



ANNUAL FINANCIAL REPORT

Blount County, Tennessee

For the Year Ended June 30, 2020

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

DIVISION OF LOCAL GOVERNMENT AUDIT
JAMES R. ARNETTE
Director

MARK TREECE, CPA CGFM
Audit Manager

ROBERT ANDERSON, CPA, CGFM
Senior Auditor

JAKE ROGERS
AMY MOORE, CGFM
HEATHER COOK
DOUG SANDIDGE, CISA, CFE
State Auditors

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

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Summary of Audit Findings

Annual Financial Report
Blount County, Tennessee
For the Year Ended June 30, 2020

Scope

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

Results

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

Our audit resulted in one finding and recommendation, which we have reviewed with Blount County management. The detailed finding, recommendation, and management's response are included in the Single Audit section of this report.

Finding

The following is a summary of the audit finding:

OFFICE OF COUNTY MAYOR

- ◆ Some budget amendments were posted in the Other Capital Projects Fund that were not approved by the county commission.

INTRODUCTORY SECTION

Blount County Officials
June 30, 2020

Officials

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

Board of County Commissioners

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

Board of Education

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

Audit Committee

Lee Gowan, Chairman	Ron French
Jared Anderson	Karen McKee
Tim Eichhorn	

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blount County, Tennessee, as of and for the year ended June 30, 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 did not audit the financial statements of Blount Memorial Hospital, Inc. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Blount Memorial Hospital, Inc., is based solely on the report of the other auditors. We were unable to determine Blount Memorial Hospital, Inc.'s respective percentage of the assets, net position, and revenues of the aggregate discretely presented component units because the Blount County Public Building Authority and the Blount County Emergency Communications District, component units requiring discrete presentation, were not included in the county's financial statements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blount County, Tennessee, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Blount County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Blount County School Department (a discretely presented component unit), miscellaneous schedules and other information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2021, on our consideration of Blount County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Blount County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Blount County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 8, 2021

JEM/tg



Blount County, Tennessee Management's Discussion and Analysis (MD&A) For the Year Ended June 30, 2020

Introduction

This discussion and analysis of Blount County's financial performance provides an overall view of the financial activities for fiscal year ended June 30, 2020. It includes an overall view of the Primary Government, which includes the county's General, Debt Service, and Non-major funds. In addition, this discussion and analysis includes an overall view of the Discretely Presented Component Unit (DPCU) Blount County School Department. A DPCU is an organization/entity for which the nature and significance of their relationship with the Primary Government are such that exclusion of their data would cause misleading or incomplete reporting.

Discussion of the Basic Financial Statements

The statement of net position, formerly called the balance sheet, is basically "assets" minus "liabilities", or "what you have" minus "what you owe." In total, the net position of the Primary Government improved by \$19 million, while net position of the DPCU School Department improved by \$5 million. (See Tables 2A and 2B below).

General Fund expenditures were \$10.8 million less than revenues received, and other financing sources (uses) equal to \$4.4 million, which together increased the fund balance by \$6.4 million. It should be noted that the property tax rate remained the same for this budget year at \$2.47. DPCU School Department expenditures were \$2 million less than revenue received, which increased the fund balance by this same amount for the year ended June 30, 2020.

Total assets of governmental activities in the Primary Government were \$228.2 million as taxes receivable ended at \$56 million, cash ended at \$71.9 million, and capital assets, net of accumulated depreciation, ended at \$87.3 million. Total assets in the DPCU School Department were \$178.6 million as taxes receivable ended at 29.6 million, cash ended at \$16.5 million, and capital assets, net of accumulated depreciation, ended at \$114.5 million.

Revenues for the Primary Government totaled \$112.6 million. General revenues of the Primary Government accounted for \$70.6 million or 63 percent of total revenues. Program specific revenues in the form of charges for services, sales, grants, and contributions accounted for \$42 million or 37 percent of total revenues.

Revenues of the DPCU School Department totaled \$109.9 million, with general revenues of 98.3 million making up 89 percent of the total. Program specific revenues in the form of charges for services, sales, grants, and contributions accounted for \$11.6 million or 11 percent of total revenues.

The Primary Government had \$93.6 million in expenses, with \$42 million of those expenses being offset by revenues in the form of charges for services, grants, and contributions, resulting in expenses of \$51.6 million to be covered by other forms of revenue, mainly property taxes.

The DPCU School Department had \$104.9 million in expenses with \$11.6 million of these expenses offset by program specific revenues. Revenues (primarily property taxes and sales taxes of \$28.1 million and \$17 million, respectively, in addition to the BEP contribution of \$47.7 million) were adequate to provide current funding for these programs.

Government-Wide Financial Analysis

Tables 1A and 1B provide a summary of the Primary Government's and the DPCU School Department's Net Position for 2020 and a comparison to the prior year. Again, like a balance sheet, it shows Assets and Liabilities, and the difference between the two. An additional portion of the Primary Government's Net Position, \$9.3 million, represents resources that are subject to external restrictions on how they may be used. This is why they are referred to as "Restricted". In the DPCU School Department, \$17 million of Net Position is subject to external restriction.

Table 1A
Blount County Primary Government Net Position

	Blount County Primary Government Governmental Activities	
	2020	2019
Assets:		
Current and Other Assets	\$ 140,912,735	\$ 123,190,807
Capital Assets	87,280,137	90,782,591
Total Assets	\$ 228,192,872	\$ 213,973,398
Total Deferred Outflows of Resources	\$ 7,638,087	\$ 7,769,375
Liabilities:		
Long-term Liabilities Outstanding	\$ 179,601,122	\$ 189,228,388
Other Liabilities	8,053,585	8,397,348
Total Liabilities	\$ 187,654,707	\$ 197,625,736
Total Deferred Inflows of Resources	\$ 57,309,952	\$ 52,255,372
Net Position:		
Net Investment in Capital Assets	\$ 63,055,190	\$ 64,948,723
Restricted	9,264,105	7,888,059
Unrestricted	(81,452,995)	(100,975,117)
Total Net Position	\$ (9,133,700)	\$ (28,138,335)

Table 1B
Blount County DPCU School Department Net Position

	DPCU School Department Governmental Activities	
	2020	2019
Assets:		
Current and Other Assets	\$ 64,076,010	\$ 47,622,384
Capital Assets	114,495,922	113,642,402
Total Assets	\$ 178,571,932	\$ 161,264,786
Total Deferred Outflows of Resources	\$ 13,009,168	\$ 13,860,053
Liabilities:		
Long-term Liabilities Outstanding	\$ 19,277,829	\$ 18,197,710
Other Liabilities	6,903,907	6,022,139
Total Liabilities	\$ 26,181,736	\$ 24,219,849
Total Deferred Inflows of Resources	\$ 40,369,346	\$ 30,876,248
Net Position:		
Net Investment in Capital Assets	\$ 114,495,922	\$ 113,642,402
Restricted	17,047,678	7,604,101
Unrestricted	(6,513,582)	(1,217,761)
Total Net Position	\$ 125,030,018	\$ 120,028,742

Tables 2A and 2B show changes in Net Position for fiscal year 2020 for the Primary Government and the DPCU School Department, respectively, as well as a comparison to the prior year. The change is represented by the Increase (Decrease) in Net Position.

Table 2A
Blount County Changes in Net Position

	Blount County Primary Government	
	Governmental Activities	
	2020	2019
Revenues:		
Program Revenues:		
Charges for Services	\$ 33,618,146	\$ 31,753,706
Operating Grants and Contributions	8,061,530	7,349,686
Capital Grants and Contributions	312,345	859,097
General Revenues:		
Property Taxes	53,758,660	48,546,264
Sales Taxes	5,825,346	5,425,770
Hotel/Motel Taxes	936,103	961,486
Business Taxes	1,246,824	1,105,904
Other Taxes	1,295,559	1,362,765
Grants and Contributions Not Restricted to Specific Programs	6,206,312	6,514,112
Unrestricted Investment Income	1,309,005	1,752,647
Miscellaneous	35,933	411,139
Total Revenues	\$ 112,605,763	\$ 106,042,576
Expenses:		
General Government	\$ 10,300,084	\$ 8,707,338
Finance	8,152,376	7,654,024
Administration of Justice	7,474,681	6,968,660
Public Safety	28,160,666	25,330,921
Public Health and Welfare	2,269,206	1,893,448
Social, Cultural, and Recreational	3,521,110	4,046,668
Agriculture and Natural Resources	368,760	357,548
Highway	12,269,565	14,904,164
Education	14,833,082	16,279,385
Interest on General Long-term Debt	6,251,598	7,526,561
Total Expenses	\$ 93,601,128	\$ 93,668,717
Change in Net Position	\$ 19,004,635	\$ 12,373,859
Net Position, July 1	(28,138,335)	(40,512,194)
Net Position, June 30	\$ (9,133,700)	\$ (28,138,335)

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

	Blount County School Department	
	2020	2019
Revenues:		
Program Revenues:		
Charges for Services	\$ 2,609,568	\$ 3,108,867
Operating Grants and Contributions	9,016,190	9,433,551
General Revenues:		
Property Taxes	28,051,564	23,782,399
Sales Taxes	16,997,262	16,524,592
Business Taxes	655,758	546,051
Other Taxes	194,080	202,650
Grants and Contributions Not Restricted to Specific Programs	52,121,958	52,327,743
Unrestricted Investment Income	277,321	386,789
Gain on Investments	8,950	6,694
Miscellaneous	6,249	22,523
Total Revenues	\$ 109,938,900	\$ 106,341,859
Expenses:		
Instruction	\$ 60,147,474	\$ 57,435,059
Support Services	37,409,685	37,077,142
Operation of Non-instructional Services	7,380,465	8,034,680
Total Expenses	\$ 104,937,624	\$ 102,546,881
Increase (Decrease) in Net Position	\$ 5,001,276	\$ 3,794,978
Net Position, July 1	120,028,742	116,233,764
Net Position, June 30	\$ 125,030,018	\$ 120,028,742

Analysis of Overall Financial Position and Results of Operations

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

Public Safety expenditures of \$28.2 million accounted for approximately 30 percent of the \$93.6 million total expenses for governmental activities, while Highways and Education expenses accounted for 13 percent and 16 percent, respectively. Of the \$93.6 million in governmental expenses, \$33.6 million was covered by direct charges to users of the services. Other grants and contributions covered another \$8.4 million of expenses.

Financial Analysis of the Government’s Funds

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

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

- **Nonspendable Fund Balance** – The nonspendable fund balance for the Governmental Funds was \$485,403 for endowments and \$143,588 for prepaid items.
- **Restricted Fund Balance** – The restricted fund balance for the General Fund remained steady at approximately \$1.5 million, split between General Government, Finance, Administration of Justice, and Public Safety. The restricted fund balance for the Total School Funds increased to \$3.1 million.
- **Committed Fund Balance** – The committed fund balance for the General Fund decreased to \$294 thousand. The committed fund balance for the General Debt Service Fund increased to \$19 million, Committed for Debt Service. The committed fund balance for the Total School Funds increased to \$834 thousand.
- **Assigned Fund Balance** – The assigned fund balance for the General Fund decreased to \$1.5 million, split between General Government, Finance, Administration of Justice, Public Safety, Public Health and Welfare, Highways/Public Works, Agriculture and Natural Resources and Capital Outlay. The assigned fund balance for the Total School Funds increased to \$2 million.
- **Unassigned Fund Balance** – The unassigned fund balance for the General Fund increased by \$6 million to \$33.5 million. The unassigned fund balance for the Total School Funds increased to \$9.1 million.

Budgetary Highlights

Blount County was challenged by the pandemic like all other local governments and the State. Given the uncertainty facing our economy, we immediately implemented a hiring freeze, compensation and benefit freeze, a freeze on expenditures except prioritizing those directly impacting public safety and public health, while acquiring all the PPE that was available to allow our front line workers as much safety as regulatory information provided/guided us.

In September of 2019, the Board of Commissioners approved the purchase of new Voting Equipment for \$1.2 million, with a grant awarded for \$380 thousand toward the cost of the equipment.

In July of 2019, the Board of Commissioners approved the purchase of land for \$1.2 million to be use for future public safety needs.

Capital Assets and Debt Administration

Capital Assets

Blount County's investment in capital assets, net of accumulated depreciation, as of June 30, 2020, totaled \$87.3 million. This investment in capital assets includes land,

construction in progress, buildings and improvements, roads, streets, and bridges, and other capital assets.

Asset	Historical Value	Accumulated Depreciation	Net Value 6-30-20
Land	\$ 8,724,495	\$ 0	\$ 8,724,495
Construction in Progress	727,000	0	727,000
Buildings and Improvements	54,558,099	(23,824,645)	30,733,454
Roads, Streets, and Bridges	137,748,771	(96,756,269)	40,992,502
Other Capital Assets	22,899,543	(16,796,857)	6,102,686
Total	\$ 224,657,908	\$ (137,377,771)	\$ 87,280,137

Blount County School Department's investment in capital assets, net of accumulated depreciation, as of June 30, 2020, totaled \$114.5 million. This investment in capital assets includes land, buildings and improvements, and other capital assets.

Asset	Historical Value	Accumulated Depreciation	Net Value 6-30-20
Land	\$ 9,951,059	\$ 0	\$ 9,951,059
Construction in Progress	1,145,948	0	1,145,948
Buildings and Improvements	176,863,655	(75,271,191)	101,592,464
Other Capital Assets	6,773,704	(4,967,253)	1,806,451
Total	\$ 194,734,366	\$ (80,238,444)	\$ 114,495,922

Long-term Debt

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

Economic Factors and Next Year's Budgets and Rates

In June 2019, the Blount County Commission adopted a budget for the fiscal year ending June 30, 2020. The property tax rate for tax year 2020 was adopted at a rate of \$2.47, the same as the 2019 tax year.

The distribution of the 2020 property tax rate is shown below:

Fund	2020	2019
General County	\$ 0.88	\$ 0.88
Educ. Capital Project	0.14	0.04
Debt Service	0.44	0.48
Gen. Capital Projects	0.03	0.00
Gen. Purpose School	0.98	1.07
Total	<u>\$ 2.47</u>	<u>\$ 2.47</u>

Request for Information

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

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary	Component Units	
	Government	Blount	Blount
	Total	County	Blount
	Governmental	School	Memorial
	Activities	Department	Hospital
<u>ASSETS</u>			
Cash	\$ 108,027	\$ 0	\$ 38,544,051
Equity in Pooled Cash and Investments	71,750,218	16,454,656	0
Inventories	0	0	4,388,702
Accounts Receivable	819,402	17,577	25,525,708
Due from Other Governments	5,953,121	4,149,206	0
Due from Component Units	1,740,862	0	0
Property Taxes Receivable	55,961,180	29,632,499	0
Allowance for Uncollectible Property Taxes	(764,516)	(404,826)	0
Net Pension Asset - Agent Plan	4,902,648	1,644,783	0
Net Pension Asset - Agent Plan - Library	100,385	0	0
Net Pension Asset - Teacher Retirement Plan	0	333,506	0
Net Pension Asset - Teacher Legacy Pension Plan	0	11,959,480	0
Prepaid Items	143,588	0	3,296,752
Restricted Assets:			
Restricted for Foundation	0	0	2,059,189
Restricted Cash	0	0	15,542,201
Amounts Accumulated for Pension Benefits	0	289,129	0
Other Restricted Assets	0	0	99,044,790
Notes Receivable	197,820	0	0
Capital Assets:			
Assets Not Depreciated:			
Land	8,724,495	9,951,059	12,553,960
Construction in Progress	727,000	1,145,948	761,163
Assets Net of Accumulated Depreciation:			
Buildings and Improvements	30,733,454	101,592,464	68,921,907
Infrastructure	40,992,502	0	0
Other Capital Assets	6,102,686	1,806,451	19,751,773
Other Assets	0	0	6,172,457
Total Assets	<u>\$ 228,192,872</u>	<u>\$ 178,571,932</u>	<u>\$ 296,562,653</u>

(Continued)

Exhibit A

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

	Primary	Component Units	
	Government	Blount	Blount
	Total	County	Memorial
	Governmental	School	Hospital
	Activities	Department	
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Loss on Termination of Interest Rate Swaps	\$ 0	\$ 0	\$ 10,074,584
Deferred Charge on Refunding	2,760,864	0	0
Pension Changes in Experience	778,395	818,618	0
Pension Changes in Assumptions	762,886	1,874,158	0
Pension Changes in Proportion	0	272,156	0
Pension Contributions After Measurement Date	2,270,848	4,920,060	0
OPEB Changes in Assumptions	1,065,094	1,929,848	0
OPEB Changes in Experience	0	3,194,328	0
Other Deferred Outflows	0	0	2,023,124
Total Deferred Outflows of Resources	<u>\$ 7,638,087</u>	<u>\$ 13,009,168</u>	<u>\$ 12,097,708</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 2,001,591	\$ 222,326	\$ 4,489,460
Accrued Payroll	751,381	2,406,683	11,976,856
Accrued Interest Payable	539,859	0	141,855
Payroll Deductions Payable	738,528	1,039,850	0
Contracts Payable	0	1,145,948	0
Due to Primary Government	0	1,740,862	0
Due to State of Tennessee	742	0	0
Due to Cities	28,972	0	0
Due to Litigant, Heirs, and Others	29,006	0	0
Sales Tax	2,825	0	0
Other Current Liabilities	3,138,275	348,238	7,560,334
Unearned Revenue	822,406	0	29,847,259
Noncurrent Liabilities:			
Social Security Tax Deferral Liability	0	0	1,633,049
Due Within One Year - Debt	9,998,723	0	15,350,349
Due Within One Year - Other	1,737,943	0	0
Due in More than One Year - Debt	157,236,853	0	75,538,461
Due in More Than One Year - Other	10,627,603	19,277,829	1,015,563
Total Liabilities	<u>\$ 187,654,707</u>	<u>\$ 26,181,736</u>	<u>\$ 147,553,186</u>

(Continued)

Exhibit A

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

	Primary Government	Component Units	
	Total Governmental Activities	Blount County School Department	Blount Memorial Hospital
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 54,261,553	\$ 28,732,515	\$ 0
Pension Changes in Experience	482,196	7,518,297	0
Pension Changes in Investment Earnings	1,272,966	3,844,787	0
Pension Changes in Proportion	0	123,509	0
OPEB Changes in Experience	1,188,023	0	0
OPEB Changes in Assumptions	105,214	150,238	0
Total Deferred Inflows of Resources	<u>\$ 57,309,952</u>	<u>\$ 40,369,346</u>	<u>\$ 0</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 63,055,190	\$ 114,495,922	\$ 42,763,710
Restricted for:			
General Government	942,506	0	0
Finance	388,313	0	0
Administration of Justice	390,138	0	0
Public Safety	1,163,258	0	0
Social, Cultural, and Recreation	734,845	0	0
Capital Projects	121,363	2,221,144	0
Education	0	599,636	0
Pensions	5,003,033	14,226,898	0
Permanent Endowment:			
Expendable	35,246	0	0
Nonexpendable	485,403	0	1,123,740
Unrestricted	<u>(81,452,995)</u>	<u>(6,513,582)</u>	<u>117,219,725</u>
Total Net Position (Deficit)	<u>\$ (9,133,700)</u>	<u>\$ 125,030,018</u>	<u>\$ 161,107,175</u>

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

Exhibit B

Blount County, Tennessee
Statement of Activities
For the Year Ended June 30, 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	Component Units	
					Governmental Activities	Blount County School Department	Blount Memorial Hospital
<u>Primary Government</u>							
Governmental Activities:							
General Government	\$ 10,300,084	\$ 2,371,400	\$ 521,699	\$ 0	\$ (7,406,985)	\$ 0	\$ 0
Finance	8,152,376	4,566,925	10,000	0	(3,575,451)	0	0
Administration of Justice	7,474,681	4,281,886	528,142	0	(2,664,653)	0	0
Public Safety	28,160,666	5,779,209	553,149	312,345	(21,515,963)	0	0
Public Health and Welfare	2,269,206	274,443	1,368,775	0	(625,988)	0	0
Social, Cultural, and Recreational Services	3,521,110	213,162	1,151,798	0	(2,156,150)	0	0
Agriculture and Natural Resources	368,760	0	36,701	0	(332,059)	0	0
Highways	12,269,565	170,334	3,891,266	0	(8,207,965)	0	0
Education	14,833,082	15,960,787	0	0	1,127,705	0	0
Interest on Long-term Debt	6,251,598	0	0	0	(6,251,598)	0	0
Total Primary Government	\$ 93,601,128	\$ 33,618,146	\$ 8,061,530	\$ 312,345	\$ (51,609,107)	\$ 0	\$ 0
<u>Component Units</u>							
Blount County School Department	\$ 104,937,624	\$ 2,609,568	\$ 9,016,190	\$ 0	\$ 0	\$ (93,311,866)	\$ 0
Blount Memorial Hospital	308,651,240	285,852,225	13,538,846	0	0	0	(9,260,169)
Total Component Units	\$ 413,588,864	\$ 288,461,793	\$ 22,555,036	\$ 0	\$ 0	\$ (93,311,866)	\$ (9,260,169)

(Continued)

Exhibit B

Blount County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component Units	
					Governmental Total	Blount County School Department	Blount Memorial Hospital
General Revenues:							
Property Taxes Levied for General Purposes				\$ 35,067,732	\$ 22,493,280	\$ 0	
Property Taxes Levied for Debt Service				17,500,626	0	0	
Property Taxes Levied for Capital Projects				1,190,302	5,558,284	0	
Local Option Sales Taxes				5,825,346	16,997,262	0	
Hotel/Motel Taxes				936,103	0	0	
Litigation - General Taxes				692,442	0	0	
Business Taxes				1,246,824	655,758	0	
Wholesale Beer Taxes				309,035	0	0	
Other Taxes				294,082	194,080	0	
Grants and Contributions Not Restricted to Specific Programs				6,206,312	52,121,958	7,922,911	
Unrestricted Investment Income				1,309,005	277,321	1,871,616	
Gain on Investments				0	8,950	0	
Miscellaneous				35,933	6,249	0	
Total General Revenues				<u>\$ 70,613,742</u>	<u>\$ 98,313,142</u>	<u>\$ 9,794,527</u>	
Change in Net Position				\$ 19,004,635	\$ 5,001,276	\$ 534,358	
Net Position (Deficit), July 1, 2019				<u>(28,138,335)</u>	<u>120,028,742</u>	<u>160,572,817</u>	
Net Position (Deficit), June 30, 2020				<u>\$ (9,133,700)</u>	<u>\$ 125,030,018</u>	<u>\$ 161,107,175</u>	

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

Exhibit C-1

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General	General Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 200	\$ 0	\$ 11,940	\$ 12,140
Equity in Pooled Cash and Investments	34,941,091	16,567,603	10,868,899	62,377,593
Accounts Receivable	191,132	9,605	61,594	262,331
Due from Other Governments	3,891,574	390,559	1,670,988	5,953,121
Due from Other Funds	26,205	2,000,000	0	2,026,205
Property Taxes Receivable	36,478,399	18,239,199	1,243,582	55,961,180
Allowance for Uncollectible Property Taxes	(498,351)	(249,175)	(16,990)	(764,516)
Prepaid Items	0	143,588	0	143,588
Notes Receivable - Long-term	0	197,820	0	197,820
Total Assets	<u>\$ 75,030,250</u>	<u>\$ 37,299,199</u>	<u>\$ 13,840,013</u>	<u>\$ 126,169,462</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 415,834	\$ 0	\$ 13,740	\$ 429,574
Accrued Payroll	633,990	0	117,391	751,381
Payroll Deductions Payable	473,928	0	63,098	537,026
Due to Other Funds	0	0	26,205	26,205
Due to State of Tennessee	566	0	176	742
Due to Other Taxing Units	22,174	0	6,798	28,972
Due to Litigants, Heirs, and Others	25,222	0	3,784	29,006
Sales Tax	0	0	2,825	2,825
Total Liabilities	<u>\$ 1,571,714</u>	<u>\$ 0</u>	<u>\$ 234,017</u>	<u>\$ 1,805,731</u>

(Continued)

Exhibit C-1

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General	General Debt Service	Other Governmental Funds	
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 35,370,494	\$ 17,685,247	\$ 1,205,812	\$ 54,261,553
Deferred Delinquent Property Taxes	434,031	216,861	14,912	665,804
Other Deferred/Unavailable Revenue	905,685	197,820	111,709	1,215,214
Total Deferred Inflows of Resources	<u>\$ 36,710,210</u>	<u>\$ 18,099,928</u>	<u>\$ 1,332,433</u>	<u>\$ 56,142,571</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Endowments	\$ 0	\$ 0	\$ 485,403	\$ 485,403
Prepaid Items	0	143,588	0	143,588
Restricted:				
Restricted for General Government	632,021	0	310,485	942,506
Restricted for Finance	388,313	0	0	388,313
Restricted for Administration of Justice	336,635	0	53,503	390,138
Restricted for Public Safety	143,890	0	1,019,368	1,163,258
Restricted for Public Health and Welfare	0	0	35,246	35,246
Restricted for Social, Cultural, and Recreational Services	0	0	734,845	734,845
Restricted for Capital Projects	0	0	121,363	121,363
Committed:				
Committed for Administration of Justice	122,377	0	0	122,377
Committed for Public Safety	0	0	1,172,363	1,172,363
Committed for Public Health and Welfare	171,502	0	0	171,502
Committed for Highways/Public Works	0	0	5,748,939	5,748,939
Committed for Capital Outlay	0	0	2,592,048	2,592,048
Committed for Debt Service	0	19,055,683	0	19,055,683
Assigned:				
Assigned for General Government	163,421	0	0	163,421

(Continued)

Exhibit C-1

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

FUND BALANCES (Cont.)

Assigned (Cont.):

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General	General Debt Service	Other Govern- mental Funds	
Assigned for Finance	\$ 80,580	\$ 0	\$ 0	\$ 80,580
Assigned for Administration of Justice	51,765	0	0	51,765
Assigned for Public Safety	638,850	0	0	638,850
Assigned for Public Health and Welfare	17,871	0	0	17,871
Assigned for Agriculture and Natural Resources	528	0	0	528
Assigned for Other Operations	500	0	0	500
Assigned for Highways/Public Works	640	0	0	640
Assigned for Capital Outlay	507,046	0	0	507,046
Unassigned	33,492,387	0	0	33,492,387
Total Fund Balances	<u>\$ 36,748,326</u>	<u>\$ 19,199,271</u>	<u>\$ 12,273,563</u>	<u>\$ 68,221,160</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 75,030,250</u>	<u>\$ 37,299,199</u>	<u>\$ 13,840,013</u>	<u>\$ 126,169,462</u>

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

Blount County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
June 30, 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)		\$	68,221,160
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	8,724,495	
Add: construction in progress		727,000	
Add: buildings and improvements net of accumulated depreciation		30,733,454	
Add: infrastructure net of accumulated depreciation		40,992,502	
Add: other capital assets net of accumulated depreciation		<u>6,102,686</u>	87,280,137
(2) An internal service fund is used by management to charge the cost of general liability, property, casualty, workers' compensation, and employee health benefits to an individual fund. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.			3,113,789
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other loans payable	\$	(40,746)	
Less: capital leases payable		(356,048)	
Less: bonds payable		(148,527,129)	
Add: deferred amount on refunding		2,760,864	
Less: compensated absences payable		(3,862,096)	
Less: other postemployment benefits liability		(8,503,450)	
Less: accrued interest on bonds, notes, and capital leases		(539,859)	
Add: receivable for capital lease and loan to be retired by the school department		918,456	
Less: unamortized premium on debt		<u>(18,311,653)</u>	(176,461,661)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	3,812,129	
Less: deferred inflows of resources related to pensions		(1,755,162)	
Add: deferred outflows of resources related to OPEB		1,065,094	
Less: deferred inflows of resources related to OPEB		<u>(1,293,237)</u>	1,828,824
(5) Net pension assets of the agent plans are not current financial resources and therefore are not reported in the governmental funds.			
Add: agent plan	\$	4,902,648	
Add: agent plan - library		<u>100,385</u>	5,003,033
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>1,881,018</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>(9,133,700)</u></u>

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

Exhibit C-3

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 40,601,188	\$ 19,066,732	\$ 6,446,614	\$ 66,114,534
Licenses and Permits	1,242,530	0	395,920	1,638,450
Fines, Forfeitures, and Penalties	1,102,262	0	20,227	1,122,489
Charges for Current Services	937,751	0	292,213	1,229,964
Other Local Revenues	843,635	567,906	271,249	1,682,790
Fees Received From County Officials	8,103,785	0	0	8,103,785
State of Tennessee	5,351,953	25,727	3,654,853	9,032,533
Federal Government	4,825,994	0	468,424	5,294,418
Other Governments and Citizens Groups	452,830	395,474	1,150,523	1,998,827
Total Revenues	\$ 63,461,928	\$ 20,055,839	\$ 12,700,023	\$ 96,217,790
<u>Expenditures</u>				
Current:				
General Government	\$ 5,815,768	\$ 0	\$ 106,210	\$ 5,921,978
Finance	8,185,019	0	0	8,185,019
Administration of Justice	7,207,515	0	9,555	7,217,070
Public Safety	25,945,733	0	112,979	26,058,712
Public Health and Welfare	2,011,953	0	0	2,011,953
Social, Cultural, and Recreational Services	715,916	0	2,469,584	3,185,500
Agriculture and Natural Resources	366,800	0	0	366,800
Other Operations	1,729,524	0	9,321	1,738,845
Highways	86,537	0	7,306,836	7,393,373
Debt Service:				
Principal on Debt	0	9,612,883	0	9,612,883
Interest on Debt	0	7,453,372	0	7,453,372
Other Debt Service	0	404,547	0	404,547

(Continued)

Exhibit C-3

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>				
Capital Projects	\$ 549,121	\$ 0	\$ 5,714,254	\$ 6,263,375
Total Expenditures	\$ 52,613,886	\$ 17,470,802	\$ 15,728,739	\$ 85,813,427
Excess (Deficiency) of Revenues Over Expenditures	\$ 10,848,042	\$ 2,585,037	\$ (3,028,716)	\$ 10,404,363
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 0	\$ 0	\$ 1,817	\$ 1,817
Transfers In	256,780	841,105	3,976,223	5,074,108
Transfers Out	(4,657,328)	0	(160,000)	(4,817,328)
Total Other Financing Sources (Uses)	\$ (4,400,548)	\$ 841,105	\$ 3,818,040	\$ 258,597
Net Change in Fund Balances	\$ 6,447,494	\$ 3,426,142	\$ 789,324	\$ 10,662,960
Fund Balance, July 1, 2019	30,300,832	15,773,129	11,484,239	57,558,200
Fund Balance, June 30, 2020	\$ 36,748,326	\$ 19,199,271	\$ 12,273,563	\$ 68,221,160

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

Blount County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 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)		\$ 10,662,960
(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	\$ 3,598,739	
Less: current-year depreciation expense	<u>(7,351,706)</u>	(3,752,967)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized	\$ 252,921	
Less: book value of capital assets disposed	<u>(2,408)</u>	250,513
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2020	\$ 1,881,018	
Less: deferred delinquent property taxes and other deferred June 30, 2019	<u>(1,617,854)</u>	263,164
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: principal payments on bonds	\$ 9,229,685	
Add: principal payments on other loans	40,746	
Add: principal payments on capital leases	342,452	
Add: change in unamortized premium on debt issuances	1,995,037	
Less: change in deferred amount on refunding debt	(413,172)	
Less: change in loan due from school department	<u>(177,739)</u>	11,017,009

(Continued)

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

(5)	Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
	Change in accrued interest payable	\$ 24,456	
	Change in compensated absences payable	(397,395)	
	Change in other postemployment benefits liability (OPEB)	(1,583,259)	
	Change in net pension asset/liability	1,247,750	
	Change in deferred outflows related to pensions	(426,107)	
	Change in deferred inflows related to pensions	(694,690)	
	Change in deferred outflows related to OPEB	707,991	
	Change in deferred inflows related to OPEB	<u>274,749</u>	\$ (846,505)
(6)	An internal service fund is used by management to charge the cost of general liability, property, casualty, workers' compensation, and employee health benefits to an individual fund. The net revenue (expense) of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		<u>1,410,461</u>
	Change in net position of governmental activities (Exhibit B)		<u>\$ 19,004,635</u>

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

Exhibit C-5

Blount County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
General Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 40,601,188	\$ 0	\$ 0	\$ 40,601,188	\$ 37,650,825	\$ 37,650,825	\$ 2,950,363
Licenses and Permits	1,242,530	0	0	1,242,530	980,200	980,200	262,330
Fines, Forfeitures, and Penalties	1,102,262	0	0	1,102,262	1,297,964	1,297,964	(195,702)
Charges for Current Services	937,751	0	0	937,751	878,333	938,333	(582)
Other Local Revenues	843,635	0	0	843,635	652,265	652,265	191,370
Fees Received From County Officials	8,103,785	0	0	8,103,785	7,999,589	7,999,589	104,196
State of Tennessee	5,351,953	0	0	5,351,953	3,504,413	3,696,367	1,655,586
Federal Government	4,825,994	0	0	4,825,994	3,644,980	3,846,876	979,118
Other Governments and Citizens Groups	452,830	0	0	452,830	344,541	346,716	106,114
Total Revenues	\$ 63,461,928	\$ 0	\$ 0	\$ 63,461,928	\$ 56,953,110	\$ 57,409,135	\$ 6,052,793
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 128,125	\$ 0	\$ 0	\$ 128,125	\$ 133,123	\$ 133,123	\$ 4,998
Board of Equalization	1,728	0	0	1,728	6,997	6,997	5,269
Beer Board	314	0	0	314	1,000	1,000	686
Other Boards and Committees	50,151	(2,520)	0	47,631	68,812	92,005	44,374
County Mayor/Executive	303,337	(151)	3,802	306,988	306,225	316,225	9,237
Personnel Office	451,324	(74,226)	61,028	438,126	521,021	529,913	91,787
Election Commission	488,141	(151)	5,114	493,104	656,898	659,026	165,922
Register of Deeds	588,157	0	9,124	597,281	599,661	607,813	10,532
Development	1,080,132	(4,122)	69,880	1,145,890	1,232,921	1,286,399	140,509
County Buildings	1,542,531	(19,012)	20,679	1,544,198	1,531,979	1,531,979	(12,219)
Other General Administration	902,229	0	499	902,728	750,349	924,093	21,365
Preservation of Records	111,082	(37)	162	111,207	121,177	123,677	12,470
Risk Management	168,517	(2,064)	1,285	167,738	175,917	175,917	8,179
<u>Finance</u>							
Accounting and Budgeting	571,427	0	898	572,325	643,313	643,313	70,988
Purchasing	360,743	(417)	1,959	362,285	361,196	368,196	5,911
Central Services	2,647,102	(1,863)	44,770	2,690,009	3,330,750	3,387,577	697,568

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Finance (Cont.)</u>							
Property Assessor's Office	\$ 861,609	\$ (1,647)	\$ 18	\$ 859,980	\$ 907,674	\$ 907,674	\$ 47,694
Reappraisal Program	427,420	(5,450)	0	421,970	402,568	428,697	6,727
County Trustee's Office	557,745	(168)	2,303	559,880	572,398	572,398	12,518
County Clerk's Office	1,277,043	(2,740)	5,280	1,279,583	1,399,841	1,408,721	129,138
Data Processing	1,481,930	(270,146)	29,233	1,241,017	1,114,105	1,339,654	98,637
<u>Administration of Justice</u>							
Circuit Court Judge	45,506	(7,596)	22,258	60,168	89,316	89,316	29,148
Circuit Court Clerk	2,770,872	(8,450)	18,349	2,780,771	2,791,804	2,966,831	186,060
Criminal Court	614,864	(2,081)	1,176	613,959	639,552	664,552	50,593
General Sessions Judge	1,040,182	(135)	319	1,040,366	1,068,334	1,068,334	27,968
Drug Court	93,001	(1,985)	1,638	92,654	98,091	160,742	68,088
Chancery Court	494,830	(19,595)	24,479	499,714	615,418	615,417	115,703
Juvenile Court	589,177	(1,976)	0	587,201	696,707	696,693	109,492
Office of Public Defender	46,026	0	0	46,026	50,437	50,437	4,411
Judicial Commissioners	207,204	(128)	0	207,076	267,156	267,156	60,080
Other Administration of Justice	597,100	0	0	597,100	659,678	604,678	7,578
Probation Services	670,305	(336)	0	669,969	644,976	682,976	13,007
Victim Assistance Programs	38,448	0	0	38,448	43,702	43,702	5,254
<u>Public Safety</u>							
Sheriff's Department	13,610,553	(295,926)	261,630	13,576,257	14,117,846	13,884,158	307,901
Administration of the Sexual Offender Registry	26,625	(2,850)	0	23,775	26,000	27,800	4,025
Jail	9,986,504	(217,959)	330,647	10,099,192	9,739,217	10,110,507	11,315
Workhouse	14,600	0	0	14,600	14,677	14,677	77
Juvenile Services	1,709,616	(4,625)	29,441	1,734,432	1,862,811	1,759,733	25,301
Fire Prevention and Control	46,250	0	0	46,250	46,250	46,250	0
Civil Defense	153,784	(712)	46,147	199,219	212,938	220,238	21,019
Other Emergency Management	397,801	0	0	397,801	397,801	397,801	0
<u>Public Health and Welfare</u>							
Local Health Center	1,269,072	(40)	3,428	1,272,460	1,443,761	1,572,864	300,404

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Public Health and Welfare (Cont.)</u>							
Rabies and Animal Control	\$ 666,844	\$ (3,009)	\$ 17,846	\$ 681,681	\$ 760,608	\$ 782,818	\$ 101,137
Recycling Center	76,037	0	2,680	78,717	59,808	95,250	16,533
<u>Social, Cultural, and Recreational Services</u>							
Parks and Fair Boards	715,916	0	0	715,916	715,916	715,916	0
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	172,974	0	153	173,127	183,998	183,998	10,871
Soil Conservation	193,826	0	375	194,201	196,345	196,344	2,143
<u>Other Operations</u>							
Industrial Development	1,190,679	0	0	1,190,679	1,190,679	1,190,679	0
Veterans' Services	226,152	(201)	640	226,591	229,581	229,756	3,165
Contributions to Other Agencies	228,728	0	0	228,728	131,928	228,728	0
COVID-19 Grant #6	49,556	0	0	49,556	0	49,556	0
COVID-19 Grant D	34,409	0	0	34,409	0	34,409	0
<u>Highways</u>							
Litter and Trash Collection	86,537	0	500	87,037	88,571	88,571	1,534
<u>Capital Projects</u>							
Public Safety Projects	549,121	(93,769)	507,046	962,398	838,768	962,704	306
Total Expenditures	\$ 52,613,886	\$ (1,046,087)	\$ 1,524,786	\$ 53,092,585	\$ 54,760,599	\$ 56,147,988	\$ 3,055,403
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 10,848,042	\$ 1,046,087	\$ (1,524,786)	\$ 10,369,343	\$ 2,192,511	\$ 1,261,147	\$ 9,108,196
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,000	\$ 20,000	\$ (20,000)
Transfers In	256,780	0	0	256,780	256,780	256,780	0
Transfers Out	(4,657,328)	0	0	(4,657,328)	(2,466,153)	(4,754,728)	97,400
Total Other Financing Sources	\$ (4,400,548)	\$ 0	\$ 0	\$ (4,400,548)	\$ (2,189,373)	\$ (4,477,948)	\$ 77,400

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Net Change in Fund Balance	\$ 6,447,494	\$ 1,046,087	\$ (1,524,786)	\$ 5,968,795	\$ 3,138	\$ (3,216,801)	\$ 9,185,596
Fund Balance, July 1, 2019	30,300,832	(1,046,087)	0	29,254,745	30,300,832	30,300,832	(1,046,087)
Fund Balance, June 30, 2020	\$ 36,748,326	\$ 0	\$ (1,524,786)	\$ 35,223,540	\$ 30,303,970	\$ 27,084,031	\$ 8,139,509

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

Exhibit D-1

Blount County, Tennessee
Statement of Net Position
Proprietary Fund
June 30, 2020

	Governmental Activities - Internal Service Fund
	<u>Self Insurance Fund</u>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 95,887
Equity in Pooled Cash and Investments	9,372,625
Accounts Receivable	557,071
Due from Component Units	<u>822,406</u>
Total Assets	<u>\$ 10,847,989</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts Payable	\$ 1,773,519
Due to Other Funds	2,000,000
Other Current Liabilities	3,138,275
Unearned Revenue	<u>822,406</u>
Total Liabilities	<u>\$ 7,734,200</u>
<u>NET POSITION</u>	
Net Position - Unrestricted	<u>\$ 3,113,789</u>
Total Net Position	<u>\$ 3,113,789</u>

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

Exhibit D-2

Blount County, Tennessee
Statement of Revenues, Expenses, and Changes
in Net Position
Proprietary Fund
For the Year Ended June 30, 2020

	Governmental Activities - Internal Service Fund <hr/> Self Insurance Fund <hr/>
<u>Operating Revenues</u>	
Self-Insurance Premiums	\$ 24,573,785
Total Operating Revenues	<u>\$ 24,573,785</u>
<u>Operating Expenses</u>	
Fiscal Agent Charges	\$ 662,385
Insurance Premiums	903,932
Other Administrative Expenses	17,782
Contracts with Private Agencies	355,059
Medical Claims	20,583,306
Other Self-Insured Claims	471,103
Total Operating Expenses	<u>\$ 22,993,567</u>
Operating Income (Loss)	<u>\$ 1,580,218</u>
<u>Nonoperating Revenues (Expenses)</u>	
Investment Income	\$ 87,023
Total Nonoperating Revenues (Expenses)	<u>\$ 87,023</u>
Income (Loss) Before Transfers	\$ 1,667,241
Transfers Out	<u>(256,780)</u>
Change in Net Position	\$ 1,410,461
Net Position, July 1, 2019	<u>1,703,328</u>
Net Position, June 30, 2020	<u><u>\$ 3,113,789</u></u>

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

Blount County, Tennessee
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2020

	Governmental Activities - Internal Service Fund <hr/> Self Insurance Fund
<u>Cash Flows from Operating Activities</u>	
Receipts for Self-insurance Premiums	\$ 24,573,785
Receipts for Insurance Recovery	331
Receipts for Prescription Rebates	971,297
Receipts for Stop Loss Reimbursements	1,467,445
Payments to Fiscal Agents	(665,185)
Payments to Insurers	(1,258,348)
Payments for Claims	(24,446,570)
Payments for Administrative Costs	(17,782)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 624,973</u>
<u>Cash Flows from Investing Activities</u>	
Interest on Investments	\$ 99,289
Net Cash Provided By (Used In) Investing Activities	<u>\$ 99,289</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Transfers to Other Funds	\$ (256,780)
Proceeds of Interfund Loan	2,000,000
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 1,743,220</u>
Increase (Decrease) in Cash	\$ 2,467,482
Cash, July 1, 2019	<u>7,001,030</u>
Cash, June 30, 2020	<u><u>\$ 9,468,512</u></u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>	
<u>Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ 1,580,218
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivables (excluding interest receivable)	(222,255)
Increase (Decrease) in Accounts Payable	(709,265)
Increase (Decrease) in Other Current Liabilities	(23,725)
Net Cash Provided By (Used In) Operating Activities	<u>\$ 624,973</u>
<u>Reconciliation of Cash with Statement of Net Position</u>	
Cash Per Net Position	\$ 95,887
Equity in Pooled Cash and Investments Per Net Position	<u>9,372,625</u>
Cash, June 30, 2020	<u><u>\$ 9,468,512</u></u>

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 5,434,524
Equity in Pooled Cash and Investments	1,330,906
Accounts Receivable	280,828
Due from Other Governments	6,519,244
Taxes Receivable	16,794,553
Allowance for Uncollectible Taxes	<u>(229,440)</u>
Total Assets	<u>\$ 30,130,615</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 533
Payroll Deductions Payable	393,362
Due to Other Taxing Units	23,145,581
Due to Litigants, Heirs, and Others	5,719,828
Due to Joint Ventures	<u>871,311</u>
Total Liabilities	<u>\$ 30,130,615</u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

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

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

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

The Blount County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Blount County. The Blount County Emergency Communications District is governed by a nine-member board of directors, four of whom are appointed by the Blount County Commission, two each by the cities of Maryville and Alcoa, and one elected by the other eight members. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Blount County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

The Blount County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the school department are included in this report as listed in the table of contents. Complete financial statements of the Blount Memorial Hospital, Inc., Blount County Emergency Communications District, and the Blount County Public Building Authority can be obtained from their administrative offices at the following addresses:

Administrative Offices:

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

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

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

B. Government-wide and Fund Financial Statements

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

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

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

Separate financial statements are provided for governmental funds, proprietary funds (internal service), and fiduciary funds. The internal service fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary funds financial statements, except for agency funds, which have no measurement focus. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing

of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 60 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Blount County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current period. Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not measurable (reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

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

Blount County reports the following major governmental funds:

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

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

Additionally, Blount County reports the following fund types:

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

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

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

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

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

held for the benefit of the Office of District Attorney General, amounts held in a payroll clearing account, and proceeds from revenue bonds issued by the county on behalf of Blount Memorial Hospital, Inc. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

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

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

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

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

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

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

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

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

1. **Deposits and Investments**

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

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; 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 Blount County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General, General Debt Service, and General Purpose School funds. Blount County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United State of America.

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 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 as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America. Blount County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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

2. Receivables and Payables

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

All property taxes receivable are shown net of an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 0.74 percent of the total taxes levied.

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 60 days of year-end are considered available and accrued. The allowance for

uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

Most payables are disaggregated on the face of the financial statements. On the Statement of Net Position for the primary government, a portion of Accounts Payable totaling \$1,773,519, as well as the entire balance in the account Other Current Liabilities totaling \$3,138,275, represent internal service fund liabilities for self-insured claims. Other Current Liabilities of the discretely presented school department consist primarily of accrued payroll taxes and other employee benefits.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased. Prepays are offset in the nonspendable fund balance account in governmental funds.

4. Restricted Assets

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

5. Capital Assets

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

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

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

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

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

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

6. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate

financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and/or the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes, pension changes in experience, pension changes in investment earnings, pension changes in proportion, OPEB changes in experience, OPEB changes in assumptions, 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.

7. Compensated Absences

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

8. Long-term Debt and Long-term Obligations

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

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported

as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

9. Net Position and Fund Balance

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

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

As of June 30, 2020, Blount County had \$119,250,178 in outstanding debt for capital purposes of other entities (schools - \$116,719,315, industrial purposes - \$2,341,445, and a joint communications system lease - \$189,418). In accordance with state statutes, certain county school debt proceeds must be shared with other public school systems in the county (the cities of Maryville and Alcoa school systems) based on an average daily attendance proration. This debt is a liability of Blount County, but the capital assets acquired are reported in the financial statements of the other entities. At June 30, 2020, Blount County also had \$7,573,455 of non-capital debt, which was used to retire interest rate swap agreements. Therefore, Blount County has incurred a liability, significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for

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

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

These classifications may consist of the following:

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission and the Board of Education are authorized bodies to make assignments for the primary government and the school department, respectively. Assigned fund balance in the General Fund includes amounts assigned for encumbrances (\$1,461,201). Assigned fund balance in the school department's General Purpose School Fund includes amounts assigned for encumbrances (\$1,978,097).

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

to specific purposes within the General and General Purpose School funds.

E. Pension Plans

Primary Government

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

Discretely Presented Blount County School Department

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Blount County School Department

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the

discretely presented Blount County School Department. For this purpose, the school department recognizes benefit payments when due and payable in accordance with benefit terms. The school department's OPEB plan is not administered through a trust.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

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

Discretely Presented Blount County School Department

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

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

Primary Government

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

Discretely Presented Blount County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (special revenue fund) and the Endowment

Fund (permanent fund), which are not budgeted. All annual appropriations lapse at fiscal year end.

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

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

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

At June 30, 2020, Blount County and the Blount County School Department had the following outstanding encumbrances:

Funds	Amount
Primary Government	
Major Fund:	
General	\$ 1,524,786
Nonmajor Funds:	
Courthouse and Jail Maintenance	20,457
Law Library	650
Public Library	29,107
Drug Control	14,990
Highway/Public Works	482,524
Highway Capital Projects	492,110
Other Capital Projects	290,226
School Department:	
Major Funds:	
General Purpose School	1,978,097
Education Capital Projects	1,753,442
Nonmajor Funds:	
School Federal Projects	15,653
Central Cafeteria	79,435
Extended School Program	5,558

B. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations approved by the county commission in the County Buildings major appropriations category (the legal level of control) of the General Fund by \$12,219. Expenditures exceeded appropriations approved by the county commission in the Special Education Program and Career and Technical Education Program major appropriation categories of the School Federal Projects Fund by \$355 and \$756, respectively. Expenditures that exceed appropriations are a violation of state statutes. These expenditures in excess of appropriations were funded by available fund balances.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool, 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, Blount County had the following investments carried at amortized cost using a Stable Net Asset value. Pooled investments reported in the following table are held in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Blount County and the discretely presented Blount County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)	Maturities	Amortized Cost
Investments at Amortized Cost:			
State Treasurer's Investment Pool	1 to 105	N/A	\$ 20,485,958

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

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

TCRS Stabilization Trust

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

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

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

Investments are reported at fair value. 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, 2020, 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.

On June 30, 2020, the Blount County School Department had the following investments held by the trust on its behalf.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 89,630
Developed Market International Equity	N/A	N/A	40,478
Emerging Market International Equity	N/A	N/A	11,565
U.S. Fixed Income	N/A	N/A	57,826
Real Estate	N/A	N/A	28,913
Short-term Securities	N/A	N/A	2,891
NAV - Private Equity and Strategic Lending	N/A	N/A	57,826
Total			\$ 289,129

Investment by Fair Value Level	Fair Value Measurements Using					NAV
	Fair Value 6-30-20	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
U.S. Equity Developed Market	\$ 89,630	\$ 89,630	\$ 0	\$ 0	0	
International Equity Emerging Market	40,478	40,478	0	0	0	
International Equity	11,565	11,565	0	0	0	
U.S. Fixed Income Real Estate	57,826 28,913	0	57,826 0	0	28,913	
Short-term Securities	2,891	0	2,891	0	0	
Private Equity and Strategic Lending	57,826	0	0	0	57,826	
Total	\$ 289,129	\$ 141,673	\$ 60,717	\$ 28,913	\$ 57,826	

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

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

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

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

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the Blount County School Department to pay retirement benefits of the school department employees.

For further information concerning the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2020/ag19091.pdf>.

B. Notes Receivable

During 2010, Blount County entered into an Intergovernmental Agreement with the City of Maryville and the City of Alcoa to share the costs of a communication system. The notes receivable for the City of Maryville and City of Alcoa's portion of the ten-year capital lease purchase are \$108,808 and \$89,012, respectively. These notes receivable are reflected in the General Debt Service Fund. See Note IV.G., for information on the capital lease associated with the purchase of the equipment.

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

C. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 7,518,566	\$ 1,205,929	\$ 0	\$ 8,724,495
Construction in Progress	228,303	498,697	0	727,000
Total Capital Assets Not Depreciated	<u>\$ 7,746,869</u>	<u>\$ 1,704,626</u>	<u>\$ 0</u>	<u>\$ 9,451,495</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 54,291,206	\$ 266,893	\$ 0	\$ 54,558,099
Infrastructure	137,748,771	0	0	137,748,771
Other Capital Assets	21,544,964	1,880,141	(525,562)	22,899,543
Total Capital Assets Depreciated	<u>\$ 213,584,941</u>	<u>\$ 2,147,034</u>	<u>\$ (525,562)</u>	<u>\$ 215,206,413</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 23,170,136	\$ 654,509	\$ 0	\$ 23,824,645
Infrastructure	92,590,117	4,166,152	0	96,756,269
Other Capital Assets	14,788,966	2,531,045	(523,154)	16,796,857
Total Accumulated Depreciation	<u>\$ 130,549,219</u>	<u>\$ 7,351,706</u>	<u>\$ (523,154)</u>	<u>\$ 137,377,771</u>
Total Capital Assets Depreciated, Net	<u>\$ 83,035,722</u>	<u>\$ (5,204,672)</u>	<u>\$ (2,408)</u>	<u>\$ 77,828,642</u>
Governmental Activities Capital Assets, Net	<u>\$ 90,782,591</u>	<u>\$ (3,500,046)</u>	<u>\$ (2,408)</u>	<u>\$ 87,280,137</u>

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

Governmental Activities:

General Government	\$ 702,837
Administration of Justice	232,157
Public Safety	1,522,129
Social, Cultural, and Recreational Highways	815
	<u>4,893,768</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 7,351,706</u>

Discretely Presented Blount County School Department

Governmental Activities:

	Balance 7-1-19	Increases	Balance 6-30-20
Capital Assets Not Depreciated:			
Land	\$ 9,951,059	\$ 0	\$ 9,951,059
Construction in Progress	0	1,145,948	1,145,948
Total Capital Assets Not Depreciated	\$ 9,951,059	\$ 1,145,948	\$ 11,097,007
Capital Assets Depreciated:			
Buildings and Improvements	\$ 173,481,980	\$ 3,381,675	\$ 176,863,655
Other Capital Assets	6,618,181	155,523	6,773,704
Total Capital Assets Depreciated	\$ 180,100,161	\$ 3,537,198	\$ 183,637,359
Less Accumulated Depreciation For:			
Buildings and Improvements	\$ 71,675,397	\$ 3,595,794	\$ 75,271,191
Other Capital Assets	4,733,421	233,832	4,967,253
Total Accumulated Depreciation	\$ 76,408,818	\$ 3,829,626	\$ 80,238,444
Total Capital Assets Depreciated, Net	\$ 103,691,343	\$ (292,428)	\$ 103,398,915
Governmental Activities Capital Assets, Net	\$ 113,642,402	\$ 853,520	\$ 114,495,922

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

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

Governmental Activities:

Instruction	\$ 35,179
Support Services	3,687,022
Operation of Non-instructional Services	<u>107,425</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,829,626</u>

D. Construction Commitments

At June 30, 2020, Blount County had uncompleted roofing contracts of approximately \$114,424 in the nonmajor governmental funds. The school department had uncompleted construction contracts of approximately \$1,620,744 for the construction new floors, mechanical systems, and classroom renovations in the Education Capital Projects Fund. Funding has been received for these future expenditures.

E. 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	\$ 26,205

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

Interfund Loans to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
	Internal Service:	
General Debt Service	Self Insurance	\$ 2,000,000

The balance of \$2,000,000 due from the internal service fund to the General Debt Service Fund represents an interfund loan. None of the balance of that loan is expected to be repaid within one year.

Due to/from Primary Government and Component Unit:

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
	Component Unit:	
Primary Government:	School Department	
Internal Service Fund	General Purpose School Fund	\$ 761,221
Internal Service Fund	Nonmajor Governmental Fund	61,185

The amount reflected as Due to Primary Government from the discretely presented school department on the government-wide Statement of Net Position also includes \$918,456 for amounts loaned by the primary government

to the school department. Of that amount, \$738,762 is not expected to be received within one year.

Interfund Transfers

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

Primary Government

Transfers Out	Transfers In		
	General Fund	Debt Service Fund	Nonmajor Governmental Funds
General Fund	\$ 0	\$ 841,105	\$ 3,816,223
Internal Service Fund	256,780	0	0
Nonmajor Governmental Funds	0	0	160,000
Total Transfers	\$ 256,780	\$ 841,105	\$ 3,976,223

Transfers to the nonmajor governmental funds include \$2,495,634 from the General Fund for capital expenditures, \$1,320,589 from the General Fund for operation of the library and \$160,000 from the Highway/Public Works Fund for capital expenditures. Transfers to the General Debt Service Fund represent contributions toward debt service expenditures and transfers to the General Fund represent the internal service fund’s share of payroll expenses.

Discretely Presented Blount County School Department

Transfer Out	Transfer In	
	Education Capital Projects	Purpose
General Purpose School Fund	\$ 189,797	Debt Service Contribution
Total	\$ 189,797	

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

F. Operating Leases

Blount County has entered into a leasing program with Enterprise Fleet Management. As of June 30, 2020, Blount County was leasing 21 vehicles. All contracts are for 48 months with the exception of 4 vehicles leased by the school department due to original 48-month lease expiring and an additional 12 months were added. Monthly rent varies based on vehicle type. Contracts are not effective until delivery of vehicle to the county, which also is the measurement date for the market value of the vehicle. The rental expenditures for the year ended June 30, 2020, were \$93,440 for the primary government and \$38,147 for the discretely presented school department. The future minimum lease payments for these leases are as follows:

Year Ending June 30	Primary Government	School Department	Total
2020	\$ 93,440	\$ 38,147	\$ 131,587
2021	36,349	38,147	74,496
2022	7,634	6,201	13,835
Total	<u>\$ 137,423</u>	<u>\$ 82,495</u>	<u>\$ 219,918</u>

G. Capital Leases

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

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
	<u>Primary Government</u>
Machinery and Equipment (county portion)	\$ 1,808,935
Less: Accumulated Depreciation	<u>(1,628,043)</u>
Total Book Value	<u>\$ 180,892</u>

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

Year Ending June 30	Governmental Funds
2021	\$ 370,183
Total Minimum Lease Payments	\$ 370,183
Less: Amount Representing Interest	<u>(14,135)</u>
Present Value of Minimum Lease Payments	<u>\$ 356,048</u>

H. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds - Blount County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation debt. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. Outstanding general obligation bonds were issued for original terms of up to 21 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Blount County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes, and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Other loans outstanding were issued for an original term of 16 years and are interest free. Blount County had no outstanding capital outlay notes at June 30, 2020. Other loans included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

General obligation bonds, other loans, 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 - Refunding	.55 to 5%	6-30-37	\$ 199,225,000	\$ 141,860,000
Qualified School Construction Bonds	2.6	9-14-27	14,855,000	6,667,129
Direct Borrowing and Direct Placement:				
Other Loans - State School Bond Authority	0	11-24-20	727,865	40,746
Capital Lease	3.97	9-1-20	3,007,000	356,048

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 9,601,929	\$ 7,198,477	\$ 16,800,406
2022	9,846,929	6,826,194	16,673,123
2023	10,231,929	6,437,479	16,669,408
2024	10,056,929	6,030,097	16,087,026
2025	10,456,929	5,599,032	16,055,961
2026-2030	52,632,484	18,722,592	71,355,076
2031-2035	29,730,000	8,495,625	38,225,625
2036-2037	15,970,000	1,187,042	17,157,042
Total	\$ 148,527,129	\$ 60,496,538	\$ 209,023,667

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

There is \$19,055,683 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,207, based on the 2010 federal census. Total debt per capita, including bonds, other loans, capital leases, and unamortized debt premiums, totaled \$1,360, based on the 2010 federal census.

The county has also issued revenue bonds on behalf of Blount Memorial Hospital, Inc., a discretely presented component unit. Series 2019A Hospital Revenue Refunding Bonds outstanding at June 30, 2020, totaled \$63,490,000.

Series 2019B Hospital Revenue Bonds outstanding at June 30, 2020, totaled \$18,745,000. The county is not liable for these bond issues in case of default by the hospital. These bonds are reflected as liabilities on the financial statements of Blount Memorial Hospital, Inc.

Changes in Long-term Debt

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

	Bonds	Other Loans - Direct Placement	Capital Leases - Direct Placement
Balance, July 1, 2019	\$ 157,756,814	\$ 81,492	\$ 698,500
Reductions	<u>(9,229,685)</u>	<u>(40,746)</u>	<u>(342,452)</u>
Balance, June 30, 2020	<u>\$ 148,527,129</u>	<u>\$ 40,746</u>	<u>\$ 356,048</u>
Balance Due Within One Year	<u>\$ 9,601,929</u>	<u>\$ 40,746</u>	<u>\$ 356,048</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 148,923,923
Less: Balance Due Within One Year - Debt	(9,998,723)
Add: Unamortized Premium on Debt	<u>18,311,653</u>

Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 157,236,853</u>
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Defeasance of Prior Debt

In a prior year, Blount County defeased certain outstanding general obligation bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. The trustee is empowered and required to pay all principal and interest on the defeased bonds as originally scheduled until the bonds can be called and retired. Accordingly, the trust accounts and the defeased bonds are not included in the county's financial statements. At June 30, 2020, the following outstanding bonds are considered defeased:

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

I. 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	\$ 3,464,701	\$ 6,920,191
Additions	2,450,257	1,701,333
Reductions	(2,052,862)	(118,074)
Balance, June 30, 2020	<u>\$ 3,862,096</u>	<u>\$ 8,503,450</u>
Balance Due Within One Year	<u>\$ 1,737,943</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 12,365,546
Less: Balance Due Within One Year - Other	<u>(1,737,943)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 10,627,603</u>

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

Discretely Presented Blount County School Department

Changes in Long-term Obligations

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

	Other Postemployment Benefits
Balance, July 1, 2019	\$ 18,197,710
Additions	2,923,943
Reductions	<u>(1,843,824)</u>
Balance, June 30, 2020	<u>\$ 19,277,829</u>
Balance Due Within One Year	<u>\$ 0</u>

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

J. Donor-restricted Endowments

The county accounts for an endowment totaling \$485,403 in a permanent fund, the Endowment Fund. The principal amount must remain intact, while interest earned on the principal is to be used for operating an orphan's or children's home owned by Blount County. In prior years, the interest earned was used to operate the Blount County Children's Home; however, during the year ended June 30, 2014, the children's home ceased operations and as of December 2013, the county quit submitting payments to the children's home. During the year ended June 30, 2020, interest earned totaled \$8,493. As of June 30, 2020, the Endowment Fund has accumulated a balance of \$35,246 of unspent earned interest. As of the date of this report, the county has yet to determine how to spend the earned interest.

K. Internal Financing

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

	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date
School Internal Capital Outlay Notes, Series 2017	\$ 1,272,000	1.1 %	7-12-17	6-30-25
Internal Service - Self Insurance Fund - FEMA Revenue Anticipation Note, Series 2020	2,000,000	0.5 %	6-30-20	6-30-22
	Outstanding 7-1-19	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-20
School Internal Capital Outlay Notes, Series 2017	\$ 1,096,195	\$ 0	\$ 177,739	\$ 918,456
Internal Service - Self Insurance Fund - FEMA Revenue Anticipation Note, Series 2020	0	2,000,000	0	2,000,000
Total	\$ 1,096,195	\$ 2,000,000	\$ 177,739	\$ 2,918,456

The balance of the School Internal loan at June 30, 2020, is reflected as Due from Component Units in the government-wide financial statements of the primary government and as Due to Primary Government in the government-wide financial statements of the discretely presented school department.

The balance of the FEMA Revenue Anticipation Note is reflected as Due from Other Funds in the General Debt Service Fund and as Due to Other Funds in the Self-Insurance Fund.

There is an additional \$3,000,000 available for draws under the FEMA Revenue Anticipation Note.

V. OTHER INFORMATION

A. Risk Management

Blount County has chosen to establish a self-insurance fund for risks associated with the general liability, property, casualty, employees' health plan, and risks associated with workers' compensation claims. The self-insurance fund is accounted for as an internal service fund where assets are set aside for claim settlements. The county retains the risk of loss to a limit of \$300,000 for each employee in any plan year for health coverage, \$500,000

for each employee and \$1,000,000 for all claims in any plan year for workers' compensation coverage, and \$100,000 for building and personal property coverage. The county has obtained stop/loss commercial insurance policies to cover claims beyond these limits. The county does not carry stop-loss coverage for general liability. Employee dental claims are covered by commercial insurance.

All full-time employees of the primary government and the discretely presented Blount County School Department are eligible to participate in the health program. A premium charge for the general liability, property, casualty, health, and workers' compensation programs is allocated to each fund that accounts for employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses. The portion of net position of the internal service fund attributable to health coverage was \$1,151,926 and the portion attributable to general liability, property, casualty, and workers' compensation was \$1,961,863 at June 30, 2020. Those amounts have been designated by management for future catastrophic losses. Liabilities of this fund are reported when losses are probable and the amount of the losses can be reasonably estimated. The self-insurance fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. It is expected that these claims liabilities will be paid within the next fiscal year. Claims liabilities include specific, incremental claims adjustment expenditures/expenses, if any. In addition, estimated recoveries, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

General Liability, Property, Casualty, and Workers' Compensation

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2018-2019	\$ 2,441,000	\$ 1,847,786	\$ (1,126,766)	\$ 3,162,020
2019-2020	3,162,020	1,097,564	(1,121,309)	3,138,275

Health

	Beginning of Fiscal Year Liability	Current-year Claims and Estimates	Payments	Balance at Fiscal Year-end
2018-2019	\$ 634,834	\$ 21,563,529	\$ (19,715,599)	\$ 2,482,764
2019-2020	2,482,764	19,956,845	(20,666,090)	1,773,519

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

B. Contingent Liabilities

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

C. Joint Ventures

The Industrial Development Board of Blount County and the cities of Alcoa and Maryville was organized to promote industrial development and provide additional job opportunities in Blount County, the cities of Alcoa and Maryville, and the surrounding counties in accordance with Title 7, Chapter 53, *Tennessee Code Annotated*. The board is governed by a ten-member board of directors appointed jointly by the Blount County Commission and the governing bodies of Maryville and Alcoa. The board provides incentives toward the location of certain industrial facilities in the county and cities. Upon approval for the Industrial Development Board to provide these incentives, the county commission also expressed its intent to provide certain funding for these incentives in future years. During the year, Blount County provided \$1,190,679 to the Industrial Development Board to be applied toward those incentives, related debt payments, and operations of the board.

The Fifth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Fifth Judicial District, Blount County, and various cities within Blount County. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the

district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district.

The Blount County Solid Waste Authority is a joint venture that is operated by Blount County, the City of Alcoa, and the City of Maryville. The authority comprises 11 members, three of whom are appointed by the Blount County Commission. The cities appoint two members each, and the remaining members are selected from the citizens at large and from private industry. Blount County has control over budgeting and financing the joint venture only to the extent of representation by the three appointed authority members. Blount County, along with the City of Alcoa and the City of Maryville, has entered into two contracts in-lieu-of performance bonds with the Tennessee Department of Environment and Conservation to ensure the proper operation and closure/postclosure care of the Blount County landfill, which is operated by the Blount County Solid Waste Authority. The total of these contracts in-lieu-of performance bonds is \$13,760,909, of which Blount County has guaranteed 40 percent and the two cities the remaining 60 percent, equally. Complete financial statements for the Blount County Solid Waste Authority may be obtained from the City of Alcoa.

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

The Recreation and Parks Commission is a joint venture between Blount County, the City of Maryville, and the City of Alcoa, which operates a recreation and parks system in Blount County. The commission includes seven members, two of whom are appointed by the Blount County Commission. Four members are appointed by the cities, and one member is appointed by the joint commission. Blount County has control over budget and financing of the commission only to the extent of representation by the two board members appointed. Contributions toward operations are provided annually by the county and the cities based on a per capita cost-sharing formula. Blount County contributed \$715,916 to the operations of the commission during the year ended June 30, 2020.

The Smoky Mountain Tourism Development Authority is a nonprofit entity chartered in June 2012 to promote tourism in the county. The authority was established jointly by the county, the City of Maryville, and the City of Alcoa. The

authority is governed by a ten-member board, which includes one representative of the county. The authority's primary funding source is proceeds of a hotel-motel tax, which is levied by the county commission pursuant to a private act. The authority is entitled to 70 percent of the hotel-motel tax. The tax is currently set at a rate of five percent, which is the maximum allowed.

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

Administrative Offices:

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

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

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

Blount County Cable Television Authority
P.O. Box 4338
Maryville, TN 37804

Recreation and Parks Commission
316 South Everett High Road
Maryville, TN 37804

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

D. Intergovernmental Cooperation Agreement – Research and Development Park

In May 2006, the Industrial Development Board of Blount County entered into an intergovernmental cooperation agreement with Blount County, Tennessee, the City of Maryville, Tennessee, the City of Alcoa, Tennessee, and Knox County, Tennessee. The agreement calls for the acquisition of property to be developed into a research and development park. The purchase price and subsequent development costs were funded jointly by the four participating

governments (\$5,000,000 each). These governments are to be repaid with interest at six percent from sales proceeds. The four governments share excess sales proceeds and property tax revenues equally. No property has been sold in the park since the inception of the agreement.

E. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Blount County and non-certified employees of the discretely presented Blount County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 74.88 percent, the non-certified employees of the discretely presented school department comprise 25.12 percent of the plan based on contribution data. In addition, certain other county employees are provided a defined benefit pension plan (Blount County Library Plan) through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 100 percent of the Blount County Library based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies.

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

projected service credits. A variety of death benefits is available under various eligibility criteria.

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

Employees Covered by Benefit Terms. At the measurement date of June 30, 2019, the following employees were covered by the benefit terms:

Blount County Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	643
Inactive Employees Entitled to But Not Yet Receiving Benefits	742
Active Employees	864
Total	<u><u>2,249</u></u>

Blount County Library Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	17
Inactive Employees Entitled to But Not Yet Receiving Benefits	9
Active Employees	27
Total	<u><u>53</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. Blount County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2020, the employer contributions for the Blount County Plan was \$2,882,021 based on a rate of 6.94 percent and 10.44 percent of covered payroll for general employees and public safety officers, respectively. For the year ended June 30, 2020, the employer contribution for the Blount County Library Plan was \$52,985 based on

a rate of 4.34 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Blount County’s state shared taxes if required employer contributions are not remitted. The employer’s actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Blount County’s net pension liability (asset) was measured as of June 30, 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 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 Blount County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

Blount County Plan	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2018	\$ 128,318,418	\$ 133,194,392	\$ (4,875,974)
Changes for the Year:			
Service Cost	\$ 3,329,784	\$ 0	\$ 3,329,784
Interest	9,335,755	0	9,335,755
Differences Between Expected and Actual Experience	(269,944)	0	(269,944)
Contributions-Employer	0	2,595,048	(2,595,048)
Contributions-Employees	0	1,688,415	(1,688,415)
Net Investment Income	0	9,859,860	(9,859,860)
Benefit Payments, Including Refunds of Employee Contributions	(5,758,334)	(5,758,334)	0
Administrative Expense	0	(76,271)	76,271
Net Changes	\$ 6,637,261	\$ 8,308,718	\$ (1,671,457)
Balance, June 30, 2019	\$ 134,955,679	\$ 141,503,110	\$ (6,547,431)

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

Blount County Plan		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	74.88%	\$ 101,054,812	\$ 105,957,461	\$ (4,902,648)
School Department	25.12%	33,900,867	35,545,649	(1,644,783)
Total		\$ 134,955,679	\$ 141,503,110	\$ (6,547,431)

Blount County Library Plan	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2018	\$ 3,098,316	\$ 3,229,633	\$ (131,317)
Changes for the Year:			
Service Cost	\$ 92,062	\$ 0	\$ 92,062
Interest	224,988	0	224,988
Differences Between Expected and Actual Experience	17,792	0	17,792
Contributions-Employer	0	22,805	(22,805)
Contributions-Employees	0	46,925	(46,925)
Net Investment Income	0	236,501	(236,501)
Benefit Payments, Including Refunds of Employee Contributions	(174,183)	(174,183)	0
Administrative Expense	0	(2,321)	2,321
Net Changes	\$ 160,659	\$ 129,727	\$ 30,932
Balance, June 30, 2019	\$ 3,258,975	\$ 3,359,360	\$ (100,385)

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

Blount County Plan	1% Decrease	Current Discount Rate	1% Increase
	6.25%	7.25%	8.25%
Net Pension Liability (Asset)	\$ 10,639,495	\$ (6,547,431)	\$ (20,837,313)

	1% Decrease	Current Discount Rate	1% Increase
Blount County Library Plan	6.25%	7.25%	8.25%

Net Pension Liability (Asset) \$ 265,998 \$ (100,385) \$ (409,157)

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

Pension Expense. For the year ended June 30, 2020, the Blount County Plan recognized pension expense of \$2,772,107 and the Blount County Library Plan recognized pension expense of \$103,803.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, Blount County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Blount County Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 885,763	\$ 616,965
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,646,559
Changes in Assumptions	999,035	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	2,882,021	N/A
Total	<u>\$ 4,766,819</u>	<u>\$ 2,263,524</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	\$ 3,629,180	\$ 1,694,903
School Department	<u>1,137,639</u>	<u>568,621</u>
Total	<u>\$ 4,766,819</u>	<u>\$ 2,263,524</u>

Blount County Library Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 115,145	\$ 20,219
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	0	40,040
Changes in Assumptions	14,819	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	<u>52,985</u>	<u>N/A</u>
Total	<u>\$ 182,949</u>	<u>\$ 60,259</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.

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

Blount County Plan:

Year Ending June 30	Amount
2021	\$ 633,583
2022	(409,766)
2023	(496,653)
2024	(105,888)
2025	0
Thereafter	0

Blount County Library Plan:

Year Ending June 30	Amount
2021	\$ 29,852
2022	7,968
2023	29,570
2024	2,313
2025	0
Thereafter	0

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

Payable to the Pension Plan

At June 30, 2020, Blount County reported a payable of \$540,808 for the outstanding amount of contributions due to the pension plan at year end.

Discretely Presented Blount County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Blount County and non-certified employees of the discretely presented Blount County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 74.88 percent and the non-certified employees of the discretely presented school

department comprise 25.12 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

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

if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2020, to the Teacher Retirement Plan were \$152,068, which is 2.03 percent of covered payroll. In addition, employer contributions of \$147,573, which is 1.97 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$333,506) 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 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 .590813 percent. The proportion as of June 30, 2018, was .535308 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$102,569.

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	\$ 13,828	\$ 58,221
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	14,100
Changes in Assumptions	11,588	0
Changes in Proportion of Net Pension Liability (Asset)	1,982	26,408
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	152,068	N/A
Total	<u>\$ 179,466</u>	<u>\$ 98,729</u>

The school department's employer contributions of \$152,068, 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	\$ (9,166)
2022	(11,324)
2023	(7,369)
2024	(5,352)
2025	(4,778)
Thereafter	(33,342)

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

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

Net Pension Liability (Asset) \$ 105,668 \$ (333,506) \$ (658,136)

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

Payable to the Pension Plan

At June 30, 2020, the Blount County School Department reported a payable of \$30,558 for the outstanding amount of contributions due to the pension plan at year end.

Teacher Legacy Pension Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early

retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Blount County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$4,103,834, which is 10.62 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 (\$11,959,480) 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 1.163170 percent. The proportion measured at June 30, 2018, was 1.145403 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$1,665,930.

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
	<u> </u>	<u> </u>
Difference Between Expected and Actual Experience	\$ 582,277	\$ 7,305,088
Changes in Assumptions	1,611,602	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	3,417,054
Changes in Proportion of Net Pension Liability (Asset)	270,174	97,101
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	<u>4,103,834</u>	<u>N/A</u>
Total	<u>\$ 6,567,887</u>	<u>\$ 10,819,243</u>

The school department's employer contributions of \$4,103,834 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase in net pension asset in the year ending June 30, 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	\$ (2,370,322)
2022	(3,320,136)
2023	(1,527,499)
2024	(1,137,234)
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 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 Real Estate	5.79	20
	2.01	20
	4.32	10
Short-term Securities	0.00	1
Total		100 %

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

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

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

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

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

Net Pension Liability (Asset) \$ 24,453,682 \$ (11,959,480) \$ (40,925,141)

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

Payable to the Pension Plan

At June 30, 2020, the Blount County School Department reported a payable of \$824,675 for the outstanding amount of contributions due to the pension plan at year end.

2. Deferred Compensation

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

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state’s 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher’s salary into their deferred compensation plan. In addition, teachers are required to contribute a minimum of two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$208,619 and teachers contributed \$82,302 to this deferred compensation pension plan.

F. Other Postemployment Benefits (OPEB)

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

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

Employees Covered by Benefit Terms

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

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

Total OPEB Liability

The total OPEB liability for the county (\$8,503,450) and the school department (\$19,277,829) was measured as of June 30, 2020, and was determined by an actuarial valuation as of July 1, 2018, and updated to the measurement date.

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

Actuarial Cost Method	Entry Age
Payroll Growth Rate	2.5%
Salary Increases	3.5%
Discount Rate	2.21%
Healthcare Cost Trend Rates	7% for 2019 with an ultimate rate of 5% in 2021
Retirees share of Benefit-related Cost	See discussion under Benefits Provided

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

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

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

Changes in the Total OPEB Liability

	Primary Government	School Department	Total OPEB Liability
Balance July 1, 2019	\$ 6,920,191	\$ 18,197,710	\$ 25,117,901
Changes for the Year:			
Service Cost	\$ 536,907	\$ 790,271	\$ 1,327,178
Interest	258,950	632,590	891,540
Changes in Assumption and Other Inputs	905,476	1,501,082	2,406,558
Benefit Payments	(118,074)	(1,843,824)	(1,961,898)
Net Changes	<u>\$ 1,583,259</u>	<u>\$ 1,080,119</u>	<u>\$ 2,663,378</u>
Balance June 30, 2020	<u>\$ 8,503,450</u>	<u>\$ 19,277,829</u>	<u>\$ 27,781,279</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.5 percent in 2019 to 2.21 percent in 2020.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the primary government recognized OPEB expense of \$718,593 and the school department recognized OPEB expense of \$2,542,385. At June 30, 2020, the county reported deferred

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

Primary Government:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 1,188,023
Changes of Assumptions/Inputs	<u>1,065,094</u>	<u>105,214</u>
Total	<u>\$ 1,065,094</u>	<u>\$ 1,293,237</u>

Discretely Presented School Department:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 3,194,328	\$ 0
Changes of Assumptions/Inputs	<u>1,929,848</u>	<u>150,238</u>
Total	<u>\$ 5,124,176</u>	<u>\$ 150,238</u>

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

Year Ending June 30	Primary Government	School Department	Total
2021	\$ (77,264)	\$ 1,119,524	\$ 1,042,260
2022	(77,264)	1,119,524	1,042,260
2023	(77,264)	1,119,524	1,042,260
2024	(77,264)	1,130,110	1,052,846
2025	(14,893)	434,500	419,607
Thereafter	95,806	50,756	146,562

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>	Current		
	1% Decrease 1.21%	Discount Rate 2.21%	1% Increase 3.21%
Primary Government	\$ 9,091,364	\$ 8,503,450	\$ 7,929,228
School Department	20,610,665	19,277,829	17,976,032
Total OPEB Liability	<u>\$ 29,702,029</u>	<u>\$ 27,781,279</u>	<u>\$ 25,905,260</u>

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

<u>Healthcare Cost Trend Rate</u>	Current		
	1% Decrease (6% decreasing to 4%)	Trend Rate (7% decreasing to 5%)	1% Increase (8% decreasing to 6%)
Primary Government	\$ 7,427,680	\$ 8,503,450	\$ 9,794,364
School Department	16,838,995	19,277,829	22,204,409
Total OPEB Liability	<u>\$ 24,266,675</u>	<u>\$ 27,781,279</u>	<u>\$ 31,998,773</u>

G. Office of Central Accounting, Budgeting, and Purchasing

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

H. Purchasing Laws

Purchasing procedures for the Offices of County Mayor, Director of Schools, and Highway Superintendent are governed by the County Purchasing Law of

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

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

A. Description of Reporting Entity and Significant Accounting Policies

Reporting Entity

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

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

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

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

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

The hospital has non-controlling ownership interest in a partnership, which operates a medical facility in Blount County consistent with the hospital's mission of providing healthcare services. This ownership investment is included in other assets at June 30, 2020.

Basis of Presentation

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

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

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

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

Cash and Cash Equivalents

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

Patient Accounts Receivable

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

Inventories

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

Investments

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

The hospital is organized as a private act hospital authority, which provides the hospital additional rights and powers, including the manner in which funds are invested. The hospital diversifies its investments into a broad range of asset classes to reduce concentration risk and to maximize return with reasonable and prudent levels of risk. It is also the hospital's policy to limit the maximum position for each type of investment at varying levels within these classifications. As of June 30, 2020, the hospital's fixed income investments all have quality ratings of A or better (by both Standard and Poor's and Moody's).

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

Assets Limited as to Use by Board and Foundation

Certain investments have been designated by the Board of Directors for the replacement of property and equipment or for other purposes.

Cash and investments held by the foundation in trust accounts are also classified as assets limited as to use. A portion of the investment at June 30, 2020, totaling \$1,123,740 is restricted in perpetuity (nonexpendable) under an irrevocable endowment trust.

As of June 30, 2020, net appreciation on assets limited as to use by board related to the foundation was approximately \$935,449, which primarily consisted of accumulated net appreciation on investments. In accordance with the State of Tennessee Statutes and Codes Uniform Prudent Management of Institutional Funds Act and as allowed by the foundation’s charter and approved by the hospital’s Board of Directors net income and net capital appreciation in excess of the nonexpendable amount restricted in perpetuity are authorized for expenditure by the board at its discretion.

Property and Equipment

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

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

Operating Revenues and Expenses

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

Income Taxes

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

Charity Care

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

Patient Service Revenue

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

Risk Management

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

Use of Estimates

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

Recently Issued Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, Leases. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. Under this statement, a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. In May 2020, the GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, which delayed the GASB Statement No. 87 effective date to periods beginning after June 15, 2021. At this time, the hospital has elected not to adopt this standard early and has not completed the process of evaluating the impact of

this Statement on its financial statements.

B. COVID-19 Pandemic and CARES Act

During March 2020, a global pandemic was declared by the World Health Organization related to the rapidly growing outbreak of a novel strain of coronavirus (COVID-19). The pandemic has pervasively impacted the economy, financial markets, and the global health care delivery systems. These impacts were most prominent in April 2020 with the significant deferral of care of the hospital's patients and moderated with volumes returning to nearly normal levels by the end of June 2020. Management of the hospital continues to actively monitor the impact of uncertainties, and as the situation continues to change additional impacts to the hospital may arise. The ultimate impact of the pandemic on the hospital's future results of operations, financial position, liquidity, or capital resources cannot be reasonably estimated at this time.

On March 27, 2020, the U.S. Congress enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide certain relief as a result of the COVID-19 outbreak. The CARES Act contains financial relief to healthcare providers, including the following significant financial provisions as of and for the year ended June 30, 2020.

First, as permitted by the CARES Act and related regulatory actions, \$1,633,049 in Social Security payroll tax payments were deferred for the year ended June 30, 2020. This Social Security tax deferral liability will be due in two installments, with 50% due on December 31, 2021 and 50% due on December 31, 2022.

Second, \$7,800,013 in Provider Relief Fund awards were received from the U.S. Department of Health and Human Services for the impact of lost revenues due to COVID-19.

Third, in April 2020, \$29,847,259 in advance payments were received from Medicare for the purpose of increasing cash flow to healthcare providers impacted by the COVID-19 pandemic. These advance payments are scheduled to be repaid within one year.

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

As required by state statute, the hospital's cash and cash equivalent balances are on hand with financial institutions participating in the bank collateral pool, which is administered by the collateral pool board and monitored by the Treasury Department of the State of Tennessee. Legal provisions require participating banks to determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their

public fund accounts are pledged to the state treasurer on behalf of the Bank Collateral Pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the Bank Collateral Pool may be required by agreement to pay an assessment to cover any deficiency.

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

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

	Balance 6-30-20	Percent	
Money Market Funds (cash equivalents)	\$ 1,421,510	1	%
Common Stock	14,071,943	14	
Bond Mutual Funds	39,236,505	40	
Equity Mutual Funds	44,314,832	45	
Total	<u>\$ 99,044,790</u>	<u>100</u>	<u>%</u>

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

	Balance 6-30-20
Interest and Dividends	\$ 2,593,818
Net Realized and Unrealized Investment Gain (Loss)	<u>(722,202)</u>
Total	<u>\$ 1,871,616</u>

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

	Balance 6-30-20
Money Market Funds (cash equivalents)	\$ 43,326
Bond Mutual Funds	450,422
Equity Mutual Funds	<u>1,565,441</u>
Total	<u>\$ 2,059,189</u>

D. Net Patient Service Revenue

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

	Year ended 6-30-20
Gross Patient Service Charges	\$ 1,152,711,030
Contractual Adjustments and Discounts	(807,386,085)
Charity Care Charges Foregone	(43,034,908)
Provision for Bad Debts	<u>(16,437,812)</u>
Net Patient Service Revenue	<u>\$ 285,852,225</u>

E. Third-party Payor Agreements

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

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

Contractual adjustments for Medicare, TennCare, and other third-party discount arrangements are recognized when the related revenues are reported in the financial statements. The percentage of gross patient charges from the Medicare and TennCare programs was approximately 27 percent and 9 percent, respectively, in 2020.

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

F. Excess Consideration Provided for Acquisition

In connection with a 2009 acquisition of an entity that operated outpatient rehabilitation clinics, the consideration paid exceeded the fair value of the net position acquired (previously referred to as goodwill). The hospital is amortizing the excess consideration provided for acquisition over 40 years. Amortization expense is included as part of depreciation and amortization in the accompanying financial statements and totaled \$70,992 in 2020. As of June 30, 2020, the net value of the excess consideration provided for acquisition is \$2,023,124. Amortization expense for the next three years related to the excess consideration provided for acquisition is estimated to be \$70,987 each year.

G. Property and Equipment

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

	Balance 7-1-19	Additions	Balance 6-30-20
Cost:			
Land	\$ 12,553,960	\$ 0	\$ 12,553,960
Land Improvements	2,910,313	88,970	2,999,283
Buildings, Improvements, and Fixed Equipment	191,448,484	1,060,285	192,508,769
Equipment	154,927,928	5,158,276	160,086,204
Construction in Progress	185,011	576,152	761,163
Total Cost	<u>\$ 362,025,696</u>	<u>\$ 6,883,683</u>	<u>\$ 368,909,379</u>
Allowances for			
Depreciation:			
Land Improvements	\$ (2,416,273)	\$ (35,840)	\$ (2,452,113)
Buildings, Improvements, and Fixed Equipment	(117,066,970)	(7,067,062)	(124,134,032)
Equipment	(132,761,383)	(7,573,048)	(140,334,431)
Total Allowances for Depreciation	<u>\$ (252,244,626)</u>	<u>\$ (14,675,950)</u>	<u>\$ (266,920,576)</u>
Net Property and Equipment	<u>\$ 109,781,070</u>	<u>\$ (7,792,267)</u>	<u>\$ 101,988,803</u>

Construction in progress at June 30, 2020, includes costs primarily related to the renovation and upgrades to the buildings and equipment and various other projects with total estimated costs to complete of approximately \$1,817,000.

H. Other Assets

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

	<u>6-30-20</u>
Partnership Interest	\$ 2,040,000
Trade Name	1,227,030
Medical Records	383,277
Workforce	996,347
Rabbi Trust Investment	1,015,563
Other	<u>510,240</u>
Total	<u>\$ 6,172,457</u>

Trade name are being amortized over a period of ten to 40 years. Medical records and workforce are amortized over a period of three to 20 years. Amortization expense for intangibles was \$329,322 at June 30, 2020. Amortization expense for the next three years is estimated to approximately \$323,000, \$268,000, and \$157,000 for each of the years ending June 30, 2021, 2022, and 2023, respectively.

I. Long-term Debt, Capital Lease Obligations, and Fidelity Loan

Changes in long-term debt and capital lease obligations, and the Fidelity loan are summarized as follows:

	Balance 7-1-19	Additions	Principal Payments	Balance 6-30-20
Series 2013A Bonds	\$ 67,375,000	\$ 0	\$ (67,375,000)	\$ 0
Series 2014 Bonds	841,900	0	(841,900)	0
Series 2019A Bonds	0	67,705,000	(4,215,000)	63,490,000
Series 2019B Bonds	0	20,000,000	(1,255,000)	18,745,000
Bank Note Payable	1,163,325	0	(134,569)	1,028,756
Capital Lease Obligations	1,610,460	1,120,186	(1,152,524)	1,578,122
Fidelity Loan	0	10,898,000	(4,851,068)	6,046,932
Total Outstanding	<u>\$ 70,990,685</u>	<u>\$ 99,723,186</u>	<u>\$ (79,825,061)</u>	<u>\$ 90,888,810</u>
Less Current Portion	<u>(6,179,973)</u>			<u>(15,350,349)</u>
Long-term Portion	<u>\$ 64,810,712</u>			<u>\$ 75,538,461</u>

Blount County issued, on behalf of the hospital, General Obligation Refunding Bonds, Series 2013A and Hospital Revenue Refunding Bonds, Series 2014. The Series 2014 Bonds matured with a final payment of \$841,900 on July 1, 2019. The Series 2013A Bonds, which bore interest at a variable rate as determined by the market agent, were subject to redemption at the option of the County, in whole or in part, at the redemption price of par plus accrued interest to the redemption date. The redemption option was exercised in October 2019 with issuance of the Series 2019A Bonds.

To protect against the potential of rising interest rates and to balance its mixture of variable and fixed rate debt, the hospital utilized two separate interest rate swap agreements to effectively fix the interest rates on a portion of the Series 2013A Bonds. One interest rate swap had established interest at an effective rate of 4.9 percent on \$25,000,000, and the second interest rate swap had established interest at an effective rate of 4.33 percent on \$30,700,000.

The hospital records the fair value liability of its interest rate swaps, which were determined by an independent third-party advisory firm from a model that calculates future cash flows by projecting forward rates and then discounts those cash flows to their present value. The fair value liability of the interest rate swaps increased by \$1,220,427 in 2020.

In connection with the refunding of the Series 2013A Bonds, the hospital terminated the existing interest rate swaps with a \$10,898,000 payment in October 2019; as a result, the existing accumulated decrease in fair value of interest rate swaps deferred outflow of resources was recharacterized as a loss on termination of interest rate swap liabilities deferred outflow of resources and is being amortized as a component of interest expense over the term of the debt (the 2013A Bonds had the same maturity as the 2019A Bonds). During 2020, amortization of \$823,416 was recorded.

To refund the Series 2013A Bonds, in October 2019 Blount County issued, on behalf of the hospital, \$67,705,000 of Hospital Revenue Refunding Bonds, Series 2019A. The Series 2019A Bonds bear interest at a fixed rate of 2.07%. The Series 2019A Bonds mature in increasing annual amounts ranging from \$6,490,000 in 2021 to \$7,645,000 in 2029 and are subject to redemption at the option of the County, in whole or in part, at the redemption price of par plus accrued interest to the redemption date. Other than the \$10,898,000 loss on swap termination, as described above, there was no difference between the reacquisition price and the net carrying amount of the old debt. The refunding resulted in an economic loss (difference between the present value of the old debt service requirements and the new debt service requirements) of approximately \$2,477,000, due primarily to the termination payment of the interest rate swap liabilities.

Also, in October 2019 Blount County issued, on behalf of the hospital, \$20,000,000 of Hospital Revenue Improvement Bonds, Series 2019B. The Series 2019B Bonds bear interest at a fixed rate of 2.07%. The Series 2019B Bonds mature in increasing annual amounts ranging from \$1,910,000 in 2021 to \$2,265,000 in 2029 and are subject to redemption at the option of the County, in whole or in part, at the redemption price of par plus accrued interest to the redemption date. As of June 30, 2020, \$15,542,201 of the proceeds from the Series 2019B Bonds remained restricted for capital improvements.

The revenues of the hospital are pledged as collateral for the Series 2019A and Series 2019B Bonds. The bond agreements and term loan agreement require the hospital to maintain certain financial and other covenants. In the event of default, the entire remaining amount owed by the hospital may be declared immediately due and payable in full.

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

The hospital leases certain equipment under capital lease arrangements. Equipment under capital lease had a total cost of \$2,778,657 and related accumulated depreciation of \$639,941 as of June 30, 2020. Amortization of equipment under capital lease is included with depreciation and amortization

in the accompanying statements of revenues, expenses, and changes in net position.

The hospital borrowed \$10,898,000 through Fidelity Investments (Fidelity) on a margin account, the proceeds of which were used to make the payment to terminate the interest rate swaps, as described above. The Fidelity loan, which is collateralized by the hospital's investments held by Fidelity, is due on demand and bears interest at a variable rate that is set at the discretion of Fidelity (1.95% as of June 30, 2020). During August 2020, the Fidelity loan was paid in full.

Maturities and mandatory sinking fund payments related to the balances outstanding as of June 30, 2020, are summarized as follows:

Year Ending June 30	Series 2019A	Series 2019B	Bank Note Payable	Capital Lease Obligations	Total
2021	\$ 6,490,000	\$ 1,910,000	\$ 139,188	\$ 764,229	\$ 9,303,417
2022	6,625,000	1,950,000	143,966	813,893	9,532,859
2023	6,765,000	1,990,000	148,909	0	8,903,909
2024	6,900,000	2,035,000	154,020	0	9,089,020
2025	7,045,000	2,080,000	159,308	0	9,284,308
2026-2029	29,665,000	8,780,000	283,365	0	38,728,365
Total	<u>\$ 63,490,000</u>	<u>\$ 18,745,000</u>	<u>\$ 1,028,756</u>	<u>\$ 1,578,122</u>	<u>\$ 84,841,878</u>

Future interest payments related to the balances of long-term debt and capital lease obligations outstanding as of June 30, 2020, are as follows:

Year Ending June 30	Series 2019A	Series 2019B	Bank Note Payable	Capital Lease Obligations	Total
2021	\$ 1,314,243	\$ 388,022	\$ 32,629	\$ 23,152	\$ 1,758,046
2022	1,179,900	348,485	27,851	11,822	1,568,058
2023	1,042,763	308,120	22,908	0	1,373,791
2024	902,727	266,927	17,797	0	1,187,451
2025	759,897	224,802	12,509	0	997,208
2026-2029	1,550,844	459,228	8,620	0	2,018,692
Total	<u>\$ 6,750,374</u>	<u>\$ 1,995,584</u>	<u>\$ 122,314</u>	<u>\$ 34,974</u>	<u>\$ 8,903,246</u>

J. Malpractice Trust Fund and Employee Group Health Claims

The hospital is covered under the "Tennessee Governmental Tort Liability Act" (*Tennessee Code Annotated*, Section 29-20-101, et seq.). In addition to requiring claims be made in conformance with this act, special provisions include, but are not limited to, special notice of requirements imposed upon the claimant, a one-year statute of limitations, and a requirement that the governmental

entity purchase insurance or be self-insured with certain limits. This act also prohibits a judgment or award exceeding the minimum amounts of insurance coverage set out in the act or the amount of insurance purchased by the governmental entity.

The hospital is self-insured for professional malpractice liability coverage. Claims and expenses of \$96,593 were paid during 2020. At June 30, 2020, the hospital is involved in medical malpractice litigation in which management of the hospital, after consultation with legal counsel, is of the opinion that liability, if any, related to these claims would not be material to the financial statements. No amounts are accrued for potential losses related to unreported incidents or reported incidents, which have not yet resulted in asserted claims, as the hospital is not able to estimate such amounts.

The hospital is self-insured for employee (and dependent) group health claims and records a liability for claims known but unpaid and estimated claims incurred but not reported. The liability for employee group health claims was \$1,904,124 at June 30, 2020. The total expense related to employee group health claims (net of employee paid premiums) was approximately \$22,025,000 for 2020.

K. Fair Value

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

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

The following table sets forth by level, within the fair value hierarchy, the fair value of the hospital's investments, including cash equivalents and assets limited as to use, as of June 30, 2020:

	Level 1	Level 2	Level 3	Total
Investments by fair value level:				
Mutual funds:				
Money market funds	\$ 1,464,836	\$ 0	\$ 0	\$ 1,464,836
Bond funds	39,686,927	0	0	39,686,927
Equity funds	45,880,273	0	0	45,880,273
Total mutual funds	87,032,036	0	0	87,032,036
Common stocks	14,071,943	0	0	14,071,943
Total investments by fair value level	\$ 101,103,979	\$ 0	\$ 0	\$ 101,103,979

K. Retirement Plans

The Blount Memorial Hospital retirement plans include three separate defined contribution plans, the Blount Memorial Hospital Retirement Plan, the Blount Memorial Hospital Executive Retirement Plan, and the Blount Memorial Hospital Incorporated Excess Benefit Nonqualified Plan, of which at least one is available to all employees who are age 18 or older. New participants who have completed 1,000 hours of service vest 20 percent each year from two years of service to six years of service. Biweekly, the hospital contributes an amount equal to three percent of each eligible employee's compensation plus a matching contribution (limited to three percent of compensation) based upon voluntary employee contributions to the plan.

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

Hospital contributions to the plans, net of forfeitures used of \$205,000 in 2020 totaled \$4,739,426 in 2020. Employee contributions were \$4,893,169 in 2020.

L. Blended Component Units

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

Condensed Combining Statement of Net Position
June 30, 2020

	Hospital	Foundation	BMPG	Total
Assets				
Current Assets	\$ 66,257,477	\$ 236,102	\$ 5,261,634	\$ 71,755,213
Assets limited as to use	99,044,790	2,059,189	0	101,103,979
Property and Equipment, net	101,988,803	0	0	101,988,803
Restricted Cash	15,542,201	0	0	15,542,201
Ptjer Assets	6,172,457	0	0	6,172,457
Total assets	<u>\$ 289,005,728</u>	<u>\$ 2,295,291</u>	<u>\$ 5,261,634</u>	<u>\$ 296,562,653</u>
Deferred outflows of resources				
Loss on termination of interest rate swaps	\$ 10,074,584	\$ 0	\$ 0	\$ 10,074,584
Excess consideration provided for acquisition	2,023,124	0	0	2,023,124
Total deferred outflows of resources	<u>\$ 12,097,708</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,097,708</u>
Total assets and deferred outflows of resources	<u>\$ 301,103,436</u>	<u>\$ 2,295,291</u>	<u>\$ 5,261,634</u>	<u>\$ 308,660,361</u>
Liabilities and net position				
Current liabilities	\$ 64,312,964	\$ 6,910	\$ 5,046,239	\$ 69,366,113
Long-term liabilities	78,187,073	0	0	78,187,073
Total liabilities	<u>\$ 142,500,037</u>	<u>\$ 6,910</u>	<u>\$ 5,046,239</u>	<u>\$ 147,553,186</u>
Net position:				
Net investment in capital assets	\$ 42,763,710	\$ 0	\$ 0	\$ 42,763,710
Restricted, nonexpendable	0	1,123,740	0	1,123,740
Unrestricted	115,839,689	1,164,641	215,395	117,219,725
Total net position	<u>\$ 158,603,399</u>	<u>\$ 2,288,381</u>	<u>\$ 215,395</u>	<u>\$ 161,107,175</u>
Total liabilities and net position	<u>\$ 301,103,436</u>	<u>\$ 2,295,291</u>	<u>\$ 5,261,634</u>	<u>\$ 308,660,361</u>

Condensed Combining Statement of Revenue, Expenses
and Changes in Net Position
Year Ended June 30, 2020

	Hospital	Foundation	BMPG	Total
Operating revenues:				
Net patient service revenue	\$ 226,210,897	\$ 0	\$ 59,641,328	\$ 285,852,225
Other revenue	13,538,846	0	0	13,538,846
Total operating revenues	\$ 239,749,743	\$ 0	\$ 59,641,328	\$ 299,391,071
Operating expenses:				
Depreciation and amortization	\$ 15,076,264	\$ 0	\$ 0	\$ 15,076,264
Other operating expenses	204,688,466	0	86,022,753	290,711,219
Total operating expenses	\$ 219,764,730	\$ 0	\$ 86,022,753	\$ 305,787,483
Operating margin	\$ 19,985,013	\$ 0	\$ (26,381,425)	\$ (6,396,412)
Nonoperating revenues (expenses):				
Interest expense	\$ (2,863,757)	\$ 0	\$ 0	\$ (2,863,757)
Investment income	1,885,171	(13,555)	0	1,871,616
Provider Relief Fund awards	6,000,110	0	1,799,903	7,800,013
Contributions and other	30,430	92,468	0	122,898
Total nonoperating revenues (expenses)	\$ 5,051,954	\$ 78,913	\$ 1,799,903	\$ 6,930,770
Increase (decrease) in net position	\$ 25,036,967	\$ 78,913	\$ (24,581,522)	\$ 534,358
Net position at beginning of year	\$ 154,520,943	\$ 2,209,468	\$ 3,842,406	\$ 160,572,817
Transfers	(20,954,511)	0	20,954,511	0
Net position at end of year	\$ 158,603,399	\$ 2,288,381	\$ 215,395	\$ 161,107,175

Condensed Combining Statement of Cash Flows
Year Ended June 30, 2020

	Hospital	Foundation	BMPG	Total
Net cash providedby (used in):				
Operating activities	\$ 68,917,163	\$ 0	\$ (22,484,489)	\$ 46,432,674
Noncapital financing activites	6,030,540	92,468	1,799,903	7,922,911
Capital and related financing activities	(686,888)	0	0	(686,888)
Investing activities	(21,501,225)	47,648	20,954,511	(499,066)
Net increase (decrease) in cash and cash equivalents	\$ 52,759,590	\$ 140,116	\$ 269,925	\$ 53,169,631
Cash and cash equivalents at beginning of year	\$ 2,509,331	\$ 121,348	\$ (249,222)	\$ 2,381,457
Cash and cash equivalents at end of year	\$ 55,268,921	\$ 261,464	\$ 20,703	\$ 55,551,088

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

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

	2014	2015	2016	2017	2018	2019
Total Pension Liability						
Service Cost	\$ 63,181	\$ 57,827	\$ 67,217	\$ 65,081	\$ 80,168	\$ 92,062
Interest	170,615	150,526	188,758	201,787	203,580	224,988
Differences Between Actual and Expected Experience	(425,788)	384,073	28,753	(80,879)	168,185	17,792
Changes in Assumptions	0	0	0	59,282	0	0
Benefit Payments, Including Refunds of Employee Contributions	(51,799)	(89,190)	(94,935)	(122,795)	(162,905)	(174,183)
Net Change in Total Pension Liability	\$ (243,791)	\$ 503,236	\$ 189,793	\$ 122,476	\$ 289,028	\$ 160,659
Total Pension Liability, Beginning	2,237,574	1,993,783	2,497,019	2,686,812	2,809,288	3,098,316
Total Pension Liability, Ending (a)	\$ 1,993,783	\$ 2,497,019	\$ 2,686,812	\$ 2,809,288	\$ 3,098,316	\$ 3,258,975
Plan Fiduciary Net Position						
Contributions - Employer	\$ 65,106	\$ 2,162	\$ 2,354	\$ 2,244	\$ 6,823	\$ 22,805
Contributions - Employee	34,123	35,729	39,232	37,401	40,138	46,925
Net Investment Income	393,967	85,685	74,642	319,417	252,057	236,501
Benefit Payments, Including Refunds of Employee Contributions	(51,799)	(89,190)	(94,935)	(122,795)	(162,905)	(174,183)
Administrative Expense	(847)	(1,035)	(1,611)	(1,871)	(2,147)	(2,321)
Net Change in Plan Fiduciary Net Position	\$ 440,550	\$ 33,351	\$ 19,682	\$ 234,396	\$ 133,966	\$ 129,727
Plan Fiduciary Net Position, Beginning	2,367,688	2,808,238	2,841,589	2,861,271	3,095,667	3,229,633
Plan Fiduciary Net Position, Ending (b)	\$ 2,808,238	\$ 2,841,589	\$ 2,861,271	\$ 3,095,667	\$ 3,229,633	\$ 3,359,360
Net Pension Liability (Asset), Ending (a - b)	\$ (814,455)	\$ (344,570)	\$ (174,459)	\$ (286,379)	\$ (131,317)	\$ (100,385)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	140.85%	113.80%	106.49%	110.19%	104.24%	103.08%
Covered Payroll	\$ 682,458	\$ 708,911	\$ 784,615	\$ 748,019	\$ 802,745	\$ 938,476
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(119.34%)	(48.61%)	(22.23%)	(38.28%)	(16.36%)	(10.70%)

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

Exhibit F-2

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

	2014	2015	2016	2017	2018	2019
Total Pension Liability						
Service Cost	\$ 2,750,764	\$ 2,696,385	\$ 2,644,976	\$ 2,789,050	\$ 3,245,127	\$ 3,329,784
Interest	7,259,306	7,602,389	7,952,467	8,385,382	8,901,794	9,335,755
Differences Between Actual and Expected Experience	(1,426,832)	(1,192,196)	(39,667)	2,214,409	(655,125)	(269,944)
Changes in Assumptions	0	0	0	2,497,589	0	0
Benefit Payments, Including Refunds of Employee Contributions	(3,687,953)	(4,220,884)	(4,554,046)	(5,305,253)	(5,423,228)	(5,758,334)
Net Change in Total Pension Liability	\$ 4,895,285	\$ 4,885,694	\$ 6,003,730	\$ 10,581,177	\$ 6,068,568	\$ 6,637,261
Total Pension Liability, Beginning	95,883,964	100,779,249	105,664,943	111,668,673	122,249,850	128,318,418
Total Pension Liability, Ending (a)	\$ 100,779,249	\$ 105,664,943	\$ 111,668,673	\$ 122,249,850	\$ 128,318,418	\$ 134,955,679
Plan Fiduciary Net Position						
Contributions - Employer	\$ 3,643,299	\$ 3,552,107	\$ 3,606,957	\$ 3,804,366	\$ 2,498,694	\$ 2,595,048
Contributions - Employee	1,552,627	1,486,716	1,529,996	1,580,521	1,640,484	1,688,415
Net Investment Income	14,728,866	3,221,836	2,877,308	12,649,915	10,260,873	9,859,860
Benefit Payments, Including Refunds of Employee Contributions	(3,687,953)	(4,220,884)	(4,554,046)	(5,305,253)	(5,423,228)	(5,758,334)
Administrative Expense	(35,805)	(43,044)	(63,996)	(71,581)	(81,331)	(76,271)
Other	0	0	54,796	27,223	0	0
Net Change in Plan Fiduciary Net Position	\$ 16,201,034	\$ 3,996,731	\$ 3,451,015	\$ 12,685,191	\$ 8,895,492	\$ 8,308,718
Plan Fiduciary Net Position, Beginning	87,964,929	104,165,963	108,162,694	111,613,709	124,298,900	133,194,392
Plan Fiduciary Net Position, Ending (b)	\$ 104,165,963	\$ 108,162,694	\$ 111,613,709	\$ 124,298,900	\$ 133,194,392	\$ 141,503,110
Net Pension Liability (Asset), Ending (a - b)	\$ (3,386,714)	\$ (2,497,751)	\$ 54,964	\$ (2,049,050)	\$ (4,875,974)	\$ (6,547,431)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.36%	102.36%	99.95%	101.68%	103.80%	104.85%
Covered Payroll	\$ 29,979,870	\$ 29,198,139	\$ 29,875,603	\$ 31,255,600	\$ 32,438,967	\$ 33,665,230
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(11.3%)	(8.55%)	0.18%	(6.56%)	(15.03%)	(19.45%)

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

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

Exhibit F-3

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

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 65,106	\$ 2,162	\$ 2,354	\$ 2,244	\$ 6,823	\$ 22,805	\$ 52,985
Less Contributions in Relation to the Actuarially Determined Contribution	(65,106)	(2,162)	(2,354)	(2,244)	(6,823)	(22,805)	(52,985)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 682,458	\$ 708,911	\$ 784,615	\$ 748,015	\$ 802,745	\$ 938,476	\$ 1,220,853
Contributions as a Percentage of Covered Payroll	9.54%	0.30%	0.30%	0.30%	0.85%	2.43%	4.34%

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

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

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 3,643,299	\$ 3,552,107	\$ 3,606,957	\$ 3,804,366	\$ 2,498,694	\$ 2,595,048	\$ 2,882,021
Less Contributions in Relation to the Actuarially Determined Contribution	(3,643,299)	(3,552,107)	(3,606,957)	(3,804,366)	(2,498,694)	(2,595,048)	(2,882,021)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 29,979,870	\$ 29,198,139	\$ 29,875,603	\$ 31,255,600	\$ 32,438,967	\$ 33,665,230	\$ 37,238,078
Contributions as a Percentage of Covered Payroll	12.15%	12.17%	12.07%	12.17%	7.70%	7.71%	7.74%

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

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

Exhibit F-5

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

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 38,074	\$ 93,397	\$ 142,883	\$ 187,118	\$ 121,289	\$ 152,068
Less Contributions in Relation to the Contractually Required Contribution	(38,074)	(93,397)	(142,883)	(187,118)	(121,289)	(152,068)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 951,851	\$ 2,334,937	\$ 3,568,387	\$ 4,677,977	\$ 6,252,004	\$ 7,491,040
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%

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

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

	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 3,709,621	\$ 3,672,032	\$ 3,714,171	\$ 3,715,782	\$ 3,641,833	\$ 4,079,688	\$ 4,103,834
Less Contributions in Relation to the Contractually Required Contribution	(3,709,621)	(3,672,032)	(3,714,171)	(3,715,782)	(3,641,833)	(4,079,688)	(4,103,834)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 41,775,012	\$ 40,619,615	\$ 41,085,985	\$ 41,107,496	\$ 40,108,312	\$ 39,002,774	\$ 38,659,148
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.62%

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

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

	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability/Asset	0.458115%	0.530660%	0.544242%	0.535308%	0.590813%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (18,430)	\$ (55,243)	\$ (143,587)	\$ (242,777)	\$ (333,506)
Covered Payroll	\$ 951,851	\$ 2,334,937	\$ 3,568,387	\$ 4,677,977	\$ 6,252,004
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 F-8

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

	2014	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability/Asset	1.064334%	1.085075%	1.138179%	1.162782%	1.145403%	1.163170%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (172,949)	\$ 444,484	\$ 7,112,986	\$ (380,444)	\$ (4,030,578)	\$ (11,959,480)
Covered Payroll	\$ 41,775,012	\$ 40,619,615	\$ 41,085,985	\$ 41,107,496	\$ 40,108,312	\$ 39,002,774
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 F-9

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

	2018	2019	2020
Total OPEB Liability			
Service Cost	\$ 1,089,341	\$ 1,219,685	\$ 1,327,178
Interest	753,801	949,806	891,540
Differences Between Actual and Expected Experience	0	3,019,331	0
Changes in Assumptions or Other Inputs	(443,612)	1,408,652	2,406,558
Benefit Payments	(1,596,819)	(2,040,175)	(1,961,898)
Net Change in Total OPEB Liability	\$ (197,289)	\$ 4,557,299	\$ 2,663,378
Total OPEB Liability, Beginning	20,757,891	20,560,602	25,117,901
Total OPEB Liability, Ending	<u>\$ 20,560,602</u>	<u>\$ 25,117,901</u>	<u>\$ 27,781,279</u>
Primary Government's Proportionate Share of Total OPEB Liability	\$ 7,506,765	\$ 6,920,191	\$ 8,503,450
School Department's Proportionate Share of Total OPEB Liability	13,053,837	18,197,710	19,277,829
Covered Employee Payroll	\$ 73,928,475	\$ 73,488,830	\$ 75,326,050
Net OPEB Liability as a Percentage of Covered Employee Payroll	27.81%	34.18%	36.88%

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

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

2017	3.58%
2018	3.87%
2019	3.50%
2020	2.21%

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

BLOUNT COUNTY, TENNESSEE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 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.

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

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

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

Highway/Public Works Fund – The Highway/Public Works Fund is used to account for transactions of the county's highway department.

Capital Projects Funds

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

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

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

Permanent Fund

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

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

Exhibit G-1

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

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 2,790	\$ 0	\$ 9,150
Equity in Pooled Cash and Investments	310,485	53,503	803,461	2,155,762	0
Accounts Receivable	0	0	372	40,485	17,055
Due from Other Governments	0	0	0	0	0
Property Taxes Receivable	0	0	0	0	0
Allowance for Uncollectible Property Taxes	0	0	0	0	0
Total Assets	<u>\$ 310,485</u>	<u>\$ 53,503</u>	<u>\$ 806,623</u>	<u>\$ 2,196,247</u>	<u>\$ 26,205</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 11,421	\$ 732	\$ 0
Accrued Payroll	0	0	40,345	0	0
Payroll Deductions Payable	0	0	17,016	0	0
Due to Other Funds	0	0	0	0	26,205
Due to State of Tennessee	0	0	171	0	0
Due to Other Taxing Units	0	0	0	0	0
Due to Litigants, Heirs, and Others	0	0	0	3,784	0
Sales Tax	0	0	2,825	0	0
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 71,778</u>	<u>\$ 4,516</u>	<u>\$ 26,205</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

Exhibit G-1

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

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Deferred Delinquent Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Deferred/Unavailable Revenue	0	0	0	0	0
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>FUND BALANCES</u>					
Nonspendable:					
Endowments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted:					
Restricted for General Government	310,485	0	0	0	0
Restricted for Administration of Justice	0	53,503	0	0	0
Restricted for Public Safety	0	0	0	1,019,368	0
Restricted for Public Health and Welfare	0	0	0	0	0
Restricted for Social, Cultural, and Recreational Services	0	0	734,845	0	0
Restricted for Capital Projects	0	0	0	0	0
Committed:					
Committed for Public Safety	0	0	0	1,172,363	0
Committed for Highways/Public Works	0	0	0	0	0
Committed for Capital Outlay	0	0	0	0	0
Total Fund Balances	<u>\$ 310,485</u>	<u>\$ 53,503</u>	<u>\$ 734,845</u>	<u>\$ 2,191,731</u>	<u>\$ 0</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 310,485</u>	<u>\$ 53,503</u>	<u>\$ 806,623</u>	<u>\$ 2,196,247</u>	<u>\$ 26,205</u>

(Continued)

Exhibit G-1

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital Projects Funds</u>		
	<u>Highway / Public Works</u>	<u>Total</u>	<u>Highway Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>
<u>ASSETS</u>					
Cash	\$ 0	\$ 11,940	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	4,332,575	7,655,786	1,294,608	1,397,980	2,692,588
Accounts Receivable	3,558	61,470	0	0	0
Due from Other Governments	1,544,324	1,544,324	55,889	70,775	126,664
Property Taxes Receivable	0	0	0	1,243,582	1,243,582
Allowance for Uncollectible Property Taxes	0	0	0	(16,990)	(16,990)
Total Assets	\$ 5,880,457	\$ 9,273,520	\$ 1,350,497	\$ 2,695,347	\$ 4,045,844
<u>LIABILITIES</u>					
Accounts Payable	\$ 1,587	\$ 13,740	\$ 0	\$ 0	\$ 0
Accrued Payroll	77,046	117,391	0	0	0
Payroll Deductions Payable	46,082	63,098	0	0	0
Due to Other Funds	0	26,205	0	0	0
Due to State of Tennessee	5	176	0	0	0
Due to Other Taxing Units	6,798	6,798	0	0	0
Due to Litigants, Heirs, and Others	0	3,784	0	0	0
Sales Tax	0	2,825	0	0	0
Total Liabilities	\$ 131,518	\$ 234,017	\$ 0	\$ 0	\$ 0
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 1,205,812	\$ 1,205,812

(Continued)

Exhibit G-1

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital Projects Funds</u>		
	<u>Highway / Public Works</u>	<u>Total</u>	<u>Highway Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Deferred Delinquent Property Taxes	\$ 0	\$ 0	\$ 0	\$ 14,912	\$ 14,912
Other Deferred/Unavailable Revenue	0	0	55,889	55,820	111,709
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 55,889	\$ 1,276,544	\$ 1,332,433
<u>FUND BALANCES</u>					
Nonspendable:					
Endowments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted:					
Restricted for General Government	0	310,485	0	0	0
Restricted for Administration of Justice	0	53,503	0	0	0
Restricted for Public Safety	0	1,019,368	0	0	0
Restricted for Public Health and Welfare	0	0	0	0	0
Restricted for Social, Cultural, and Recreational Services	0	734,845	0	0	0
Restricted for Capital Projects	0	0	0	121,363	121,363
Committed:					
Committed for Public Safety	0	1,172,363	0	0	0
Committed for Highways/Public Works	5,748,939	5,748,939	0	0	0
Committed for Capital Outlay	0	0	1,294,608	1,297,440	2,592,048
Total Fund Balances	\$ 5,748,939	\$ 9,039,503	\$ 1,294,608	\$ 1,418,803	\$ 2,713,411
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,880,457	\$ 9,273,520	\$ 1,350,497	\$ 2,695,347	\$ 4,045,844

(Continued)

Exhibit G-1

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

	Permanent Fund	Total Nonmajor Governmental Funds
<u>ASSETS</u>	Endowment	Funds
Cash	\$ 0	\$ 11,940
Equity in Pooled Cash and Investments	520,525	10,868,899
Accounts Receivable	124	61,594
Due from Other Governments	0	1,670,988
Property Taxes Receivable	0	1,243,582
Allowance for Uncollectible Property Taxes	0	(16,990)
	\$ 520,649	\$ 13,840,013
	\$ 520,649	\$ 13,840,013
<u>LIABILITIES</u>		
Accounts Payable	\$ 0	\$ 13,740
Accrued Payroll	0	117,391
Payroll Deductions Payable	0	63,098
Due to Other Funds	0	26,205
Due to State of Tennessee	0	176
Due to Other Taxing Units	0	6,798
Due to Litigants, Heirs, and Others	0	3,784
Sales Tax	0	2,825
Total Liabilities	\$ 0	\$ 234,017
	\$ 0	\$ 234,017
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 0	\$ 1,205,812

(Continued)

Exhibit G-1

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

<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Endowment</u>	
Deferred Delinquent Property Taxes	\$ 0	\$ 14,912
Other Deferred/Unavailable Revenue	0	111,709
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 1,332,433</u>
 <u>FUND BALANCES</u> 		
Nonspendable:		
Endowments	\$ 485,403	\$ 485,403
Restricted:		
Restricted for General Government	0	310,485
Restricted for Administration of Justice	0	53,503
Restricted for Public Safety	0	1,019,368
Restricted for Public Health and Welfare	35,246	35,246
Restricted for Social, Cultural, and Recreational Services	0	734,845
Restricted for Capital Projects	0	121,363
Committed:		
Committed for Public Safety	0	1,172,363
Committed for Highways/Public Works	0	5,748,939
Committed for Capital Outlay	0	2,592,048
Total Fund Balances	<u>\$ 520,649</u>	<u>\$ 12,273,563</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 520,649</u>	<u>\$ 13,840,013</u>

Exhibit G-2

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

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees
<u>Revenues</u>					
Local Taxes	\$ 211,744	\$ 9,177	\$ 0	\$ 0	\$ 0
Licenses and Permits	0	0	0	0	0
Fines, Forfeitures, and Penalties	0	0	0	20,227	0
Charges for Current Services	0	0	54,165	228,493	9,555
Other Local Revenues	0	0	115,717	32,185	0
State of Tennessee	0	0	9,429	0	0
Federal Government	0	0	0	59,424	0
Other Governments and Citizens Groups	0	0	1,142,369	0	0
Total Revenues	\$ 211,744	\$ 9,177	\$ 1,321,680	\$ 340,329	\$ 9,555
<u>Expenditures</u>					
Current:					
General Government	\$ 106,210	\$ 0	\$ 0	\$ 0	\$ 0
Administration of Justice	0	0	0	0	9,555
Public Safety	0	0	0	112,979	0
Social, Cultural, and Recreational Services	0	0	2,469,584	0	0
Other Operations	0	9,321	0	0	0
Highways	0	0	0	0	0
Capital Projects	0	0	28,365	0	0
Total Expenditures	\$ 106,210	\$ 9,321	\$ 2,497,949	\$ 112,979	\$ 9,555
Excess (Deficiency) of Revenues Over Expenditures	\$ 105,534	\$ (144)	\$ (1,176,269)	\$ 227,350	\$ 0

(Continued)

Exhibit G-2

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

	Special Revenue Funds				
	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfers In	0	0	1,320,589	0	0
Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 1,320,589	\$ 0	\$ 0
Net Change in Fund Balances	\$ 105,534	\$ (144)	\$ 144,320	\$ 227,350	\$ 0
Fund Balance, July 1, 2019	204,951	53,647	590,525	1,964,381	0
Fund Balance, June 30, 2020	\$ 310,485	\$ 53,503	\$ 734,845	\$ 2,191,731	\$ 0

(Continued)

Exhibit G-2

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital Projects Funds</u>		
	Highway / Public Works	Total	Highway Capital Projects	Other Capital Projects	Total
<u>Revenues</u>					
Local Taxes	\$ 4,266,894	\$ 4,487,815	\$ 750,000	\$ 1,208,799	\$ 1,958,799
Licenses and Permits	395,920	395,920	0	0	0
Fines, Forfeitures, and Penalties	0	20,227	0	0	0
Charges for Current Services	0	292,213	0	0	0
Other Local Revenues	102,665	250,567	0	12,189	12,189
State of Tennessee	3,624,670	3,634,099	0	20,754	20,754
Federal Government	0	59,424	48,000	361,000	409,000
Other Governments and Citizens Groups	8,154	1,150,523	0	0	0
Total Revenues	\$ 8,398,303	\$ 10,290,788	\$ 798,000	\$ 1,602,742	\$ 2,400,742
<u>Expenditures</u>					
Current:					
General Government	\$ 0	\$ 106,210	\$ 0	\$ 0	\$ 0
Administration of Justice	0	9,555	0	0	0
Public Safety	0	112,979	0	0	0
Social, Cultural, and Recreational Services	0	2,469,584	0	0	0
Other Operations	0	9,321	0	0	0
Highways	7,306,836	7,306,836	0	0	0
Capital Projects	0	28,365	780,870	4,905,019	5,685,889
Total Expenditures	\$ 7,306,836	\$ 10,042,850	\$ 780,870	\$ 4,905,019	\$ 5,685,889
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,091,467	\$ 247,938	\$ 17,130	\$ (3,302,277)	\$ (3,285,147)

(Continued)

Exhibit G-2

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

	<u>Special Revenue Funds (Cont.)</u>		<u>Capital Projects Funds</u>		
	<u>Highway / Public Works</u>	<u>Total</u>	<u>Highway Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 1,817	\$ 1,817	\$ 0	\$ 0	\$ 0
Transfers In	0	1,320,589	160,000	2,495,634	2,655,634
Transfers Out	(160,000)	(160,000)	0	0	0
Total Other Financing Sources (Uses)	\$ (158,183)	\$ 1,162,406	\$ 160,000	\$ 2,495,634	\$ 2,655,634
Net Change in Fund Balances	\$ 933,284	\$ 1,410,344	\$ 177,130	\$ (806,643)	\$ (629,513)
Fund Balance, July 1, 2019	4,815,655	7,629,159	1,117,478	2,225,446	3,342,924
Fund Balance, June 30, 2020	\$ 5,748,939	\$ 9,039,503	\$ 1,294,608	\$ 1,418,803	\$ 2,713,411

(Continued)

Exhibit G-2

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

	<u>Permanent Fund</u>	Total Nonmajor Governmental Funds
	Endowment	
<u>Revenues</u>		
Local Taxes	\$ 0	\$ 6,446,614
Licenses and Permits	0	395,920
Fines, Forfeitures, and Penalties	0	20,227
Charges for Current Services	0	292,213
Other Local Revenues	8,493	271,249
State of Tennessee	0	3,654,853
Federal Government	0	468,424
Other Governments and Citizens Groups	0	1,150,523
Total Revenues	<u>\$ 8,493</u>	<u>\$ 12,700,023</u>
<u>Expenditures</u>		
Current:		
General Government	\$ 0	\$ 106,210
Administration of Justice	0	9,555
Public Safety	0	112,979
Social, Cultural, and Recreational Services	0	2,469,584
Other Operations	0	9,321
Highways	0	7,306,836
Capital Projects	0	5,714,254
Total Expenditures	<u>\$ 0</u>	<u>\$ 15,728,739</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 8,493</u>	<u>\$ (3,028,716)</u>

(Continued)

Exhibit G-2

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

	<u>Permanent Fund</u>	Total Nonmajor Governmental Funds
	Endowment	
<hr/>		
<u>Other Financing Sources (Uses)</u>		
Insurance Recovery	\$ 0	\$ 1,817
Transfers In	0	3,976,223
Transfers Out	0	(160,000)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 3,818,040</u>
Net Change in Fund Balances	\$ 8,493	\$ 789,324
Fund Balance, July 1, 2019	512,156	11,484,239
Fund Balance, June 30, 2020	<u>\$ 520,649</u>	<u>\$ 12,273,563</u>

Exhibit G-3

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Courthouse and Jail Maintenance Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 211,744	\$ 0	\$ 0	\$ 211,744	\$ 225,572	\$ 225,572	\$ (13,828)
Total Revenues	\$ 211,744	\$ 0	\$ 0	\$ 211,744	\$ 225,572	\$ 225,572	\$ (13,828)
<u>Expenditures</u>							
<u>General Government</u>							
County Buildings	\$ 106,210	\$ (23,834)	\$ 20,457	\$ 102,833	\$ 225,572	\$ 221,280	\$ 118,447
Total Expenditures	\$ 106,210	\$ (23,834)	\$ 20,457	\$ 102,833	\$ 225,572	\$ 221,280	\$ 118,447
Excess (Deficiency) of Revenues Over Expenditures	\$ 105,534	\$ 23,834	\$ (20,457)	\$ 108,911	\$ 0	\$ 4,292	\$ 104,619
Net Change in Fund Balance	\$ 105,534	\$ 23,834	\$ (20,457)	\$ 108,911	\$ 0	\$ 4,292	\$ 104,619
Fund Balance, July 1, 2019	204,951	(23,834)	0	181,117	204,951	204,951	(23,834)
Fund Balance, June 30, 2020	\$ 310,485	\$ 0	\$ (20,457)	\$ 290,028	\$ 204,951	\$ 209,243	\$ 80,785

Exhibit G-4

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Law Library Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 9,177	\$ 0	\$ 0	\$ 9,177	\$ 10,530	\$ 10,530	\$ (1,353)
Total Revenues	\$ 9,177	\$ 0	\$ 0	\$ 9,177	\$ 10,530	\$ 10,530	\$ (1,353)
<u>Expenditures</u>							
<u>Other Operations</u>							
Other Charges	\$ 9,321	\$ (760)	\$ 650	\$ 9,211	\$ 9,240	\$ 9,360	\$ 149
Total Expenditures	\$ 9,321	\$ (760)	\$ 650	\$ 9,211	\$ 9,240	\$ 9,360	\$ 149
Excess (Deficiency) of Revenues Over Expenditures	\$ (144)	\$ 760	\$ (650)	\$ (34)	\$ 1,290	\$ 1,170	\$ (1,204)
Net Change in Fund Balance	\$ (144)	\$ 760	\$ (650)	\$ (34)	\$ 1,290	\$ 1,170	\$ (1,204)
Fund Balance, July 1, 2019	53,647	(760)	0	52,887	53,647	53,647	(760)
Fund Balance, June 30, 2020	\$ 53,503	\$ 0	\$ (650)	\$ 52,853	\$ 54,937	\$ 54,817	\$ (1,964)

Exhibit G-5

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Public Library Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 54,165	\$ 0	\$ 0	\$ 54,165	\$ 92,000	\$ 92,000	\$ (37,835)
Other Local Revenues	115,717	0	0	115,717	133,000	133,000	(17,283)
State of Tennessee	9,429	0	0	9,429	10,000	10,000	(571)
Other Governments and Citizens Groups	1,142,369	0	0	1,142,369	1,141,144	1,141,144	1,225
Total Revenues	\$ 1,321,680	\$ 0	\$ 0	\$ 1,321,680	\$ 1,376,144	\$ 1,376,144	\$ (54,464)
<u>Expenditures</u>							
<u>Social, Cultural, and Recreational Services</u>							
Libraries	\$ 2,469,584	\$ (14,649)	\$ 29,107	\$ 2,484,042	\$ 2,658,233	\$ 2,655,438	\$ 171,396
<u>Capital Projects</u>							
General Administration Projects	28,365	(2,220)	0	26,145	38,500	36,280	10,135
Total Expenditures	\$ 2,497,949	\$ (16,869)	\$ 29,107	\$ 2,510,187	\$ 2,696,733	\$ 2,691,718	\$ 181,531
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,176,269)	\$ 16,869	\$ (29,107)	\$ (1,188,507)	\$ (1,320,589)	\$ (1,315,574)	\$ 127,067
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 1,320,589	\$ 0	\$ 0	\$ 1,320,589	\$ 1,320,589	\$ 1,320,589	\$ 0
Total Other Financing Sources	\$ 1,320,589	\$ 0	\$ 0	\$ 1,320,589	\$ 1,320,589	\$ 1,320,589	\$ 0
Net Change in Fund Balance	\$ 144,320	\$ 16,869	\$ (29,107)	\$ 132,082	\$ 0	\$ 5,015	\$ 127,067
Fund Balance, July 1, 2019	590,525	(16,869)	0	573,656	590,525	590,525	(16,869)
Fund Balance, June 30, 2020	\$ 734,845	\$ 0	\$ (29,107)	\$ 705,738	\$ 590,525	\$ 595,540	\$ 110,198

Exhibit G-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 20,227	\$ 0	\$ 0	\$ 20,227	\$ 23,804	\$ 23,804	\$ (3,577)
Charges for Current Services	228,493	0	0	228,493	50,000	50,000	178,493
Other Local Revenues	32,185	0	0	32,185	15,000	15,000	17,185
Federal Government	59,424	0	0	59,424	15,000	15,000	44,424
Total Revenues	<u>\$ 340,329</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 340,329</u>	<u>\$ 103,804</u>	<u>\$ 103,804</u>	<u>\$ 236,525</u>
<u>Expenditures</u>							
<u>Public Safety</u>							
Sheriff's Department	\$ 81,494	\$ (1,372)	\$ 8,990	\$ 89,112	\$ 165,000	\$ 164,212	\$ 75,100
Drug Enforcement	31,485	0	6,000	37,485	120,000	120,000	82,515
Total Expenditures	<u>\$ 112,979</u>	<u>\$ (1,372)</u>	<u>\$ 14,990</u>	<u>\$ 126,597</u>	<u>\$ 285,000</u>	<u>\$ 284,212</u>	<u>\$ 157,615</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 227,350</u>	<u>\$ 1,372</u>	<u>\$ (14,990)</u>	<u>\$ 213,732</u>	<u>\$ (181,196)</u>	<u>\$ (180,408)</u>	<u>\$ 394,140</u>
Net Change in Fund Balance	\$ 227,350	\$ 1,372	\$ (14,990)	\$ 213,732	\$ (181,196)	\$ (180,408)	\$ 394,140
Fund Balance, July 1, 2019	1,964,381	(1,372)	0	1,963,009	1,964,381	1,964,381	(1,372)
Fund Balance, June 30, 2020	<u>\$ 2,191,731</u>	<u>\$ 0</u>	<u>\$ (14,990)</u>	<u>\$ 2,176,741</u>	<u>\$ 1,783,185</u>	<u>\$ 1,783,973</u>	<u>\$ 392,768</u>

Exhibit G-7

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 4,266,894	\$ 0	\$ 0	\$ 4,266,894	\$ 3,570,000	\$ 3,570,000	\$ 696,894
Licenses and Permits	395,920	0	0	395,920	360,000	360,000	35,920
Other Local Revenues	102,665	0	0	102,665	71,000	71,000	31,665
State of Tennessee	3,624,670	0	0	3,624,670	4,435,000	4,435,000	(810,330)
Other Governments and Citizens Groups	8,154	0	0	8,154	5,000	5,000	3,154
Total Revenues	\$ 8,398,303	\$ 0	\$ 0	\$ 8,398,303	\$ 8,441,000	\$ 8,441,000	\$ (42,697)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 1,034,413	\$ (8,361)	\$ 23,321	\$ 1,049,373	\$ 1,075,065	\$ 1,075,066	\$ 25,693
Highway and Bridge Maintenance	5,554,255	(431,718)	438,535	5,561,072	6,517,075	6,568,747	1,007,675
Operation and Maintenance of Equipment	718,168	(3,000)	20,668	735,836	745,904	745,904	10,068
Total Expenditures	\$ 7,306,836	\$ (443,079)	\$ 482,524	\$ 7,346,281	\$ 8,338,044	\$ 8,389,717	\$ 1,043,436
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,091,467	\$ 443,079	\$ (482,524)	\$ 1,052,022	\$ 102,956	\$ 51,283	\$ 1,000,739
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 1,817	\$ 0	\$ 0	\$ 1,817	\$ 200	\$ 200	\$ 1,617
Transfers Out	(160,000)	0	0	(160,000)	0	(160,000)	0
Total Other Financing Sources	\$ (158,183)	\$ 0	\$ 0	\$ (158,183)	\$ 200	\$ (159,800)	\$ 1,617
Net Change in Fund Balance	\$ 933,284	\$ 443,079	\$ (482,524)	\$ 893,839	\$ 103,156	\$ (108,517)	\$ 1,002,356
Fund Balance, July 1, 2019	4,815,655	(443,079)	0	4,372,576	4,815,655	4,815,655	(443,079)
Fund Balance, June 30, 2020	\$ 5,748,939	\$ 0	\$ (482,524)	\$ 5,266,415	\$ 4,918,811	\$ 4,707,138	\$ 559,277

Exhibit G-8

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway Capital Projects Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 750,000	\$ 0	\$ 0	\$ 750,000	\$ 750,000	\$ 750,000	\$ 0
Federal Government	48,000	0	0	48,000	600,000	690,551	(642,551)
Total Revenues	\$ 798,000	\$ 0	\$ 0	\$ 798,000	\$ 1,350,000	\$ 1,440,551	\$ (642,551)
<u>Expenditures</u>							
<u>Capital Projects</u>							
Highway and Street Capital Projects	\$ 780,870	\$ (336,042)	\$ 492,110	\$ 936,938	\$ 985,654	\$ 1,636,206	\$ 699,268
Total Expenditures	\$ 780,870	\$ (336,042)	\$ 492,110	\$ 936,938	\$ 985,654	\$ 1,636,206	\$ 699,268
Excess (Deficiency) of Revenues Over Expenditures	\$ 17,130	\$ 336,042	\$ (492,110)	\$ (138,938)	\$ 364,346	\$ (195,655)	\$ 56,717
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 160,000	\$ 0	\$ 0	\$ 160,000	\$ 0	\$ 160,000	\$ 0
Total Other Financing Sources	\$ 160,000	\$ 0	\$ 0	\$ 160,000	\$ 0	\$ 160,000	\$ 0
Net Change in Fund Balance	\$ 177,130	\$ 336,042	\$ (492,110)	\$ 21,062	\$ 364,346	\$ (35,655)	\$ 56,717
Fund Balance, July 1, 2019	1,117,478	(336,042)	0	781,436	1,117,478	1,117,478	(336,042)
Fund Balance, June 30, 2020	\$ 1,294,608	\$ 0	\$ (492,110)	\$ 802,498	\$ 1,481,824	\$ 1,081,823	\$ (279,325)

Exhibit G-9

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Other Capital Projects Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 1,208,799	\$ 0	\$ 0	\$ 1,208,799	\$ 1,114,722	\$ 1,173,972	\$ 34,827
Other Local Revenues	12,189	0	0	12,189	0	0	12,189
State of Tennessee	20,754	0	0	20,754	0	0	20,754
Federal Government	361,000	0	0	361,000	0	380,000	(19,000)
Total Revenues	\$ 1,602,742	\$ 0	\$ 0	\$ 1,602,742	\$ 1,114,722	\$ 1,553,972	\$ 48,770
<u>Expenditures</u>							
<u>Capital Projects</u>							
General Administration Projects	\$ 1,297,955	\$ (395,648)	\$ 65,410	\$ 967,717	\$ 207,059	\$ 1,001,812	\$ 34,095
Administration of Justice Projects	1,235,292	(29,363)	0	1,205,929	0	1,210,000	4,071
Public Safety Projects	725,540	0	220,900	946,440	0	1,069,535	123,095
Other General Government Projects	1,548,999	0	3,916	1,552,915	1,063,660	2,472,434	919,519
Highway and Street Capital Projects	69,897	0	0	69,897	0	70,840	943
Education Capital Projects	27,336	0	0	27,336	0	27,336	0
Total Expenditures	\$ 4,905,019	\$ (425,011)	\$ 290,226	\$ 4,770,234	\$ 1,270,719	\$ 5,851,957	\$ 1,081,723
Excess (Deficiency) of Revenues Over Expenditures	\$ (3,302,277)	\$ 425,011	\$ (290,226)	\$ (3,167,492)	\$ (155,997)	\$ (4,297,985)	\$ 1,130,493
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 2,495,634	\$ 0	\$ 0	\$ 2,495,634	\$ 297,059	\$ 2,585,634	\$ (90,000)
Total Other Financing Sources	\$ 2,495,634	\$ 0	\$ 0	\$ 2,495,634	\$ 297,059	\$ 2,585,634	\$ (90,000)
Net Change in Fund Balance	\$ (806,643)	\$ 425,011	\$ (290,226)	\$ (671,858)	\$ 141,062	\$ (1,712,351)	\$ 1,040,493
Fund Balance, July 1, 2019	2,225,446	(425,011)	0	1,800,435	2,225,446	2,225,446	(425,011)
Fund Balance, June 30, 2020	\$ 1,418,803	\$ 0	\$ (290,226)	\$ 1,128,577	\$ 2,366,508	\$ 513,095	\$ 615,482

Major Governmental Fund

General Debt Service Fund

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

Exhibit H

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 19,066,732	\$ 18,013,278	\$ 18,013,278	\$ 1,053,454
Other Local Revenues	567,906	100,000	100,000	467,906
State of Tennessee	25,727	36,000	36,000	(10,273)
Other Governments and Citizens Groups	395,474	209,000	398,800	(3,326)
Total Revenues	<u>\$ 20,055,839</u>	<u>\$ 18,358,278</u>	<u>\$ 18,548,078</u>	<u>\$ 1,507,761</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 9,612,883	\$ 9,734,000	\$ 9,638,000	\$ 25,117
<u>Interest on Debt</u>				
General Government	7,453,372	6,628,000	7,454,000	628
<u>Other Debt Service</u>				
General Government	404,547	542,000	542,000	137,453
Total Expenditures	<u>\$ 17,470,802</u>	<u>\$ 16,904,000</u>	<u>\$ 17,634,000</u>	<u>\$ 163,198</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,585,037</u>	<u>\$ 1,454,278</u>	<u>\$ 914,078</u>	<u>\$ 1,670,959</u>
<u>Other Financing Sources (Uses)</u>				
Notes Issued	\$ 0	\$ 189,800	\$ 0	\$ 0
Transfers In	841,105	848,505	848,505	(7,400)
Total Other Financing Sources	<u>\$ 841,105</u>	<u>\$ 1,038,305</u>	<u>\$ 848,505</u>	<u>\$ (7,400)</u>
Net Change in Fund Balance	\$ 3,426,142	\$ 2,492,583	\$ 1,762,583	\$ 1,663,559
Fund Balance, July 1, 2019	<u>15,773,129</u>	<u>15,773,129</u>	<u>15,773,129</u>	<u>0</u>
Fund Balance, June 30, 2020	<u>\$ 19,199,271</u>	<u>\$ 18,265,712</u>	<u>\$ 17,535,712</u>	<u>\$ 1,663,559</u>

Fiduciary Funds

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

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

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

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

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

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

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

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

Hospital Debt Fund – The Hospital Debt Fund was used during the year to account for receipts and disbursements related to revenue bonds issued by Blount County on behalf of Blount Memorial Hospital, Inc.

Exhibit I-1

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

	Agency Funds					
	Cities - Sales Tax	City School ADA - Alcoa	City School ADA - Maryville	Constitu - tional Officers - Agency	Other Agency	Judicial District Drug
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 5,434,524	\$ 0	\$ 0
Equity in Pooled Cash and Investments	0	5,993	15,899	0	393,362	553,458
Accounts Receivable	0	17,097	22,235	0	0	5
Due from Other Governments	4,150,666	675,084	1,693,494	0	0	0
Property Taxes Receivable	0	4,606,323	12,188,230	0	0	0
Allowance for Uncollectible Property Taxes	0	(62,930)	(166,510)	0	0	0
Total Assets	<u>\$ 4,150,666</u>	<u>\$ 5,241,567</u>	<u>\$ 13,753,348</u>	<u>\$ 5,434,524</u>	<u>\$ 393,362</u>	<u>\$ 553,463</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 533
Payroll Deductions Payable	0	0	0	0	393,362	0
Due to Other Taxing Units	4,150,666	5,241,567	13,753,348	0	0	0
Due to Litigants, Heirs, and Others	0	0	0	5,434,524	0	44,629
Due to Joint Ventures	0	0	0	0	0	508,301
Total Liabilities	<u>\$ 4,150,666</u>	<u>\$ 5,241,567</u>	<u>\$ 13,753,348</u>	<u>\$ 5,434,524</u>	<u>\$ 393,362</u>	<u>\$ 553,463</u>

(Continued)

Exhibit I-1

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

	<u>Agency Funds (Cont.)</u>		
	<u>District</u>	<u>Smokey</u>	
	<u>Attorney</u>	<u>Mountain</u>	
	<u>General</u>	<u>Tourism</u>	<u>Total</u>
		<u>Board</u>	
<u>ASSETS</u>			
Cash	\$ 0	\$ 0	\$ 5,434,524
Equity in Pooled Cash and Investments	240,675	121,519	1,330,906
Accounts Receivable	0	241,491	280,828
Due from Other Governments	0	0	6,519,244
Property Taxes Receivable	0	0	16,794,553
Allowance for Uncollectible Property Taxes	0	0	(229,440)
	<hr/>		
Total Assets	\$ 240,675	\$ 363,010	\$ 30,130,615
<u>LIABILITIES</u>			
Accounts Payable	\$ 0	\$ 0	\$ 533
Payroll Deductions Payable	0	0	393,362
Due to Other Taxing Units	0	0	23,145,581
Due to Litigants, Heirs, and Others	240,675	0	5,719,828
Due to Joint Ventures	0	363,010	871,311
	<hr/>		
Total Liabilities	\$ 240,675	\$ 363,010	\$ 30,130,615

Exhibit I-2

Blount 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	\$ 23,214,406	\$ 23,214,406	\$ 0
Due from Other Governments	3,942,735	4,150,666	3,942,735	4,150,666
Total Assets	\$ 3,942,735	\$ 27,365,072	\$ 27,157,141	\$ 4,150,666
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 3,942,735	\$ 27,365,072	\$ 27,157,141	\$ 4,150,666
Total Liabilities	\$ 3,942,735	\$ 27,365,072	\$ 27,157,141	\$ 4,150,666
 <u>City School ADA - Alcoa Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 4,353	\$ 8,071,998	\$ 8,070,358	\$ 5,993
Accounts Receivable	17,451	17,097	17,451	17,097
Due from Other Governments	639,299	675,084	639,299	675,084
Taxes Receivable	4,482,336	4,606,323	4,482,336	4,606,323
Allowance for Uncollectible Taxes	(59,308)	(62,930)	(59,308)	(62,930)
Total Assets	\$ 5,084,131	\$ 13,307,572	\$ 13,150,136	\$ 5,241,567
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 5,084,131	\$ 13,307,572	\$ 13,150,136	\$ 5,241,567
Total Liabilities	\$ 5,084,131	\$ 13,307,572	\$ 13,150,136	\$ 5,241,567
 <u>City School ADA - Maryville Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 11,517	\$ 20,964,294	\$ 20,959,912	\$ 15,899
Accounts Receivable	22,375	22,235	22,375	22,235
Due from Other Governments	1,542,720	1,693,494	1,542,720	1,693,494
Taxes Receivable	11,860,161	12,188,230	11,860,161	12,188,230
Allowance for Uncollectible Taxes	(156,928)	(166,510)	(156,928)	(166,510)
Total Assets	\$ 13,279,845	\$ 34,701,743	\$ 34,228,240	\$ 13,753,348
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 13,279,845	\$ 34,701,743	\$ 34,228,240	\$ 13,753,348
Total Liabilities	\$ 13,279,845	\$ 34,701,743	\$ 34,228,240	\$ 13,753,348

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 5,949,628	\$ 32,249,408	\$ 32,764,512	\$ 5,434,524
Total Assets	\$ 5,949,628	\$ 32,249,408	\$ 32,764,512	\$ 5,434,524
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 5,949,628	\$ 32,249,408	\$ 32,764,512	\$ 5,434,524
Total Liabilities	\$ 5,949,628	\$ 32,249,408	\$ 32,764,512	\$ 5,434,524
<u>Other Agency Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 345,543	\$ 278,136	\$ 230,317	\$ 393,362
Total Assets	\$ 345,543	\$ 278,136	\$ 230,317	\$ 393,362
<u>Liabilities</u>				
Payroll Deductions Payable	\$ 345,543	\$ 278,136	\$ 230,317	\$ 393,362
Total Liabilities	\$ 345,543	\$ 278,136	\$ 230,317	\$ 393,362
<u>Judicial District Drug Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 502,741	\$ 293,271	\$ 242,554	\$ 553,458
Accounts Receivable	27,732	5	27,732	5
Total Assets	\$ 530,473	\$ 293,276	\$ 270,286	\$ 553,463
<u>Liabilities</u>				
Accounts Payable	\$ 41,211	\$ 533	\$ 41,211	\$ 533
Due to Litigants, Heirs, and Others	49,826	44,629	49,826	44,629
Due to Joint Venture	439,436	248,114	179,249	508,301
Total Liabilities	\$ 530,473	\$ 293,276	\$ 270,286	\$ 553,463

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 224,377	\$ 16,468	\$ 170	\$ 240,675
Total Assets	\$ 224,377	\$ 16,468	\$ 170	\$ 240,675
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 224,377	\$ 16,468	\$ 170	\$ 240,675
Total Liabilities	\$ 224,377	\$ 16,468	\$ 170	\$ 240,675
<u>Smokey Mountain Tourism Board Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 227,909	\$ 2,182,052	\$ 2,288,442	\$ 121,519
Accounts Receivable	243,340	241,491	243,340	241,491
Total Assets	\$ 471,249	\$ 2,423,543	\$ 2,531,782	\$ 363,010
<u>Liabilities</u>				
Due to Joint Ventures	\$ 471,249	\$ 2,423,543	\$ 2,531,782	\$ 363,010
Total Liabilities	\$ 471,249	\$ 2,423,543	\$ 2,531,782	\$ 363,010
<u>Hospital Debt Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 20,222,511	\$ 20,222,511	\$ 0
Total Assets	\$ 0	\$ 20,222,511	\$ 20,222,511	\$ 0
<u>Liabilities</u>				
Due to Component Units	\$ 0	\$ 20,222,511	\$ 20,222,511	\$ 0
Total Liabilities	\$ 0	\$ 20,222,511	\$ 20,222,511	\$ 0

(Continued)

Exhibit I-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 5,949,628	\$ 32,249,408	\$ 32,764,512	\$ 5,434,524
Equity in Pooled Cash and Investments	1,316,440	75,243,136	75,228,670	1,330,906
Accounts Receivable	310,898	280,828	310,898	280,828
Due from Other Governments	6,124,754	6,519,244	6,124,754	6,519,244
Property Taxes Receivable	16,342,497	16,794,553	16,342,497	16,794,553
Allowance for Uncollectible Property Taxes	(216,236)	(229,440)	(216,236)	(229,440)
Total Assets	<u>\$ 29,827,981</u>	<u>\$ 130,857,729</u>	<u>\$ 130,555,095</u>	<u>\$ 30,130,615</u>
<u>Liabilities</u>				
Accounts Payable	\$ 41,211	\$ 533	\$ 41,211	\$ 533
Payroll Deductions Payable	345,543	278,136	230,317	393,362
Due to Component Units	0	20,222,511	20,222,511	0
Due to Other Taxing Units	22,306,711	75,374,387	74,535,517	23,145,581
Due to Litigants, Heirs, and Others	6,223,831	32,310,505	32,814,508	5,719,828
Due to Joint Ventures	910,685	2,671,657	2,711,031	871,311
Total Liabilities	<u>\$ 29,827,981</u>	<u>\$ 130,857,729</u>	<u>\$ 130,555,095</u>	<u>\$ 30,130,615</u>

Blount County School Department

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

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

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

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

Extended School Program Fund – The Extended School Program Fund is used to account for transactions of the Blount County School Department’s extended care program.

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

Exhibit J-1

Blount County, Tennessee
Statement of Activities
Discretely Presented Blount County School Department
For the Year Ended June 30, 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	\$ 60,147,474	\$ 46,000	\$ 4,629,189	\$ 0	\$ (55,472,285)
Support Services	37,409,685	138,357	442,881	0	(36,828,447)
Operation of Non-instructional Services	7,380,465	2,425,211	3,944,120	0	(1,011,134)
Total Governmental Activities	\$ 104,937,624	\$ 2,609,568	\$ 9,016,190	\$ 0	\$ (93,311,866)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 22,493,280
Property Taxes Levied for Capital Purposes					5,558,284
Local Option Sales Taxes					16,997,262
Business Taxes					655,758
Other Local Taxes					194,080
Grants and Contributions Not Restricted for Specific Programs					52,121,958
Unrestricted Investment Income					277,321
Gain on Investments					8,950
Miscellaneous					6,249
Total General Revenues					\$ 98,313,142
Change in Net Position					\$ 5,001,276
Net Position, July 1, 2019					120,028,742
Net Position, June 30, 2020					\$ 125,030,018

Exhibit J-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General Purpose School</u>	<u>Education Capital Projects</u>	<u>Funds Other Govern-mental Funds</u>	
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$ 12,025,856	\$ 3,268,601	\$ 1,160,199	\$ 16,454,656
Accounts Receivable	3,883	1,164	12,530	17,577
Due from Other Governments	3,320,017	69,788	759,401	4,149,206
Property Taxes Receivable	23,829,118	5,803,381	0	29,632,499
Allowance for Uncollectible Property Taxes	(325,543)	(79,283)	0	(404,826)
Restricted Assets	289,129	0	0	289,129
Total Assets	\$ 39,142,460	\$ 9,063,651	\$ 1,932,130	\$ 50,138,241
<u>LIABILITIES</u>				
Accounts Payable	\$ 222,182	\$ 0	\$ 144	\$ 222,326
Accrued Payroll	2,076,250	0	330,433	2,406,683
Payroll Deductions Payable	932,836	0	107,014	1,039,850
Contracts Payable	0	1,145,948	0	1,145,948
Due to Primary Government	761,221	0	61,185	822,406
Other Current Liabilities	348,238	0	0	348,238
Total Liabilities	\$ 4,340,727	\$ 1,145,948	\$ 498,776	\$ 5,985,451
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 23,105,391	\$ 5,627,124	\$ 0	\$ 28,732,515
Deferred Delinquent Property Taxes	284,213	69,435	0	353,648
Total Deferred Inflows of Resources	\$ 23,389,604	\$ 5,696,559	\$ 0	\$ 29,086,163

(Continued)

Exhibit J-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General Purpose School</u>	<u>Education Capital Projects</u>	<u>Funds Other Governmental Funds</u>	
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 0	\$ 0	\$ 599,636	\$ 599,636
Restricted for Capital Projects	0	2,221,144	0	2,221,144
Restricted for Hybrid Retirement Stabilization Funds	289,129	0	0	289,129
Committed:				
Committed for Education	0	0	833,718	833,718
Assigned:				
Assigned for Education	1,248,345	0	0	1,248,345
Assigned for Capital Outlay	729,752	0	0	729,752
Unassigned	9,144,903	0	0	9,144,903
Total Fund Balances	<u>\$ 11,412,129</u>	<u>\$ 2,221,144</u>	<u>\$ 1,433,354</u>	<u>\$ 15,066,627</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 39,142,460</u>	<u>\$ 9,063,651</u>	<u>\$ 1,932,130</u>	<u>\$ 50,138,241</u>

Blount County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
Discretely Presented Blount County School Department
June 30, 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)		\$ 15,066,627	
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$ 9,951,059		
Add: construction in progress	1,145,948		
Add: buildings and improvements net of accumulated depreciation	101,592,464		
Add: other capital assets net of accumulated depreciation	<u>1,806,451</u>	114,495,922	
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: loan payable to primary government	\$ (918,456)		
Less: other postemployment benefits liability	<u>(19,277,829)</u>	(20,196,285)	
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension expense and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$ 7,884,992		
Less: deferred inflows of resources related to pensions	(11,486,593)		
Add: deferred outflows of resources related to OPEB	5,124,176		
Less: deferred inflows of resources related to OPEB	<u>(150,238)</u>	1,372,337	
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$ 1,644,783		
Add: net pension asset - teacher retirement plan	333,506		
Add: net pension asset - teacher legacy pension plan	<u>11,959,480</u>	13,937,769	
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>353,648</u>
Net position of governmental activities (Exhibit A)			<u>\$ 125,030,018</u>

Exhibit J-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 40,353,597	\$ 5,664,238	\$ 0	\$ 46,017,835
Licenses and Permits	4,967	0	0	4,967
Charges for Current Services	184,357	0	2,425,211	2,609,568
Other Local Revenues	330,270	50,758	19,328	400,356
State of Tennessee	50,505,644	8,186	482,627	50,996,457
Federal Government	251,297	0	9,629,916	9,881,213
Total Revenues	\$ 91,630,132	\$ 5,723,182	\$ 12,557,082	\$ 109,910,396
<u>Expenditures</u>				
Current:				
Instruction	\$ 57,338,452	\$ 0	\$ 3,973,211	\$ 61,311,663
Support Services	32,122,389	0	2,196,394	34,318,783
Operation of Non-Instructional Services	728,078	0	6,616,144	7,344,222
Capital Outlay	108,148	0	0	108,148
Debt Service:				
Other Debt Service	0	189,797	0	189,797
Capital Projects	0	4,569,198	0	4,569,198
Total Expenditures	\$ 90,297,067	\$ 4,758,995	\$ 12,785,749	\$ 107,841,811
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,333,065	\$ 964,187	\$ (228,667)	\$ 2,068,585
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 189,797	\$ 0	\$ 189,797
Transfers Out	(189,797)	0	0	(189,797)
Total Other Financing Sources (Uses)	\$ (189,797)	\$ 189,797	\$ 0	\$ 0

(Continued)

Exhibit J-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Governmental Funds	
Net Change in Fund Balances	\$ 1,143,268	\$ 1,153,984	\$ (228,667)	\$ 2,068,585
Fund Balance, July 1, 2019	10,268,861	1,067,160	1,662,021	12,998,042
Fund Balance, June 30, 2020	\$ 11,412,129	\$ 2,221,144	\$ 1,433,354	\$ 15,066,627

Blount County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
Discretely Presented Blount County School Department
For the Year Ended June 30, 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)		\$ 2,068,585
(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	\$ 4,683,146	
Less: current-year depreciation expense	<u>(3,829,626)</u>	853,520
(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	\$ 353,648	
Less: deferred delinquent property taxes and other deferred June 30, 2019	<u>(325,144)</u>	28,504
(3) The issuance of long-term debt (e.g., notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: change in loan payable to the primary government		177,739
(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 net pension asset/liability	\$ 8,412,407	
Change in deferred outflows related to pensions	(1,192,237)	
Change in deferred inflows related to pensions	(4,648,681)	
Change in OPEB liability	(1,080,119)	
Change in deferred outflows related to OPEB	341,352	
Change in deferred inflows related to OPEB	<u>40,206</u>	<u>1,872,928</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 5,001,276</u>

Exhibit J-6

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

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$ 255,440	\$ 432,153	\$ 472,606	\$ 1,160,199
Accounts Receivable	0	166	12,364	12,530
Due from Other Governments	341,096	254,594	163,711	759,401
Total Assets	<u>\$ 596,536</u>	<u>\$ 686,913</u>	<u>\$ 648,681</u>	<u>\$ 1,932,130</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 144	\$ 0	\$ 144
Accrued Payroll	233,682	56,893	39,858	330,433
Payroll Deductions Payable	73,205	20,906	12,903	107,014
Due to Primary Government	35,103	13,880	12,202	61,185
Total Liabilities	<u>\$ 341,990</u>	<u>\$ 91,823</u>	<u>\$ 64,963</u>	<u>\$ 498,776</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 4,546	\$ 595,090	\$ 0	\$ 599,636
Committed:				
Committed for Education	250,000	0	583,718	833,718
Total Fund Balances	<u>\$ 254,546</u>	<u>\$ 595,090</u>	<u>\$ 583,718</u>	<u>\$ 1,433,354</u>
Total Liabilities and Fund Balances	<u>\$ 596,536</u>	<u>\$ 686,913</u>	<u>\$ 648,681</u>	<u>\$ 1,932,130</u>

Exhibit J-7

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

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 1,300,133	\$ 1,125,078	\$ 2,425,211
Other Local Revenues	0	10,489	8,839	19,328
State of Tennessee	0	49,488	433,139	482,627
Federal Government	6,168,423	3,461,493	0	9,629,916
Total Revenues	<u>\$ 6,168,423</u>	<u>\$ 4,821,603</u>	<u>\$ 1,567,056</u>	<u>\$ 12,557,082</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 3,973,211	\$ 0	\$ 0	\$ 3,973,211
Support Services	2,196,394	0	0	2,196,394
Operation of Non-Instructional Services	0	5,099,758	1,516,386	6,616,144
Total Expenditures	<u>\$ 6,169,605</u>	<u>\$ 5,099,758</u>	<u>\$ 1,516,386</u>	<u>\$ 12,785,749</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,182)</u>	<u>\$ (278,155)</u>	<u>\$ 50,670</u>	<u>\$ (228,667)</u>
Net Change in Fund Balances	\$ (1,182)	\$ (278,155)	\$ 50,670	\$ (228,667)
Fund Balance, July 1, 2019	<u>255,728</u>	<u>873,245</u>	<u>533,048</u>	<u>1,662,021</u>
Fund Balance, June 30, 2020	<u>\$ 254,546</u>	<u>\$ 595,090</u>	<u>\$ 583,718</u>	<u>\$ 1,433,354</u>

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 40,353,597	\$ 0	\$ 0	\$ 40,353,597	\$ 40,621,004	\$ 40,576,004	\$ (222,407)
Licenses and Permits	4,967	0	0	4,967	5,500	5,500	(533)
Charges for Current Services	184,357	0	0	184,357	187,000	187,000	(2,643)
Other Local Revenues	330,270	0	0	330,270	590,400	590,400	(260,130)
State of Tennessee	50,505,644	0	0	50,505,644	51,735,000	50,612,619	(106,975)
Federal Government	251,297	0	0	251,297	375,800	375,800	(124,503)
Other Governments and Citizens Groups	0	0	0	0	1,564,096	0	0
Total Revenues	\$ 91,630,132	\$ 0	\$ 0	\$ 91,630,132	\$ 95,078,800	\$ 92,347,323	\$ (717,191)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 44,479,240	\$ (853)	\$ 520,241	\$ 44,998,628	\$ 46,473,052	\$ 45,712,552	\$ 713,924
Special Education Program	8,023,408	(82)	1,251	8,024,577	8,161,800	8,100,800	76,223
Career and Technical Education Program	3,757,173	0	313	3,757,486	3,961,400	3,955,400	197,914
Other	1,078,631	0	0	1,078,631	1,370,000	1,370,000	291,369
<u>Support Services</u>							
Attendance	136,613	0	0	136,613	152,400	152,400	15,787
Health Services	883,666	0	3,559	887,225	967,900	967,900	80,675
Other Student Support	1,878,417	(340)	0	1,878,077	2,027,900	1,958,900	80,823
Regular Instruction Program	2,056,455	(612)	0	2,055,843	2,146,500	2,161,434	105,591
Special Education Program	824,786	(121)	9,498	834,163	977,600	890,600	56,437
Career and Technical Education Program	113,070	0	0	113,070	124,700	143,200	30,130
Technology	2,098,313	(377,740)	429,885	2,150,458	2,499,300	2,393,306	242,848
Board of Education	1,819,928	0	2,091	1,822,019	1,962,100	1,947,030	125,011
Director of Schools	879,928	(358)	4,270	883,840	968,750	968,458	84,618
Office of the Principal	6,700,211	(13,497)	16,665	6,703,379	6,936,700	6,880,699	177,320
Fiscal Services	209,755	0	0	209,755	219,400	219,400	9,645
Operation of Plant	7,173,905	(36,091)	95,059	7,232,873	7,991,900	7,818,901	586,028
Maintenance of Plant	2,343,630	(51,261)	165,513	2,457,882	2,165,500	2,609,726	151,844

(Continued)

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Transportation	\$ 5,003,712	\$ (825)	\$ 0	\$ 5,002,887	\$ 5,019,300	\$ 5,025,300	\$ 22,413
<u>Operation of Non-Instructional Services</u>							
Early Childhood Education	728,078	(1,334)	0	726,744	762,800	757,800	31,056
<u>Capital Outlay</u>							
Regular Capital Outlay	108,148	(80,367)	729,752	757,533	0	1,334,000	576,467
Total Expenditures	\$ 90,297,067	\$ (563,481)	\$ 1,978,097	\$ 91,711,683	\$ 94,889,002	\$ 95,367,806	\$ 3,656,123
Excess (Deficiency) of Revenues Over Expenditures							
	\$ 1,333,065	\$ 563,481	\$ (1,978,097)	\$ (81,551)	\$ 189,798	\$ (3,020,483)	\$ 2,938,932
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (189,797)	\$ 0	\$ 0	\$ (189,797)	\$ (189,798)	\$ (189,798)	\$ 1
Total Other Financing Sources	\$ (189,797)	\$ 0	\$ 0	\$ (189,797)	\$ (189,798)	\$ (189,798)	\$ 1
Net Change in Fund Balance							
Fund Balance, July 1, 2019	\$ 1,143,268	\$ 563,481	\$ (1,978,097)	\$ (271,348)	\$ 0	\$ (3,210,281)	\$ 2,938,933
	10,268,861	(563,481)	0	9,705,380	10,268,861	10,268,861	(563,481)
Fund Balance, June 30, 2020	\$ 11,412,129	\$ 0	\$ (1,978,097)	\$ 9,434,032	\$ 10,268,861	\$ 7,058,580	\$ 2,375,452

Exhibit J-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 6,168,423	\$ 0	\$ 0	\$ 6,168,423	\$ 6,834,081	\$ 6,735,099	\$ (566,676)
Total Revenues	\$ 6,168,423	\$ 0	\$ 0	\$ 6,168,423	\$ 6,834,081	\$ 6,735,099	\$ (566,676)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 2,003,076	\$ 0	\$ 1,092	\$ 2,004,168	\$ 2,012,279	\$ 2,179,473	\$ 175,305
Special Education Program	1,629,613	0	4,784	1,634,397	2,283,678	1,681,442	47,045
Career and Technical Education Program	340,522	0	520	341,042	298,000	367,326	26,284
<u>Support Services</u>							
Other Student Support	43,665	0	0	43,665	366,000	60,104	16,439
Regular Instruction Program	1,027,676	(1,772)	9,257	1,035,161	776,824	1,301,795	266,634
Special Education Program	670,412	0	0	670,412	729,300	670,057	(355)
Career and Technical Education Program	3,058	0	0	3,058	3,000	2,302	(756)
Transportation	451,583	0	0	451,583	365,000	472,600	21,017
Total Expenditures	\$ 6,169,605	\$ (1,772)	\$ 15,653	\$ 6,183,486	\$ 6,834,081	\$ 6,735,099	\$ 551,613
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,182)	\$ 1,772	\$ (15,653)	\$ (15,063)	\$ 0	\$ 0	\$ (15,063)
Net Change in Fund Balance	\$ (1,182)	\$ 1,772	\$ (15,653)	\$ (15,063)	\$ 0	\$ 0	\$ (15,063)
Fund Balance, July 1, 2019	255,728	(1,772)	0	253,956	250,000	250,000	3,956
Fund Balance, June 30, 2020	\$ 254,546	\$ 0	\$ (15,653)	\$ 238,893	\$ 250,000	\$ 250,000	\$ (11,107)

Exhibit J-10

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 1,300,133	\$ 0	\$ 0	\$ 1,300,133	\$ 1,750,000	\$ 1,186,554	\$ 113,579
Other Local Revenues	10,489	0	0	10,489	32,000	32,000	(21,511)
State of Tennessee	49,488	0	0	49,488	47,000	47,000	2,488
Federal Government	3,461,493	0	0	3,461,493	3,930,000	4,493,446	(1,031,953)
Other Governments and Citizens Groups	0	0	0	0	321,000	0	0
Total Revenues	\$ 4,821,603	\$ 0	\$ 0	\$ 4,821,603	\$ 6,080,000	\$ 5,759,000	\$ (937,397)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 5,099,758	\$ (55,004)	\$ 79,435	\$ 5,124,189	\$ 6,080,000	\$ 6,080,000	\$ 955,811
Total Expenditures	\$ 5,099,758	\$ (55,004)	\$ 79,435	\$ 5,124,189	\$ 6,080,000	\$ 6,080,000	\$ 955,811
Excess (Deficiency) of Revenues Over Expenditures	\$ (278,155)	\$ 55,004	\$ (79,435)	\$ (302,586)	\$ 0	\$ (321,000)	\$ 18,414
Net Change in Fund Balance	\$ (278,155)	\$ 55,004	\$ (79,435)	\$ (302,586)	\$ 0	\$ (321,000)	\$ 18,414
Fund Balance, July 1, 2019	873,245	(55,004)	0	818,241	873,245	873,245	(55,004)
Fund Balance, June 30, 2020	\$ 595,090	\$ 0	\$ (79,435)	\$ 515,655	\$ 873,245	\$ 552,245	\$ (36,590)

Exhibit J-11

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Blount County School Department
Extended School Program Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive - (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 1,125,078	\$ 0	\$ 0	\$ 1,125,078	\$ 1,446,000	\$ 1,446,000	\$ (320,922)
Other Local Revenues	8,839	0	0	8,839	20,000	20,000	(11,161)
State of Tennessee	433,139	0	0	433,139	140,000	140,000	293,139
Other Governments and Citizens Groups	0	0	0	0	154,000	0	0
Total Revenues	\$ 1,567,056	\$ 0	\$ 0	\$ 1,567,056	\$ 1,760,000	\$ 1,606,000	\$ (38,944)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Community Services	\$ 1,516,386	\$ (8,849)	\$ 5,558	\$ 1,513,095	\$ 1,760,000	\$ 1,760,000	\$ 246,905
Total Expenditures	\$ 1,516,386	\$ (8,849)	\$ 5,558	\$ 1,513,095	\$ 1,760,000	\$ 1,760,000	\$ 246,905
Excess (Deficiency) of Revenues Over Expenditures	\$ 50,670	\$ 8,849	\$ (5,558)	\$ 53,961	\$ 0	\$ (154,000)	\$ 207,961
Net Change in Fund Balance	\$ 50,670	\$ 8,849	\$ (5,558)	\$ 53,961	\$ 0	\$ (154,000)	\$ 207,961
Fund Balance, July 1, 2019	533,048	(8,849)	0	524,199	533,048	533,048	(8,849)
Fund Balance, June 30, 2020	\$ 583,718	\$ 0	\$ (5,558)	\$ 578,160	\$ 533,048	\$ 379,048	\$ 199,112

Exhibit J-12

Blount County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Blount County School Department
Education Capital Projects Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 5,664,238	\$ 0	\$ 0	\$ 5,664,238	\$ 5,251,940	\$ 5,444,940	\$ 219,298
Other Local Revenues	50,758	0	0	50,758	24,000	24,000	26,758
State of Tennessee	8,186	0	0	8,186	0	0	8,186
Total Revenues	<u>\$ 5,723,182</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,723,182</u>	<u>\$ 5,275,940</u>	<u>\$ 5,468,940</u>	<u>\$ 254,242</u>
<u>Expenditures</u>							
<u>Other Debt Service</u>							
Education	\$ 189,797	\$ 0	\$ 0	\$ 189,797	\$ 189,800	\$ 189,800	\$ 3
<u>Capital Projects</u>							
Education Capital Projects	4,569,198	(624,799)	1,753,442	5,697,841	5,275,940	5,910,940	213,099
Total Expenditures	<u>\$ 4,758,995</u>	<u>\$ (624,799)</u>	<u>\$ 1,753,442</u>	<u>\$ 5,887,638</u>	<u>\$ 5,465,740</u>	<u>\$ 6,100,740</u>	<u>\$ 213,102</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 964,187</u>	<u>\$ 624,799</u>	<u>\$ (1,753,442)</u>	<u>\$ (164,456)</u>	<u>\$ (189,800)</u>	<u>\$ (631,800)</u>	<u>\$ 467,344</u>
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 189,797	\$ 0	\$ 0	\$ 189,797	\$ 189,800	\$ 189,800	\$ (3)
Total Other Financing Sources	<u>\$ 189,797</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 189,797</u>	<u>\$ 189,800</u>	<u>\$ 189,800</u>	<u>\$ (3)</u>
Net Change in Fund Balance	\$ 1,153,984	\$ 624,799	\$ (1,753,442)	\$ 25,341	\$ 0	\$ (442,000)	\$ 467,341
Fund Balance, July 1, 2019	1,067,160	(624,799)	0	442,361	1,067,160	1,067,160	(624,799)
Fund Balance, June 30, 2020	<u>\$ 2,221,144</u>	<u>\$ 0</u>	<u>\$ (1,753,442)</u>	<u>\$ 467,702</u>	<u>\$ 1,067,160</u>	<u>\$ 625,160</u>	<u>\$ (157,458)</u>

MISCELLANEOUS SCHEDULES

Exhibit K-1

Blount County, Tennessee
Schedule of Changes in Other Loans, Capital Leases and Bonds
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
<u>OTHER LOANS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
<u>Tennessee State School Bond Authority Loan Agreement</u>							
Qualified Zone Academy Bonds - School Building: Renovation, Repairs, and Equipping	\$ 727,865	0%	11-24-04	11-24-20	\$ 81,492	\$ 40,746	\$ 40,746
Total Other Loans Payable					\$ 81,492	\$ 40,746	\$ 40,746
<u>CAPITAL LEASES PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
Motorola Radio System	3,007,000	3.97	9-1-10	9-1-20	\$ 698,500	\$ 342,452	\$ 356,048
Total Capital Leases Payable					\$ 698,500	\$ 342,452	\$ 356,048
<u>BONDS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
Qualified School Construction Bond, Series 2010	14,855,000	2.6	10-7-10	9-14-27	\$ 7,516,814	\$ 849,685	\$ 6,667,129
General Obligation Refunding, Series 2011	46,390,000	4.5	5-5-11	6-1-30	12,725,000	6,240,000	6,485,000
General Obligation Refunding, Series 2015 A	7,120,000	.55 to 2.15	3-5-15	6-1-31	2,455,000	1,215,000	1,240,000
General Obligation Refunding, Series 2015 B	19,785,000	2 to 4	3-5-15	6-1-31	18,735,000	305,000	18,430,000
General Obligation Refunding, Series 2016 A	8,920,000	.97 to 3.6	12-1-16	6-30-37	7,550,000	505,000	7,045,000
General Obligation Refunding, Series 2016 B	117,010,000	2 to 5	12-1-16	6-30-37	108,775,000	115,000	108,660,000
Total Bonds Payable					\$ 157,756,814	\$ 9,229,685	\$ 148,527,129

Exhibit K-2

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

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 9,601,929	\$ 7,198,477	\$ 16,800,406
2022	9,846,929	6,826,194	16,673,123
2023	10,231,929	6,437,479	16,669,408
2024	10,056,929	6,030,097	16,087,026
2025	10,456,929	5,599,032	16,055,961
2026	10,856,929	5,148,238	16,005,167
2027	11,323,173	4,695,905	16,019,078
2028	12,262,382	3,576,782	15,839,164
2029	12,600,000	2,942,502	15,542,502
2030	5,590,000	2,359,165	7,949,165
2031	2,490,000	2,127,520	4,617,520
2032	6,200,000	2,051,937	8,251,937
2033	6,665,000	1,749,033	8,414,033
2034	7,030,000	1,422,902	8,452,902
2035	7,345,000	1,144,233	8,489,233
2036	7,770,000	784,182	8,554,182
2037	8,200,000	402,860	8,602,860
Total	\$ 148,527,129	\$ 60,496,538	\$ 209,023,667

Year Ending June 30	Capital Lease		
	Principal	Interest	Total
2021	\$ 356,048	\$ 14,135	\$ 370,183
Total	\$ 356,048	\$ 14,135	\$ 370,183

Exhibit K-3

Blount County, Tennessee
Schedule of Notes Receivable
June 30, 2020

Description	Debtor	Original Amount of Note	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-20
<u>General Debt Service Fund</u>						
Motorola Radio System	The City of Maryville, Tennessee	\$ 918,996	9-1-10	9-1-20	0%	\$ 108,808
"	The City of Alcoa, Tennessee	751,735	9-1-10	9-1-20	0	<u>89,012</u>
Total Notes Receivable						<u>\$ 197,820</u>

Exhibit K-4

Blount County, Tennessee
Schedule of Transfers - Primary Government and
Discretely Presented Blount 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>			
General	Public Library	Operations	\$ 1,320,589
"	General Debt Service	Debt service	841,105
"	Other Capital Projects	Capital Projects	2,495,634
Highway/Public Works	Highway Capital Projects	Capital Projects	160,000
Self-Insurance	General	Payroll	<u>256,780</u>
Total Transfers Primary Government			<u>\$ 5,074,108</u>
<u>DISCRETELY PRESENTED BLOUNT</u> <u>BLOUNT COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School Fund	Education Capital Projects	Debt Service Contribution	<u>\$ 189,797</u>
Total Transfers Discretely Presented Blount County School Department			<u>\$ 189,797</u>

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 142,195	\$ 100,000	Cincinnati Insurance Company
Highway Superintendent	Section 8-24-102, <i>TCA</i>	112,853	100,000	"
Director of Schools	Board of Education	143,622 (1)	100,000	"
Trustee	Section 8-24-102, <i>TCA</i>	93,267	4,781,559	"
Assessor of Property	Section 8-24-102, <i>TCA</i>	93,267	50,000	"
Director of Accounts and Budgets	County Commission	106,723 (2)	100,000	"
County Clerk	Section 8-24-102, <i>TCA</i>	93,267	100,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	102,594 (5)	100,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i> and Chancery Court Judge	93,267 (4)	105,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	93,267	100,000	"
Sheriff	Section 8-24-102, <i>TCA</i> , and County Commission	135,423 (3)	100,000	"
Purchasing Agent	County Commission	69,647	100,000	"
Employee Blanket Bonds - All County Employees:				
Public Employee Dishonesty			500,000	Travelers Casualty and Surety Company
Forgery or Alteration			500,000	"
Money and Securities - On Premises			500,000	"
Money and Securities - Messenger			500,000	"
Computer Fraud			500,000	"

- (1) Includes a chief executive officer training supplement of \$1,000.
- (2) Includes \$10,373 for serving as assistant county mayor.
- (3) Includes \$11,285 for serving as director of the juvenile detention center and \$11,285 for serving as superintendent of the workhouse.
- (4) Does not include \$9,555 in special commissioner fees.
- (5) Includes an additional amount of \$9,327. The county commission has approved for the clerk to be paid an additional 10 percent for serving more than one court.

Exhibit K-6

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 34,594,415	\$ 0	\$ 0	\$ 0	\$ 0	0
Discount on Property Taxes	(540,035)	0	0	0	0	0
Trustee's Collections - Prior Year	426,457	0	0	0	0	0
Trustee's Collections - Bankruptcy	161,614	0	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	250,606	0	0	0	0	0
Interest and Penalty	95,626	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	2,531,743	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	935,166	0	0	0	0	0
Litigation Tax - General	328,406	0	0	0	0	0
Litigation Tax - Special Purpose	0	25,231	9,177	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	186,513	0	0	0	0
Litigation Tax - Courthouse Security	143,115	0	0	0	0	0
Business Tax	812,746	0	0	0	0	0
Mixed Drink Tax	185,085	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	367,209	0	0	0	0	0
Wholesale Beer Tax	309,035	0	0	0	0	0
Total Local Taxes	\$ 40,601,188	\$ 211,744	\$ 9,177	\$ 0	\$ 0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 597,282	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Permits</u>						
Building Permits	638,988	0	0	0	0	0
Other Permits	6,260	0	0	0	0	0
Total Licenses and Permits	\$ 1,242,530	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Officers Costs	\$ 1,046	\$ 0	\$ 0	\$ 0	\$ 0	0
Drug Control Fines	0	0	0	0	1,221	0
Drug Court Fees	21,587	0	0	0	0	0
DUI Treatment Fines	958	0	0	0	0	0
Data Entry Fee - Circuit Court	106,402	0	0	0	0	0
<u>Criminal Court</u>						
Fines	2,899	0	0	0	0	0
Officers Costs	134,729	0	0	0	0	0
Data Entry Fee - Criminal Court	5,981	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	43,339	0	0	0	0	0
Officers Costs	569,513	0	0	0	0	0
Game and Fish Fines	40	0	0	0	0	0
Drug Control Fines	0	0	0	0	11,708	0
Veterans Treatment Court Fees	3,308	0	0	0	0	0
Jail Fees	26,081	0	0	0	0	0
District Attorney General Fees	41,297	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	Constitu - tional Officers - Fees
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
DUI Treatment Fines	\$ 9,805	\$ 0	\$ 0	\$ 0	\$ 0	0
Courtroom Security Fee	16,571	0	0	0	0	0
Victims Assistance Assessments	32,468	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	6,124	0	0	0	0	0
Officers Costs	15,787	0	0	0	0	0
Drug Court Fees	28	0	0	0	0	0
Courtroom Security Fee	3,294	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	16,255	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	7,298	0
Other Fines, Forfeitures, and Penalties	44,750	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 1,102,262	\$ 0	\$ 0	\$ 0	\$ 20,227	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other General Service Charges	\$ 207,878	\$ 0	\$ 0	\$ 0	\$ 0	0
Service Charges	4,261	0	0	0	0	0
<u>Fees</u>						
Copy Fees	8,554	0	0	13,887	0	0
Library Fees	0	0	0	40,278	0	0
Telephone Commissions	228,493	0	0	0	228,493	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	9,555
Data Processing Fee - Register	50,418	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Probation Fees	\$ 393,625	\$ 0	\$ 0	\$ 0	\$ 0	0
Sexual Offender Registration Fee - Sheriff	18,600	0	0	0	0	0
Data Processing Fee - County Clerk	17,559	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	3,970	0	0	0	0	0
<u>Education Charges</u>						
Other Charges for Services	4,393	0	0	0	0	0
Total Charges for Current Services	<u>\$ 937,751</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 54,165</u>	<u>\$ 228,493</u>	<u>\$ 9,555</u>
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 568,198	\$ 0	\$ 0	\$ 14,315	\$ 32,185	0
Lease/Rentals	5,995	0	0	0	0	0
Sale of Materials and Supplies	609	0	0	0	0	0
Sale of Maps	18	0	0	0	0	0
Sale of Recycled Materials	0	0	0	0	0	0
Miscellaneous Refunds	15,939	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	1,519	0	0	0	0	0
Sale of Property	24,200	0	0	0	0	0
Damages Recovered from Individuals	2,620	0	0	0	0	0
Contributions and Gifts	623	0	0	25	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	223,914	0	0	101,377	0	0
Total Other Local Revenues	<u>\$ 843,635</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 115,717</u>	<u>\$ 32,185</u>	<u>0</u>

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 1,472,640	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	459,218	0	0	0	0	0
General Sessions Court Clerk	1,577,858	0	0	0	0	0
Clerk and Master	408,791	0	0	0	0	0
Juvenile Court Clerk	266,649	0	0	0	0	0
Register	890,603	0	0	0	0	0
Sheriff	114,292	0	0	0	0	0
Trustee	2,913,734	0	0	0	0	0
Total Fees Received From County Officials	\$ 8,103,785	\$ 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
Other General Government Grants	0	0	0	9,429	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	608,232	0	0	0	0	0
<u>Public Works Grants</u>						
Litter Program	91,218	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	1,584,609	0	0	0	0	0
Beer Tax	18,175	0	0	0	0	0
Vehicle Certificate of Title Fees	108,586	0	0	0	0	0
Alcoholic Beverage Tax	230,927	0	0	0	0	0
State Revenue Sharing - Telecommunications	58,368	0	0	0	0	0
Contracted Prisoner Boarding	2,035,293	0	0	0	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Gasoline and Motor Fuel Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	269,865	0	0	0	0	0
Other State Revenues	322,516	0	0	0	0	0
Total State of Tennessee	\$ 5,351,953	\$ 0	\$ 0	\$ 9,429	\$ 0	0
<u>Federal Government</u>						
<u>Federal Through State</u>						
COVID-19 Grant D	\$ 25,807	\$ 0	\$ 0	\$ 0	\$ 0	0
COVID-19 Grant E	2,128	0	0	0	0	0
Other Federal through State	900,738	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	0	0	0	0	59,424	0
Tax Credit Bond Rebate	676,600	0	0	0	0	0
COVID-19 Grant #6	49,556	0	0	0	0	0
Other Direct Federal Revenue	3,171,165	0	0	0	0	0
Total Federal Government	\$ 4,825,994	\$ 0	\$ 0	\$ 0	\$ 59,424	0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 75,213	\$ 0	\$ 0	\$ 0	\$ 0	0
Paving and Maintenance	0	0	0	0	0	0
Contributions	0	0	0	0	0	0
Contracted Services	101,994	0	0	1,141,144	0	0

(Continued)

Exhibit K-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Law Library	Public Library	Drug Control	
<u>Other Governments and Citizens Groups (Cont.)</u>						
<u>Citizens Groups</u>						
Donations	\$ 183,973	\$ 0	\$ 0	\$ 1,225	\$ 0	0
<u>Other</u>						
Other	91,650	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 452,830</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,142,369</u>	<u>\$ 0</u>	<u>0</u>
Total	<u>\$ 63,461,928</u>	<u>\$ 211,744</u>	<u>\$ 9,177</u>	<u>\$ 1,321,680</u>	<u>\$ 340,329</u>	<u>9,555</u>

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 0	\$ 17,297,317	\$ 0	\$ 1,179,252	\$ 0	\$ 53,070,984
Discount on Property Taxes	0	(269,981)	0	(18,416)	0	(828,432)
Trustee's Collections - Prior Year	0	232,616	0	0	0	659,073
Trustee's Collections - Bankruptcy	0	81,124	0	5,272	0	248,010
Circuit Clerk/Clerk and Master Collections - Prior Years	0	125,303	0	8,544	0	384,453
Interest and Penalty	0	51,181	0	738	0	147,545
Payments in-Lieu-of Taxes - Local Utilities	141,705	70,852	0	4,831	0	217,388
Payments in-Lieu-of Taxes - Other	0	12,794	0	872	0	2,545,409
<u>County Local Option Taxes</u>						
Local Option Sales Tax	4,016,192	1,059,154	750,000	0	0	5,825,346
Hotel/Motel Tax	0	0	0	0	0	935,166
Litigation Tax - General	0	0	0	0	0	328,406
Litigation Tax - Special Purpose	0	0	0	0	0	34,408
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	186,513
Litigation Tax - Courthouse Security	0	0	0	0	0	143,115
Business Tax	0	406,372	0	27,706	0	1,246,824
Mixed Drink Tax	0	0	0	0	0	185,085
Mineral Severance Tax	108,997	0	0	0	0	108,997
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	367,209
Wholesale Beer Tax	0	0	0	0	0	309,035
Total Local Taxes	\$ 4,266,894	\$ 19,066,732	\$ 750,000	\$ 1,208,799	\$ 0	\$ 66,114,534

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 240,000	\$ 0	\$ 0	\$ 0	\$ 0	837,282
<u>Permits</u>						
Building Permits	0	0	0	0	0	638,988
Other Permits	155,920	0	0	0	0	162,180
Total Licenses and Permits	<u>\$ 395,920</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>1,638,450</u>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Officers Costs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,046
Drug Control Fines	0	0	0	0	0	1,221
Drug Court Fees	0	0	0	0	0	21,587
DUI Treatment Fines	0	0	0	0	0	958
Data Entry Fee - Circuit Court	0	0	0	0	0	106,402
<u>Criminal Court</u>						
Fines	0	0	0	0	0	2,899
Officers Costs	0	0	0	0	0	134,729
Data Entry Fee - Criminal Court	0	0	0	0	0	5,981
<u>General Sessions Court</u>						
Fines	0	0	0	0	0	43,339
Officers Costs	0	0	0	0	0	569,513
Game and Fish Fines	0	0	0	0	0	40
Drug Control Fines	0	0	0	0	0	11,708
Veterans Treatment Court Fees	0	0	0	0	0	3,308
Jail Fees	0	0	0	0	0	26,081
District Attorney General Fees	0	0	0	0	0	41,297

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
DUI Treatment Fines	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	9,805
Courtroom Security Fee	0	0	0	0	0	16,571
Victims Assistance Assessments	0	0	0	0	0	32,468
<u>Juvenile Court</u>						
Fines	0	0	0	0	0	6,124
Officers Costs	0	0	0	0	0	15,787
Drug Court Fees	0	0	0	0	0	28
Courtroom Security Fee	0	0	0	0	0	3,294
<u>Chancery Court</u>						
Officers Costs	0	0	0	0	0	16,255
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	7,298
Other Fines, Forfeitures, and Penalties	0	0	0	0	0	44,750
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,122,489
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other General Service Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	207,878
Service Charges	0	0	0	0	0	4,261
<u>Fees</u>						
Copy Fees	0	0	0	0	0	22,441
Library Fees	0	0	0	0	0	40,278
Telephone Commissions	0	0	0	0	0	456,986
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	9,555
Data Processing Fee - Register	0	0	0	0	0	50,418

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Probation Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 393,625
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	18,600
Data Processing Fee - County Clerk	0	0	0	0	0	17,559
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	0	3,970
<u>Education Charges</u>						
Other Charges for Services	0	0	0	0	0	4,393
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,229,964
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 61,696	\$ 524,906	\$ 0	\$ 12,189	\$ 8,493	\$ 1,221,982
Lease/Rentals	0	43,000	0	0	0	48,995
Sale of Materials and Supplies	328	0	0	0	0	937
Sale of Maps	0	0	0	0	0	18
Sale of Recycled Materials	2,767	0	0	0	0	2,767
Miscellaneous Refunds	0	0	0	0	0	15,939
<u>Nonrecurring Items</u>						
Sale of Equipment	100	0	0	0	0	1,619
Sale of Property	37,703	0	0	0	0	61,903
Damages Recovered from Individuals	0	0	0	0	0	2,620
Contributions and Gifts	0	0	0	0	0	648
<u>Other Local Revenues</u>						
Other Local Revenues	71	0	0	0	0	325,362
Total Other Local Revenues	\$ 102,665	\$ 567,906	\$ 0	\$ 12,189	\$ 8,493	\$ 1,682,790

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	1,472,640
Circuit Court Clerk	0	0	0	0	0	459,218
General Sessions Court Clerk	0	0	0	0	0	1,577,858
Clerk and Master	0	0	0	0	0	408,791
Juvenile Court Clerk	0	0	0	0	0	266,649
Register	0	0	0	0	0	890,603
Sheriff	0	0	0	0	0	114,292
Trustee	0	0	0	0	0	2,913,734
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	8,103,785
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	9,000
Other General Government Grants	0	0	0	0	0	9,429
<u>Health and Welfare Grants</u>						
Health Department Programs	0	0	0	0	0	608,232
<u>Public Works Grants</u>						
Litter Program	0	0	0	0	0	91,218
<u>Other State Revenues</u>						
Income Tax	0	0	0	0	0	1,584,609
Beer Tax	0	0	0	0	0	18,175
Vehicle Certificate of Title Fees	0	0	0	0	0	108,586
Alcoholic Beverage Tax	0	0	0	0	0	230,927
State Revenue Sharing - Telecommunications	0	25,727	0	1,754	0	85,849
Contracted Prisoner Boarding	0	0	0	0	0	2,035,293

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Gasoline and Motor Fuel Tax	\$ 3,535,913	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,535,913
Petroleum Special Tax	88,757	0	0	0	0	88,757
Registrar's Salary Supplement	0	0	0	0	0	15,164
Other State Grants	0	0	0	19,000	0	288,865
Other State Revenues	0	0	0	0	0	322,516
Total State of Tennessee	\$ 3,624,670	\$ 25,727	\$ 0	\$ 20,754	\$ 0	\$ 9,032,533
<u>Federal Government</u>						
<u>Federal Through State</u>						
COVID-19 Grant D	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,807
COVID-19 Grant E	0	0	0	0	0	2,128
Other Federal through State	0	0	48,000	361,000	0	1,309,738
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	0	0	0	0	0	59,424
Tax Credit Bond Rebate	0	0	0	0	0	676,600
COVID-19 Grant #6	0	0	0	0	0	49,556
Other Direct Federal Revenue	0	0	0	0	0	3,171,165
Total Federal Government	\$ 0	\$ 0	\$ 48,000	\$ 361,000	\$ 0	\$ 5,294,418
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 75,213
Paving and Maintenance	8,154	0	0	0	0	8,154
Contributions	0	189,797	0	0	0	189,797
Contracted Services	0	205,677	0	0	0	1,448,815

(Continued)

Exhibit K-6

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Permanent Fund	Total
	Highway / Public Works	General Debt Service	Highway Capital Projects	Other Capital Projects	Endowment	
<u>Other Governments and Citizens Groups (Cont.)</u>						
<u>Citizens Groups</u>						
Donations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	185,198
<u>Other</u>						
Other	0	0	0	0	0	91,650
Total Other Governments and Citizens Groups	<u>\$ 8,154</u>	<u>\$ 395,474</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>1,998,827</u>
Total	<u>\$ 8,398,303</u>	<u>\$ 20,055,839</u>	<u>\$ 798,000</u>	<u>\$ 1,602,742</u>	<u>\$ 8,493</u>	<u>\$ 96,217,790</u>

Exhibit K-7

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

	Special Revenue Funds				Capital Projects Fund	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 22,175,122	\$ 0	\$ 0	\$ 0	\$ 5,499,551	\$ 27,674,673
Discount on Property Taxes	(352,719)	0	0	0	(85,892)	(438,611)
Trustee's Collections - Prior Year	358,620	0	0	0	23,081	381,701
Trustee's Collections - Bankruptcy	105,149	0	0	0	24,921	130,070
Circuit Clerk/Clerk and Master Collections - Prior Years	162,230	0	0	0	39,869	202,099
Interest and Penalty	66,324	0	0	0	6,804	73,128
Payments in-Lieu-of Taxes - T.V.A.	13,279	0	0	0	0	13,279
Payments in-Lieu-of Taxes - Local Utilities	91,142	0	0	0	22,544	113,686
Payments in-Lieu-of Taxes - Other	16,639	0	0	0	4,071	20,710
<u>County Local Option Taxes</u>						
Local Option Sales Tax	16,997,262	0	0	0	0	16,997,262
Business Tax	526,469	0	0	0	129,289	655,758
Mixed Drink Tax	194,080	0	0	0	0	194,080
Total Local Taxes	\$ 40,353,597	\$ 0	\$ 0	\$ 0	\$ 5,664,238	\$ 46,017,835
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 4,967	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,967
Total Licenses and Permits	\$ 4,967	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,967
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Contract for Instructional Services with Other LEA's	\$ 46,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 46,000
Receipts from Individual Schools	0	0	1,300,133	0	0	1,300,133

(Continued)

Exhibit K-7

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

	Special Revenue Funds				Capital Projects Fund	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	
<u>Charges for Current Services (Cont.)</u>						
<u>Education Charges (Cont.)</u>						
Community Service Fees - Children	\$ 0	\$ 0	\$ 0	\$ 1,125,078	\$ 0	\$ 1,125,078
Other Charges for Services	138,357	0	0	0	0	138,357
Total Charges for Current Services	\$ 184,357	\$ 0	\$ 1,300,133	\$ 1,125,078	\$ 0	\$ 2,609,568
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 216,935	\$ 0	\$ 9,739	\$ 8,839	\$ 50,758	\$ 286,271
Lease/Rentals	14,600	0	0	0	0	14,600
Sale of Materials and Supplies	110	0	0	0	0	110
<u>Nonrecurring Items</u>						
Sale of Equipment	334	0	0	0	0	334
Sale of Property	686	0	0	0	0	686
Damages Recovered from Individuals	5,119	0	0	0	0	5,119
Contributions and Gifts	1,488	0	750	0	0	2,238
<u>Other Local Revenues</u>						
Other Local Revenues	90,998	0	0	0	0	90,998
Total Other Local Revenues	\$ 330,270	\$ 0	\$ 10,489	\$ 8,839	\$ 50,758	\$ 400,356
<u>State of Tennessee</u>						
<u>State Education Funds</u>						
Basic Education Program	\$ 47,697,211	\$ 0	\$ 0	\$ 0	\$ 0	\$ 47,697,211
Early Childhood Education	582,796	0	0	0	0	582,796
School Food Service	0	0	49,488	0	0	49,488
Other State Education Funds	428,281	0	0	433,139	0	861,420
Career Ladder Program	126,278	0	0	0	0	126,278

(Continued)

Exhibit K-7

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

	Special Revenue Funds				Capital Projects Fund	Total
	General Purpose School	School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues</u>						
State Revenue Sharing - T.V.A.	\$ 1,593,273	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,593,273
State Revenue Sharing - Telecommunications	33,305	0	0	0	8,186	41,491
Other State Grants	44,500	0	0	0	0	44,500
Total State of Tennessee	<u>\$ 50,505,644</u>	<u>\$ 0</u>	<u>\$ 49,488</u>	<u>\$ 433,139</u>	<u>\$ 8,186</u>	<u>\$ 50,996,457</u>
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,801,856	\$ 0	\$ 0	\$ 1,801,856
USDA - Commodities	0	0	345,534	0	0	345,534
Breakfast	0	0	728,257	0	0	728,257
USDA - Other	0	0	22,400	0	0	22,400
Vocational Education - Basic Grants to States	0	249,362	0	0	0	249,362
Title I Grants to Local Education Agencies	0	2,676,594	0	0	0	2,676,594
Special Education - Grants to States	130,551	2,738,259	0	0	0	2,868,810
English Language Acquisition Grants	0	24,841	0	0	0	24,841
Eisenhower Professional Development State Grants	0	361,403	0	0	0	361,403
Other Federal through State	0	117,964	563,446	0	0	681,410
<u>Direct Federal Revenue</u>						
ROTC Reimbursement	120,746	0	0	0	0	120,746
Total Federal Government	<u>\$ 251,297</u>	<u>\$ 6,168,423</u>	<u>\$ 3,461,493</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,881,213</u>
Total	<u>\$ 91,630,132</u>	<u>\$ 6,168,423</u>	<u>\$ 4,821,603</u>	<u>\$ 1,567,056</u>	<u>\$ 5,723,182</u>	<u>\$ 109,910,396</u>

Exhibit K-8

Blount 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	\$	102,060	
Social Security		6,323	
Employer Medicare		1,481	
Communication		1,758	
Dues and Memberships		2,200	
Operating Lease Payments		1,085	
Legal Notices, Recording, and Court Costs		2,266	
Postal Charges		11	
Travel		6,166	
Tuition		4,460	
Food Supplies		231	
Office Supplies		84	
Total County Commission			\$ 128,125

Board of Equalization

Board and Committee Members Fees	\$	1,650	
Social Security		63	
Employer Medicare		15	
Total Board of Equalization			1,728

Beer Board

Legal Notices, Recording, and Court Costs	\$	314	
Total Beer Board			314

Other Boards and Committees

Temporary Personnel	\$	33,902	
Social Security		2,102	
Unemployment Compensation		21	
Employer Medicare		492	
Communication		933	
Contracts with Private Agencies		10,000	
Travel		181	
Other Charges		2,520	
Total Other Boards and Committees			50,151

County Mayor/Executive

County Official/Administrative Officer	\$	142,195	
Assistant(s)		10,373	
Secretary(ies)		49,671	
Clerical Personnel		29,342	
Social Security		13,627	
Pensions		5,159	
Life Insurance		143	
Medical Insurance		37,320	
Dental Insurance		697	
Unemployment Compensation		41	
Employer Medicare		3,203	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Communication	\$	2,026	
Dues and Memberships		150	
Postal Charges		22	
Printing, Stationery, and Forms		194	
Travel		251	
Tuition		385	
Food Supplies		396	
Gasoline		479	
Office Supplies		911	
Other Supplies and Materials		6,287	
Workers' Compensation Insurance		465	
Total County Mayor/Executive			\$ 303,337

Personnel Office

Supervisor/Director	\$	75,996	
Clerical Personnel		191,049	
Social Security		15,754	
Pensions		17,861	
Life Insurance		254	
Medical Insurance		51,194	
Dental Insurance		1,178	
Unemployment Compensation		104	
Employer Medicare		3,684	
Advertising		246	
Communication		2,008	
Contracts with Private Agencies		1,827	
Dues and Memberships		1,359	
Operating Lease Payments		1,189	
Legal Services		1,136	
Licenses		120	
Postal Charges		1,949	
Travel		22	
Tuition		771	
Other Contracted Services		65,026	
Office Supplies		3,708	
Uniforms		191	
Other Supplies and Materials		12,364	
Workers' Compensation Insurance		620	
Other Charges		300	
Furniture and Fixtures		1,414	
Total Personnel Office			451,324

Election Commission

County Official/Administrative Officer	\$	83,941	
Clerical Personnel		104,701	
Temporary Personnel		30,273	
Overtime Pay		3,561	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Election Commission	\$	26,450	
Election Workers		91,322	
In-service Training		12,650	
Social Security		18,536	
Pensions		13,339	
Life Insurance		173	
Medical Insurance		21,744	
Dental Insurance		511	
Unemployment Compensation		312	
Employer Medicare		4,336	
Communication		5,789	
Dues and Memberships		400	
Operating Lease Payments		1,760	
Legal Notices, Recording, and Court Costs		9,947	
Licenses		16,562	
Maintenance Agreements		11,730	
Postal Charges		8,690	
Rentals		741	
Travel		1,636	
Tuition		600	
Food Supplies		389	
Gasoline		80	
Office Supplies		15,065	
Workers' Compensation Insurance		775	
Office Equipment		2,128	
Total Election Commission			\$ 488,141

Register of Deeds

County Official/Administrative Officer	\$	93,267
Clerical Personnel		316,683
Part-time Personnel		2,642
Social Security		24,312
Pensions		27,625
Life Insurance		398
Medical Insurance		65,304
Dental Insurance		1,661
Unemployment Compensation		175
Employer Medicare		5,724
Communication		4,913
Dues and Memberships		1,098
Operating Lease Payments		2,906
Maintenance and Repair Services - Office Equipment		329
Postal Charges		698
Printing, Stationery, and Forms		194
Travel		443
Tuition		250
Other Contracted Services		35,242

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Office Supplies	\$	2,588	
Workers' Compensation Insurance		1,705	
Total Register of Deeds			\$ 588,157

Development

Supervisor/Director	\$	85,750	
Foremen		132,237	
Secretary(ies)		105,033	
Other Salaries and Wages		423,471	
Social Security		44,903	
Pensions		43,594	
Life Insurance		715	
Medical Insurance		110,786	
Dental Insurance		3,184	
Unemployment Compensation		361	
Employer Medicare		10,502	
Communication		13,715	
Dues and Memberships		7,239	
Operating Lease Payments		37,316	
Legal Notices, Recording, and Court Costs		3,754	
Postal Charges		1,526	
Printing, Stationery, and Forms		744	
Travel		408	
Tuition		697	
Other Contracted Services		3,196	
Gasoline		12,777	
Instructional Supplies and Materials		3,772	
Office Supplies		1,735	
Uniforms		2,341	
Workers' Compensation Insurance		2,248	
Data Processing Equipment		28,128	
Total Development			1,080,132

County Buildings

Supervisor/Director	\$	36,144	
Custodial Personnel		165,310	
Maintenance Personnel		128,519	
Part-time Personnel		16,603	
Overtime Pay		3,631	
Social Security		21,171	
Pensions		23,024	
Life Insurance		352	
Medical Insurance		88,535	
Dental Insurance		2,211	
Unemployment Compensation		256	
Employer Medicare		4,951	
Communication		4,193	

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Operating Lease Payments	\$	10,961	
Maintenance Agreements		39,616	
Maintenance and Repair Services - Buildings		27,128	
Maintenance and Repair Services - Equipment		33,808	
Pest Control		2,240	
Postal Charges		1	
Tuition		347	
Permits		1,208	
Custodial Supplies		22,535	
Equipment Parts - Light		12,154	
Gasoline		4,533	
General Construction Materials		5,218	
Natural Gas		67,130	
Office Supplies		315	
Uniforms		3,449	
Utilities		744,778	
Workers' Compensation Insurance		1,860	
Building Improvements		63,752	
Maintenance Equipment		6,598	
Total County Buildings			\$ 1,542,531

Other General Administration

Supervisor/Director	\$	78,984	
Social Security		4,669	
Pensions		5,479	
Life Insurance		58	
Medical Insurance		15,270	
Dental Insurance		256	
Unemployment Compensation		21	
Employer Medicare		1,092	
Communication		1,533	
Legal Notices, Recording, and Court Costs		109	
Office Supplies		38	
Liability Insurance		641,190	
Workers' Compensation Insurance		155	
Health Equipment		153,375	
Total Other General Administration			902,229

Preservation of Records

Supervisor/Director	\$	60,014	
Temporary Personnel		2,310	
Other Salaries and Wages		26,482	
Social Security		5,490	
Pensions		6,003	
Life Insurance		88	
Medical Insurance		30	
Dental Insurance		256	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

General Government (Cont.)

Preservation of Records (Cont.)

Unemployment Compensation	\$	49	
Employer Medicare		1,284	
Communication		2,293	
Operating Lease Payments		748	
Travel		28	
Other Contracted Services		5,250	
Office Supplies		313	
Other Supplies and Materials		134	
Workers' Compensation Insurance		310	
Total Preservation of Records			\$ 111,082

Risk Management

Supervisor/Director	\$	66,100	
Other Salaries and Wages		45,073	
Social Security		6,481	
Pensions		7,714	
Life Insurance		109	
Medical Insurance		21,906	
Dental Insurance		511	
Unemployment Compensation		42	
Employer Medicare		1,516	
Communication		1,567	
Dues and Memberships		468	
Operating Lease Payments		6,416	
Postal Charges		7	
Printing, Stationery, and Forms		335	
Travel		889	
Tuition		885	
Other Contracted Services		140	
Gasoline		1,397	
Office Supplies		1,637	
Workers' Compensation Insurance		310	
Data Processing Equipment		5,014	
Total Risk Management			168,517

Finance

Accounting and Budgeting

Supervisor/Director	\$	96,350	
Accountants/Bookkeepers		314,081	
Clerical Personnel		9,620	
Social Security		25,020	
Pensions		26,844	
Life Insurance		365	
Medical Insurance		66,950	
Dental Insurance		1,548	
Unemployment Compensation		169	
Employer Medicare		5,852	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Communication	\$	3,706	
Dues and Memberships		2,240	
Operating Lease Payments		2,933	
Legal Notices, Recording, and Court Costs		2,316	
Postal Charges		3,122	
Printing, Stationery, and Forms		2,424	
Travel		1,329	
Tuition		1,100	
Food Supplies		486	
Gasoline		37	
Office Supplies		2,104	
Workers' Compensation Insurance		1,240	
Data Processing Equipment		1,591	
Total Accounting and Budgeting			\$ 571,427

Purchasing

Supervisor/Director	\$	69,647	
Purchasing Personnel		188,270	
Overtime Pay		12	
Social Security		14,812	
Pensions		16,248	
Life Insurance		243	
Medical Insurance		37,910	
Dental Insurance		982	
Unemployment Compensation		120	
Employer Medicare		3,464	
Communication		3,450	
Dues and Memberships		2,849	
Operating Lease Payments		13,671	
Legal Notices, Recording, and Court Costs		1,461	
Postal Charges		28	
Printing, Stationery, and Forms		532	
Travel		2,011	
Tuition		2,345	
Other Contracted Services		299	
Data Processing Supplies		343	
Office Supplies		543	
Other Supplies and Materials		429	
Workers' Compensation Insurance		775	
Other Charges		299	
Total Purchasing			360,743

Central Services

Local Retirement	\$	348,734	
Audit Services		46,744	
Communication		7,118	
Consultants		25,000	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Central Services (Cont.)

Contracts with Government Agencies	\$	179,215	
Contracts with Other Public Agencies		159,299	
Contributions		1,500	
Dues and Memberships		30,265	
Legal Services		60,826	
Legal Notices, Recording, and Court Costs		918,569	
Maintenance and Repair Services - Office Equipment		476	
Pauper Burials		2,200	
Postal Charges		5,025	
Other Contracted Services		7,500	
Office Supplies		8,151	
Trustee's Commission		819,042	
Other Charges		4,739	
Office Equipment		22,699	
Total Central Services			\$ 2,647,102

Property Assessor's Office

County Official/Administrative Officer	\$	93,267	
Assistant(s)		337,186	
Clerical Personnel		110,042	
Social Security		31,841	
Pensions		36,479	
Life Insurance		540	
Medical Insurance		110,531	
Dental Insurance		2,130	
Unemployment Compensation		231	
Employer Medicare		7,447	
Communication		9,413	
Contracts with Government Agencies		27,350	
Data Processing Services		36,444	
Dues and Memberships		3,231	
Operating Lease Payments		20,472	
Maintenance and Repair Services - Vehicles		281	
Postal Charges		3,484	
Printing, Stationery, and Forms		372	
Tuition		469	
Duplicating Supplies		1,398	
Gasoline		1,576	
Office Supplies		1,473	
Other Supplies and Materials		656	
Workers' Compensation Insurance		1,705	
Other Charges		23,591	
Total Property Assessor's Office			861,609

Reappraisal Program

Assistant(s)	\$	176,972	
Clerical Personnel		77,062	

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Reappraisal Program (Cont.)

Social Security	\$	14,686	
Pensions		17,632	
Life Insurance		289	
Medical Insurance		78,795	
Dental Insurance		1,470	
Unemployment Compensation		126	
Employer Medicare		3,434	
Data Processing Services		42,543	
Other Contracted Services		10,900	
Office Supplies		770	
Other Supplies and Materials		1,811	
Workers' Compensation Insurance		930	
Total Reappraisal Program			\$ 427,420

County Trustee's Office

County Official/Administrative Officer	\$	93,267	
Clerical Personnel		266,745	
Temporary Personnel		2,511	
Social Security		21,289	
Pensions		24,986	
Life Insurance		353	
Medical Insurance		80,739	
Dental Insurance		1,790	
Unemployment Compensation		134	
Employer Medicare		4,979	
Communication		4,291	
Dues and Memberships		1,341	
Operating Lease Payments		1,185	
Legal Services		1,650	
Legal Notices, Recording, and Court Costs		228	
Maintenance Agreements		9,514	
Maintenance and Repair Services - Office Equipment		476	
Postal Charges		25,485	
Printing, Stationery, and Forms		1,516	
Travel		862	
Tuition		1,005	
Other Contracted Services		8,255	
Duplicating Supplies		585	
Office Supplies		2,782	
Other Supplies and Materials		382	
Workers' Compensation Insurance		1,395	
Total County Trustee's Office			557,745

County Clerk's Office

County Official/Administrative Officer	\$	93,267
Clerical Personnel		718,747
Temporary Personnel		2,682

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Part-time Personnel	\$	27,650	
Social Security		48,771	
Pensions		54,517	
Life Insurance		847	
Medical Insurance		205,256	
Dental Insurance		4,676	
Unemployment Compensation		523	
Employer Medicare		11,445	
Communication		6,875	
Contracts with Private Agencies		239	
Dues and Memberships		1,206	
Operating Lease Payments		7,700	
Maintenance Agreements		22,835	
Maintenance and Repair Services - Vehicles		511	
Postal Charges		38,240	
Printing, Stationery, and Forms		1,352	
Travel		658	
Tuition		235	
Gasoline		553	
Office Supplies		14,771	
Periodicals		346	
Workers' Compensation Insurance		3,565	
Other Charges		223	
Data Processing Equipment		9,353	
Total County Clerk's Office			\$ 1,277,043

Data Processing

Data Processing Personnel	\$	257,592	
Social Security		15,354	
Pensions		16,033	
Life Insurance		211	
Medical Insurance		30,237	
Dental Insurance		938	
Unemployment Compensation		84	
Employer Medicare		3,591	
Communication		72,430	
Data Processing Services		1,010,434	
Operating Lease Payments		973	
Licenses		23,158	
Maintenance and Repair Services - Equipment		342	
Travel		40	
Tuition		7,230	
Data Processing Supplies		1,490	
Equipment Parts - Light		33,633	
Office Supplies		877	
Workers' Compensation Insurance		1,085	
Data Processing Equipment		5,558	
Furniture and Fixtures		640	
Total Data Processing			1,481,930

(Continued)

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

General Fund (Cont.)

Administration of Justice

Circuit Court Judge

Jury and Witness Expense	\$	12,980	
Communication		1,707	
Operating Lease Payments		634	
Legal Notices, Recording, and Court Costs		150	
Licenses		3,046	
Postal Charges		6,740	
Printing, Stationery, and Forms		2,323	
Custodial Supplies		1,325	
Data Processing Supplies		618	
Duplicating Supplies		60	
Food Supplies		4,499	
Library Books/Media		163	
Office Supplies		1,870	
Other Supplies and Materials		19	
Workers' Compensation Insurance		155	
Building Improvements		9,217	
Total Circuit Court Judge			\$ 45,506

Circuit Court Clerk

County Official/Administrative Officer	\$	102,594
Assistant(s)		197,414
Supervisor/Director		55,256
Clerical Personnel		1,400,040
Temporary Personnel		10,859
Part-time Personnel		45,495
Social Security		106,534
Pensions		114,799
Life Insurance		1,737
Medical Insurance		357,696
Dental Insurance		9,304
Unemployment Compensation		1,059
Employer Medicare		24,915
Communication		25,523
Contracts with Private Agencies		3,325
Data Processing Services		70,715
Dues and Memberships		1,489
Operating Lease Payments		10,986
Licenses		5,538
Maintenance Agreements		47,852
Maintenance and Repair Services - Office Equipment		568
Postal Charges		18,389
Printing, Stationery, and Forms		11,516
Travel		3,179
Tuition		5,263
Other Contracted Services		763
Custodial Supplies		271
Data Processing Supplies		45,486

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court Clerk (Cont.)

Duplicating Supplies	\$	3,822	
Food Preparation Supplies		330	
Food Supplies		1,653	
Gasoline		671	
Library Books/Media		1,544	
Office Supplies		4,904	
Other Supplies and Materials		1,891	
Workers' Compensation Insurance		7,285	
In Service/Staff Development		158	
Other Charges		50	
Building Improvements		11,696	
Data Processing Equipment		58,303	
Total Circuit Court Clerk			\$ 2,770,872

Criminal Court

Supervisor/Director	\$	70,397	
Probation Officer(s)		263,727	
Secretary(ies)		67,480	
Part-time Personnel		4,759	
Social Security		24,547	
Pensions		25,601	
Life Insurance		398	
Medical Insurance		56,560	
Dental Insurance		1,642	
Unemployment Compensation		208	
Employer Medicare		5,741	
Communication		4,717	
Dues and Memberships		930	
Operating Lease Payments		859	
Travel		7,641	
Tuition		2,110	
Other Contracted Services		2,739	
Drugs and Medical Supplies		67,572	
Instructional Supplies and Materials		3,047	
Office Supplies		1,979	
Workers' Compensation Insurance		1,550	
Furniture and Fixtures		660	
Total Criminal Court			614,864

General Sessions Judge

Judge(s)	\$	684,166	
Secretary(ies)		132,218	
Other Salaries and Wages		5,700	
Social Security		41,672	
Pensions		56,467	
Life Insurance		382	
Medical Insurance		80,574	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Judge (Cont.)

Dental Insurance	\$	1,790	
Unemployment Compensation		71	
Employer Medicare		11,498	
Communication		5,291	
Dues and Memberships		3,357	
Operating Lease Payments		834	
Legal Notices, Recording, and Court Costs		80	
Maintenance and Repair Services - Office Equipment		95	
Printing, Stationery, and Forms		860	
Travel		3,862	
Tuition		831	
Food Supplies		305	
Library Books/Media		2,109	
Office Supplies		6,780	
Workers' Compensation Insurance		1,240	
Total General Sessions Judge			\$ 1,040,182

Drug Court

Other Salaries and Wages	\$	48,595	
Social Security		2,912	
Pensions		3,238	
Life Insurance		53	
Medical Insurance		9,212	
Dental Insurance		350	
Unemployment Compensation		21	
Employer Medicare		681	
Dues and Memberships		1,160	
Travel		2,490	
Tuition		2,990	
Other Supplies and Materials		9,951	
Other Charges		11,348	
Total Drug Court			93,001

Chancery Court

County Official/Administrative Officer	\$	93,267	
Clerical Personnel		246,596	
Social Security		20,285	
Pensions		21,443	
Life Insurance		315	
Medical Insurance		51,746	
Dental Insurance		1,587	
Unemployment Compensation		168	
Employer Medicare		4,744	
Communication		8,378	
Dues and Memberships		1,126	
Operating Lease Payments		2,623	
Postal Charges		15,402	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Printing, Stationery, and Forms	\$	7,179	
Travel		209	
Other Contracted Services		8,583	
Office Supplies		9,939	
Workers' Compensation Insurance		1,240	
Total Chancery Court			\$ 494,830

Juvenile Court

Probation Officer(s)	\$	36,704	
Youth Service Officer(s)		250,783	
Salary Supplements		17,252	
Secretary(ies)		35,540	
Temporary Personnel		60	
Other Salaries and Wages		79,800	
Social Security		24,953	
Pensions		28,425	
Life Insurance		380	
Medical Insurance		65,100	
Dental Insurance		1,152	
Unemployment Compensation		169	
Employer Medicare		5,836	
Communication		8,648	
Dues and Memberships		355	
Evaluation and Testing		260	
Operating Lease Payments		1,386	
Medical and Dental Services		9,700	
Printing, Stationery, and Forms		32	
Travel		4,842	
Other Contracted Services		749	
Data Processing Supplies		1,949	
Food Supplies		713	
Library Books/Media		493	
Office Supplies		2,582	
Software		429	
Workers' Compensation Insurance		1,085	
Building Improvements		9,800	
Total Juvenile Court			589,177

Office of Public Defender

Clerical Personnel	\$	42,638	
Social Security		2,681	
Unemployment Compensation		80	
Employer Medicare		627	
Total Office of Public Defender			46,026

Judicial Commissioners

Clerical Personnel	\$	174,338	
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(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Judicial Commissioners (Cont.)

Social Security	\$	9,988	
Pensions		7,832	
Life Insurance		124	
Medical Insurance		6,606	
Dental Insurance		256	
Unemployment Compensation		201	
Employer Medicare		2,515	
Communication		2,020	
Operating Lease Payments		943	
Office Supplies		831	
Workers' Compensation Insurance		1,550	
Total Judicial Commissioners			\$ 207,204

Other Administration of Justice

Captain(s)	\$	72,155	
Lieutenant(s)		59,435	
Sergeant(s)		54,779	
Attendants		245,493	
Social Security		25,543	
Pensions		42,480	
Life Insurance		430	
Medical Insurance		78,922	
Dental Insurance		1,277	
Unemployment Compensation		188	
Employer Medicare		5,974	
Workers' Compensation Insurance		10,424	
Total Other Administration of Justice			597,100

Probation Services

Supervisor/Director	\$	72,155	
Probation Officer(s)		277,071	
Accountants/Bookkeepers		40,768	
Secretary(ies)		31,875	
Other Salaries and Wages		2,850	
Social Security		24,864	
Pensions		29,476	
Life Insurance		455	
Medical Insurance		95,697	
Dental Insurance		2,046	
Unemployment Compensation		210	
Employer Medicare		5,815	
Communication		9,596	
Contracts with Government Agencies		6,150	
Contracts with Other Public Agencies		50,000	
Dues and Memberships		930	
Operating Lease Payments		971	
Licenses		3,600	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Probation Services (Cont.)

Postal Charges	\$	5	
Printing, Stationery, and Forms		5,510	
Travel		754	
Tuition		500	
Drugs and Medical Supplies		4,291	
Office Supplies		3,166	
Workers' Compensation Insurance		1,550	
Total Probation Services			\$ 670,305

Victim Assistance Programs

Contributions	\$	38,448	
Total Victim Assistance Programs			38,448

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	112,853	
Assistant(s)		106,484	
Supervisor/Director		438,661	
Deputy(ies)		4,647,486	
Detective(s)		412,369	
Investigator(s)		43,459	
Captain(s)		129,405	
Lieutenant(s)		425,253	
Sergeant(s)		436,469	
Salary Supplements		123,900	
Mechanic(s)		42,914	
Clerical Personnel		249,016	
Attendants		262,523	
Part-time Personnel		45,202	
Longevity Pay		65,000	
Overtime Pay		547,586	
Other Salaries and Wages		11,840	
In-service Training		128,800	
Social Security		484,478	
Pensions		783,377	
Life Insurance		7,574	
Medical Insurance		1,745,927	
Dental Insurance		36,919	
Unemployment Compensation		3,639	
Employer Medicare		113,692	
Advertising		625	
Communication		299,968	
Contracts with Government Agencies		5,873	
Dues and Memberships		7,236	
Evaluation and Testing		9,415	
Operating Lease Payments		34,227	
Legal Services		1,466	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Licenses	\$	15,357	
Maintenance Agreements		103,499	
Maintenance and Repair Services - Equipment		40,684	
Maintenance and Repair Services - Vehicles		58,451	
Matching Share		53,750	
Postal Charges		11,137	
Printing, Stationery, and Forms		19,314	
Rentals		4,902	
Travel		55,849	
Tuition		46,368	
Other Contracted Services		21,419	
Basic Skills Materials		75,240	
Custodial Supplies		682	
Data Processing Supplies		31,924	
Drugs and Medical Supplies		5,748	
Duplicating Supplies		1,436	
Electricity		11,243	
Equipment and Machinery Parts		2,808	
Food Supplies		7,365	
Garage Supplies		380	
Gasoline		318,492	
Instructional Supplies and Materials		3,937	
Law Enforcement Supplies		109,309	
Lubricants		4,095	
Office Supplies		20,881	
Small Tools		1,394	
Tires and Tubes		32,211	
Uniforms		127,798	
Vehicle Parts		61,186	
Other Supplies and Materials		19,819	
Workers' Compensation Insurance		199,370	
Building Improvements		3,000	
Communication Equipment		57,669	
Data Processing Equipment		58,641	
Furniture and Fixtures		666	
Law Enforcement Equipment		211,048	
Other Equipment		49,845	
Total Sheriff's Department			\$ 13,610,553

Administration of the Sexual Offender Registry

Maintenance Agreements	\$	19,694	
Other Charges		6,931	
Total Administration of the Sexual Offender Registry			26,625

Jail

Assistant(s)	\$	46,183	
Supervisor/Director		59,974	

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Captain(s)	\$	74,165	
Lieutenant(s)		183,216	
Sergeant(s)		210,524	
Computer Programmer(s)		258,800	
Social Workers		46,882	
Salary Supplements		19,900	
Guards		198,478	
Clerical Personnel		158,068	
Attendants		3,124,338	
Cafeteria Personnel		111,944	
Part-time Personnel		196,112	
Overtime Pay		271,884	
In-service Training		43,600	
Social Security		290,175	
Pensions		337,069	
Life Insurance		4,654	
Medical Insurance		1,028,168	
Dental Insurance		24,253	
Unemployment Compensation		3,088	
Employer Medicare		69,619	
Contracts with Private Agencies		1,500	
Evaluation and Testing		530	
Maintenance Agreements		11,916	
Maintenance and Repair Services - Buildings		15,809	
Maintenance and Repair Services - Equipment		16,038	
Medical and Dental Services		2,045,906	
Printing, Stationery, and Forms		2,533	
Travel		18,857	
Tuition		375	
Custodial Supplies		103,895	
Data Processing Supplies		3,750	
Drugs and Medical Supplies		1,388	
Food Preparation Supplies		26,163	
Food Supplies		660,069	
Law Enforcement Supplies		73,563	
Prisoners Clothing		16,854	
Uniforms		24,950	
Other Supplies and Materials		57,991	
Workers' Compensation Insurance		138,118	
Furniture and Fixtures		3,238	
Law Enforcement Equipment		1,967	
Total Jail			\$ 9,986,504

Workhouse

County Official/Administrative Officer	\$	11,285
Social Security		681
Pensions		1,172

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Workhouse (Cont.)

Employer Medicare	\$	159	
Workers' Compensation Insurance		1,303	
Total Workhouse			\$ 14,600

Juvenile Services

Captain(s)	\$	72,155	
Lieutenant(s)		62,445	
Sergeant(s)		162,043	
Medical Personnel		9,244	
Salary Supplements		11,285	
Guards		126,011	
Attendants		745,810	
Overtime Pay		10,253	
Other Salaries and Wages		28,933	
Social Security		71,845	
Pensions		90,826	
Life Insurance		1,245	
Medical Insurance		232,647	
Dental Insurance		5,773	
Unemployment Compensation		561	
Employer Medicare		16,936	
Travel		2,352	
Tuition		100	
Other Contracted Services		2,600	
Custodial Supplies		900	
Food Supplies		1,089	
Instructional Supplies and Materials		1	
Office Supplies		4,098	
Prisoners Clothing		8,792	
Uniforms		6,697	
Other Supplies and Materials		2,400	
Workers' Compensation Insurance		32,575	
Total Juvenile Services			1,709,616

Fire Prevention and Control

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

Civil Defense

Assistant(s)	\$	28,807	
Supervisor/Director		62,697	
Social Security		5,586	
Pensions		6,349	
Life Insurance		88	
Medical Insurance		10,754	
Dental Insurance		278	
Unemployment Compensation		32	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Employer Medicare	\$	1,306	
Communication		5,808	
Data Processing Services		17,016	
Dues and Memberships		119	
Operating Lease Payments		693	
Postal Charges		12	
Travel		815	
Other Contracted Services		4,417	
Food Supplies		3,301	
Gasoline		1,031	
Uniforms		32	
Other Supplies and Materials		4,333	
Workers' Compensation Insurance		310	
Total Civil Defense			\$ 153,784

Other Emergency Management

Contracts with Government Agencies	\$	397,801	
Total Other Emergency Management			397,801

Public Health and Welfare

Local Health Center

Medical Personnel	\$	625,958	
Clerical Personnel		92,042	
Part-time Personnel		38,353	
Overtime Pay		163	
Social Security		43,195	
Pensions		44,923	
Life Insurance		724	
Medical Insurance		198,170	
Dental Insurance		4,378	
Unemployment Compensation		522	
Employer Medicare		10,282	
Communication		20,763	
Contracts with Government Agencies		96,251	
Dues and Memberships		200	
Maintenance Agreements		4,800	
Maintenance and Repair Services - Buildings		5,760	
Maintenance and Repair Services - Equipment		62	
Pest Control		385	
Travel		2,891	
Custodial Supplies		930	
Food Supplies		640	
Office Supplies		406	
Utilities		46,668	
Workers' Compensation Insurance		7,085	
Other Charges		3,521	
Health Equipment		20,000	
Total Local Health Center			1,269,072

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control

Supervisor/Director	\$	65,369	
Medical Personnel		78,169	
Truck Drivers		6,600	
Part-time Personnel		15,080	
Overtime Pay		11,553	
Other Salaries and Wages		206,508	
Social Security		22,829	
Pensions		22,954	
Life Insurance		330	
Medical Insurance		68,331	
Dental Insurance		1,981	
Unemployment Compensation		230	
Employer Medicare		5,339	
Communication		4,734	
Dues and Memberships		445	
Operating Lease Payments		8,837	
Licenses		864	
Maintenance and Repair Services - Buildings		2,644	
Maintenance and Repair Services - Equipment		863	
Maintenance and Repair Services - Vehicles		1,735	
Postal Charges		6	
Transportation - Other than Students		5,265	
Animal Food and Supplies		10,772	
Custodial Supplies		5,075	
Drugs and Medical Supplies		81,971	
Gasoline		9,644	
Office Supplies		1,479	
Uniforms		1,642	
Utilities		125	
Workers' Compensation Insurance		1,860	
Furniture and Fixtures		14,000	
Other Equipment		9,610	
Total Rabies and Animal Control			\$ 666,844

Recycling Center

Part-time Personnel	\$	15,264	
Other Salaries and Wages		4,565	
Social Security		1,214	
Life Insurance		2	
Unemployment Compensation		43	
Employer Medicare		284	
Communication		356	
Maintenance Agreements		27,484	
Equipment and Machinery Parts		1,333	
Office Supplies		311	
Workers' Compensation Insurance		155	
Building Improvements		6,109	
Solid Waste Equipment		18,917	
Total Recycling Center			76,037

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services

Parks and Fair Boards

Contracts with Government Agencies	\$ 715,916	
Total Parks and Fair Boards		\$ 715,916

Agriculture and Natural Resources

Agricultural Extension Service

Communication	\$ 3,648	
Contracts with Government Agencies	167,119	
Operating Lease Payments	2,207	
Total Agricultural Extension Service		172,974

Soil Conservation

Supervisor/Director	\$ 73,960	
Educational Assistants	63,776	
Social Security	8,283	
Pensions	9,558	
Life Insurance	115	
Medical Insurance	21,831	
Dental Insurance	511	
Unemployment Compensation	42	
Employer Medicare	1,937	
Communication	1,635	
Dues and Memberships	76	
Operating Lease Payments	1,127	
Maintenance and Repair Services - Vehicles	123	
Postal Charges	282	
Travel	1,038	
Tuition	770	
Other Contracted Services	7,698	
Gasoline	360	
Office Supplies	394	
Workers' Compensation Insurance	310	
Total Soil Conservation		193,826

Other Operations

Industrial Development

Contracts for Development Costs	\$ 1,190,679	
Total Industrial Development		1,190,679

Veterans' Services

Assistant(s)	\$ 104,302	
Supervisor/Director	64,486	
Social Security	10,054	
Pensions	11,713	
Life Insurance	161	
Medical Insurance	21,846	
Dental Insurance	767	
Unemployment Compensation	63	

(Continued)

Exhibit K-8

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Employer Medicare	\$	2,351	
Communication		3,303	
Operating Lease Payments		1,031	
Legal Notices, Recording, and Court Costs		46	
Maintenance Agreements		1,347	
Maintenance and Repair Services - Vehicles		783	
Postal Charges		523	
Travel		1,248	
Tuition		200	
Duplicating Supplies		267	
Food Supplies		142	
Gasoline		585	
Office Supplies		227	
Workers' Compensation Insurance		465	
Furniture and Fixtures		242	
Total Veterans' Services			\$ 226,152

Contributions to Other Agencies

Contributions	\$	228,728	
Total Contributions to Other Agencies			228,728

COVID-19 Grant #6

Overtime Pay	\$	26,409	
Social Security		1,703	
Employer Medicare		383	
Tuition		800	
Custodial Supplies		9,320	
Drugs and Medical Supplies		410	
Law Enforcement Supplies		2,605	
Other Supplies and Materials		949	
Law Enforcement Equipment		2,939	
Other Equipment		4,038	
Total COVID-19 Grant #6			49,556

COVID-19 Grant D

Other Supplies and Materials	\$	34,409	
Total COVID-19 Grant D			34,409

Highways

Litter and Trash Collection

Attendants	\$	39,525	
Social Security		2,358	
Pensions		2,743	
Life Insurance		44	
Medical Insurance		6,531	
Dental Insurance		253	
Unemployment Compensation		21	

(Continued)

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

General Fund (Cont.)

Highways (Cont.)

Litter and Trash Collection (Cont.)

Employer Medicare	\$	551	
Contracts with Government Agencies		3,160	
Contracts with Other Public Agencies		22,224	
Licenses		25	
Other Contracted Services		5,500	
Other Supplies and Materials		2,299	
Workers' Compensation Insurance		1,303	
Total Litter and Trash Collection			\$ 86,537

Capital Projects

Public Safety Projects

Communication Equipment	\$	106,439	
Motor Vehicles		442,682	
Total Public Safety Projects			549,121

Total General Fund \$ 52,613,886

Courthouse and Jail Maintenance Fund

General Government

County Buildings

Trustee's Commission	\$	2,087	
Building Improvements		104,123	
Total County Buildings			\$ 106,210

Total Courthouse and Jail Maintenance Fund 106,210

Law Library Fund

Other Operations

Other Charges

Licenses	\$	9,229	
Trustee's Commission		92	
Total Other Charges			\$ 9,321

Total Law Library Fund 9,321

Public Library Fund

Social, Cultural, and Recreational Services

Libraries

County Official/Administrative Officer	\$	86,195	
Supervisor/Director		141,986	
Accountants/Bookkeepers		32,080	
Data Processing Personnel		37,621	
Librarians		475,046	
Paraprofessionals		171,379	
Audiovisual Personnel		43,303	
Secretary(ies)		111,440	
Cafeteria Personnel		31,956	

(Continued)

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

Public Library Fund (Cont.)
Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Maintenance Personnel	\$	99,773	
Part-time Personnel		323,594	
Overtime Pay		298	
Social Security		91,291	
Pensions		51,912	
Life Insurance		907	
Medical Insurance		209,743	
Dental Insurance		5,529	
Unemployment Compensation		1,079	
Local Retirement		2,810	
Employer Medicare		21,728	
Bank Charges		1,752	
Communication		26,899	
Data Processing Services		20,526	
Debt Collection Services		1,011	
Dues and Memberships		4,750	
Operating Lease Payments		9,559	
Licenses		40,843	
Maintenance Agreements		23,256	
Maintenance and Repair Services - Buildings		3,628	
Maintenance and Repair Services - Equipment		20,848	
Pest Control		625	
Postal Charges		680	
Travel		2,195	
Tuition		1,312	
Permits		210	
Custodial Supplies		9,599	
Data Processing Supplies		10,435	
Food Preparation Supplies		4,314	
Food Supplies		29,469	
Library Books/Media		81,317	
Office Supplies		12,399	
Periodicals		15,774	
Utilities		152,129	
Software		19,185	
Other Supplies and Materials		845	
Liability Insurance		33,000	
Trustee's Commission		854	
Workers' Compensation Insurance		2,500	
Total Libraries			\$ 2,469,584

Capital Projects

General Administration Projects

Building Improvements	\$	6,408	
Maintenance Equipment		21,957	
Total General Administration Projects			28,365

Total Public Library Fund \$ 2,497,949

(Continued)

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

Drug Control Fund

Public Safety

Sheriff's Department

Other Contracted Services	\$	22,845	
Animal Food and Supplies		13,221	
Other Supplies and Materials		14,977	
Trustee's Commission		2,896	
Other Charges		3,000	
Building Improvements		23,970	
Law Enforcement Equipment		585	
Total Sheriff's Department			\$ 81,494

Drug Enforcement

Law Enforcement Equipment	\$	31,485	
Total Drug Enforcement			31,485

Total Drug Control Fund \$ 112,979

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$	9,555	
Total Chancery Court			\$ 9,555

Total Constitutional Officers - Fees Fund 9,555

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	112,853	
Assistant(s)		92,385	
Supervisor/Director		74,371	
Accountants/Bookkeepers		52,190	
Maintenance Personnel		46,851	
Overtime Pay		344	
Social Security		22,344	
Pensions		26,304	
Medical Insurance		60,654	
Dental Insurance		1,279	
Unemployment Compensation		84	
Local Retirement		131,763	
Employer Medicare		5,226	
Communication		26,036	
Dues and Memberships		5,050	
Licenses		716	
Maintenance Agreements		4,451	
Postal Charges		41	
Travel		2,499	
Tuition		2,926	
Custodial Supplies		8,539	

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Drugs and Medical Supplies	\$	1,490	
Electricity		2,393	
Gasoline		48	
Office Supplies		6,036	
Software		30,360	
Liability Insurance		136,374	
Trustee's Commission		91,504	
Workers' Compensation Insurance		11,921	
Building Improvements		70,926	
Furniture and Fixtures		6,455	
Total Administration			\$ 1,034,413

Highway and Bridge Maintenance

Supervisor/Director	\$	346,823	
Assessment Personnel		51,402	
Equipment Operators		1,585,732	
Laborers		90,593	
Overtime Pay		51,564	
Social Security		124,949	
Pensions		135,042	
Life Insurance		1,583	
Medical Insurance		510,595	
Dental Insurance		10,083	
Unemployment Compensation		1,145	
Employer Medicare		29,222	
Operating Lease Payments		10,386	
Other Contracted Services		108,643	
Asphalt - Hot Mix		1,931,408	
Asphalt - Liquid		81,375	
Concrete		3,730	
Crushed Stone		141,589	
Fertilizer, Lime, and Seed		5,630	
Food Supplies		8,926	
Pipe - Metal		100,600	
Road Signs		44,384	
Structural Steel		3,397	
Uniforms		18,388	
Workers' Compensation Insurance		99,630	
Highway Equipment		18,152	
State Aid Projects		39,284	
Total Highway and Bridge Maintenance			5,554,255

Operation and Maintenance of Equipment

Supervisor/Director	\$	73,510	
Materials Supervisor		39,513	
Salary Supplements		5	
Mechanic(s)		180,312	

(Continued)

Exhibit K-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Overtime Pay	\$	2,010	
Social Security		17,246	
Pensions		20,148	
Life Insurance		301	
Medical Insurance		65,466	
Dental Insurance		1,534	
Unemployment Compensation		126	
Employer Medicare		4,033	
Maintenance and Repair Services - Vehicles		22,745	
Diesel Fuel		95,092	
Equipment and Machinery Parts		107,136	
Gasoline		33,005	
Lubricants		5,214	
Pipe - Metal		302	
Propane Gas		3,429	
Tires and Tubes		22,755	
Uniforms		8,101	
Workers' Compensation Insurance		15,565	
In Service/Staff Development		41	
Maintenance Equipment		579	
Total Operation and Maintenance of Equipment			\$ 718,168

Total Highway/Public Works Fund \$ 7,306,836

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	9,229,685	
Principal on Capital Leases		342,452	
Principal on Other Loans		40,746	
Total General Government			\$ 9,612,883

Interest on Debt

General Government

Interest on Bonds	\$	7,425,642	
Interest on Capital Leases		27,730	
Total General Government			7,453,372

Other Debt Service

General Government

Financial Advisory Services	\$	15,000	
Trustee's Commission		375,065	
Other Charges		14,482	
Total General Government			404,547

Total General Debt Service Fund 17,470,802

(Continued)

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

<u>Highway Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Highway and Street Capital Projects</u>			
Engineering Services	\$	89,173	
Other Contracted Services		2,390	
Highway Equipment		689,307	
Total Highway and Street Capital Projects		<u> </u>	\$ 780,870
Total Highway Capital Projects Fund			\$ 780,870
<u>Other Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>General Administration Projects</u>			
Data Processing Equipment	\$	1,297,955	
Total General Administration Projects		<u> </u>	\$ 1,297,955
<u>Administration of Justice Projects</u>			
Land	\$	1,205,929	
Law Enforcement Equipment		29,363	
Total Administration of Justice Projects		<u> </u>	1,235,292
<u>Public Safety Projects</u>			
Trustee's Commission	\$	23,574	
Building Improvements		590,325	
Other Equipment		111,641	
Total Public Safety Projects		<u> </u>	725,540
<u>Other General Government Projects</u>			
Right-of-Way	\$	212,606	
Voting Machines		1,219,370	
Other Capital Outlay		117,023	
Total Other General Government Projects		<u> </u>	1,548,999
<u>Highway and Street Capital Projects</u>			
Highway Construction	\$	69,897	
Total Highway and Street Capital Projects		<u> </u>	69,897
<u>Education Capital Projects</u>			
Building Improvements	\$	27,336	
Total Education Capital Projects		<u> </u>	27,336
Total Other Capital Projects Fund			<u>4,905,019</u>
Total Governmental Funds - Primary Government			<u>\$ 85,813,427</u>

Exhibit K-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 29,246,640	
Career Ladder Program	140,225	
Salary Supplements	613,304	
Educational Assistants	1,663,173	
Other Salaries and Wages	106,870	
Social Security	1,850,611	
Pensions	2,996,383	
Life Insurance	29,192	
Medical Insurance	5,657,224	
Dental Insurance	123,666	
Employer Medicare	438,486	
Contracts with Government Agencies	10,000	
Printing, Stationery, and Forms	2,244	
Contracts for Substitute Teachers - Certified	878,368	
Instructional Supplies and Materials	399,227	
Textbooks - Bound	215,664	
Other Charges	8,904	
Furniture and Fixtures	99,059	
Total Regular Instruction Program		\$ 44,479,240

Special Education Program

Teachers	\$ 4,766,055	
Career Ladder Program	11,000	
Educational Assistants	958,483	
Social Security	344,622	
Pensions	497,110	
Life Insurance	4,810	
Medical Insurance	1,214,480	
Dental Insurance	22,388	
Employer Medicare	82,234	
Contracts with Private Agencies	4,800	
Maintenance and Repair Services - Equipment	345	
Travel	79	
Instructional Supplies and Materials	106,857	
Other Supplies and Materials	991	
In Service/Staff Development	7,455	
Special Education Equipment	1,699	
Total Special Education Program		8,023,408

Career and Technical Education Program

Teachers	\$ 2,726,281
Career Ladder Program	8,000
Social Security	160,852
Pensions	268,505
Life Insurance	2,649
Medical Insurance	493,422

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Dental Insurance	\$	10,878	
Employer Medicare		37,618	
Maintenance and Repair Services - Equipment		1,864	
Instructional Supplies and Materials		45,776	
Other Supplies and Materials		123	
Liability Insurance		1,205	
Total Career and Technical Education Program			\$ 3,757,173

Other

Local Retirement	\$	1,078,631	
Total Other			1,078,631

Support Services

Attendance

Supervisor/Director	\$	50,719	
Clerical Personnel		51,087	
Social Security		6,099	
Pensions		8,131	
Life Insurance		129	
Medical Insurance		18,639	
Dental Insurance		383	
Employer Medicare		1,426	
Total Attendance			136,613

Health Services

Medical Personnel	\$	601,863	
Secretary(ies)		18,421	
Other Salaries and Wages		71,280	
Social Security		41,278	
Pensions		23,008	
Life Insurance		424	
Medical Insurance		63,178	
Dental Insurance		1,472	
Employer Medicare		9,670	
Medical and Dental Services		2,000	
Travel		692	
Other Contracted Services		465	
Drugs and Medical Supplies		23,049	
Food Supplies		275	
Instructional Supplies and Materials		7,681	
Office Supplies		556	
In Service/Staff Development		2,424	
Health Equipment		15,930	
Total Health Services			883,666

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Guidance Personnel	\$ 1,293,594	
Social Workers	48,399	
Secretary(ies)	56,281	
Social Security	80,923	
Pensions	132,658	
Life Insurance	1,325	
Medical Insurance	231,089	
Dental Insurance	5,503	
Employer Medicare	19,511	
Evaluation and Testing	340	
Instructional Supplies and Materials	4,720	
Office Supplies	91	
In Service/Staff Development	3,983	
Total Other Student Support		\$ 1,878,417

Regular Instruction Program

Supervisor/Director	\$ 100,410	
Librarians	1,193,786	
Secretary(ies)	18,734	
Other Salaries and Wages	138,126	
Social Security	85,407	
Pensions	147,831	
Life Insurance	1,284	
Medical Insurance	216,260	
Dental Insurance	5,843	
Employer Medicare	19,975	
Contracts with Government Agencies	51,462	
Licenses	7,759	
Travel	14,652	
Other Contracted Services	41,547	
Other Supplies and Materials	740	
In Service/Staff Development	12,639	
Total Regular Instruction Program		2,056,455

Special Education Program

Psychological Personnel	\$ 362,273	
Social Security	18,978	
Pensions	27,907	
Life Insurance	288	
Medical Insurance	43,868	
Dental Insurance	769	
Employer Medicare	5,051	
Contracts with Private Agencies	331,767	
Operating Lease Payments	2,210	
Travel	11,935	
In Service/Staff Development	19,740	
Total Special Education Program		824,786

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

Supervisor/Director	\$	8,633	
Secretary(ies)		60,077	
Social Security		3,980	
Pensions		4,802	
Life Insurance		88	
Medical Insurance		21,635	
Dental Insurance		499	
Employer Medicare		931	
Tuition		2,825	
Software		9,600	
Total Career and Technical Education Program			\$ 113,070

Technology

Supervisor/Director	\$	100,943	
Computer Programmer(s)		264,624	
Clerical Personnel		39,069	
Other Salaries and Wages		160,710	
Social Security		33,912	
Pensions		42,364	
Life Insurance		531	
Medical Insurance		68,919	
Dental Insurance		1,772	
Employer Medicare		7,931	
Licenses		670,072	
Maintenance and Repair Services - Equipment		26,367	
Rentals		320,433	
Travel		45	
Other Contracted Services		390	
Data Processing Supplies		107,332	
Software		6,182	
In Service/Staff Development		7,317	
Administration Equipment		13,947	
Data Processing Equipment		225,453	
Total Technology			2,098,313

Board of Education

Other Salaries and Wages	\$	99,437	
Board and Committee Members Fees		33,608	
Social Security		5,373	
Pensions		4,493	
Life Insurance		47	
Medical Insurance		9,397	
Dental Insurance		262	
Unemployment Compensation		28,682	
Employer Medicare		1,694	
Audit Services		32,000	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Dues and Memberships	\$	10,641	
Financial Advisory Services		1,272	
Legal Services		15,188	
Printing, Stationery, and Forms		1,348	
Other Contracted Services		6,397	
Other Supplies and Materials		120	
Liability Insurance		407,608	
Trustee's Commission		760,425	
Workers' Compensation Insurance		354,000	
In Service/Staff Development		2,079	
Criminal Investigation of Applicants - TBI		1,511	
Other Charges		44,346	
Total Board of Education			\$ 1,819,928

Director of Schools

County Official/Administrative Officer	\$	143,622	
Assistant(s)		220,936	
Supervisor/Director		117,984	
Career Ladder Program		1,000	
Secretary(ies)		140,390	
Other Salaries and Wages		23,266	
Social Security		38,422	
Pensions		58,462	
Life Insurance		1,394	
Medical Insurance		67,323	
Dental Insurance		1,575	
Disability Insurance		934	
Employer Medicare		9,085	
Advertising		2,208	
Dues and Memberships		4,780	
Operating Lease Payments		11,782	
Medical and Dental Services		4,220	
Postal Charges		8,618	
Printing, Stationery, and Forms		77	
Other Contracted Services		4,013	
Food Supplies		4,242	
Office Supplies		5,081	
Other Supplies and Materials		3,221	
In Service/Staff Development		4,165	
Other Charges		3,128	
Total Director of Schools			879,928

Office of the Principal

Principals	\$	1,907,085	
Accountants/Bookkeepers		88,451	
Assistant Principals		1,476,141	

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Secretary(ies)	\$ 1,169,100	
Social Security	271,619	
Pensions	435,590	
Life Insurance	3,866	
Medical Insurance	825,763	
Dental Insurance	18,226	
Employer Medicare	64,095	
Communication	93,063	
Dues and Memberships	2,400	
Internet Connectivity	132,730	
Rentals	4,000	
Other Supplies and Materials	8,082	
Other Charges	200,000	
Total Office of the Principal		\$ 6,700,211

Fiscal Services

Accountants/Bookkeepers	\$ 154,469	
Social Security	8,834	
Pensions	10,816	
Life Insurance	157	
Medical Insurance	27,161	
Dental Insurance	722	
Employer Medicare	2,066	
In Service/Staff Development	5,530	
Total Fiscal Services		209,755

Operation of Plant

Custodial Personnel	\$ 2,488,199	
Social Security	142,122	
Pensions	152,920	
Life Insurance	2,722	
Medical Insurance	625,148	
Dental Insurance	15,874	
Employer Medicare	33,436	
Contracts with Other Public Agencies	24,268	
Evaluation and Testing	660	
Maintenance Agreements	197,006	
Maintenance and Repair Services - Equipment	9,119	
Permits	2,210	
Contracts for Landfill Facilities	2,129	
Other Contracted Services	31,546	
Custodial Supplies	193,175	
Electricity	2,715,241	
Natural Gas	149,260	
Water and Sewer	358,254	
Other Equipment	10,241	
Other Capital Outlay	20,375	
Total Operation of Plant		7,173,905

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

Supervisor/Director	\$	75,224	
Secretary(ies)		45,274	
Maintenance Personnel		613,685	
Social Security		44,122	
Pensions		51,013	
Life Insurance		815	
Medical Insurance		141,807	
Dental Insurance		3,865	
Employer Medicare		10,318	
Maintenance Agreements		130,313	
Maintenance and Repair Services - Buildings		109,344	
Maintenance and Repair Services - Equipment		195,147	
Maintenance and Repair Services - Vehicles		18,552	
Pest Control		7,560	
Rentals		4,511	
Permits		5,000	
Other Contracted Services		12,958	
Equipment and Machinery Parts		132,858	
Gasoline		36,077	
Vehicle Parts		206	
Other Supplies and Materials		67,416	
Administration Equipment		396,616	
Building Improvements		83,200	
Heating and Air Conditioning Equipment		28,385	
Motor Vehicles		38,195	
Other Capital Outlay		91,169	
Total Maintenance of Plant			\$ 2,343,630

Transportation

Supervisor/Director	\$	50,719	
Clerical Personnel		42,716	
Other Salaries and Wages		54,189	
Social Security		8,683	
Pensions		12,107	
Life Insurance		98	
Medical Insurance		24,721	
Dental Insurance		641	
Employer Medicare		2,031	
Contracts with Parents		2,652	
Contracts with Vehicle Owners		3,799,699	
Maintenance and Repair Services - Vehicles		1,380	
Medical and Dental Services		293	
Other Contracted Services		1,003,390	
Tires and Tubes		393	
Total Transportation			5,003,712

(Continued)

Exhibit K-9

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services

Early Childhood Education

Teachers	\$	411,392	
Educational Assistants		95,091	
Social Security		29,818	
Pensions		49,781	
Life Insurance		506	
Medical Insurance		100,909	
Dental Insurance		2,529	
Employer Medicare		6,973	
Contracts with Other Public Agencies		23,909	
Instructional Supplies and Materials		6,331	
In Service/Staff Development		839	
Total Early Childhood Education			\$ 728,078

Capital Outlay

Regular Capital Outlay

Building Construction	\$	22,258	
Communication Equipment		75,890	
Other Capital Outlay		10,000	
Total Regular Capital Outlay			108,148

Total General Purpose School Fund \$ 90,297,067

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	700,680	
Educational Assistants		666,437	
Social Security		71,475	
Pensions		82,230	
Life Insurance		712	
Medical Insurance		149,211	
Dental Insurance		2,857	
Employer Medicare		19,147	
Instructional Supplies and Materials		251,868	
Regular Instruction Equipment		58,459	
Total Regular Instruction Program			\$ 2,003,076

Special Education Program

Teachers	\$	16,462	
Clerical Personnel		86,354	
Educational Assistants		1,228,791	
Speech Pathologist		47,920	
Social Security		68,053	
Pensions		37,632	
Life Insurance		1,082	
Medical Insurance		100,592	

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Dental Insurance	\$	8,387	
Employer Medicare		15,446	
Instructional Supplies and Materials		12,769	
Special Education Equipment		6,125	
Total Special Education Program			\$ 1,629,613

Career and Technical Education Program

Other Salaries and Wages	\$	84,283	
Social Security		6,871	
Pensions		7,594	
Life Insurance		167	
Medical Insurance		13,098	
Dental Insurance		84	
Employer Medicare		1,607	
Instructional Supplies and Materials		30,356	
Other Supplies and Materials		25,008	
Vocational Instruction Equipment		171,454	
Total Career and Technical Education Program			340,522

Support Services

Other Student Support

Travel	\$	3,178	
Other Contracted Services		6,730	
In Service/Staff Development		10,665	
Other Charges		23,092	
Total Other Student Support			43,665

Regular Instruction Program

Supervisor/Director	\$	96,952	
Secretary(ies)		48,576	
Other Salaries and Wages		471,782	
Social Security		35,721	
Pensions		59,896	
Life Insurance		441	
Medical Insurance		66,712	
Dental Insurance		1,677	
Employer Medicare		8,499	
Contracts with Vehicle Owners		2,510	
Travel		4,628	
Contracts for Substitute Teachers - Certified		542	
Other Contracted Services		88,721	
Instructional Supplies and Materials		166	
Other Supplies and Materials		1,927	
In Service/Staff Development		135,528	
Other Charges		600	
Other Equipment		2,798	
Total Regular Instruction Program			1,027,676

(Continued)

Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program

Supervisor/Director	\$	189,587	
Psychological Personnel		145,717	
Clerical Personnel		129,184	
In-service Training		7,500	
Social Security		28,189	
Pensions		41,971	
Life Insurance		372	
Medical Insurance		46,797	
Dental Insurance		977	
Employer Medicare		7,032	
Other Contracted Services		32,400	
Other Supplies and Materials		12,298	
In Service/Staff Development		28,388	
Total Special Education Program			\$ 670,412

Career and Technical Education Program

Travel	\$	943	
In Service/Staff Development		2,115	
Total Career and Technical Education Program			3,058

Transportation

Contracts with Parents	\$	1,622	
Contracts with Vehicle Owners		15,600	
Other Contracted Services		361,391	
Transportation Equipment		72,970	
Total Transportation			451,583

Total School Federal Projects Fund \$ 6,169,605

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	60,679	
Accountants/Bookkeepers		45,777	
Cafeteria Personnel		1,946,427	
Social Security		121,498	
Pensions		76,467	
Life Insurance		1,084	
Medical Insurance		379,268	
Dental Insurance		9,601	
Employer Medicare		28,456	
Dues and Memberships		8,884	
Operating Lease Payments		11,449	
Maintenance Agreements		51,657	
Maintenance and Repair Services - Equipment		112,205	
Printing, Stationery, and Forms		2,605	

(Continued)

Exhibit K-9

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Transportation - Other than Students	\$	16,121	
Travel		1,854	
Permits		1,680	
Other Contracted Services		900	
Custodial Supplies		38,467	
Food Preparation Supplies		109,817	
Food Supplies		1,577,947	
Office Supplies		3,771	
Uniforms		933	
USDA - Commodities		345,534	
Software		14,247	
Other Supplies and Materials		2,822	
Workers' Compensation Insurance		66,500	
In Service/Staff Development		2,646	
Food Service Equipment		60,462	
Total Food Service			<u>\$ 5,099,758</u>

Total Central Cafeteria Fund

\$ 5,099,758

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Assistant(s)	\$	92,706	
Part-time Personnel		1,034,695	
Social Security		66,803	
Pensions		40,119	
Life Insurance		497	
Medical Insurance		159,485	
Dental Insurance		3,377	
Employer Medicare		15,764	
Contracts with Vehicle Owners		5,719	
Operating Lease Payments		4,855	
Travel		698	
Other Contracted Services		7,500	
Food Supplies		52,744	
Instructional Supplies and Materials		13,416	
Software		2,340	
Other Supplies and Materials		3,027	
Trustee's Commission		11,495	
In Service/Staff Development		797	
Other Equipment		349	
Total Community Services			<u>\$ 1,516,386</u>

Total Extended School Program Fund

1,516,386

(Continued)

Exhibit K-9

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

Education Capital Projects Fund

Other Debt Service

Education

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

Capital Projects

Education Capital Projects

Architects	\$ 65,600	
Trustee's Commission	112,687	
Building Improvements	3,978,052	
Heating and Air Conditioning Equipment	395,499	
Other Capital Outlay	17,360	
Total Education Capital Projects		<u>4,569,198</u>

Total Education Capital Projects Fund		<u>\$ 4,758,995</u>
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Total Governmental Funds - Blount County School Department		<u>\$ 107,841,811</u>
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Blount County, Tennessee
Schedule of Detailed Receipts, Disbursements, and Changes
in Cash Balances - City Agency Funds
For the Year Ended June 30, 2020

	Cities - Sales Tax Fund	City School ADA - Alcoa Fund	City School ADA - Maryville Fund	Total
<u>Cash Receipts</u>				
Current Property Taxes	\$ 0	\$ 4,385,927	\$ 11,635,894	\$ 16,021,821
Discount on Property Taxes	0	(68,091)	(180,432)	(248,523)
Trustee's Collections - Prior Years	0	88,319	234,313	322,632
Trustee's Collections - Bankruptcy	0	20,705	54,933	75,638
Circuit/Clerk and Master Collections - Prior Years	0	31,980	84,875	116,855
Interest and Penalty	0	14,471	38,391	52,862
Payments in-Lieu-of Taxes - Local Utilities	0	18,024	47,818	65,842
Payments in-Lieu-of Taxes - Other	0	3,249	8,609	11,858
Local Option Sales Taxes	23,214,406	3,327,859	8,828,985	35,371,250
Business Taxes	0	72,155	191,430	263,585
Marriage Licenses	0	970	2,573	3,543
Other Local Revenue	0	90	238	328
Interstate Telecommunications Tax	0	6,282	16,667	22,949
Other State Revenues	0	170,058	0	170,058
Total Cash Receipts	\$ 23,214,406	\$ 8,071,998	\$ 20,964,294	\$ 52,250,698
<u>Cash Disbursements</u>				
Remittance of Revenues Collected	\$ 22,982,262	\$ 7,943,891	\$ 20,628,967	\$ 51,555,120
Trustee's Commission	232,144	126,467	330,945	689,556
Total Cash Disbursements	\$ 23,214,406	\$ 8,070,358	\$ 20,959,912	\$ 52,244,676
Excess of Cash Receipts Over (Under)				
Cash Disbursements	\$ 0	\$ 1,640	\$ 4,382	\$ 6,022
Cash Balance, July 1, 2019	0	4,353	11,517	15,870
Cash Balance, June 30, 2020	\$ 0	\$ 5,993	\$ 15,899	\$ 21,892

SINGLE AUDIT SECTION



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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blount County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Blount County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 8, 2021. Our report includes a reference to other auditors who audited the financial statements of the Blount Memorial Hospital, Inc., as described in our report on Blount County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Blount County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001.

Blount County's Response to the Finding

Blount County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Blount County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Very truly yours,



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

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Blount County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Blount County's major federal programs for the year ended June 30, 2020. Blount County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Blount County's basic financial statements include the operations of the Blount Memorial Hospital, Inc., which expended \$8,032,227 in federal awards, which are not included in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2020. Our audit, described below, did not include the Blount Memorial Hospital, Inc. because the entity engaged other auditors to perform an audit in accordance with 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).

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Blount County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the

United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Blount County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Blount County's compliance.

Opinion on Each Major Federal Program

In our opinion, Blount County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Blount County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Blount County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Blount County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in

internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Blount County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Blount 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

Blount County, Tennessee, and the Blount County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (9) (10) (11)
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: (4)			
School Breakfast Program	10.553	N/A	\$ 728,257
National School Lunch Program	10.555	N/A	1,801,856 (5)
National School Lunch Program (Commodities - Cash Assistance)	10.555	N/A	22,400 (5)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	345,534 (5)
Passed-through East Tennessee Human Resource Agency, Inc.:			
Child Nutrition Cluster: (4)			
Summer Food Service Program for Children	10.559	N/A	563,446
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-20-63873	144,490
Total U.S. Department of Agriculture			<u>\$ 3,605,983</u>
U.S. Department of Military:			
Passed-through State Department of General Services:			
Section 1033 Excess Property Program (Noncash Assistance)	12.U01	N/A	\$ 321,621 (6)
Total U.S. Department of Military			<u>\$ 321,621</u>
U.S. Department of Interior:			
Direct Program:			
Payments in Lieu of Taxes	15.226	N/A	\$ 274,893
Total U.S. Department of Interior			<u>\$ 274,893</u>
U.S. Department of Justice:			
Direct Programs:			
COVID 19 - Coronavirus Emergency Supplemental Funding Program	16.034	N/A	\$ 49,556
Public Safety Partnership and Community Policing Grants	16.710	N/A	183,086
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	23,017
Passed-through State Department of Finance and Administration:			
Crime Victim Assistance	16.575	(3)	50,878
Passed-through State Department of Mental Health and Substance Abuse:			
Drug Court Discretionary Grant Program	16.585	(3)	51,043
Total U.S. Department of Justice			<u>\$ 357,580</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction Cluster: (4)			
Highway Planning and Construction	20.205	(3)	\$ 70,276
Passed-through Department of Safety and Homeland Security:			
Alcohol Open Container Requirements	20.607	(7)	55,061
Highway Safety Cluster: (4)			
State and Community Highway Safety	20.600	(8)	179,480
Passed-through State Department of Military:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	(3)	7,734
Total U.S. Department of Transportation			<u>\$ 312,551</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title 1 Grants to Local Educational Agencies	84.010	N/A	\$ 2,675,004
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	2,765,967
Special Education - Preschool Grants	84.173	N/A	100,592
Career and Technical Education - Basic Grants to States	84.048	N/A	370,596
English Language Acquisition State Grants	84.365	N/A	24,411
Improving Teacher Quality State Grants	84.367	N/A	363,586
Total U.S. Department of Education			<u>\$ 6,300,156</u>

(Continued)

Blount County, Tennessee, and the Blount County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (9) (10) (11) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Election Assistance Administration:			
Passed-through Tennessee Secretary of State:			
Help America Vote Act Requirements Payments	90.401	(3)	\$ 361,000
Help America Vote Election Security Grant	90.404	(3)	1,809 (5)
COVID 19 - 2020 Supplemental Election Security Grants	90.404	(3)	2,128 (5)
Total U.S. Election Assistance Administration			\$ 364,937
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Injury Prevention and Control Research and State and Community Based Programs	93.136	GG-20-63873	\$ 1,628
Family Planning Services	93.217	GG-20-63873	19,262
National State Based Tobacco Control Programs	93.305	GG-20-63873	3,185
Medicaid Cluster: (4)			
Medical Assistance Program	93.778	GG-20-63873	37,501
Maternal and Child Health Services Block Grant to the States	93.994	GG-20-63873	35,711
Passed-through State Department of Mental Health and Substance Abuse:			
Substance Abuse and Mental Health Services Projects of Regional And National Significance	93.243	(3)	5,864
Total U.S. Department of Health and Human Services			\$ 103,151
U.S. Executive Office of the President			
Passed-through Laurel County, Kentucky Fiscal Court:			
High Intensity Drug Trafficking Areas Program	95.001	G19AP0001A	\$ 29,168
Total Executive Office of the President			\$ 29,168
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	32667-1	\$ 57,500
Homeland Security Grant Program	97.067	34101-10318	37,000
Total U.S. Department of Homeland Security			\$ 94,500
Total Expenditures of Federal Grants			\$ 11,764,540
<u>State Grants</u>			
Juvenile Justice - State Commission on Children and Youth	N/A	(3)	\$ 9,000
Health Department Program - State Department of Health	N/A	(3)	608,232
Litter Program - State Department of Transportation	N/A	(3)	91,218
Drug Court Discretionary Grant Program - State Department of Mental Health	N/A	(3)	64,136
Juvenile Court Home Base - State Department of Finance and Administration	N/A	(3)	58,145
National Historical Publications and Records Commission Grant - Tennessee Secretary of State			
Courtroom Security Grant- State Administrative Office of the Courts	N/A	(3)	53,915
Census Grant - State Department of Administration and Finance	N/A	(3)	10,000
Veteran Treatment Court Direct Appropriation Grant	N/A	(3)	37,000
Help America Vote Act Requirements Payments - Tennessee Secretary of State	N/A	(3)	19,000
Early Childhood Education - State Department of Education	N/A	(3)	582,796
Family Resource Center - State Department of Education	N/A	(3)	29,612
Coordinated School Health - State Department of Education	N/A	(3)	125,000
Read to be Ready - Summer Grant - State Department of Education	N/A	(3)	1,550
Safe Schools Act - State Department of Education	N/A	(3)	272,119
Work Based Learning Grants- State Department of Education	N/A	(3)	44,500
Total State Grants			\$ 2,008,223

(Continued)

Blount County, Tennessee, and the Blount County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (9) (10) (11) (Cont.)

CFDA = Catalog of Federal Domestic Assistance
 N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Blount County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Child Nutrition Cluster total \$3,461,493; Highway Planning and Construction Cluster total \$70,276; Highway Safety Cluster total \$179,480; Special Education Cluster total \$2,866,559; Medicaid Cluster total \$37,501.
- (5) CFDA Totals: CFDA No. 10.555, \$2,169,790; CFDA No. 90.404, \$3,937.
- (6) During the year ended June 30, 2020, Blount County received excess military equipment from the U.S. Department of Military valued at \$321,621.
- (7) Z-20-THS023: \$25,441; Z-19-THS025: \$29,620.
- (8) Z-20-THS024: \$3,879; Z-20-THS022: \$45,980; Z-20-THS021: \$37,407; Z-19-THS028: \$12,548; Z-19-THS027: \$28,858; Z-19THS026: \$50,808.
- (9) For the year ended June 30, 2020, Blount County received donated PPE valued at \$34,409 (\$25,807 federal and \$8,602 state) from the Tennessee Department of Military. These donations were unaudited.
- (10) No amounts (\$0) were passed through to subrecipients.
- (11) Amounts Transferred

<u>Program Title</u>	<u>Transferred</u>
From Title I (CFDA 84.010) to Title II, Part A (CFDA 84.367)	\$486
From Title I (CFDA 84.010) to English Language Acquisition Grants (Title III) (CFDA 84.365)	243
Total amounts transferred	<u>\$729</u>

Blount 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 Blount County, Tennessee, for the year ended June 30, 2020.

Prior-year Financial Statement Findings

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

Prior-year Federal Awards Findings

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

BLOUNT COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2020

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

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

Federal Awards:

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

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

A finding and recommendation, as a result of our audit, are presented below. We reviewed this findings and recommendations with management to provide an opportunity for their response. A written response is 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 **SOME BUDGET AMENDMENTS WERE POSTED IN THE OTHER CAPITAL PROJECTS FUND THAT WERE NOT APPROVED BY THE COUNTY COMMISSION**
(Noncompliance Under *Government Auditing Standards*)

Four budget amendments totaling \$1,853,413 were posted to the Other Capital Projects Fund that had not been approved by the Blount County Commission. These amendments related to projects that were appropriated in the previous fiscal year, but the projects were not completed or spent prior to June 30, 2019. Section 9 of the budget resolution states, "that all unencumbered balances of appropriations remaining at the end of the year shall lapse and be of no further effect at the end of the year." Additionally, Section 5-12-213 (3), Tennessee Code Annotated states "When the budget has been adopted, whether by action of the county legislative body or by operation of law, amendments to major categories of the budget may be made with the approval of the county mayor, or a committee appointed by the county mayor, and passage of the amendment by a majority vote of the county legislative body." This deficiency is the result of management not including the remaining balance of previously approved projects in the original budget for the fiscal year ending June 30, 2020, or submitting a budget amendment to the county commission for their approval.

RECOMMENDATION

Unspent balances on previously approved projects which are intended to be carried over as appropriations in the following fiscal year should be included in the subsequent year budget approved by county commission or budget amendments should be submitted to county commission.

MANAGEMENT RESPONSE – DIRECTOR OF ACCOUNTS AND BUDGETS

The Board of County Commissioners of Blount County, Tennessee, assembled in regular session on June 20, 2019, and approved the FY 2019-2020 tax levy, which included a new \$0.03 revenue rate allocated to General Administration Capital Projects of the \$2.47 on each \$100 of assessed taxable property.

This action changed the operational functions of Fund 189 - General County Capital Projects, therefore, requiring the county commission to approve the remaining balance of previously approved projects in the form of a budget amendment each fiscal year.

Additional training has been conducted for accounting personnel, where budget amendments will be provided to the county commission for Fund 189 remaining balances that were not encumbered at the end of the fiscal year. These changes are effective immediately.

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.

Blount 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 DIRECTOR OF ACCOUNTS AND BUDGETS

2020-001	Some budget amendments were posted in the Other Capital Projects Fund that were not approved by the county commission.	265
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Blount County Government
341 Court Street
Maryville, TN 37804-5906

Corrective Action Plan

FINDING: SOME BUDGET AMENDMENTS WERE POSTED IN THE OTHER CAPITAL PROJECTS FUND THAT WERE NOT APPROVED BY COUNTY COMMISSION

Response and Corrective Action Plan Prepared by:
Randy Vineyard, Director of Accounts and Budgets (Director)

Person Responsible for Implementing the Corrective Action:
Randy Vineyard, Director of Accounts and Budgets (Director)

Anticipated Completion Date of Corrective Action:
February 26, 2021

Repeat Finding:
No

Planned Corrective Action:

The Board of County Commissioners of Blount County, Tennessee, assembled in regular session on June 20, 2019, and approved the FY 2019-2020 tax levy, which included a new \$0.03 revenue rate allocated to Gen. Admin. Capital Projects of the \$2.47 on each \$100 of assessed taxable property.

This action changed the operational functions of Fund 189 – General County Capital Projects, therefore, requiring the County Commission to approve remaining balances of previously approved projects in the form of a Budget Amendment each fiscal year.

Additional training has been conducted for accounting personnel, where Budget Amendments will be provided to the County Commission for Fund 189 remaining balances that were not encumbered at the end of the fiscal year. These changes are effective immediately.

Signature: 