		644	
Other Supplies and Materials		2,260	
In Service/Staff Development		8,111	
Total Special Education Program			68,209

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

In Service/Staff Development	\$ 1,030	
Total Career and Technical Education Program		\$ 1,030

Transportation

Contracts with Parents	\$ 1,663	
Total Transportation		<u>1,663</u>

Total School Federal Projects Fund			\$ 1,384,122
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Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$ 50,908	
Cafeteria Personnel	408,925	
Other Salaries and Wages	70,882	
Social Security	30,237	
Pensions	27,939	
Medical Insurance	121,940	
Employer Medicare	7,088	
Communication	2,580	
Maintenance and Repair Services - Equipment	13,579	
Travel	1,883	
Other Contracted Services	12,310	
Food Preparation Supplies	57,490	
Food Supplies	648,073	
Office Supplies	2,922	
Uniforms	240	
USDA - Commodities	83,866	
Other Supplies and Materials	1,114	
In Service/Staff Development	3,610	
Other Charges	612	
Food Service Equipment	<u>10,560</u>	
Total Food Service		\$ 1,556,758

Community Services

Other Salaries and Wages	\$ 1,710	
Social Security	106	
Pensions	96	
Employer Medicare	<u>25</u>	
Total Community Services		<u>1,937</u>

Total Central Cafeteria Fund			1,558,695
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(Continued)

Exhibit K-9

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

Education Debt Service Fund

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$ 850,000	
Total Education		\$ 850,000

Interest on Debt

Education

Debt Service Contribution to Primary Government	\$ 219,414	
Total Education		219,414

Other Debt Service

Education

Fiscal Agent Charges	\$ 1,359	
Trustee's Commission	7,752	
Total Education		9,111

Total Education Debt Service Fund		\$ 1,078,525
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Education Capital Projects Fund

Capital Projects

Education Capital Projects

Other Capital Outlay	\$ 36,820	
Total Education Capital Projects		\$ 36,820

Total Education Capital Projects Fund		36,820
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Total Governmental Funds - Bledsoe County School Department		\$ 19,260,744
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Exhibit K-10

Bledsoe County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Bledsoe County Industrial Development Corporation Board  
For the Year Ended June 30, 2020

General Fund

Other Operations

Industrial Development

Advertising	\$	100	
Legal Services		2,685	
Other Charges		20	
Land		<u>16,576</u>	
Total Industrial Development			<u>\$ 19,381</u>

Total General Fund \$ 19,381

Total Governmental Funds - Bledsoe County Industrial Development Corporation Board \$ 19,381

Exhibit K-11

Bledsoe County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balance - City Agency Fund  
For the Year Ended June 30, 2020

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 208,730
	<hr/>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 206,643
Trustee's Commission	2,087
Total Cash Disbursements	<u>\$ 208,730</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0
Cash Balance, July 1, 2019	<hr/> 0
Cash Balance, June 30, 2020	<u><u>\$ 0</u></u>

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## SINGLE AUDIT SECTION

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JASON E. MUMPOWER  
*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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Bledsoe County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Bledsoe County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 8, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Bledsoe County's internal control over financial reporting (internal control) as a basis for designing 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 Bledsoe County's internal control. Accordingly, we do not express an opinion on the effectiveness of Bledsoe 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did

not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2020-004.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Bledsoe 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2020-001, 2020-002, and 2020-003.

### **Bledsoe County's Responses to the Findings**

Bledsoe County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Bledsoe County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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 result 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 Bledsoe County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 8, 2021

JEM/tg



JASON E. MUMPOWER  
*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

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

To the County Mayor and Board of County Commissioners:

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

We have audited Bledsoe 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 Bledsoe County's major federal programs for the year ended June 30, 2020. Bledsoe 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 Bledsoe 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 Bledsoe 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 Bledsoe County's compliance.

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

In our opinion, Bledsoe 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, 2020.

### **Report on Internal Control Over Compliance**

Management of Bledsoe 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 Bledsoe 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 Bledsoe 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 Bledsoe County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Bledsoe County's basic financial statements. We issued our report thereon dated February 8, 2021, 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,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 8, 2021

JEM/tg



Bledsoe County, Tennessee, and the Bledsoe County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (8)  
For the Year Ended June 30, 2020

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	(4)	\$ 315,697 (6)
COVID 19 - School Breakfast Program	10.553	(4)	325,987 (6)
National School Lunch Program	10.555	(4)	595,579 (6)
COVID 19 - National School Lunch Program	10.555	(4)	512,558 (6)
Special Milk Program for Children	10.556	(4)	1,750
Fresh Fruit and Vegetable Program	10.582	(4)	39,700
Passed-through State Department of Agriculture:			
Child Nutrition Cluster (5):			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(4)	83,866 (6)
Cooperative Forestry Assistance	10.664	(4)	940
Total U.S. Department of Agriculture			<u>\$ 1,876,077</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Housing Development Agency:			
Home Investment Partnerships Program	14.239	(4)	<u>\$ 200,272</u>
Appalachian Regional Commission:			
Passed-through State Department of Economic and Community Development:			
Appalachian Area Development	23.002	(4)	<u>\$ 259,798</u>
U.S. Environmental Protection Agency:			
Passed-through East Tennessee Clean Fuels Coalition:			
State Clean Diesel Grant Program	66.040	(4)	<u>\$ 13,000</u>
U.S. Department of Education:			
Passed-through State Department of Human Services:			
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	GG-06-12329-00	\$ 45,791
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	(4)	783,376
Special Education Cluster:(5)			
Special Education Grants to States	84.027	(4)	421,450
Special Education Preschool Grants	84.173	(4)	23,471
Career and Technical Education - Basic Grants to States	84.048	(4)	45,265
Rural Education	84.358	(4)	29,552
Supporting Effective Instruction State Grants	84.367	(4)	89,119
Total U.S. Department of Education			<u>\$ 1,438,024</u>
Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
2020 HAVA Election Security Grants	90.404	(4)	<u>\$ 1,820</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Education:			
CCDF Cluster: (5)			
Child Care and Development Block Grant	93.575	(4)	<u>\$ 24,514</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.067	FEMA 4427-DR-TN	<u>\$ 7,500</u>
Total Expenditures of Federal Awards			<u>\$ 3,821,005</u>

(Continued)

Bledsoe County, Tennessee, and the Bledsoe County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (7) (8) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Expenditures
<b>State Grants</b>			
Litter Program - State Department of Transportation	N/A	Z-20-LIT004-00	\$ 44,200
Juvenile Services Program - State Department of Children's Services	N/A	(4)	9,000
Courtroom Security Grant - State Administration of Courts	N/A	(4)	23,660
Asset Enhancement Grant - State Department of Economic and Community Development	N/A	(4)	19,600
Tourism Enhancement Grant - State Department of Tourist Development	N/A	(4)	6,925
Volunteer Firefight Equipment and Training Grant - State Department of Commerce and Insurance	N/A	(4)	8,445
Access to Health through Healthy Built Environments - State Department of Health	N/A	Z-19-194658-00	20,000
Disaster Grant - Public Assistance - State Department of Military	N/A	(4)	2,500
Local Health Services Grant - State Department of Health	N/A	GG-17-51995-00	440,000
Local Health Services Grant - State Department of Health	N/A	GG-20-63827-00	82,714
Alternative Breakfast Grant - State Department of Education	N/A	(4)	7,500
Adverse Childhood Experiences - State Department of Children's Services	N/A	(4)	24,997
Lottery for Education After School Programs - State Department of Education	N/A	(4)	100,211
Voluntary Pre-K for Tennessee - State Department of Education	N/A	(4)	429,113
Coordinated School Health - State Department of Education	N/A	(4)	80,345
Safe Schools - State Department of Education	N/A	(4)	17,527
School Safety - State Department of Education	N/A	(4)	48,370
Family Resource Grants - State Department of Education	N/A	(4)	31,112
Supporting Postsecondary Access in Rural Counties - State Higher Education Commission	N/A	(4)	75,000
Student Management System Subsidy - State Department of Education	N/A	(4)	2,482
Volkswagen Diesel Settlement Environmental Mitigation Bus Replacement - State Department of Environment and Conservation	N/A	(4)	63,900
Targeted Arts Development - State Arts Commission	N/A	(4)	3,000
Tennessee Arts Commission Grant - State Arts Commission	N/A	(4)	3,000
Student Ticket Subsidy - State Arts Commission	N/A	(4)	1,000
<b>Total State Grants</b>			<b>\$ 1,544,601</b>

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) Bledsoe County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.  
(3) No amounts (\$0) were passed-through to subrecipients.  
(4) Information not available.  
(5) Child Nutrition Cluster total \$1,835,437; Special Education Cluster total \$444,921; CCDF Cluster total \$24,514.  
(6) Total for CFDA No. 10.553 is \$641,684; Total for CFDA No. 10.555 is \$1,192,003.  
(7) For the year ended June 30, 2020, Bledsoe County received donated PPE valued at \$15,878 (\$11,908 federal and \$3,970 state) from the Tennessee Department of Military. These donations were unaudited.

(8) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	Federal CFDA Number	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$108,817
Rural Education	84.358	23,698
Supporting Effective Instruction State Grant	84.367	12,293
Total amounts consolidated for administration purposes		<u>\$144,808</u>

Bledsoe County, Tennessee  
Summary Schedule of Prior-year Findings  
For the Year Ended June 30, 2020

*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 Bledsoe County, Tennessee, for the year ended June 30, 2020.

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

Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	Current Status
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**OFFICE OF ROAD SUPERINTENDENT**

2019	220	2019-001	Appropriations exceeded estimated available funding in the Highway/Public Works Fund	N/A	Corrected
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***Prior-year Federal Awards Findings***

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

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**BLEDSON COUNTY, TENNESSEE**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2020**

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

**Financial Statements:**

1. Our report on the financial statements of Bledsoe County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **YES**
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 Number 84.010 Title I Grants to Local Education Agencies
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

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

### OFFICE OF COUNTY MAYOR

FINDING 2020-001                    **OFFICIAL PRENUMBERED RECEIPTS WERE NOT ISSUED FOR SOME COLLECTIONS AT THE AMBULANCE SERVICE**  
(Noncompliance Under *Government Auditing Standards*)

While performing a cash count on June 26, 2020, we noted that the ambulance service had issued only one official prenumbered receipt between January 9, 2020, and June 26, 2020. Section 9-2-103, *Tennessee Code Annotated (TCA)*, requires official prenumbered receipts for all collections. During this period, the ambulance service deposited \$70,120 with the county trustee; however, since receipts were not issued, we could not determine if all collections had been accounted for properly. In addition, we were unable to determine if the office had complied with Section 5-8-207, *TCA*, which requires officials to deposit all collections within three days of receipt. The failure to properly issue receipts at the time of collection and the failure to deposit funds promptly increases the risks of fraud and abuse. This deficiency is due to a lack of management oversight.

### RECOMMENDATION

Official prenumbered receipts should be issued for all collections when received, and all collections should be deposited within three days of receipt as required by state statutes.

### MANAGEMENT'S RESPONSE – COUNTY MAYOR

We concur with this finding. See corrective action plan.

---

FINDING 2020-002                    **EXPENDITURES EXCEEDED APPROPRIATIONS**  
(Noncompliance Under *Government Auditing Standards*)

Expenditures exceeded appropriations approved by the county commission in four of 32 major appropriation categories (the legal level of control) in the General Fund as reflected in the following table:

<u>Major Appropriation Category</u>	<u>Amount Overspent</u>
General Government - Other General Administration	\$ 31,601
Public Safety - Fire Prevention and Control	4,980
Public Safety - County Coroner/Medical Examiner	4,101
Other Operations - Other Economic and Community Development	1,604

Section 5-9-401, *Tennessee Code Annotated*, states that “All funds from whatever source derived, including, but not limited to, taxes, county aid funds, federal funds, and fines, that are to be used in the operation and respective programs for the various departments, commissions, institutions, boards, offices, and agencies of county governments shall be appropriated to such use by the county legislative bodies.” This deficiency exists because management failed to hold spending to the limits authorized by the county commission, which resulted in unauthorized expenditures.

**RECOMMENDATION**

Expenditures should be held within appropriations approved by the county commission.

**MANAGEMENT’S RESPONSE – COUNTY MAYOR**

We concur with this finding. See corrective action plan.

**OFFICE OF ROAD SUPERINTENDENT**

**FINDING 2020-003**                      **COMPETITIVE BIDS WERE NOT SOLICITED FOR  
EMPLOYEE HEALTH INSURANCE**  
(Noncompliance Under *Government Auditing Standards*)

Competitive bids were not solicited for employee health insurance (\$217,659). The Uniform Road Law, Section 54-7-113, *Tennessee Code Annotated*, requires all purchases exceeding \$10,000 to be based on competitive bids solicited through public advertisement. This deficiency is due to a management decision. The failure to solicit competitive bids could result in the county paying more than the most competitive price.

**RECOMMENDATION**

Competitive bids should be solicited through public advertisement for all purchases exceeding \$10,000 as required by state statute.

**MANAGEMENT’S RESPONSE – ROAD SUPERINTENDENT**

I disagree with this finding.

As for the insurance, it is correct that we did not bid out this item. Over the course of the last several years, we have been fortunate to have sustained good quality insurance with a low monthly premium. It has allowed our employees to have a lower out of pocket cost than most

plans that we researched. Due to this, we have been very hesitant to put this quality insurance at risk of ending and resulting in our employees incurring a larger expense with lower quality of return. However, in the future, we will bid this out. Unfortunately, this brings a large concern of loss of coverage and quality and an increase in cost to our office. If this should be the case, it is my professional opinion that this would be considered poor management of the county's funds.

### AUDITOR'S COMMENTS

Competitive bids are required by state statute to ensure governments are not paying more than the most competitive prices for the item or service being purchased. However, the bidding process is flexible enough within the statutes to allow counties to consider factors other than price alone when making purchases, which should allow adherence with statutes without the loss of quality or coverage.

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### OFFICE OF REGISTER OF DEEDS

#### FINDING 2020-004

#### **THE OFFICE DID NOT IMPLEMENT ADEQUATE CONTROLS TO PROTECT ITS INFORMATION RESOURCES**

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The office did not implement adequate controls to protect its information resources. This finding does not identify specific vulnerabilities that could allow someone to exploit the office's information system or misuse county funds. Disclosing those vulnerabilities could present a potential security risk by providing the readers with information that might be confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Sound business practices dictate that proper controls be implemented. Without these controls, unauthorized system activity could occur. This deficiency was corrected after it was brought to management's attention in January 2020.

#### RECOMMENDATION

Management should continue to ensure adequate controls over its information systems and the resources associated with those systems are implemented.

#### MANAGEMENT'S RESPONSE – REGISTER OF DEEDS

These deficiencies have been brought to my attention, and I have taken measures and corrected them.

### **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, 2020.



**Bledsoe County, Tennessee**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2020**

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as 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). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICE OF COUNTY MAYOR**

2020-001	Official prenumbered receipts were not issued for some collections at the ambulance service	202
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2020-002	Expenditures exceeded appropriations	202
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**OFFICE OF ROAD SUPERINTENDENT**

2020-003	Competitive bids were not solicited for employee health insurance	204
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**OFFICE OF REGISTER OF DEEDS**

2020-004	The office did not implement adequate controls to protect its information resources	205
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Bledsoe County Courthouse  
P.O. Box 149  
Pikeville, TN 37367

**Bledsoe County, Tennessee**  
Gregg Ridley, County Mayor

Phone 423-447-6855  
Fax 423-447-7265  
E-mail: [bledsoemayor@bledsoe.net](mailto:bledsoemayor@bledsoe.net)

**Corrective Action Plan**

**FINDING: OFFICIAL PRENUMBERED RECEIPTS WERE NOT ISSUED  
FOR SOME COLLECTIONS AT THE AMBULANCE SERVICE**

Response and Corrective Action Plan Prepared by:  
Gregg Ridley, County Mayor

Person Responsible for Implementing the Corrective Action:  
Kristin Billingsly, EMS Director

Anticipated Completion Date of Corrective Action:  
Date October 14, 2020

Repeat Finding:  
No

Reason Corrective Action was Not Taken in the Prior Year:  
N/A

Planned Corrective Action:  
Additional training has been conducted for accounting personnel. Additional dates have been added to the deposit schedule. The changes are effective immediately. The chief deputy will be responsible for ensuring deposits are made within three days of collection.

---

**FINDING: GENERAL FUND EXPENDITURES  
EXCEEDED APPROPRIATIONS**

Response and Corrective Action Plan Prepared by:  
Gregg Ridley, County Mayor

Person Responsible for Implementing the Corrective Action:  
Amanda Slavin, Bookkeeper

Anticipated Completion Date of Corrective Action:  
October 14, 2020

Repeat Finding:  
No

Reason Corrective Action was Not Taken in the Prior Year:

N/A

Planned Corrective Action:

The mayor's office will seek approval for budget amendments before the end of the physical year.

Signature:



A handwritten signature in dark ink, appearing to read "Gregg Riley", is written over a horizontal line. The signature is cursive and stylized.



## Bledsoe County Highway Department

ROBBY ROBERSON, Superintendent  
P.O. Box 322 • 602 County Crusher Road  
Pikeville, Tennessee 37367  
Phone 423-447-6216 • Fax 423-447-7555  
bledsoehwy@bledsoe.net

### Corrective Action Plan

**FINDING:** COMPETITIVE BIDS WERE NOT SOLICITED FOR HEALTH INSURANCE

**Response and Corrective Action Plan Prepared by:**  
Robby Roberson, Road Superintendent

**Person Responsible for Implementing the Corrective Action:**  
Robby Roberson, Road Superintendent

**Anticipated Completion Date of Corrective Action:**  
11/15/2020

**Repeat Finding:**  
No

**Reason Corrective Action was Not Taken in the Prior Year:**  
N/A

**Planned Corrective Action:**  
Make sure we follow set up guidelines for purchasing.

Signature: \_\_\_\_\_

BLEDOSE COUNTY REGISTER OF DEEDS  
P.O. BOX 385  
PIKEVILLE, TENNESSEE 37367

*Corrective Action Plan*

**FINDING: THE OFFICE DID NOT IMPLEMENT ADEQUATE CONTROLS  
TO PROTECT ITS INFORMATION RESOURCES**

**Response and Corrective Action Plan Prepared by:**  
Emma Boynton, Register of Deeds

**Person Responsible for Implementing the Corrective Action:**  
Emma Boynton, Register of Deeds

**Anticipated Completion Date of Corrective Action:**  
January 2020

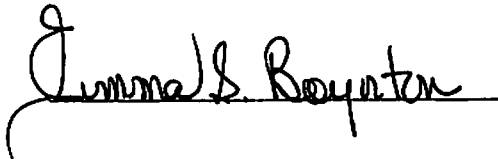
**Repeat Finding:**  
No

**Reason Corrective Action was Not Taken in the Prior Year:**  
N/A

**Planned Corrective Action:**  
Enter planned corrective action.

**As register of this office, I understand why these deficiencies are considered sensitive and have taken measures to implement adequate controls to protect information resources.**

Signature:

Handwritten signature of Emma S. Boynton in cursive script, written over a horizontal line.

## **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 Bledsoe County.

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

Bledsoe 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 Bledsoe 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.