



## ANNUAL FINANCIAL REPORT

# Campbell County, Tennessee

*For the Year Ended June 30, 2020*

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



**DIVISION OF**  
**LOCAL GOVERNMENT AUDIT**

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

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

***DIVISION OF LOCAL GOVERNMENT AUDIT***  
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***DOUG SANDIDGE, CISA, CFE***  
***State Auditors***

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

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## CAMPBELL COUNTY, TENNESSEE

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## ***Summary of Audit Findings***

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

### ***Scope***

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

### ***Results***

Our report on the financial statements of Campbell County is unmodified.

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

### ***Findings***

The following is a summary of the audit findings:

#### **OFFICES OF DIRECTOR OF SCHOOLS AND DIRECTOR OF FINANCE**

- ◆ Some purchases were not made by the county purchasing agent through the General Purpose School Fund.

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#### **OFFICE OF COUNTY CLERK**

- ◆ The office did not review its software audit logs.
  - ◆ An investigative report disclosed discrepancies in the operations of the County Clerk's Office.
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## INTRODUCTORY SECTION

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## Campbell County Officials

### June 30, 2020

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#### **Officials**

E.L. Morton, County Mayor  
Ron Dilbeck, Road Superintendent  
Jennifer Fields, Director of Schools  
Monty Bullock, Trustee  
Brandon Partin, Assessor of Property  
Alene Baird, County Clerk  
Bobby Vann, Circuit and General Sessions Courts Clerk  
Dennis Potter, Clerk and Master  
June Turner, Register of Deeds  
Robbie Goins, Sheriff  
Jeff Marlow, Director of Finance

#### **Board of County Commissioners**

Johnny Bruce, Chairman  
Whit Goins  
Sue Nance  
Scott Kitts  
Clifford Kohlmeyer  
Lisa Lester  
Tyler King  
Carl Douglas

Charles Baird  
Dewayne Baird  
Robert Higginbotham  
Rusty Orick  
Scott Stanfield  
Ralph Davis  
Zachary Marlow

#### **Board of Education**

Brent Lester, Chairman  
Ronnie Lasley  
Johnny Byrge  
Steve Morgan  
Faye Heatherly

Josh James  
Lisa Fields  
Jeffrey Miller  
Crystal Creekmore  
Noah Smith

#### **Financial Management Committee**

Scott Stanfield, Chairman  
Scott Kitts  
Johnny Bruce  
Carl Douglas  
E.L. Morton, County Mayor  
Ron Dilbeck, Road Superintendent  
Jennifer Fields, Director of Schools



## Campbell County Officials (Cont.)

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### **Audit Committee**

Robert Wormsley, Chairman  
James Cotton  
Charles Baird

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## FINANCIAL SECTION

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JASON E. MUMPOWER  
*Comptroller*

## Independent Auditor's Report

Campbell County Mayor and  
Board of County Commissioners  
Campbell 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 Campbell County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

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

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

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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Campbell County, Tennessee, as of June 30, 2020, and the respective changes in financial position thereof and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school changes in 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 Campbell 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 Campbell 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 Campbell 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 Campbell 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 26, 2021, on our consideration of Campbell 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 Campbell 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 Campbell County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 26, 2021

JEM/tg

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## BASIC FINANCIAL STATEMENTS

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## Exhibit A

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

	Primary Government Governmental Activities	Component Unit Campbell County School Department
<u>ASSETS</u>		
Cash	\$ 5,308	\$ 1,623
Equity in Pooled Cash and Investments	17,869,215	7,878,962
Inventories	10,219	0
Accounts Receivable	1,088,717	9,671
Allowance for Uncollectible	(294,833)	0
Due from Other Governments	1,954,427	1,672,190
Due from Component Units	33,496	0
Property Taxes Receivable	13,195,462	5,965,644
Allowance for Uncollectible Property Taxes	(689,178)	(311,576)
Net Pension Asset - Agent Plan	2,535,702	1,176,893
Net Pension Asset - Teacher Retirement Plan	0	189,863
Net Pension Asset - Teacher Legacy Pension Plan	0	5,448,544
Prepaid Items	20,109	0
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	153,266
Capital Assets:		
Assets Not Depreciated:		
Land	2,281,245	1,284,425
Construction in Progress	1,591,322	8,128
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	22,107,553	41,476,480
Infrastructure	30,391,677	0
Other Capital Assets	4,476,824	1,383,738
Total Assets	<u>\$ 96,577,265</u>	<u>\$ 66,337,851</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Charge on Refunding	\$ 52,050	\$ 0
Pension Changes in Experience	9,039	277,343
Pension Changes in Assumptions	290,823	875,796
Pension Changes in Proportion	0	125,949
Pension Contributions After Measurement Date	497,451	2,060,685
OPEB Changes in Experience	0	622,000
OPEB Changes in Assumptions	34,000	134,658
OPEB Changes in Proportion	0	91,783
OPEB Contributions After Measurement Date	49,500	613,513
Total Deferred Outflows of Resources	<u>\$ 932,863</u>	<u>\$ 4,801,727</u>

(Continued)

Exhibit A

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

	Primary Government Governmental Activities	Component Unit Campbell County School Department
<u>LIABILITIES</u>		
Accounts Payable	\$ 280,023	\$ 88,824
Accrued Payroll	86,283	32,444
Contracts Payable	808,742	0
Accrued Interest Payable	91,767	0
Payroll Deductions Payable	206,936	647,185
Due to Primary Government	0	33,496
Other Collections	8,950	0
Noncurrent Liabilities:		
Due Within One Year - Debt	3,538,391	0
Due Within One Year - Other	387,731	557,165
Due in More Than One Year - Debt	37,993,628	0
Due in More Than One Year - Other	1,122,347	8,772,377
Total Liabilities	<u>\$ 44,524,798</u>	<u>\$ 10,131,491</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 12,004,703	\$ 5,427,304
Deferred Credit on Refunding	113,082	0
Pension Changes in Experience	721,749	3,696,209
Pension Changes in Investment Earnings	394,926	1,748,077
Pension Changes in Proportion	0	62,350
OPEB Changes in Experience	250,000	1,411,647
OPEB Changes in Assumptions	4,000	736,971
Total Deferred Inflows of Resources	<u>\$ 13,488,460</u>	<u>\$ 13,082,558</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 47,812,562	\$ 44,152,771
Restricted for:		
General Government	38,230	0
Administration of Justice	173,619	0
Public Safety	143,245	0
Public Health and Welfare	41,396	0
Other Operations	371,379	0
Highways	244,227	0
Education	0	557,847
Pensions	2,535,702	6,968,566
Capital Projects	136,081	0
Unrestricted	<u>(11,999,571)</u>	<u>(3,753,655)</u>
Total Net Position	<u>\$ 39,496,870</u>	<u>\$ 47,925,529</u>

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



Exhibit B

Campbell 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 Unit
					Government Total Governmental Activities	Campbell County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 2,826,858	\$ 743,579	\$ 76,947	\$ 2,976	\$ (2,003,356)	\$ 0
Finance	2,831,396	1,103,445	120,067	0	(1,607,884)	0
Administration of Justice	1,435,075	728,388	8,975	0	(697,712)	0
Public Safety	9,577,841	2,415,850	456,588	25,000	(6,680,403)	0
Public Health and Welfare	5,844,306	2,465,992	866,824	19,283	(2,492,207)	0
Social, Cultural, and Recreational Services	207,509	1,140	10,121	0	(196,248)	0
Agriculture and Natural Resources	51,314	0	0	0	(51,314)	0
Highways	6,794,911	265,254	2,635,174	696,332	(3,198,151)	0
Interest on Long-term Debt	1,818,830	0	0	0	(1,818,830)	0
Total Primary Government	\$ 31,388,040	\$ 7,723,648	\$ 4,174,696	\$ 743,591	\$ (18,746,105)	\$ 0
Component Unit:						
Campbell County School Department	\$ 53,809,103	\$ 129,440	\$ 8,934,044	\$ 0	\$ 0	\$ (44,745,619)
Total Component Unit	\$ 53,809,103	\$ 129,440	\$ 8,934,044	\$ 0	\$ 0	\$ (44,745,619)

(Continued)

Exhibit B

Campbell County, Tennessee  
Statement of Activities (Cont.)

					Net (Expense) Revenue and Changes in Net Position	
		Program Revenues			Primary Government Total Governmental Activities	Component Unit Campbell County School Department
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 7,021,393	\$ 5,446,955
Property Taxes Levied for Solid Waste					1,254,803	0
Property Taxes Levied for Ambulance Service					974,021	0
Property Taxes Levied for Economic Development					215,232	0
Property Taxes Levied for Highways					435,343	0
Property Taxes Levied for Debt Service					1,407,298	0
Property Taxes Levied for Capital Projects					680,356	0
Local Option Sales Taxes					1,231,488	4,546,950
Other Local Taxes:						
Hotel/Motel Tax					462,438	0
Coal Severance Tax					0	143
Wheel Tax					1,473,888	0
Litigation Taxes					314,589	0
Business Tax					344,289	0
Mineral Severance Tax					97,402	0
Wholesale Beer Tax					117,468	0
Other Local Taxes					322,298	0
Grants and Contributions Not Restricted to Specific Programs					4,555,581	32,985,881
Unrestricted Investment Income					201,528	602
Gain on Investments					0	4,769
Miscellaneous					115,592	37,336
Total General Revenues					\$ 21,225,007	\$ 43,022,636
Change in Net Position						
Net Position, July 1, 2019					\$ 2,478,902	\$ (1,722,983)
					37,017,968	49,648,512
Net Position, June 30, 2020						
					\$ 39,496,870	\$ 47,925,529

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

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>						
Cash	\$ 258	\$ 0	\$ 0	\$ 0	\$ 5,050	\$ 5,308
Equity in Pooled Cash and Investments	5,947,895	1,730,814	1,966,449	4,094,906	4,129,151	17,869,215
Inventories	0	10,219	0	0	0	10,219
Accounts Receivable	163,815	17,000	140,630	0	767,272	1,088,717
Allowance for Uncollectibles	0	0	0	0	(294,833)	(294,833)
Due from Other Governments	692,333	738,695	465,952	57,447	0	1,954,427
Due from Other Funds	6,770	0	0	0	0	6,770
Due from Component Units	33,496	0	0	0	0	33,496
Property Taxes Receivable	7,719,536	479,514	1,555,408	0	3,441,004	13,195,462
Allowance for Uncollectible Property Taxes	(403,179)	(25,044)	(81,237)	0	(179,718)	(689,178)
Prepaid Items	0	0	0	20,109	0	20,109
Total Assets	\$ 14,160,924	\$ 2,951,198	\$ 4,047,202	\$ 4,172,462	\$ 7,867,926	\$ 33,199,712
<u>LIABILITIES</u>						
Accounts Payable	\$ 139,638	\$ 15,660	\$ 0	\$ 0	\$ 124,725	\$ 280,023
Accrued Payroll	77,457	0	0	0	8,826	86,283
Payroll Deductions Payable	137,882	21,306	0	0	47,748	206,936
Contracts Payable	44,000	0	0	754,822	9,920	808,742
Due to Other Funds	0	0	0	0	6,770	6,770
Other Collections	0	0	0	0	8,950	8,950
Total Liabilities	\$ 398,977	\$ 36,966	\$ 0	\$ 754,822	\$ 206,939	\$ 1,397,704

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 7,022,925	\$ 436,243	\$ 1,415,048	\$ 0	\$ 3,130,487	\$ 12,004,703
Deferred Delinquent Property Taxes	260,986	16,212	52,585	0	116,336	446,119
Other Deferred/Unavailable Revenue	71,889	512,721	415,879	19,761	326,445	1,346,695
Total Deferred Inflows of Resources	<u>\$ 7,355,800</u>	<u>\$ 965,176</u>	<u>\$ 1,883,512</u>	<u>\$ 19,761</u>	<u>\$ 3,573,268</u>	<u>\$ 13,797,517</u>
<u>FUND BALANCES</u>						
Nonspendable:						
Inventory	\$ 0	\$ 10,219	\$ 0	\$ 0	\$ 0	\$ 10,219
Prepaid Items	0	0	0	20,109	0	20,109
Restricted:						
Restricted for General Government	32,557	0	0	0	0	32,557
Restricted for Administration of Justice	173,619	0	0	0	0	173,619
Restricted for Public Safety	30,474	0	0	0	112,771	143,245
Restricted for Public Health and Welfare	5,021	0	0	0	0	5,021
Restricted for Other Operations	0	0	0	0	363,383	363,383
Restricted for Capital Projects	0	0	0	2,651,360	0	2,651,360
Committed:						
Committed for General Government	12,548	0	0	0	0	12,548
Committed for Public Safety	840,237	0	0	0	0	840,237
Committed for Public Health and Welfare	0	0	0	0	1,835,698	1,835,698
Committed for Social, Cultural, and Recreational Services	53,289	0	0	0	0	53,289
Committed for Highways/Public Works	0	1,834,876	0	0	0	1,834,876
Committed for Debt Service	0	0	2,163,690	0	0	2,163,690
Committed for Capital Projects	0	0	0	726,410	535,412	1,261,822
Committed for OPEB	522,423	103,961	0	0	308,262	934,646

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Capital Projects	Other Govern- mental Funds	
<u>FUND BALANCES (Cont.)</u>						
Committed (Cont.):						
Committed for Other Purposes	\$ 0	\$ 0	\$ 0	\$ 0	932,193	\$ 932,193
Assigned:						
Assigned for General Government	911,918	0	0	0	0	911,918
Assigned for Finance	34,073	0	0	0	0	34,073
Assigned for Administration of Justice	10,344	0	0	0	0	10,344
Assigned for Public Safety	282,324	0	0	0	0	282,324
Assigned for Public Health and Welfare	26,001	0	0	0	0	26,001
Assigned for Social, Cultural, and Recreational Services	33,792	0	0	0	0	33,792
Assigned for Agriculture and Natural Resources	50	0	0	0	0	50
Unassigned	3,437,477	0	0	0	0	3,437,477
Total Fund Balances	<u>\$ 6,406,147</u>	<u>\$ 1,949,056</u>	<u>\$ 2,163,690</u>	<u>\$ 3,397,879</u>	<u>\$ 4,087,719</u>	<u>\$ 18,004,491</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 14,160,924</u>	<u>\$ 2,951,198</u>	<u>\$ 4,047,202</u>	<u>\$ 4,172,462</u>	<u>\$ 7,867,926</u>	<u>\$ 33,199,712</u>

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

Exhibit C-2

Campbell 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)		\$	18,004,491
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	2,281,245	
Add: construction in progress		1,591,322	
Add: buildings and improvements net of accumulated depreciation		22,107,553	
Add: infrastructure net of accumulated depreciation		30,391,677	
Add: other capital assets net of accumulated depreciation		<u>4,476,824</u>	60,848,621
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: notes payable	\$	(504,030)	
Less: other loans payable		(1,551,978)	
Less: bonds payable		(35,820,000)	
Add: deferred charge on refunding		52,050	
Less: deferred credit on refunding		(113,082)	
Less: compensated absences payable		(426,078)	
Less: OPEB liability		(1,084,000)	
Less: accrued interest on bonds, notes, and other loans		(91,767)	
Less: unamortized premium on debt		<u>(3,656,011)</u>	(43,194,896)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			1,792,814
(4) Amounts reported as deferred outflows of resources and deferred inflows or 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	\$	797,313	
Less: deferred inflows of resources related to pensions		(1,116,675)	
Add: deferred outflows of resources related to OPEB		83,500	
Less: deferred inflows of resources related to OPEB		<u>(254,000)</u>	(489,862)
(5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			<u>2,535,702</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>39,496,870</u></u>

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

## Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>						
Local Taxes	\$ 9,030,804	\$ 939,533	\$ 2,730,113	\$ 0	\$ 4,035,787	\$ 16,736,237
Licenses and Permits	168,226	0	0	0	0	168,226
Fines, Forfeitures, and Penalties	215,345	0	0	0	33,874	249,219
Charges for Current Services	172,307	300	0	0	2,127,619	2,300,226
Other Local Revenues	149,769	336,904	265,252	28,539	196,270	976,734
Fees Received From County Officials	1,753,172	0	0	0	0	1,753,172
State of Tennessee	4,501,350	2,971,472	56,749	7,239	57,915	7,594,725
Federal Government	289,359	20,019	140,630	283,603	259,372	992,983
Other Governments and Citizens Groups	515,390	0	2,093,842	0	35,398	2,644,630
Total Revenues	\$ 16,795,722	\$ 4,268,228	\$ 5,286,586	\$ 319,381	\$ 6,746,235	\$ 33,416,152
<u>Expenditures</u>						
Current:						
General Government	\$ 1,685,210	\$ 0	\$ 0	\$ 0	\$ 93,295	\$ 1,778,505
Finance	2,809,201	0	0	0	393	2,809,594
Administration of Justice	1,443,374	0	0	0	35,101	1,478,475
Public Safety	8,935,040	0	0	0	27,774	8,962,814
Public Health and Welfare	917,407	0	0	0	4,836,503	5,753,910
Social, Cultural, and Recreational Services	208,785	0	0	0	0	208,785
Agriculture and Natural Resources	51,314	0	0	0	0	51,314
Other Operations	484,553	0	0	0	137,263	621,816
Highways	21,992	4,505,610	0	0	0	4,527,602
Debt Service:						
Principal on Debt	0	0	3,371,531	0	0	3,371,531
Interest on Debt	0	0	1,530,540	0	0	1,530,540
Other Debt Service	0	0	434,675	0	0	434,675

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 1,839,731	\$ 939,437	\$ 2,779,168
Total Expenditures	\$ 16,556,876	\$ 4,505,610	\$ 5,336,746	\$ 1,839,731	\$ 6,069,766	\$ 34,308,729
 Excess (Deficiency) of Revenues Over Expenditures	 \$ 238,846	 \$ (237,382)	 \$ (50,160)	 \$ (1,520,350)	 \$ 676,469	 \$ (892,577)
<u>Other Financing Sources (Uses)</u>						
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 3,515,000	\$ 0	\$ 3,515,000
Refunding Debt Issued	0	0	18,260,000	0	0	18,260,000
Premiums on Debt Sold	0	0	2,753,502	489,925	0	3,243,427
Insurance Recovery	7,956	0	0	0	21,821	29,777
Transfers In	38,000	0	0	0	80,000	118,000
Transfers Out	(80,000)	0	0	0	(38,000)	(118,000)
Payments to Refunded Debt Escrow Agent	0	0	(20,626,504)	0	0	(20,626,504)
Total Other Financing Sources (Uses)	\$ (34,044)	\$ 0	\$ 386,998	\$ 4,004,925	\$ 63,821	\$ 4,421,700
 Net Change in Fund Balances	 \$ 204,802	 \$ (237,382)	 \$ 336,838	 \$ 2,484,575	 \$ 740,290	 \$ 3,529,123
Fund Balance, July 1, 2019	6,201,345	2,186,438	1,826,852	913,304	3,347,429	14,475,368
 Fund Balance, June 30, 2020	 \$ 6,406,147	 \$ 1,949,056	 \$ 2,163,690	 \$ 3,397,879	 \$ 4,087,719	 \$ 18,004,491

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



Exhibit C-4

Campbell 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)		\$ 3,529,123
(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	\$ 3,064,845	
Less: current-year depreciation expense	<u>(3,660,509)</u>	(595,664)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Less: net book value of assets disposed		(237,623)
(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	\$ 1,792,814	
Less: deferred delinquent property taxes and other deferred June 30, 2019	<u>(1,270,879)</u>	521,935
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these difference in the treatment of long-term debt and related items.		
Less: bond proceeds	\$ (21,775,000)	
Less: change in unamortized premium on debt issuances	(3,011,041)	
Add: principal payments on bonds	2,865,000	
Add: principal payments on notes	183,367	
Add: principal payments on other loans	323,164	
Add: debt principal refunded	20,610,000	
Less: change in deferred charge on refunding debt	(31,890)	
Less: change in deferred credit on refunding debt	<u>(113,082)</u>	(949,482)
(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	\$ 75,475	
Change in compensated absences payable	5,162	
Change in net OPEB liability	(118,000)	
Change in net pension liability/asset	668,432	
Change in deferred outflows related to pensions	(197,029)	
Change in deferred inflows related to pensions	(312,237)	
Change in deferred outflows related to OPEB	49,810	
Change in deferred inflows related to OPEB	<u>39,000</u>	210,613
Change in net position of governmental activities (Exhibit B)		<u><u>\$ 2,478,902</u></u>

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

## Exhibit C-5

Campbell 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	\$ 9,030,804	\$ 0	\$ 0	\$ 9,030,804	\$ 9,070,317	\$ 9,070,317	\$ (39,513)
Licenses and Permits	168,226	0	0	168,226	175,870	175,870	(7,644)
Fines, Forfeitures, and Penalties	215,345	0	0	215,345	282,608	286,176	(70,831)
Charges for Current Services	172,307	0	0	172,307	107,545	180,309	(8,002)
Other Local Revenues	149,769	0	0	149,769	93,624	167,458	(17,689)
Fees Received From County Officials	1,753,172	0	0	1,753,172	1,942,105	1,942,105	(188,933)
State of Tennessee	4,501,350	0	0	4,501,350	4,501,481	4,721,872	(220,522)
Federal Government	289,359	0	0	289,359	7,885	365,467	(76,108)
Other Governments and Citizens Groups	515,390	0	0	515,390	514,091	514,091	1,299
Total Revenues	\$ 16,795,722	\$ 0	\$ 0	\$ 16,795,722	\$ 16,695,526	\$ 17,423,665	\$ (627,943)
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 350,375	\$ (6,564)	\$ 31,774	\$ 375,585	\$ 335,255	\$ 428,265	\$ 52,680
Board of Equalization	4,107	0	0	4,107	4,110	4,110	3
Other Boards and Committees	0	0	0	0	2,000	2,000	2,000
County Mayor/Executive	300,158	(1,553)	5,586	304,191	320,796	320,796	16,605
County Attorney	56,503	0	0	56,503	57,339	57,339	836
Election Commission	312,848	(303)	7,181	319,726	359,201	361,038	41,312
Register of Deeds	284,791	(2,245)	6,052	288,598	291,042	291,042	2,444
County Buildings	359,743	(7,079)	11,715	364,379	375,078	384,078	19,699
Preservation of Records	16,685	0	195	16,880	16,893	17,893	1,013
<u>Finance</u>							
Accounting and Budgeting	857,832	(1,382)	13,241	869,691	904,943	904,943	35,252
Central Services	623,883	(4,465)	4,546	623,964	571,105	714,090	90,126
Property Assessor's Office	456,768	(765)	7,277	463,280	452,006	487,552	24,272
Reappraisal Program	150	(150)	0	0	37,121	0	0
County Trustee's Office	343,257	(4,544)	5,972	344,685	349,514	349,514	4,829
County Clerk's Office	527,311	(12,569)	3,037	517,779	547,969	540,579	22,800

(Continued)

## Exhibit C-5

Campbell 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>Administration of Justice</u>							
Circuit Court	\$ 752,462	\$ (3,765)	\$ 6,895	\$ 755,592	\$ 742,787	\$ 783,386	\$ 27,794
General Sessions Court	246,860	(305)	989	247,544	246,147	249,899	2,355
Chancery Court	362,986	(997)	336	362,325	364,042	364,792	2,467
District Attorney General	47,426	0	0	47,426	48,037	48,037	611
Office of Public Defender	33,640	0	2,124	35,764	36,028	36,028	264
Other Administration of Justice	0	0	0	0	600	0	0
<u>Public Safety</u>							
Sheriff's Department	2,665,430	(194,728)	79,939	2,550,641	2,408,710	2,611,604	60,963
Special Patrols	649,025	(3,507)	12,678	658,196	695,717	696,902	38,706
Traffic Control	3,121	(79,155)	77,955	1,921	2,160	25,311	23,390
Administration of the Sexual Offender Registry	2,847	0	0	2,847	5,100	8,700	5,853
Jail	4,688,404	(23,546)	22,002	4,686,860	4,703,427	4,873,212	186,352
Juvenile Services	46,641	0	1,225	47,866	39,141	59,141	11,275
Commissary	0	0	0	0	100	100	100
Fire Prevention and Control	156,085	0	0	156,085	164,065	164,065	7,980
Civil Defense	150,470	(10,221)	51,375	191,624	126,507	247,233	55,609
Rescue Squad	65,440	0	0	65,440	69,825	69,825	4,385
Other Emergency Management	188,456	0	0	188,456	188,456	188,456	0
County Coroner/Medical Examiner	82,249	(7,609)	20,350	94,990	101,541	101,541	6,551
Other Public Safety	236,872	(32,138)	16,800	221,534	294,154	1,062,717	841,183
<u>Public Health and Welfare</u>							
Local Health Center	59,536	(3,514)	19,201	75,223	61,900	91,054	15,831
Rabies and Animal Control	218,767	0	6,600	225,367	150,403	228,503	3,136
Dental Health Program	0	0	0	0	7,740	7,740	7,740
Alcohol and Drug Programs	10,397	0	0	10,397	9,232	12,800	2,403
Crippled Children Services	2,764	0	0	2,764	2,764	2,764	0
Other Local Health Services	519,348	0	0	519,348	799,677	836,200	316,852
Appropriation to State	23,275	0	0	23,275	24,500	24,500	1,225
General Welfare Assistance	6,800	(400)	200	6,600	9,400	9,400	2,800

(Continued)

## Exhibit C-5

Campbell 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>							
Sanitation Education/Information	\$ 76,520	\$ 0	\$ 0	\$ 76,520	\$ 142,934	\$ 142,934	\$ 66,414
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	56,237	0	0	56,237	58,736	58,736	2,499
Libraries	38,000	0	0	38,000	38,000	38,000	0
Other Social, Cultural, and Recreational	114,548	(46,723)	33,792	101,617	163,013	163,013	61,396
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	51,314	(66)	50	51,298	54,058	54,058	2,760
<u>Other Operations</u>							
Airport	94,882	0	0	94,882	96,835	99,915	5,033
Veterans' Services	167,279	(1,532)	244	165,991	169,776	169,776	3,785
Contributions to Other Agencies	91,250	0	0	91,250	88,750	91,250	0
Employee Benefits	119,236	0	0	119,236	156,706	156,596	37,360
COVID-19 Grant C	11,751	0	0	11,751	0	11,751	0
Miscellaneous	155	0	0	155	6,500	6,500	6,345
<u>Highways</u>							
Employee Benefits	21,992	0	0	21,992	0	21,992	0
Total Expenditures	\$ 16,556,876	\$ (449,825)	\$ 449,331	\$ 16,556,382	\$ 16,901,840	\$ 18,681,670	\$ 2,125,288
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 238,846	\$ 449,825	\$ (449,331)	\$ 239,340	\$ (206,314)	\$ (1,258,005)	\$ 1,497,345
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 7,956	\$ 0	\$ 0	\$ 7,956	\$ 0	\$ 0	\$ 7,956
Transfers In	38,000	0	0	38,000	38,000	38,000	0
Transfers Out	(80,000)	0	0	(80,000)	(80,000)	(80,000)	0
Total Other Financing Sources	\$ (34,044)	\$ 0	\$ 0	\$ (34,044)	\$ (42,000)	\$ (42,000)	\$ 7,956

(Continued)

## Exhibit C-5

Campbell 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	\$ 204,802	\$ 449,825	\$ (449,331)	\$ 205,296	\$ (248,314)	\$ (1,300,005)	\$ 1,505,301
Fund Balance, July 1, 2019	6,201,345	(449,825)	0	5,751,520	3,596,885	3,596,885	2,154,635
Fund Balance, June 30, 2020	\$ 6,406,147	\$ 0	\$ (449,331)	\$ 5,956,816	\$ 3,348,571	\$ 2,296,880	\$ 3,659,936

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

Exhibit C-6

Campbell County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 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	\$ 939,533	\$ 0	\$ 0	\$ 939,533	\$ 941,351	\$ 941,351	\$ (1,818)
Charges for Current Services	300	0	0	300	440	440	(140)
Other Local Revenues	336,904	0	0	336,904	365,374	337,746	(842)
State of Tennessee	2,971,472	0	0	2,971,472	3,738,245	3,673,217	(701,745)
Federal Government	20,019	0	0	20,019	530,038	676,286	(656,267)
Other Governments and Citizens Groups	0	0	0	0	0	10,000	(10,000)
Total Revenues	\$ 4,268,228	\$ 0	\$ 0	\$ 4,268,228	\$ 5,575,448	\$ 5,639,040	\$ (1,370,812)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 225,429	\$ (375)	\$ 3,645	\$ 228,699	\$ 218,938	\$ 229,363	\$ 664
Highway and Bridge Maintenance	2,123,362	(49,332)	125,840	2,199,870	2,237,940	2,205,264	5,394
Operation and Maintenance of Equipment	649,259	(12,476)	13,381	650,164	741,150	658,500	8,336
Quarry Operations	245,326	(10,485)	644	235,485	240,649	238,489	3,004
Other Charges	165,410	(3,797)	1,824	163,437	165,401	168,115	4,678
Employee Benefits	113,357	(766)	1,344	113,935	179,351	115,613	1,678
Capital Outlay	983,467	(447,498)	547,324	1,083,293	1,876,379	2,350,724	1,267,431
Total Expenditures	\$ 4,505,610	\$ (524,729)	\$ 694,002	\$ 4,674,883	\$ 5,659,808	\$ 5,966,068	\$ 1,291,185
Excess (Deficiency) of Revenues Over Expenditures	\$ (237,382)	\$ 524,729	\$ (694,002)	\$ (406,655)	\$ (84,360)	\$ (327,028)	\$ (79,627)
Net Change in Fund Balance	\$ (237,382)	\$ 524,729	\$ (694,002)	\$ (406,655)	\$ (84,360)	\$ (327,028)	\$ (79,627)
Fund Balance, July 1, 2019	2,186,438	(524,729)	0	1,661,709	1,685,059	1,685,059	(23,350)
Fund Balance, June 30, 2020	\$ 1,949,056	\$ 0	\$ (694,002)	\$ 1,255,054	\$ 1,600,699	\$ 1,358,031	\$ (102,977)

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

Exhibit D

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

	<u>Agency Funds</u>
 <u>ASSETS</u>	
Cash	\$ 3,247,847
Due from Other Governments	<u>809,646</u>
Total Assets	<u><u>\$ 4,057,493</u></u>
 <u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 809,646
Due to Litigants, Heirs, and Others	<u>3,247,847</u>
Total Liabilities	<u><u>\$ 4,057,493</u></u>

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

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

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Campbell 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 Campbell County:

**A. Reporting Entity**

Campbell County is a public municipal corporation governed by an elected 15-member board. As required by GAAP, these financial statements present Campbell County (the primary government) and its component units. The financial statements of the Campbell County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of the omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

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

The Campbell 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 Campbell County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Campbell County Emergency Communications District  
P.O. Box 344  
1111 Jacksboro Pike  
LaFollette, TN 37766

**Related Organization** – The Campbell County Industrial Development Board is a related organization of Campbell County. The county commission appoints the board members, but the county's accountability for the organization does not extend beyond making the appointments.

**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 Campbell 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 Campbell 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.

Campbell County issues all debt for the discretely presented Campbell County School Department. During the year, the county expended \$1,550,037 from proceeds of a county bond sale for improvements of school department HVAC systems. Those expenditures were made from the county's Other Capital Projects Fund.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, 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 Campbell 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. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Campbell County has no proprietary funds to report.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Campbell County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are

generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Campbell County reports the following major governmental funds:

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

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

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

**Other Capital Projects Fund** – This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets for the county and the school department.

Additionally, Campbell County reports the following fund type:

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

The discretely presented Campbell 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.

**School Federal Projects Fund** – This special revenue fund is used to account for restricted federal revenues, which must be expended on specific education programs.

**Central Cafeteria Fund** – This special revenue fund is used to account for the cafeteria operations in each of the schools. Charges for services and federal Nutrition Program funds are the foundational revenues of this fund.

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

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

**1. Deposits and Investments**

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Campbell County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. Campbell 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 State of America. Campbell 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 or 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 ambulance, property taxes, and solid waste receivables are shown with an allowance for uncollectibles. Ambulance and solid waste receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 2.86 percent of total taxes levied.

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

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

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

### **3. Inventories and Prepaid Items**

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

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. Prepaids are offset in the nonspendable fund balance account in governmental funds.

### **4. Restricted Assets**

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

## 5. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$10,000 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	7 - 40
Other Capital Assets	3 - 15
Infrastructure:	
Roads	20 - 50
Bridges	40

## 6. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future



period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are the deferred charge on refunding, pension and OPEB changes in experience, pension and OPEB changes in assumptions, pension and OPEB contributions after the measurement date, and pension and OPEB changes in proportion.

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

#### **7. Compensated Absences**

It is the county's and school department's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave for any employee since neither Campbell County nor the school department has a policy to pay any amounts when these employees separate from service with the government, except upon retirement as discussed in Note V.G. Vacation pay for school and county employees is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

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

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is

reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

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

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

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

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

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

On the government-wide Statement of Net Position (Exhibit A), the account Restricted for Other Operations for the primary government consists of funds restricted for industrial development.

As of June 30, 2020, Campbell County had \$24,778,483 in outstanding debt for capital purposes of other entities (schools - \$24,445,283 and City of LaFollette \$333,200). This debt is a liability of Campbell County, but the capital assets acquired are reported in the financial statements

of the school department and the City of LaFollette. Therefore, Campbell County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

These classifications may consist of the following:

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission makes assignments for the general government and the Board of Education makes assignments for the school department. Assigned fund balance in the General Fund represents amounts assigned for encumbrances (\$449,331) and amounts appropriated for use in the 2020-2021 budget (\$849,171). Assigned fund balance in the school department's General Purpose School Fund represents

amounts assigned for encumbrances (\$187,685) and amounts appropriated for use in the 2020-2021 budget (\$507,795).

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

### **Discretely Presented Campbell 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 Campbell 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 Campbell County School Department**

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

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

#### **Primary Government**

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

### **Discretely Presented Campbell County School Department**

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

### III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### A. Budgetary Information

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

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

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

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

At June 30, 2020, Campbell County and the Campbell County School Department reported the following encumbrances:

<u>Fund</u>	<u>Amount</u>
Primary Government:	
Major Funds:	
General	\$ 449,331
Highway/Public Works	694,002
Nonmajor Funds:	
Solid/Waste Sanitation	14,668
Ambulance Service	48,076
Industrial/Economic Development	510
Drug Control	365
General Capital Projects	75,559
School Department:	
Major Fund:	
General Purpose School	356,139
Nonmajor Fund:	
Central Cafeteria	55,672

**B. Some Purchases Were Not Made Through the County Purchasing Agent**

During the year, the school department disbursed funds totaling \$600,000 to the two county high schools' activity accounts to be used for capital expenditures at the schools. These payments were made due to the board of education's efforts to spend the remaining unspent appropriations in certain budget categories. Those unspent appropriations resulted from the COVID-19 school closures. The county's independent auditors have questioned the practice of making these payments primarily due to statutes governing the purpose of activity accounts and statutes governing purchasing procedures of the school department. The auditor's finding, management's response, and management's corrective action plan are presented in the Single Audit Section of this report.

**C. Discrepancies in the Operations of the County Clerk's Office Disclosed in Investigative Report**

Former Deputy Clerk Jodi Owens was indicted by the Campbell County Grand Jury on May 20, 2020, on one count of Official Misconduct. The indictment was the result of an investigation performed by the Office of the Comptroller of the Treasury, Division of Investigations, and the Tennessee Bureau of Investigations. An investigative report was issued by the Comptroller of the Treasury, Division of Investigations on August 27, 2020. The report reflected two findings. The investigative report can be found at [www.comptroller.tn.gov/ia](http://www.comptroller.tn.gov/ia). Ms. Owens resigned on December 14, 2018.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

Campbell County and the Campbell 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.



Other than the pension stabilization trust discussed below, the county had no pooled and nonpooled investments as of June 30, 2020.

### **TCRS Stabilization Trust**

**Legal Provisions.** The Campbell 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 Campbell 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.

At June 30, 2020, the Campbell 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	\$ 47,512
Developed Market International Equity	N/A	N/A	21,457
Emerging Market International Equity	N/A	N/A	6,131
U.S. Fixed Income	N/A	N/A	30,653
Real Estate	N/A	N/A	15,327
Short-term Securities	N/A	N/A	1,533
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>30,653</u>
Total			<u>\$ 153,266</u>

		Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV
Investment by Fair Value Level	Fair Value 6-30-20				
U.S. Equity	\$ 47,512	\$ 47,512	\$ 0	\$ 0	0
Developed Market International Equity	21,457	21,457	0	0	0
Emerging Market International Equity	6,131	6,131	0	0	0
U.S. Fixed Income	30,653	0	30,653	0	0
Real Estate	15,327	0	0	15,327	0
Short-term Securities	1,533	0	1,533	0	0
Private Equity and Strategic Lending	30,653	0	0	0	30,653
Total	<u>\$ 153,266</u>	<u>\$ 75,100</u>	<u>\$ 32,186</u>	<u>\$ 15,327</u>	<u>\$ 30,653</u>

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

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Campbell 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 Campbell 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. Campbell 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 Campbell County School Department to pay retirement benefits of the school department employees.

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

**B. Capital Assets**

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

**Primary Government****Governmental Activities:**

	Balance				Balance
	7-1-19	Increases	Decreases		6-30-20
Capital Assets Not Depreciated:					
Land	\$ 2,128,410	\$ 152,835	\$ 0	\$	2,281,245
Construction in Progress	80,075	1,550,036	(38,789)		1,591,322
Total Capital Assets Not Depreciated	\$ 2,208,485	\$ 1,702,871	\$ (38,789)	\$	3,872,567
Capital Assets Depreciated:					
Buildings and Improvements	\$ 30,658,703	\$ 290,919	\$ 0	\$	30,949,622
Infrastructure	80,366,822	0	0		80,366,822
Other Capital Assets	11,467,918	1,109,844	(1,035,010)		11,542,752
Total Capital Assets Depreciated	\$ 122,493,443	\$ 1,400,763	\$ (1,035,010)	\$	122,859,196
Less Accumulated Depreciated For:					
Buildings and Improvements	\$ 7,902,358	\$ 939,711	\$ 0	\$	8,842,069
Infrastructure	47,965,975	2,009,170	0		49,975,145
Other Capital Assets	7,151,687	711,628	(797,387)		7,065,928
Total Accumulated Depreciation	\$ 63,020,020	\$ 3,660,509	\$ (797,387)	\$	65,883,142
Total Capital Assets Depreciated, Net	\$ 59,473,423	\$ (2,259,746)	\$ (237,623)	\$	56,976,054
Governmental Activities Capital Assets, Net	\$ 61,681,908	\$ (556,875)	\$ (276,412)	\$	60,848,621

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

**Governmental Activities:**

General Government	\$	504,031
Finance		21,264
Administration of Justice		4,249
Public Safety		575,443
Public Health and Welfare		358,060
Social, Cultural, and Recreational Services		4,309
Highways/Public Works		<u>2,193,153</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>3,660,509</u></u>

**Discretely Presented Campbell County School Department****Governmental Activities:**

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 1,284,425	\$ 0	\$ 0	\$ 1,284,425
Construction in Progress	<u>244,855</u>	<u>17,405</u>	<u>(254,132)</u>	<u>8,128</u>
Total Capital Assets Not Depreciated	<u>\$ 1,529,280</u>	<u>\$ 17,405</u>	<u>\$ (254,132)</u>	<u>\$ 1,292,553</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 85,362,060	\$ 622,486	\$ 0	\$ 85,984,546
Other Capital Assets	<u>5,267,173</u>	<u>465,805</u>	<u>0</u>	<u>5,732,978</u>
Total Capital Assets Depreciated	<u>\$ 90,629,233</u>	<u>\$ 1,088,291</u>	<u>\$ 0</u>	<u>\$ 91,717,524</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 42,163,281	\$ 2,344,785	\$ 0	\$ 44,508,066
Other Capital Assets	<u>4,021,410</u>	<u>327,830</u>	<u>0</u>	<u>4,349,240</u>
Total Accumulated Depreciation	<u>\$ 46,184,691</u>	<u>\$ 2,672,615</u>	<u>\$ 0</u>	<u>\$ 48,857,306</u>
Total Capital Assets Depreciated, Net	<u>\$ 44,444,542</u>	<u>\$ (1,584,324)</u>	<u>\$ 0</u>	<u>\$ 42,860,218</u>
Governmental Activities Capital Assets, Net	<u>\$ 45,973,822</u>	<u>\$ (1,566,919)</u>	<u>\$ (254,132)</u>	<u>\$ 44,152,771</u>

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

**Governmental Activities:**

Instruction	\$ 16,617
Support Services	2,555,511
Operation of Non-instructional Services	<u>100,487</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 2,672,615</u></u>

**C. Construction Commitments**

At June 30, 2020, the county had an uncompleted construction contract of approximately \$608,035 for schools' HVAC systems. Funding has been received for these future expenditures through issuance of General Obligation Bonds. The project is being accounted for in the Other Capital Projects Fund of the primary government.

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

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

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 6,770
Discretely Presented School Department:		
General Purpose School	School Federal Projects	653
School Federal Projects	General Purpose School	18,202
Central Cafeteria	"	10,884

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

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

Receivable Fund	Payable Fund	Amount
<hr/>		
Primary Government:	Component Unit:	
General	School Department:	
	General Purpose School	\$ 33,496

**Interfund Transfers:**

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

**Primary Government**

Transfers Out	Transfers In	
	General Fund	Nonmajor Governmental Fund
<hr/>		
General Fund	\$	\$ 80,000
Nonmajor governmental fund	38,000	0
	<hr/>	
Total	\$ 38,000	\$ 80,000
	<hr/>	

Transfers to the General Fund from the nonmajor governmental fund for \$38,000 is for indirect costs in the Solid Waste/Sanitation Fund. Transfers to the nonmajor governmental fund for \$80,000 is to fund operations of the ambulance department.

**Discretely Presented Campbell County School Department**

Transfers Out	Transfers In	
	School Federal Projects Fund	Central Cafeteria Fund
<hr/>		
General Purpose School Fund	\$ 500,000	\$ 129,995
	<hr/>	
Total	\$ 500,000	\$ 129,995
	<hr/>	

Transfers from the General Purpose School Fund to the Central Cafeteria Fund represents funding for food service salary increases. The transfer to the School Federal Projects Fund was for cashflow needs.



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

**E. Long-term Debt**

**Primary Government**

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

General Obligation Bonds - Campbell County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds outstanding were issued for original terms of up to 11 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 - Campbell County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes, and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes, and other loans outstanding were issued for original terms of up to 12 years for notes and up to 13 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes, and other loans included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes, and other loans 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	3 to 5	%	6-1-30	\$ 3,515,000	\$ 3,515,000
General Obligation Bonds - Refunding	2 to 5		6-1-31	35,240,000	32,305,000
Direct Borrowing and Direct Placement:					
Capital Outlay Notes	1.82 to 4.23		6-29-28	1,300,000	504,030
Other Loans - Fixed Rate	0 to 1		6-1-31	2,795,796	1,551,978

The annual requirements to amortize all general obligation bonds, notes, 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	\$ 3,075,000	\$ 1,265,053	\$ 4,340,053
2022	3,160,000	1,169,681	4,329,681
2023	3,270,000	1,060,382	4,330,382
2024	3,365,000	948,131	4,313,131
2025	3,445,000	833,631	4,278,631
2026-2030	16,520,000	2,120,631	18,640,631
2031	2,985,000	59,700	3,044,700
Total	\$ 35,820,000	\$ 7,457,209	\$ 43,277,209

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 212,531	\$ 9,134	\$ 221,665
2022	41,700	5,787	47,487
2023	41,700	4,929	46,629
2024	41,700	4,070	45,770
2025	41,700	3,212	44,912
2026-2028	124,699	4,486	129,185
Total	\$ 504,030	\$ 31,618	\$ 535,648

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2021	\$ 250,860	\$ 12,468	\$ 263,328
2022	228,878	11,340	240,218
2023	114,420	10,200	124,620
2024	115,572	9,048	124,620
2025	116,736	7,884	124,620
2026-2030	601,488	21,612	623,100
2031	124,024	663	124,687
Total	<u>\$ 1,551,978</u>	<u>\$ 73,215</u>	<u>\$ 1,625,193</u>

There is \$2,163,690 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$880, based on the 2010 federal census. Total debt per capita, including bonds, notes, other loans, and unamortized debt premiums, totaled \$1,020, based on the 2010 federal census.

#### Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Notes - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2019	\$ 37,520,000	\$ 687,397	\$ 1,875,142
Additions	21,775,000	0	0
Reductions	(23,475,000)	(183,367)	(323,164)
Balance, June 30, 2020	<u>\$ 35,820,000</u>	<u>\$ 504,030</u>	<u>\$ 1,551,978</u>
Balance Due Within One Year	<u>\$ 3,075,000</u>	<u>\$ 212,531</u>	<u>\$ 250,860</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 37,876,008
Less: Balance Due Within One Year - Debt	(3,538,391)
Add: Unamortized Premium on Debt	<u>3,656,011</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 37,993,628</u>

### Current Refunding

On June 5, 2020, Campbell County refunded General Obligation Bonds, Series 2010A; General Obligation Bonds, Series 2010B; General Obligation Bonds, Series 2011; General Obligation Bonds, Series 2012; and General Obligation Bonds, Series 2013 with General Obligation Bonds, Refunding Series 2020. The county used proceeds of the refunding bonds (\$18,260,000) along with issuance premiums received (\$2,697,744) to provide resources to call and redeem the refunded debt. As a result, the bonds were redeemed, and the liability has been removed from the governmental activities column of the Statement of Net Position. As a result of the refunding, total debt service payments over the next 12 years, will be reduced by \$3,023,717, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$2,347,531 was obtained.

### **F. 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	\$ 431,240	\$ 966,000
Additions	382,922	167,000
Reductions	(388,084)	(49,000)
Balance, June 30, 2020	<u>\$ 426,078</u>	<u>\$ 1,084,000</u>
Balance Due Within One Year	<u>\$ 387,731</u>	<u>\$ 0</u>

#### Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2020	\$ 1,510,078
Less: Balance Due Within One Year - Other	<u>(387,731)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,122,347</u>

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

## **Discretely Presented Campbell County School Department**

### **Changes in Long-term Obligations**

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits	Termination Benefits
Balance, July 1, 2019	\$ 114,015	\$ 7,764,493	\$ 0
Additions	155,370	2,136,004	834,375
Reductions	(133,984)	(1,157,444)	(383,287)
Balance, June 30, 2020	<u>\$ 135,401</u>	<u>\$ 8,743,053</u>	<u>\$ 451,088</u>
Balance Due Within One Year	<u>\$ 128,631</u>	<u>\$ 0</u>	<u>\$ 428,534</u>

Analysis of Other Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2020	\$ 9,329,542
Less: Balance Due Within One Year - Other	<u>(557,165)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 8,772,377</u>

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

### **G. Other Commitments**

During the year, the school department paid \$2,093,842 to the primary government's General Debt Service Fund to be applied toward the retirement of school related debt. By resolution, the Campbell County Board of Education has committed future contributions of \$1,250,000 per fiscal year to the primary government's General Debt Service Fund through the year ending June 30, 2030, to provide funds for the retirement of current and future debt issued for school purposes. Also by resolution, the Campbell County Board of Education has committed an amount equal to the annual debt service requirements of the outstanding Energy Efficient Incentive School Loans. The annual requirements range from \$263,328 in the fiscal year ending June 30, 2021, to \$124,687 in fiscal year ending June 30, 2031. In November 2019, the Campbell County Board of Education approved a resolution to also commit an amount equal to fifty percent of the annual debt service requirements of the General Obligation Bonds, Series 2020 issued on June 5, 2020. This obligates the school

department to approximately an additional \$219,000 annually through the year ending June 30, 2030.

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Campbell County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2020, were \$260,017. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**V. OTHER INFORMATION**

**A. Risk Management**

**Primary Government**

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

The county also continues to carry commercial health and accident insurance for its employees. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Discretely Presented Campbell County School Department**

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

The school department continues to carry commercial health and accident insurance for its noncertified employees. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

The school department is exposed to various risks related to general liability, property, casualty, and workers' compensation losses. The school department joined the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Tort Liability Act to provide governmental insurance coverage. The school department pays an annual premium to the TN-RMT for its general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

**B. Contingent Liabilities**

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

**C. Joint Ventures**

The Campbell County Library Board is a joint venture in which the county participates with the cities of LaFollette, Jacksboro, Caryville, and Jellico to operate the library system within the county. Representatives from the four cities and the county comprise the Campbell County Library Board and have equal representation on the board. Campbell County contributed \$38,000 to the operation of the Library Board during the year ended June 30, 2020.

The Eighth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Eighth Judicial District: Scott, Campbell, Fentress, Claiborne, and Union counties; and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by the board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district.

Campbell County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Campbell County Library Board and the Eighth Judicial DTF can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Campbell County Library Board  
P.O. Box 75  
Jacksboro, TN 37757

Office of District Attorney General  
Eighth Judicial District Drug Task Force  
P.O. Box 10  
Huntsville, TN 37756

**D. Jointly Governed Organization**

The Northeast Tennessee Railroad Authority was incorporated in June 2005 as a public authority created by the Tennessee State Legislature. The purpose of the rail authority is to preserve and enhance the railroad system serving Anderson, Campbell, and Scott counties in Tennessee, to secure economic benefits for these counties. The rail authority is governed by a board of directors, which includes the mayor for each of the three counties served by the rail authority. Campbell County did not contribute to the operations of the Northeast Tennessee Railroad Authority for the year ended June 30, 2020. Complete financial statements for the rail authority can be obtained from its administrative office at P.O. Box 180, Huntsville, TN 37756.

**E. Retirement Commitments**

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

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Campbell County and non-certified employees of the discretely presented Campbell 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 68.30 percent, the non-certified employees of the discretely presented school department comprise 31.70 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).



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

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

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

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	333
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	553
Active Employees	482
Total	<u><u>1,368</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. Campbell County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2020, the employer contribution for Campbell County was \$710,565 based on a rate of 4.99 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Campbell 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)**

Campbell County's net pension liability (asset) was measured as of June 30, 2019, and the total pension liability 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 Campbell County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2018	\$ 44,301,244	\$ 46,986,804	\$ (2,685,560)
Changes for the Year:			
Service Cost	\$ 1,230,428	\$ 0	\$ 1,230,428
Interest	3,217,128	0	3,217,128
Differences Between Expected and Actual Experience	(570,131)	0	(570,131)
Contributions-Employer	0	787,633	(787,633)
Contributions-Employees	0	693,351	(693,351)
Net Investment Income	0	3,465,989	(3,465,989)
Benefit Payments, Including Refunds of Employee Contributions	(2,314,974)	(2,314,974)	0
Administrative Expense	0	(42,513)	42,513
Net Changes	\$ 1,562,451	\$ 2,589,486	\$ (1,027,035)
Balance, June 30, 2019	\$ 45,863,695	\$ 49,576,290	\$ (3,712,595)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	68.30%	\$ 31,324,904	\$ 33,860,606	\$ (2,535,702)
School Department	31.70%	14,538,791	15,715,684	(1,176,893)
Total		\$ 45,863,695	\$ 49,576,290	\$ (3,712,595)

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

	1%	Current Discount Rate	1% Increase
	Decrease		
	6.25%	7.25%	8.25%

Net Pension Liability (Asset) \$ 2,006,473 \$ (3,712,595) \$ (8,455,894)

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

*Pension Expense.* For the year ended June 30, 2020, Campbell County recognized pension expense of \$455,901.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 13,234	\$ 1,056,734
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	578,222
Changes in Assumptions	425,803	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	710,565	N/A
Total	<u>\$ 1,149,602</u>	<u>\$ 1,634,956</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	\$ 797,313	\$ 1,116,675
School Department	352,289	518,281
Total	<u>\$ 1,149,602</u>	<u>\$ 1,634,956</u>

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

Year Ending June 30	Amount
2021	\$ (306,930)
2022	(537,008)
2023	(219,714)
2024	(132,267)
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, Campbell County reported a payable of \$124,522 for the outstanding amount of contributions due to the pension plan at year end.

**Discretely Presented Campbell County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Campbell County and non-certified employees of the discretely presented Campbell 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 68.30 percent and the non-certified employees of the discretely presented school department comprise 31.70 percent of the plan based on contribution data.

### **Certified Employees**

### **Teacher Retirement Plan**

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

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

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the

consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2020, to the Teacher Retirement Plan were \$80,811, which is 1.97 percent of covered payroll. In addition, employer contributions of \$77,041 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 (\$189,863) 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 .336347 percent. The proportion as of June 30, 2018, was .300315 percent.



*Pension Expense.* For the year ended June 30, 2020, the school department recognized pension expense of \$58,784.

*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	\$ 7,872	\$ 33,145
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	8,027
Changes in Assumptions	6,597	0
Changes in Proportion of Net Pension Liability (Asset)	10,250	20,260
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	80,811	N/A
Total	\$ 105,530	\$ 61,432

The school department's employer contributions of \$80,811, 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	\$ (4,826)
2022	(6,054)
2023	(3,803)
2024	(2,655)
2025	(2,328)
Thereafter	(17,047)

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	5.69	%	31	%
Developed Market				
International Equity	5.29		14	
Emerging Market				
International Equity	6.36		4	
Private Equity and				
Strategic Lending	5.79		20	
U.S. Fixed Income	2.01		20	
Real Estate	4.32		10	
Short-term Securities	0.00		1	
Total			100	%

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

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

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

School Department's		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) \$ 60,156 \$ (189,863) \$ (374,674)

*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 Campbell County School Department reported a payable of \$9,289 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 Campbell County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

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

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

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Campbell County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$1,766,760, which is 10.63 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 (\$5,448,544) 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 .529921 percent. The proportion measured at June 30, 2018, was .528514 percent.

*Pension Expense.* For the year ended June 30, 2020, the school department recognized pension expense of \$769,426.

*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	\$ 265,276	\$ 3,328,079
Changes in Assumptions	734,219	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,556,754
Changes in Proportion of Net Pension Liability (Asset)	115,699	42,090
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	1,766,760	N/A
Total	<u>\$ 2,881,954</u>	<u>\$ 4,926,923</u>

The school department's employer contributions of \$1,766,760 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	\$ (1,069,425)
2022	(1,542,304)
2023	(682,958)
2024	(517,042)
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	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) \$ 11,140,697 \$ (5,448,544) \$ (18,644,825)

*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 Campbell County School Department reported a payable of \$203,074 for the outstanding amount of contributions due to the pension plan at year end.

## **2. Deferred Compensation**

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$205,640 and teachers contributed \$69,872 to this deferred compensation pension plan.

## **F. Other Postemployment Benefits (OPEB)**

Retirees of Campbell County and non-certified retirees of the discretely presented Campbell County School Department may participate in a commercial postemployment benefits plan. The Campbell County School Department also provides postemployment medical benefits to certified retirees through a public entity risk pool administered by the state of Tennessee. For accounting purposes, the plans are single-employer defined benefit OPEB plans.

The plans are funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB

Statement No. 75. The county has committed \$522,423 in the General Fund, \$103,961 in the Highway/Public Works Fund, and \$308,262 in the nonmajor governmental funds to be used for funding a portion of the primary government's OPEB liability. The school department has committed \$476,215 in the General Purpose School Fund and \$86,485 in the Central Cafeteria Fund for funding a portion of the OPEB liability. These funds do not qualify as OPEB plan assets and therefore are not reported as such in the financial statements of this report.

**OPEB Provided through Commercial Plan – Primary Government and Discretely Presented School Department**

*Plan Description.* The commercial plan is administered through Blue Cross Blue Shield and provides healthcare and life insurance benefits for eligible retirees of the primary government and eligible retired non-certified employees of the discretely presented school department. Benefits are established and may be amended by an insurance committee established by the county commission.

*Benefits Provided.* Eligible employees must attain age 55 and obtain either ten years of service and covered for three years in the county's insurance plan prior to retirement, twenty years of service and covered for one year in the county's insurance plan prior to retirement, or any age and have 30 years of service and covered for one year in the county's insurance plan prior to retirement. Benefits cease when the retiree becomes Medicare eligible. Spouse benefits are provided while the retiree is eligible for coverage. Surviving spouse benefits are not provided. The county and school department pay from 60 percent to 75 percent of health insurance premiums based on years of service. Retirees pay 100 percent of spousal coverage.

Life insurance benefits are also provided for eligible retirees at the retiree's expense. Employees must have five years of service and be covered by the active plan at retirement in order to participate in the life insurance benefits of the plan. Benefits reduce to 50 percent at age 70 and to \$5,000 at age 75. A retiree's spouse may be covered as a dependent at the employee's retirement. Spouse benefits reduce to 50 percent when the retiree attains age 70.

**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	6	8	14
Inactive Employees Entitled to But Not Yet Receiving Benefits	0	0	0
Active Employees	196	158	354
Total	202	166	368

### **Total OPEB Liability**

The total OPEB liability for the county (\$1,084,000) and the school department (\$1,152,000) was determined based on a valuation date of July 1, 2018, and a measurement date of July 1, 2019.

*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
Salary Scale	2.50%
Discount Rate	3.13%
Healthcare Cost Trend Rates	7% for FY20; decreasing .5% per year to an ultimate rate of 5%.
Retirees Share of Benefit-related Cost	See discussion under Benefits Provided

The discount rate was based on the Fidelity Municipal 20-year GO AA yield curve rate as of July 1, 2019.

The mortality rates are from the RP-2014 Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2019.

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

Changes in the Total OPEB Liability

	Primary Government	School Department	Total OPEB Liability
Balance July 1, 2018	\$ 966,000	\$ 1,066,000	\$ 2,032,000
Changes for the Year:			
Service Cost	\$ 89,000	\$ 75,000	\$ 164,000
Interest	38,000	41,000	79,000
Difference between Expected and Actual Experience	(15,000)	(24,000)	(39,000)
Changes in Assumption and Other Inputs	40,000	27,000	67,000
Benefit Payments	(34,000)	(33,000)	(67,000)
Net Changes	\$ 118,000	\$ 86,000	\$ 204,000
Balance June 30, 2019	\$ 1,084,000	\$ 1,152,000	\$ 2,236,000

*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 \$82,000 and the school department recognized OPEB expense of \$85,000. At June 30, 2020, the county and school department 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	\$ 250,000
Changes of Assumptions/Inputs	34,000	4,000
Net Difference Between Projected and Actual Investments	0	0
Benefit Payments after the Measurement Date	49,500	0
Total	\$ 83,500	\$ 254,000

Discretely Presented School Department:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 102,000
Changes of Assumptions/Inputs	21,000	2,000
Net Difference Between Projected and Actual Investments	0	0
Benefit Payments after the Measurement Date	49,500	0
Total	<u>\$ 70,500</u>	<u>\$ 104,000</u>

Amounts reported as deferred outflows for benefit payments after the measurement date will be recognized as a decrease to the OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources or deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending June 30	Primary Government	School Department	Total
2021	\$ (48,000)	\$ (34,000)	\$ (82,000)
2022	(48,000)	(34,000)	(82,000)
2023	(48,000)	(14,000)	(62,000)
2024	(48,000)	(1,000)	(49,000)
2025	(29,000)	0	(29,000)
Thereafter	1,000	0	1,000

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

<u>Discount Rate</u>	1% Decrease 2.13%	Current Discount Rate 3.13%	1% Increase 4.13%
Primary Government	\$ 1,170,000	\$ 1,084,000	\$ 1,004,000
School Department	1,210,000	1,152,000	1,097,000
Total OPEB Liability	<u>\$ 2,380,000</u>	<u>\$ 2,236,000</u>	<u>\$ 2,101,000</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 and school department calculated using the current healthcare cost trend rate, as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower or one percentage point higher than the current rate:

<u>Healthcare Cost Trend Rate</u>	1% Decrease (6% decreasing to 4%)	Current Trend Rate (7% decreasing to 5%)	1% Increase (8% decreasing to 6%)
Primary Government	\$ 953,000	\$ 1,084,000	\$ 1,241,000
School Department	1,055,000	1,152,000	1,262,000
Total OPEB Liability	<u>\$ 2,008,000</u>	<u>\$ 2,236,000</u>	<u>\$ 2,503,000</u>

**OPEB Provided through Public Entity Risk Pool - Discretely Presented Campbell County School Department – Closed LEP Plan**

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

The school department's total OPEB liability was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.20%
Salary Increases	Salary increases used in the July 1, 2018 TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.51%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.03% for the 2019 calendar year, and gradually decreasing over a 10 year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit	
Related Cost	Discussed under Benefits Provided

The discount rate was 3.51 percent based on the average rating of AA/Aa as shown on the Bond Buyer 20-year Municipal GO AA index closest to but not later than the measurement date.

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

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

*Changes in Assumptions.* The discount rate changed from 3.62 percent as of the beginning of the measurement period to 3.51 percent as of the measurement date of June 30, 2019. This change in assumption increased the total OPEB liability. Other changes in assumptions include adjustments to initial per capita costs and health trend rates. The assumed initial trend rate applicable to the 2020 plan year was revised from 6.75 percent to 6.03 percent.

*Plan Description.* Employees of the Campbell County School Department who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Local Education Plan (LEP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired teachers, support staff, and disability participants of

local education agencies, who choose coverage, participate in the LEP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

*Benefits Provided.* The Campbell County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. Campbell County School Department provides a direct subsidy toward retirees insurance premiums for those retirees with 20 or more years of service. That subsidy ranges from \$323 to \$470 per month based on years of service and coverage selected. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees premiums based on years of service. Retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

	<u>School Department</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	62
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	351
Total	<u><u>413</u></u>



A state insurance committee, created in accordance with TCA 8-27-301, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$564,013 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Campbell County</u>	<u>State of</u>	
	<u>School Department</u>	<u>TN</u>	<u>Total OPEB</u>
	<u>71.7661%</u>	<u>28.2339%</u>	<u>Liability</u>
Balance July 1, 2018	\$ 6,698,493	\$ 2,735,646	\$ 9,434,139
Changes for the Year:			
Service Cost	\$ 310,085	\$ 121,992	\$ 432,077
Interest	246,812	97,099	343,911
Changes in			
Benefit Terms	660,245	259,751	919,996
Difference between			
Expected and Actual			
Experience	703,842	276,902	980,744
Change in Proportion	72,020	(72,020)	0
Changes in Assumption			
and Other Inputs	(605,177)	(189,802)	(794,979)
Benefit Payments	(495,267)	(243,130)	(738,397)
Net Changes	\$ 892,560	\$ 250,792	\$ 1,143,352
Balance June 30, 2019	\$ 7,591,053	\$ 2,986,438	\$ 10,577,491

The Campbell County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Campbell County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$396,070 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Campbell County School Department's proportionate share of the collective OPEB liability was 71.7661% and the State of Tennessee's share was 28.2339%.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the school department recognized OPEB expense of \$1,445,590, which includes expenses funded by subsidies provided by the state. At June 30, 2020, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 622,000	\$ 1,309,647
Changes of Assumptions/Inputs	113,658	734,971
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	91,783	0
Benefits Paid After the Measurement Date of June 30, 2019	<u>564,013</u>	<u>0</u>
Total	<u>\$ 1,391,454</u>	<u>\$ 2,044,618</u>

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

Year Ending June 30	School Department
2021	\$ (167,623)
2022	(167,623)
2023	(167,623)
2024	(167,623)
2025	(167,623)
Thereafter	(379,062)

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

*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate.* The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability

would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

<u>Discount Rate</u>	1% Decrease 2.51%	Current Discount Rate 3.51%	1% Increase 4.51%
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Proportionate Share of the Collective Total OPEB Liability	\$ 8,107,946	\$ 7,591,053	\$ 7,099,987
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*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease 5.03 to 3.5%	Curent Rates 6.03 to 4.5%	1% Increase 7.03 to 5.5%
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Proportionate Share of the Collective Total OPEB Liability	\$ 6,868,047	\$ 7,591,053	\$ 8,439,139
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#### **G. Termination Benefits**

The discretely presented Campbell County School Department offered a voluntary termination incentive bonus program to its certified employees in accordance with contract provisions. To be eligible, employees must retire with at least 20 years' experience with the State of Tennessee and be at least 65 years of age. Under the terms of the program, employees will receive a one-time lump sum retirement incentive bonus in the amount of \$12,500. During the 2019-20 year, eight employees participated in the program for a total cost of \$100,000. This termination incentive bonus program ended on June 29, 2020.

In addition to the previously mentioned termination incentive, the Campbell County Board of Education has adopted a policy to pay certified employees \$150 and classified employees \$75 for each sick leave day that they had accumulated at the time of their retirement. As of June 30, 2020, 25 employees met the requirements of this benefit. The estimated cost of these cash payments reported in the government-wide Statement of Net Position is

\$451,088. Of that amount, \$428,534 is due within one year. Payments totaling \$383,287 were paid to the individuals who retired during the year ended June 30, 2020.

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

Office of Director of Finance

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

**I. Purchasing Law**

Purchasing procedures for the Offices of County Mayor, Road Superintendent, and Director of Schools are governed by provisions of the County Financial Management System of 1981, which provide for purchases to be made by the purchasing agent under the supervision of the Financial Management Committee. A deputy appointed by the director of finance serves as the purchasing agent for the county. The committee established a policy that purchases exceeding \$10,000 are to be made on a competitive bid basis.

**J. Subsequent Event**

On December 15, 2020, Campbell County issued a \$325,000 Interfund Capital Outlay Note for a building addition.

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## REQUIRED SUPPLEMENTARY INFORMATION

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Exhibit E-1

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

	2014	2015	2016	2017	2018	2019
<b>Total Pension Liability</b>						
Service Cost	\$ 1,077,709	\$ 1,073,494	\$ 1,141,396	\$ 1,168,789	\$ 1,200,536	\$ 1,230,428
Interest	2,675,369	2,761,396	2,912,176	3,013,204	3,064,678	3,217,128
Differences Between Actual and Expected Experience	(887,496)	(282)	(755,543)	(1,123,808)	22,056	(570,131)
Changes in Assumptions	0	0	0	1,064,506	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,596,946)	(1,831,737)	(1,952,469)	(2,004,306)	(2,113,827)	(2,314,974)
Net Change in Total Pension Liability	\$ 1,268,636	\$ 2,002,871	\$ 1,345,560	\$ 2,118,385	\$ 2,173,443	\$ 1,562,451
Total Pension Liability, Beginning	35,392,349	36,660,985	38,663,856	40,009,416	42,127,801	44,301,244
Total Pension Liability, Ending (a)	\$ 36,660,985	\$ 38,663,856	\$ 40,009,416	\$ 42,127,801	\$ 44,301,244	\$ 45,863,695
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ 744,852	\$ 784,124	\$ 821,175	\$ 805,440	\$ 767,011	\$ 787,633
Contributions - Employee	633,319	643,784	705,522	661,286	676,442	693,351
Net Investment Income	5,538,465	1,188,288	1,043,144	4,515,762	3,628,690	3,465,989
Benefit Payments, Including Refunds of Employee Contributions	(1,596,946)	(1,831,737)	(1,952,469)	(2,004,306)	(2,113,827)	(2,314,974)
Administrative Expense	(18,764)	(24,313)	(35,863)	(41,828)	(45,487)	(42,513)
Other	0	0	8,587	0	(35)	0
Net Change in Plan Fiduciary Net Position	\$ 5,300,926	\$ 760,146	\$ 590,096	\$ 3,936,354	\$ 2,912,794	\$ 2,589,486
Plan Fiduciary Net Position, Beginning	33,486,488	38,787,414	39,547,560	40,137,656	44,074,010	46,986,804
Plan Fiduciary Net Position, Ending (b)	\$ 38,787,414	\$ 39,547,560	\$ 40,137,656	\$ 44,074,010	\$ 46,986,804	\$ 49,576,290
Net Pension Liability (Asset), Ending (a - b)	\$ (2,126,429)	\$ (883,704)	\$ (128,240)	\$ (1,946,209)	\$ (2,685,560)	\$ (3,712,595)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.80%	102.29%	100.32%	104.62%	106.06%	108.09%
Covered Payroll	\$ 12,518,466	\$ 12,875,601	\$ 13,483,986	\$ 13,225,621	\$ 13,543,231	\$ 13,866,765
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(16.99%)	(6.86%)	(0.95%)	(14.72%)	(19.83%)	(26.77%)

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

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

Exhibit E-2

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

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 744,852	\$ 784,124	\$ 821,175	\$ 805,440	\$ 767,011	\$ 787,633	\$ 710,565
Less Contributions in Relation to the Actuarially Determined Contribution	(744,852)	(784,124)	(821,175)	(805,440)	(767,011)	(787,633)	(710,565)
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Payroll	\$ 12,518,466	\$ 12,875,601	\$ 13,483,986	\$ 13,225,621	\$ 13,543,231	\$ 13,866,765	\$ 14,239,792
Contributions as a Percentage of Covered Payroll	5.95%	6.09%	6.09%	6.09%	5.66%	5.68%	4.99%

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

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

Exhibit E-3

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

	2015	2016	2017	2018	2019	2020
Contractually Determined Contribution	\$ 25,542	\$ 51,319	\$ 90,738	\$ 104,976	\$ 69,049	\$ 80,811
Less Contributions in Relation to the Contractually Determined Contribution	(25,542)	(51,319)	(90,738)	(104,976)	(69,049)	(80,811)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 638,562	\$ 1,282,980	\$ 2,268,441	\$ 2,624,383	\$ 3,559,221	\$ 4,102,101
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	1.97%

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



Exhibit E-4

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

	2014	2015	2016	2017	2018	2019	2020
Contractually Determined Contribution	\$ 1,684,191	\$ 1,739,023	\$ 1,709,909	\$ 1,658,538	\$ 1,680,421	\$ 1,858,639	\$ 1,766,760
Less Contributions in Relation to the Contractually Determined Contribution	(1,684,191)	(1,739,023)	(1,709,909)	(1,658,538)	(1,680,421)	(1,858,639)	(1,766,760)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 18,966,120	\$ 19,236,998	\$ 18,914,928	\$ 18,346,660	\$ 18,506,839	\$ 17,768,015	\$ 16,620,505
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%

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

Exhibit E-5

Campbell County, Tennessee  
Schedule of Proportionate Share of the Net Pension Asset  
in the Teacher Retirement Plan of TCRS  
Discretely Presented Campbell 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	0.307335%	0.291581%	0.345621%	0.300315%	0.336347%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (12,364)	\$ (30,355)	\$ (91,188)	\$ (136,201)	\$ (189,863)
Covered Payroll	\$ 638,562	\$ 1,282,980	\$ 2,268,441	\$ 2,624,383	\$ 3,559,221
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94%)	(2.37%)	(4.02%)	(5.19%)	(5.33%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%	126.97%	123.07%

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

Exhibit E-6

Campbell County, Tennessee  
Schedule of Proportionate Share of the Net Pension Liability (Asset)  
in the Teacher Legacy Pension Plan of TCRS  
Discretely Presented Campbell 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	0.483214%	0.513877%	0.523988%	0.519008%	0.528514%	0.529921%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (78,520)	\$ 210,501	\$ 3,274,636	\$ (169,810)	\$ (1,859,796)	\$ (5,448,544)
Covered Payroll	\$ 18,966,120	\$ 19,236,998	\$ 18,914,928	\$ 18,346,660	\$ 18,506,839	\$ 17,768,015
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.

Campbell County, TennesseeSchedule of Changes in the Total OPEB Liability and Related Ratios - Campbell County PlanFor the Fiscal Year Ended June 30

	2017	2018	2019
<b>Total OPEB Liability</b>			
Service Cost	\$ 196,000	\$ 201,000	\$ 164,000
Interest	82,000	89,000	79,000
Differences Between Actual and Expected Experience	0	(490,000)	(39,000)
Changes in Assumptions or Other Inputs	0	(10,000)	67,000
Benefit Payments	(116,000)	(82,000)	(67,000)
Net Change in Total OPEB Liability	\$ 162,000	\$ (292,000)	\$ 204,000
Total OPEB Liability, Beginning	2,162,000	2,324,000	2,032,000
Total OPEB Liability, Ending	<u>\$ 2,324,000</u>	<u>\$ 2,032,000</u>	<u>\$ 2,236,000</u>
Primary Government's Proportionate Share of Total OPEB Liability	\$ 1,182,000	\$ 966,000	\$ 1,084,000
School Department's Proportionate Share of Total OPEB Liability	1,142,000	1,066,000	1,152,000
Covered Employee Payroll	\$ 10,498,000	\$ 9,880,000	\$ 9,880,000
Net OPEB Liability as a Percentage of Covered Employee Payroll	22.14%	20.57%	22.63%

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:

2016	2.70%
2017	3.56%
2018	3.62%
2019	3.13%

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

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

	2017	2018	2019
<b>Total OPEB Liability</b>			
Service Cost	\$ 516,398	\$ 475,762	\$ 432,077
Interest	347,806	409,956	343,911
Changes in Benefit Terms	0	2,871	919,996
Differences Between Actual and Expected Experience	0	(2,305,114)	980,744
Changes in Assumptions or Other Inputs	(479,734)	200,051	(794,979)
Benefit Payments	(700,274)	(778,490)	(738,397)
Net Change in Total OPEB Liability	\$ (315,804)	\$ (1,994,964)	\$ 1,143,352
Total OPEB Liability, Beginning	11,744,907	11,429,103	9,434,139
Total OPEB Liability, Ending	<u>\$ 11,429,103</u>	<u>\$ 9,434,139</u>	<u>\$ 10,577,491</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 3,398,695	\$ 2,735,646	\$ 2,986,438
Employer Proportionate Share of the Total OPEB Liability	8,030,408	6,698,493	7,591,053
Covered Employee Payroll	\$ 16,050,885	\$ 18,490,436	\$ 18,570,929
Net OPEB Liability as a Percentage of Covered Employee Payroll	50.03%	36.23%	40.88%

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

Note 2: Changes in assumptions.

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

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

(b) The assumed initial trend rate was revised as follows:

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

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

**CAMPBELL 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 2020 were calculated based on the July 1, 2018, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation; averaging 4%
Investment Rate of Return	7.25%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.25%

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

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for transactions associated with the operations of the county’s convenience centers.

Ambulance Service Fund – This fund is used to account for the county’s ambulance service operations. Fees for services are the foundational revenues of the fund.

Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to account for various industrial, planning, and economic development programs of the county.

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

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

## Capital Projects Funds

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

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



Exhibit F-1

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

	Special Revenue Funds					
	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Total
<u>ASSETS</u>						
Cash	\$ 300	\$ 200	\$ 0	\$ 0	\$ 4,550	\$ 5,050
Equity in Pooled Cash and Investments	1,309,267	807,296	1,298,250	121,851	0	3,536,664
Accounts Receivable	32,231	732,821	0	0	2,220	767,272
Allowance for Uncollectibles	(5,000)	(289,833)	0	0	0	(294,833)
Property Taxes Receivable	1,381,039	1,075,894	236,511	0	0	2,693,444
Allowance for Uncollectible Property Taxes	(72,129)	(56,192)	(12,353)	0	0	(140,674)
Total Assets	\$ 2,645,708	\$ 2,270,186	\$ 1,522,408	\$ 121,851	\$ 6,770	\$ 6,566,923
<u>LIABILITIES</u>						
Accounts Payable	\$ 46,939	\$ 27,439	\$ 50	\$ 0	\$ 0	\$ 74,428
Accrued Payroll	4,333	4,493	0	0	0	8,826
Payroll Deductions Payable	18,553	29,043	22	130	0	47,748
Contracts Payable	0	0	0	0	0	0
Due to Other Funds	0	0	0	0	6,770	6,770
Other Collections	0	0	0	8,950	0	8,950
Total Liabilities	\$ 69,825	\$ 60,975	\$ 72	\$ 9,080	\$ 6,770	\$ 146,722
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 1,256,414	\$ 978,805	\$ 215,168	\$ 0	\$ 0	\$ 2,450,387
Deferred Delinquent Property Taxes	46,691	36,375	7,996	0	0	91,062
Other Deferred/Unavailable Revenue	7,231	319,214	0	0	0	326,445
Total Deferred Inflows of Resources	\$ 1,310,336	\$ 1,334,394	\$ 223,164	\$ 0	\$ 0	\$ 2,867,894

(Continued)

Exhibit F-1

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

	Special Revenue Funds					Total
	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 0	\$ 0	\$ 112,771	\$ 0	\$ 112,771
Restricted for Other Operations	0	0	363,383	0	0	363,383
Committed:						
Committed for Public Health and Welfare	1,097,986	737,712	0	0	0	1,835,698
Committed for Capital Projects	0	0	0	0	0	0
Committed for OPEB	167,561	137,105	3,596	0	0	308,262
Committed for Other Purposes	0	0	932,193	0	0	932,193
Total Fund Balances	<u>\$ 1,265,547</u>	<u>\$ 874,817</u>	<u>\$ 1,299,172</u>	<u>\$ 112,771</u>	<u>\$ 0</u>	<u>\$ 3,552,307</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,645,708</u>	<u>\$ 2,270,186</u>	<u>\$ 1,522,408</u>	<u>\$ 121,851</u>	<u>\$ 6,770</u>	<u>\$ 6,566,923</u>

(Continued)

## Exhibit F-1

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

	Capital Projects Fund		Total Nonmajor Governmental Funds
	General Capital Projects		
<u>ASSETS</u>			
Cash	\$ 0	\$	5,050
Equity in Pooled Cash and Investments	592,487		4,129,151
Accounts Receivable	0		767,272
Allowance for Uncollectibles	0		(294,833)
Property Taxes Receivable	747,560		3,441,004
Allowance for Uncollectible Property Taxes	(39,044)		(179,718)
Total Assets	<u>\$ 1,301,003</u>	<u>\$</u>	<u>7,867,926</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 50,297	\$	124,725
Accrued Payroll	0		8,826
Payroll Deductions Payable	0		47,748
Contracts Payable	9,920		9,920
Due to Other Funds	0		6,770
Other Collections	0		8,950
Total Liabilities	<u>\$ 60,217</u>	<u>\$</u>	<u>206,939</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 680,100	\$	3,130,487
Deferred Delinquent Property Taxes	25,274		116,336
Other Deferred/Unavailable Revenue	0		326,445
Total Deferred Inflows of Resources	<u>\$ 705,374</u>	<u>\$</u>	<u>3,573,268</u>

(Continued)

Exhibit F-1

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

	Capital Projects Fund	Total Nonmajor Governmental Funds
<u>FUND BALANCES</u>		
Restricted:		
Restricted for Public Safety	\$ 0	\$ 112,771
Restricted for Other Operations	0	363,383
Committed:		
Committed for Public Health and Welfare	0	1,835,698
Committed for Capital Projects	535,412	535,412
Committed for OPEB	0	308,262
Committed for Other Purposes	0	932,193
Total Fund Balances	<u>\$ 535,412</u>	<u>\$ 4,087,719</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,301,003</u>	<u>\$ 7,867,926</u>

## Exhibit F-2

Campbell 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					
	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Total
<u>Revenues</u>						
Local Taxes	\$ 1,857,338	\$ 970,495	\$ 307,909	\$ 0	\$ 0	\$ 3,135,742
Fines, Forfeitures, and Penalties	0	0	0	33,874	0	33,874
Charges for Current Services	297,356	1,794,219	550	0	35,494	2,127,619
Other Local Revenues	85,245	21,831	88,685	509	0	196,270
State of Tennessee	56,333	1,582	0	0	0	57,915
Federal Government	0	259,372	0	0	0	259,372
Other Governments and Citizens Groups	0	0	35,398	0	0	35,398
Total Revenues	\$ 2,296,272	\$ 3,047,499	\$ 432,542	\$ 34,383	\$ 35,494	\$ 5,846,190
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 0	\$ 93,295	\$ 0	\$ 0	\$ 93,295
Finance	0	0	0	0	393	393
Administration of Justice	0	0	0	0	35,101	35,101
Public Safety	0	0	0	27,774	0	27,774
Public Health and Welfare	1,916,072	2,920,431	0	0	0	4,836,503
Other Operations	4,256	7,688	125,319	0	0	137,263
Capital Projects	116,262	0	0	0	0	116,262
Total Expenditures	\$ 2,036,590	\$ 2,928,119	\$ 218,614	\$ 27,774	\$ 35,494	\$ 5,246,591
Excess (Deficiency) of Revenues Over Expenditures	\$ 259,682	\$ 119,380	\$ 213,928	\$ 6,609	\$ 0	\$ 599,599

(Continued)

## Exhibit F-2

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

	Special Revenue Funds					Constitu - tional Officers - Fees	Total
	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control			
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 20,724	\$ 1,097	\$ 0	\$ 0	\$ 0	\$ 0	\$ 21,821
Transfers In	0	80,000	0	0	0	0	80,000
Transfers Out	(38,000)	0	0	0	0	0	(38,000)
Total Other Financing Sources (Uses)	\$ (17,276)	\$ 81,097	\$ 0	\$ 0	\$ 0	\$ 0	\$ 63,821
Net Change in Fund Balances	\$ 242,406	\$ 200,477	\$ 213,928	\$ 6,609	\$ 0	\$ 0	\$ 663,420
Fund Balance, July 1, 2019	1,023,141	674,340	1,085,244	106,162	0	0	2,888,887
Fund Balance, June 30, 2020	\$ 1,265,547	\$ 874,817	\$ 1,299,172	\$ 112,771	\$ 0	\$ 0	\$ 3,552,307

(Continued)

## Exhibit F-2

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

	Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Revenues</u>		
Local Taxes	\$ 900,045	\$ 4,035,787
Fines, Forfeitures, and Penalties	0	33,874
Charges for Current Services	0	2,127,619
Other Local Revenues	0	196,270
State of Tennessee	0	57,915
Federal Government	0	259,372
Other Governments and Citizens Groups	0	35,398
Total Revenues	<u>\$ 900,045</u>	<u>\$ 6,746,235</u>
<u>Expenditures</u>		
Current:		
General Government	\$ 0	\$ 93,295
Finance	0	393
Administration of Justice	0	35,101
Public Safety	0	27,774
Public Health and Welfare	0	4,836,503
Other Operations	0	137,263
Capital Projects	823,175	939,437
Total Expenditures	<u>\$ 823,175</u>	<u>\$ 6,069,766</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 76,870</u>	<u>\$ 676,469</u>

(Continued)

## Exhibit F-2

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

	Capital Projects Fund		Total Nonmajor Governmental Funds	
	General Capital Projects			
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$	0	\$	21,821
Transfers In		0		80,000
Transfers Out		0		(38,000)
Total Other Financing Sources (Uses)	\$	0	\$	63,821
Net Change in Fund Balances	\$	76,870	\$	740,290
Fund Balance, July 1, 2019		458,542		3,347,429
Fund Balance, June 30, 2020	\$	535,412	\$	4,087,719



Exhibit F-3

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Solid Waste/Sanitation Fund  
For the Year Ended June 30, 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	\$ 1,857,338	\$ 0	\$ 0	\$ 1,857,338	\$ 1,850,837	\$ 1,850,837	\$ 6,501
Charges for Current Services	297,356	0	0	297,356	217,875	287,575	9,781
Other Local Revenues	85,245	0	0	85,245	110,218	40,518	44,727
State of Tennessee	56,333	0	0	56,333	97,120	97,120	(40,787)
Total Revenues	\$ 2,296,272	\$ 0	\$ 0	\$ 2,296,272	\$ 2,276,050	\$ 2,276,050	\$ 20,222
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Management	\$ 424,607	\$ (632)	\$ 595	\$ 424,570	\$ 473,914	\$ 476,062	\$ 51,492
Convenience Centers	969,370	(3,350)	2,969	968,989	1,004,877	1,017,312	48,323
Transfer Stations	243,808	0	632	244,440	219,006	276,489	32,049
Other Waste Collection	18,780	(590)	0	18,190	20,100	20,100	1,910
Recycling Center	250,727	(2,121)	372	248,978	267,787	268,190	19,212
Other Waste Disposal	8,780	(130)	100	8,750	86,320	13,655	4,905
<u>Other Operations</u>							
Employee Benefits	4,256	0	0	4,256	12,765	12,961	8,705
<u>Capital Projects</u>							
Public Health and Welfare Projects	116,262	(6,725)	10,000	119,537	246,637	260,137	140,600
Total Expenditures	\$ 2,036,590	\$ (13,548)	\$ 14,668	\$ 2,037,710	\$ 2,331,406	\$ 2,344,906	\$ 307,196
Excess (Deficiency) of Revenues Over Expenditures	\$ 259,682	\$ 13,548	\$ (14,668)	\$ 258,562	\$ (55,356)	\$ (68,856)	\$ 327,418
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 20,724	\$ 0	\$ 0	\$ 20,724	\$ 0	\$ 4,000	\$ 16,724
Transfers Out	(38,000)	0	0	(38,000)	(38,000)	(38,000)	0
Total Other Financing Sources	\$ (17,276)	\$ 0	\$ 0	\$ (17,276)	\$ (38,000)	\$ (34,000)	\$ 16,724
Net Change in Fund Balance	\$ 242,406	\$ 13,548	\$ (14,668)	\$ 241,286	\$ (93,356)	\$ (102,856)	\$ 344,142
Fund Balance, July 1, 2019	1,023,141	(13,548)	0	1,009,593	835,158	835,158	174,435
Fund Balance, June 30, 2020	\$ 1,265,547	\$ 0	\$ (14,668)	\$ 1,250,879	\$ 741,802	\$ 732,302	\$ 518,577

Exhibit F-4

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Ambulance Service 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	\$ 970,495	\$ 0	\$ 0	\$ 970,495	\$ 964,989	\$ 964,989	\$ 5,506
Charges for Current Services	1,794,219	0	0	1,794,219	2,188,991	1,853,895	(59,676)
Other Local Revenues	21,831	0	0	21,831	0	0	21,831
State of Tennessee	1,582	0	0	1,582	0	1,582	0
Federal Government	259,372	0	0	259,372	0	224,171	35,201
Total Revenues	\$ 3,047,499	\$ 0	\$ 0	\$ 3,047,499	\$ 3,153,980	\$ 3,044,637	\$ 2,862
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Ambulance/Emergency Medical Services	\$ 2,920,431	\$ (19,846)	\$ 48,076	\$ 2,948,661	\$ 3,257,152	\$ 3,145,481	\$ 196,820
<u>Other Operations</u>							
Employee Benefits	1,360	0	0	1,360	25,794	21,794	20,434
COVID-19 Grant C	6,328	0	0	6,328	0	6,328	0
Total Expenditures	\$ 2,928,119	\$ (19,846)	\$ 48,076	\$ 2,956,349	\$ 3,282,946	\$ 3,173,603	\$ 217,254
Excess (Deficiency) of Revenues Over Expenditures	\$ 119,380	\$ 19,846	\$ (48,076)	\$ 91,150	\$ (128,966)	\$ (128,966)	\$ 220,116
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 1,097	\$ 0	\$ 0	\$ 1,097	\$ 0	\$ 0	\$ 1,097
Transfers In	80,000	0	0	80,000	80,000	80,000	0
Total Other Financing Sources	\$ 81,097	\$ 0	\$ 0	\$ 81,097	\$ 80,000	\$ 80,000	\$ 1,097
Net Change in Fund Balance	\$ 200,477	\$ 19,846	\$ (48,076)	\$ 172,247	\$ (48,966)	\$ (48,966)	\$ 221,213
Fund Balance, July 1, 2019	674,340	(19,846)	0	654,494	495,786	495,786	158,708
Fund Balance, June 30, 2020	\$ 874,817	\$ 0	\$ (48,076)	\$ 826,741	\$ 446,820	\$ 446,820	\$ 379,921

## Exhibit F-5

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Industrial/Economic Development 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	\$ 307,909	\$ 0	\$ 0	\$ 307,909	\$ 306,604	\$ 306,604	\$ 1,305
Charges for Current Services	550	0	0	550	697	697	(147)
Other Local Revenues	88,685	0	0	88,685	88,200	88,200	485
Other Governments and Citizens Groups	35,398	0	0	35,398	35,398	35,398	0
Total Revenues	\$ 432,542	\$ 0	\$ 0	\$ 432,542	\$ 430,899	\$ 430,899	\$ 1,643
<u>Expenditures</u>							
<u>General Government</u>							
Development	\$ 71,687	\$ (1,609)	\$ 510	\$ 70,588	\$ 101,790	\$ 101,790	\$ 31,202
Planning	21,608	0	0	21,608	37,820	37,820	16,212
<u>Other Operations</u>							
Tourism	48,000	0	0	48,000	48,000	48,000	0
Industrial Development	77,319	0	0	77,319	693,728	693,728	616,409
Total Expenditures	\$ 218,614	\$ (1,609)	\$ 510	\$ 217,515	\$ 881,338	\$ 881,338	\$ 663,823
Excess (Deficiency) of Revenues Over Expenditures	\$ 213,928	\$ 1,609	\$ (510)	\$ 215,027	\$ (450,439)	\$ (450,439)	\$ 665,466
Net Change in Fund Balance	\$ 213,928	\$ 1,609	\$ (510)	\$ 215,027	\$ (450,439)	\$ (450,439)	\$ 665,466
Fund Balance, July 1, 2019	1,085,244	(1,609)	0	1,083,635	964,542	964,542	119,093
Fund Balance, June 30, 2020	\$ 1,299,172	\$ 0	\$ (510)	\$ 1,298,662	\$ 514,103	\$ 514,103	\$ 784,559

## Exhibit F-6

Campbell 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	\$ 33,874	\$ 0	\$ 0	\$ 33,874	\$ 41,300	\$ 41,300	\$ (7,426)
Other Local Revenues	509	0	0	509	500	500	9
Total Revenues	\$ 34,383	\$ 0	\$ 0	\$ 34,383	\$ 41,800	\$ 41,800	\$ (7,417)
<u>Expenditures</u>							
<u>Public Safety</u>							
Drug Enforcement	\$ 27,774	\$ (504)	\$ 365	\$ 27,635	\$ 53,766	\$ 43,617	\$ 15,982
Total Expenditures	\$ 27,774	\$ (504)	\$ 365	\$ 27,635	\$ 53,766	\$ 43,617	\$ 15,982
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,609	\$ 504	\$ (365)	\$ 6,748	\$ (11,966)	\$ (1,817)	\$ 8,565
Net Change in Fund Balance	\$ 6,609	\$ 504	\$ (365)	\$ 6,748	\$ (11,966)	\$ (1,817)	\$ 8,565
Fund Balance, July 1, 2019	106,162	(504)	0	105,658	118,998	118,998	(13,340)
Fund Balance, June 30, 2020	\$ 112,771	\$ 0	\$ (365)	\$ 112,406	\$ 107,032	\$ 117,181	\$ (4,775)

Exhibit F-7

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General 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	\$ 900,045	\$ 0	\$ 0	\$ 900,045	\$ 896,745	\$ 900,745	\$ (700)
State of Tennessee	0	0	0	0	35,436	110,436	(110,436)
Total Revenues	\$ 900,045	\$ 0	\$ 0	\$ 900,045	\$ 932,181	\$ 1,011,181	\$ (111,136)
<u>Expenditures</u>							
<u>Capital Projects</u>							
General Administration Projects	\$ 103,184	\$ (30,057)	\$ 36,287	\$ 109,414	\$ 151,000	\$ 155,000	\$ 45,586
Public Safety Projects	85,952	0	215	86,167	90,000	90,000	3,833
Public Health and Welfare Projects	0	(7,535)	7,535	0	0	0	0
Social, Cultural, and Recreation Projects	15,815	(15,815)	0	0	145,602	220,602	220,602
Public Utility Projects	0	(10,900)	10,900	0	33,000	33,000	33,000
Other General Government Projects	69,900	0	17,560	87,460	120,000	120,000	32,540
Highway and Street Capital Projects	548,324	(51,108)	3,062	500,278	540,314	540,314	40,036
Total Expenditures	\$ 823,175	\$ (115,415)	\$ 75,559	\$ 783,319	\$ 1,079,916	\$ 1,158,916	\$ 375,597
Excess (Deficiency) of Revenues Over Expenditures	\$ 76,870	\$ 115,415	\$ (75,559)	\$ 116,726	\$ (147,735)	\$ (147,735)	\$ 264,461
Net Change in Fund Balance	\$ 76,870	\$ 115,415	\$ (75,559)	\$ 116,726	\$ (147,735)	\$ (147,735)	\$ 264,461
Fund Balance, July 1, 2019	458,542	(115,415)	0	343,127	318,679	318,679	24,448
Fund Balance, June 30, 2020	\$ 535,412	\$ 0	\$ (75,559)	\$ 459,853	\$ 170,944	\$ 170,944	\$ 288,909

# **Major Governmental Fund**

## **General Debt Service Fund**

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

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## Exhibit G

Campbell 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	\$ 2,730,113	\$ 2,347,863	\$ 2,347,863	\$ 382,250
Other Local Revenues	265,252	138,750	138,750	126,502
State of Tennessee	56,749	55,800	55,800	949
Federal Government	140,630	298,895	298,895	(158,265)
Other Governments and Citizens Groups	2,093,842	1,757,058	2,093,842	0
Total Revenues	<u>\$ 5,286,586</u>	<u>\$ 4,598,366</u>	<u>\$ 4,935,150</u>	<u>\$ 351,436</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 166,535	\$ 166,535	\$ 166,535	0
Education	3,204,996	2,881,832	3,204,996	0
<u>Interest on Debt</u>				
General Government	683,270	683,271	683,271	1
Education	847,270	833,651	847,271	1
<u>Other Debt Service</u>				
General Government	434,675	58,922	445,919	11,244
Total Expenditures	<u>\$ 5,336,746</u>	<u>\$ 4,624,211</u>	<u>\$ 5,347,992</u>	<u>\$ 11,246</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (50,160)</u>	<u>\$ (25,845)</u>	<u>\$ (412,842)</u>	<u>\$ 362,682</u>
<u>Other Financing Sources (Uses)</u>				
Refunding Debt Issued	\$ 18,260,000	0	\$ 18,260,000	0
Premiums on Debt Sold	2,753,502	0	2,753,502	0
Payments to Refunded Debt Escrow Agent	(20,626,504)	0	(20,626,504)	0
Total Other Financing Sources	<u>\$ 386,998</u>	<u>\$ 0</u>	<u>\$ 386,998</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 336,838	(25,845)	(25,844)	362,682
Fund Balance, July 1, 2019	<u>1,826,852</u>	<u>1,778,979</u>	<u>1,778,979</u>	<u>47,873</u>
Fund Balance, June 30, 2020	<u>\$ 2,163,690</u>	<u>\$ 1,753,134</u>	<u>\$ 1,753,135</u>	<u>\$ 410,555</u>

# Fiduciary Funds

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

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

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



Exhibit H-1

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

	<u>Agency Funds</u>		
	Cities - Sales Tax	Constitu- tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 3,247,847	\$ 3,247,847
Due from Other Governments	809,646	0	809,646
Total Assets	<u>\$ 809,646</u>	<u>\$ 3,247,847</u>	<u>\$ 4,057,493</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 809,646	\$ 0	\$ 809,646
Due to Litigants, Heirs, and Others	0	3,247,847	3,247,847
Total Liabilities	<u>\$ 809,646</u>	<u>\$ 3,247,847</u>	<u>\$ 4,057,493</u>

## Exhibit H-2

Campbell 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	\$ 3,970,387	\$ 3,970,387	\$ 0
Due from Other Governments	698,295	809,646	698,295	809,646
Total Assets	\$ 698,295	\$ 4,780,033	\$ 4,668,682	\$ 809,646
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 698,295	\$ 4,780,033	\$ 4,668,682	\$ 809,646
Total Liabilities	\$ 698,295	\$ 4,780,033	\$ 4,668,682	\$ 809,646
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 2,819,913	\$ 11,269,268	\$ 10,841,334	\$ 3,247,847
Accounts Receivable	826	0	826	0
Total Assets	\$ 2,820,739	\$ 11,269,268	\$ 10,842,160	\$ 3,247,847
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 2,820,739	\$ 11,269,268	\$ 10,842,160	\$ 3,247,847
Total Liabilities	\$ 2,820,739	\$ 11,269,268	\$ 10,842,160	\$ 3,247,847
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 2,819,913	\$ 11,269,268	\$ 10,841,334	\$ 3,247,847
Equity in Pooled Cash and Investments	0	3,970,387	3,970,387	0
Due from Other Governments	698,295	809,646	698,295	809,646
Accounts Receivable	826	0	826	0
Total Assets	\$ 3,519,034	\$ 16,049,301	\$ 15,510,842	\$ 4,057,493
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 698,295	\$ 4,780,033	\$ 4,668,682	\$ 809,646
Due to Litigants, Heirs, and Others	2,820,739	11,269,268	10,842,160	3,247,847
Total Liabilities	\$ 3,519,034	\$ 16,049,301	\$ 15,510,842	\$ 4,057,493

# Campbell County School Department

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

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

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

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

## Exhibit I-1

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

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:				
Instruction	\$ 25,803,931	\$ 0	\$ 2,241,193	\$ (23,562,738)
Support Services	22,393,717	0	1,436,516	(20,957,201)
Operation of Non-instructional Services	5,611,455	129,440	5,256,335	(225,680)
Total Governmental Activities	<u>\$ 53,809,103</u>	<u>\$ 129,440</u>	<u>\$ 8,934,044</u>	<u>\$ (44,745,619)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 5,446,955
Local Option Sales Taxes				4,546,950
Coal Severance Tax				143
Grants and Contributions Not Restricted to Specific Programs				32,985,881
Unrestricted Investment Income				602
Gain on Investments				4,769
Miscellaneous				37,336
Total General Revenues				<u>\$ 43,022,636</u>
Change in Net Position				\$ (1,722,983)
Net Position, July 1, 2019				<u>49,648,512</u>
Net Position, June 30, 2020				<u>\$ 47,925,529</u>

## Exhibit I-2

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

	Major Funds			Total
	General Purpose School	School Federal Projects	Central Cafeteria	Governmental Funds
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 1,623	\$ 1,623
Equity in Pooled Cash and Investments	6,147,029	787,027	944,906	7,878,962
Accounts Receivable	9,428	0	243	9,671
Due from Other Governments	1,004,665	323,214	344,311	1,672,190
Due from Other Funds	653	18,202	10,884	29,739
Property Taxes Receivable	5,965,644	0	0	5,965,644
Allowance for Uncollectible Property Taxes	(311,576)	0	0	(311,576)
Restricted Assets	153,266	0	0	153,266
Total Assets	<u>\$ 12,969,109</u>	<u>\$ 1,128,443</u>	<u>\$ 1,301,967</u>	<u>\$ 15,399,519</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 85,807	\$ 36	\$ 2,981	\$ 88,824
Accrued Payroll	32,444	0	0	32,444
Payroll Deductions Payable	520,096	82,191	44,594	646,881
Other Withholding Taxes	0	304	0	304
Due to Other Funds	29,086	653	0	29,739
Due to Primary Government	33,496	0	0	33,496
Total Liabilities	<u>\$ 700,929</u>	<u>\$ 83,184</u>	<u>\$ 47,575</u>	<u>\$ 831,688</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 5,427,304	\$ 0	\$ 0	\$ 5,427,304
Deferred Delinquent Property Taxes	201,690	0	0	201,690
Other Deferred/Unavailable Revenue	378,939	0	0	378,939
Total Deferred Inflows of Resources	<u>\$ 6,007,933</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,007,933</u>

(Continued)

Exhibit I-2

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

	Major Funds			Total
	General Purpose School	School Federal Projects	Central Cafeteria	Governmental Funds
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 85,094	\$ 45,259	\$ 427,494	\$ 557,847
Restricted for Hybrid Retirement Stabilization Funds	153,266	0	0	153,266
Committed:				
Committed for Education	713,907	1,000,000	740,413	2,454,320
Committed for Capital Projects	264,277	0	0	264,277
Committed for OPEB	476,215	0	86,485	562,700
Assigned:				
Assigned for Education	695,480	0	0	695,480
Unassigned	3,872,008	0	0	3,872,008
Total Fund Balances	<u>\$ 6,260,247</u>	<u>\$ 1,045,259</u>	<u>\$ 1,254,392</u>	<u>\$ 8,559,898</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 12,969,109</u>	<u>\$ 1,128,443</u>	<u>\$ 1,301,967</u>	<u>\$ 15,399,519</u>

Exhibit I-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$	8,559,898
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,284,425	
Add: construction in progress		8,128	
Add: buildings and improvements net of accumulated depreciation		41,476,480	
Add: other capital assets net of accumulated depreciation		<u>1,383,738</u>	44,152,771
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other postemployment benefits liability	\$	(8,743,053)	
Less: termination benefits payable		(451,088)	
Less: compensated absences payable		<u>(135,401)</u>	(9,329,542)
(3) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			580,629
(4) Amounts reflected as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of expense in future years.			
Add: deferred outflows of resources related to pensions	\$	3,339,773	
Less: deferred inflows of resources related to pensions		(5,506,636)	
Add: deferred outflows of resources related to OPEB		1,461,954	
Less: deferred inflows of resources related to OPEB		<u>(2,148,618)</u>	(2,853,527)
(5) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	1,176,893	
Add: net pension asset - teacher retirement plan		189,863	
Add: net pension asset - teacher legacy pension plan		<u>5,448,544</u>	6,815,300
Net position of governmental activities (Exhibit A)			<u>\$ 47,925,529</u>

## Exhibit I-4

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

	Major Funds			Total
	General Purpose School	School Federal Projects	Central Cafeteria	Governmental Funds
<u>Revenues</u>				
Local Taxes	\$ 10,070,395	\$ 0	\$ 0	\$ 10,070,395
Licenses and Permits	1,434	0	0	1,434
Charges for Current Services	90	0	129,440	129,530
Other Local Revenues	161,092	0	18,426	179,518
State of Tennessee	31,684,505	0	31,032	31,715,537
Federal Government	348,242	5,515,104	4,042,325	9,905,671
Total Revenues	<u>\$ 42,265,758</u>	<u>\$ 5,515,104</u>	<u>\$ 4,221,223</u>	<u>\$ 52,002,085</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 21,942,834	\$ 3,427,694	\$ 0	\$ 25,370,528
Support Services	16,351,629	1,663,275	0	18,014,904
Operation of Non-Instructional Services	1,051,624	424,136	4,370,272	5,846,032
Capital Outlay	724,167	0	0	724,167
Debt Service:				
Other Debt Service	2,093,842	0	0	2,093,842
Total Expenditures	<u>\$ 42,164,096</u>	<u>\$ 5,515,105</u>	<u>\$ 4,370,272</u>	<u>\$ 52,049,473</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 101,662</u>	<u>\$ (1)</u>	<u>\$ (149,049)</u>	<u>\$ (47,388)</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 74,185	\$ 0	\$ 0	\$ 74,185
Transfers In	0	500,000	129,995	629,995
Transfers Out	(629,995)	0	0	(629,995)
Total Other Financing Sources (Uses)	<u>\$ (555,810)</u>	<u>\$ 500,000</u>	<u>\$ 129,995</u>	<u>\$ 74,185</u>

(Continued)



Exhibit I-4

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

	Major Funds			Total
	General Purpose School	School Federal Projects	Central Cafeteria	Governmental Funds
Net Change in Fund Balances	\$ (454,148)	\$ 499,999	\$ (19,054)	\$ 26,797
Fund Balance, July 1, 2019	6,714,395	545,260	1,273,446	8,533,101
Fund Balance, June 30, 2020	\$ 6,260,247	\$ 1,045,259	\$ 1,254,392	\$ 8,559,898

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

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$	26,797
(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	\$	851,564	
Less: current-year depreciation expense		<u>(2,672,615)</u>	(1,821,051)
(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	\$	580,629	
Less: deferred delinquent property taxes and other deferred June 30, 2019		<u>(632,647)</u>	(52,018)
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in compensated absences payable	\$	(21,386)	
Change in termination benefits payable		(451,088)	
Change in OPEB liability		(978,560)	
Change in net pension asset/liability		4,001,013	
Change in deferred outflows related to pensions		(741,472)	
Change in deferred inflows related to pensions		(2,145,846)	
Change in deferred outflows related to OPEB		757,280	
Change in deferred inflows related to OPEB		<u>(296,652)</u>	<u>123,289</u>
Change in net position of governmental activities (Exhibit B)			<u>\$ (1,722,983)</u>

Exhibit I-6

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Campbell 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	\$ 10,070,395	\$ 0	\$ 0	\$ 10,070,395	\$ 10,050,523	\$ 10,050,523	\$ 19,872
Licenses and Permits	1,434	0	0	1,434	2,500	2,500	(1,066)
Charges for Current Services	90	0	0	90	0	0	90
Other Local Revenues	161,092	0	0	161,092	40,724	169,848	(8,756)
State of Tennessee	31,684,505	0	0	31,684,505	31,403,287	31,807,718	(123,213)
Federal Government	348,242	0	0	348,242	369,262	386,435	(38,193)
Other Governments and Citizens Groups	0	0	0	0	42,000	17,000	(17,000)
Total Revenues	\$ 42,265,758	\$ 0	\$ 0	\$ 42,265,758	\$ 41,908,296	\$ 42,434,024	\$ (168,266)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 17,972,812	\$ (339)	\$ 2,458	\$ 17,974,931	\$ 18,515,172	\$ 18,353,394	\$ 378,463
Alternative Instruction Program	103,344	0	0	103,344	136,103	136,103	32,759
Special Education Program	2,226,062	(121)	71,895	2,297,836	2,410,543	2,366,570	68,734
Career and Technical Education Program	1,640,616	(166)	5,110	1,645,560	1,678,474	1,700,311	54,751
<u>Support Services</u>							
Attendance	121,336	0	0	121,336	116,524	125,783	4,447
Health Services	680,095	0	10	680,105	700,425	702,325	22,220
Other Student Support	2,160,547	0	42,052	2,202,599	2,319,410	2,326,369	123,770
Regular Instruction Program	1,509,764	(14,288)	6,351	1,501,827	1,957,214	1,526,638	24,811
Alternative Instruction Program	99,465	0	0	99,465	99,820	99,832	367
Special Education Program	504,429	0	5,988	510,417	478,497	529,930	19,513
Career and Technical Education Program	110,760	(557)	0	110,203	121,126	120,947	10,744
Technology	524,569	(1,040)	0	523,529	520,049	530,051	6,522
Other Programs	260,017	0	0	260,017	0	260,017	0
Board of Education	1,568,244	(2,583)	5,849	1,571,510	1,437,773	1,656,848	85,338
Director of Schools	281,284	(884)	476	280,876	277,714	292,448	11,572
Office of the Principal	2,961,081	0	0	2,961,081	2,450,208	2,998,079	36,998
Fiscal Services	120,067	0	0	120,067	120,067	120,067	0

(Continued)

Exhibit I-6

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Campbell 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>							
Operation of Plant	\$ 3,242,524	\$ (2,625)	\$ 8,637	\$ 3,248,536	\$ 3,274,857	\$ 3,266,691	\$ 18,155
Maintenance of Plant	718,593	(27,847)	23,588	714,334	744,883	739,546	25,212
Transportation	1,488,854	0	89,383	1,578,237	1,474,157	1,603,220	24,983
Central and Other	0	0	0	0	0	52,865	52,865
<u>Operation of Non-Instructional Services</u>							
Community Services	88,839	(5,000)	0	83,839	96,676	97,876	14,037
Early Childhood Education	962,363	0	0	962,363	1,012,157	977,839	15,476
COVID-19 Expenditures	422	0	0	422	0	422	0
<u>Capital Outlay</u>							
Regular Capital Outlay	724,167	(112,552)	94,342	705,957	269,862	745,731	39,774
<u>Principal on Debt</u>							
Education	0	0	0	0	323,704	0	0
<u>Interest on Debt</u>							
Education	0	0	0	0	13,705	0	0
<u>Other Debt Service</u>							
Education	2,093,842	0	0	2,093,842	1,757,058	2,094,467	625
Total Expenditures	\$ 42,164,096	\$ (168,002)	\$ 356,139	\$ 42,352,233	\$ 42,306,178	\$ 43,424,369	\$ 1,072,136
Excess (Deficiency) of Revenues Over Expenditures	\$ 101,662	\$ 168,002	\$ (356,139)	\$ (86,475)	\$ (397,882)	\$ (990,345)	\$ 903,870
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 74,185	\$ 0	\$ 0	\$ 74,185	\$ 0	\$ 74,186	\$ (1)
Transfers In	0	0	0	0	1,132	0	0
Transfers Out	(629,995)	0	0	(629,995)	(129,995)	(629,995)	0
Total Other Financing Sources	\$ (555,810)	\$ 0	\$ 0	\$ (555,810)	\$ (128,863)	\$ (555,809)	\$ (1)

(Continued)

Exhibit I-6

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Campbell 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	
Net Change in Fund Balance	\$ (454,148)	\$ 168,002	\$ (356,139)	\$ (642,285)	\$ (526,745)	\$ (1,546,154)	\$ 903,869
Fund Balance, July 1, 2019	6,714,395	(168,002)	0	6,546,393	5,857,586	5,857,586	688,807
Fund Balance, June 30, 2020	\$ 6,260,247	\$ 0	\$ (356,139)	\$ 5,904,108	\$ 5,330,841	\$ 4,311,432	\$ 1,592,676

## Exhibit I-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 5,515,104	\$ 4,857,809	\$ 6,331,197	\$ (816,093)
Total Revenues	\$ 5,515,104	\$ 4,857,809	\$ 6,331,197	\$ (816,093)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 2,242,299	\$ 1,999,196	\$ 2,404,519	\$ 162,220
Special Education Program	1,101,142	1,137,432	1,175,350	74,208
Career and Technical Education Program	84,253	86,259	86,259	2,006
<u>Support Services</u>				
Health Services	0	29,857	0	0
Other Student Support	23,629	59,394	61,094	37,465
Regular Instruction Program	1,140,400	1,288,794	1,514,868	374,468
Special Education Program	279,222	112,052	349,624	70,402
Career and Technical Education Program	3,572	5,800	5,800	2,228
Office of the Principal	80,919	0	81,065	146
Transportation	135,533	137,893	152,453	16,920
<u>Operation of Non-Instructional Services</u>				
Food Service	0	0	1	1
Community Services	424,136	0	500,167	76,031
Total Expenditures	\$ 5,515,105	\$ 4,856,677	\$ 6,331,200	\$ 816,095
Excess (Deficiency) of Revenues Over Expenditures	\$ (1)	\$ 1,132	\$ (3)	\$ 2
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 500,000	\$ 216,107	\$ 500,000	\$ 0
Transfers Out	0	(217,239)	0	0
Total Other Financing Sources	\$ 500,000	\$ (1,132)	\$ 500,000	\$ 0
Net Change in Fund Balance	\$ 499,999	\$ 0	\$ 499,997	\$ 2
Fund Balance, July 1, 2019	545,260	545,259	545,259	1
Fund Balance, June 30, 2020	\$ 1,045,259	\$ 545,259	\$ 1,045,256	\$ 3

Exhibit I-8

Campbell County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Campbell 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	\$ 129,440	\$ 0	\$ 0	\$ 129,440	\$ 159,083	\$ 121,120	\$ 8,320
Other Local Revenues	18,426	0	0	18,426	625	18,324	102
State of Tennessee	31,032	0	0	31,032	32,380	31,032	0
Federal Government	4,042,325	0	0	4,042,325	3,886,150	3,928,628	113,697
Total Revenues	\$ 4,221,223	\$ 0	\$ 0	\$ 4,221,223	\$ 4,078,238	\$ 4,099,104	\$ 122,119
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 4,370,272	\$ (177,571)	\$ 55,672	\$ 4,248,373	\$ 4,218,233	\$ 4,623,237	\$ 374,864
Total Expenditures	\$ 4,370,272	\$ (177,571)	\$ 55,672	\$ 4,248,373	\$ 4,218,233	\$ 4,623,237	\$ 374,864
Excess (Deficiency) of Revenues Over Expenditures	\$ (149,049)	\$ 177,571	\$ (55,672)	\$ (27,150)	\$ (139,995)	\$ (524,133)	\$ 496,983
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 129,995	\$ 0	\$ 0	\$ 129,995	\$ 129,995	\$ 129,995	\$ 0
Total Other Financing Sources	\$ 129,995	\$ 0	\$ 0	\$ 129,995	\$ 129,995	\$ 129,995	\$ 0
Net Change in Fund Balance	\$ (19,054)	\$ 177,571	\$ (55,672)	\$ 102,845	\$ (10,000)	\$ (394,138)	\$ 496,983
Fund Balance, July 1, 2019	1,273,446	(177,571)	0	1,095,875	921,973	921,973	173,902
Fund Balance, June 30, 2020	\$ 1,254,392	\$ 0	\$ (55,672)	\$ 1,198,720	\$ 911,973	\$ 527,835	\$ 670,885

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## MISCELLANEOUS SCHEDULES

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Exhibit J-1

Campbell County, Tennessee  
Schedule of Changes in Long-term Notes, Bonds, and Other Loans  
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	Issued During Period	Matured During Period	Debt Refunded	Outstanding 6-30-20
<b>NOTES PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
School Improvements	\$ 500,000	4.23	% 12-18-08	11-15-20	\$ 62,497	\$ 0	\$ 41,667	\$ 0	\$ 20,830
Electric System Improvements - LaFollette Utility Board	500,000	2.03	7-29-16	6-29-28	374,900	0	41,700	0	333,200
Voting Machines	300,000	1.82	8-15-17	6-15-21	250,000	0	100,000	0	150,000
Total Notes Payable					<u>\$ 687,397</u>	<u>\$ 0</u>	<u>\$ 183,367</u>	<u>\$ 0</u>	<u>\$ 504,030</u>
<b>BONDS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
General Obligation Bonds, Series 2010A BABs	5,500,000	2.35 to 5.25	11-1-10	6-5-20	\$ 5,300,000	\$ 0	\$ 25,000	\$ 5,275,000	\$ 0
General Obligation Bonds, Series 2010B BABs	10,125,000	5.8	12-20-10	6-5-20	10,045,000	0	10,000	10,035,000	0
General Obligation Bonds, Series 2011	2,000,000	3 to 4	6-28-11	6-5-20	1,960,000	0	5,000	1,955,000	0
General Obligation Bonds, Series 2012	4,160,000	2 to 2.88	5-1-12	6-5-20	2,725,000	0	280,000	2,445,000	0
General Obligation Bonds, Series 2013	1,670,000	1 to 3.25	4-25-13	6-5-20	1,030,000	0	130,000	900,000	0
General Obligation Bonds, Refunding Series 2017	9,055,000	2 to 3	5-19-17	6-1-26	8,710,000	0	2,240,000	0	6,470,000
General Obligation Bonds, Refunding Series 2018	7,925,000	3	5-24-18	6-1-25	7,750,000	0	175,000	0	7,575,000
General Obligation Bonds, Refunding Series 2020	18,260,000	2 to 5	6-5-20	6-1-31	0	18,260,000	0	0	18,260,000
General Obligation Bonds, Series 2020	3,515,000	3 to 5	6-5-20	6-1-30	0	3,515,000	0	0	3,515,000
Total Bonds Payable					<u>\$ 37,520,000</u>	<u>\$ 21,775,000</u>	<u>\$ 2,865,000</u>	<u>\$ 20,610,000</u>	<u>\$ 35,820,000</u>
<b>OTHER LOANS PAYABLE</b>									
<u>Payable through General Debt Service Fund</u>									
Energy Efficient Incentive School Loan	1,387,088	0	5-1-12	5-1-22	\$ 393,014	\$ 0	\$ 138,708	\$ 0	\$ 254,306
Energy Efficient Incentive School Loan	1,408,708	1	8-20-18	6-1-31	1,408,708	0	111,036	0	1,297,672
Energy Efficient Incentive School Loan	73,420	1	8-20-18	6-1-20	73,420	0	73,420	0	0
Total Other Loans Payable					<u>\$ 1,875,142</u>	<u>\$ 0</u>	<u>\$ 323,164</u>	<u>\$ 0</u>	<u>\$ 1,551,978</u>

Exhibit J-2

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

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 212,531	\$ 9,134	\$ 221,665
2022	41,700	5,787	47,487
2023	41,700	4,929	46,629
2024	41,700	4,070	45,770
2025	41,700	3,212	44,912
2026	41,700	2,354	44,054
2027	41,700	1,495	43,195
2028	41,299	637	41,936
Total	\$ 504,030	\$ 31,618	\$ 535,648

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 3,075,000	\$ 1,265,053	\$ 4,340,053
2022	3,160,000	1,169,681	4,329,681
2023	3,270,000	1,060,382	4,330,382
2024	3,365,000	948,131	4,313,131
2025	3,445,000	833,631	4,278,631
2026	3,460,000	716,631	4,176,631
2027	3,470,000	584,600	4,054,600
2028	3,185,000	411,100	3,596,100
2029	3,180,000	251,850	3,431,850
2030	3,225,000	156,450	3,381,450
2031	2,985,000	59,700	3,044,700
Total	\$ 35,820,000	\$ 7,457,209	\$ 43,277,209

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2021	\$ 250,860	\$ 12,468	\$ 263,328
2022	228,878	11,340	240,218
2023	114,420	10,200	124,620
2024	115,572	9,048	124,620
2025	116,736	7,884	124,620
2026	117,900	6,720	124,620
2027	119,088	5,532	124,620
2028	120,288	4,332	124,620
2029	121,500	3,120	124,620
2030	122,712	1,908	124,620
2031	124,024	663	124,687
Total	\$ 1,551,978	\$ 73,215	\$ 1,625,193

## Exhibit J-3

Campbell County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Campbell 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>			
Solid Waste/Sanitation	General	Indirect costs	\$ 38,000
General	Ambulance Service	Operating the ambulance service	<u>80,000</u>
Total Transfers Primary Government			<u>\$ 118,000</u>
<u>DISCRETELY PRESENTED CAMPBELL COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	Central Cafeteria Fund	Salary increases	\$ 129,995
General Purpose School	School Federal Projects Fund	Cashflow needs	<u>500,000</u>
Total Transfers Discretely Presented Campbell County School Department			<u>\$ 629,995</u>

Exhibit J-4

Campbell County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Campbell 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>	\$ 99,077 (1)	\$ 100,000	Western Surety Company
Road Superintendent	Section 8-24-102, <i>TCA</i>	93,977	100,000	"
Director of Schools	State Board of Education and County Board of Education	118,405 (2)	100,000	Western Surety Company
Trustee	Section 8-24-102, <i>TCA</i>	85,433	1,540,600	RLI Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i> and County Commission	86,992	50,000	Western Surety Company
County Clerk	Section 8-24-102, <i>TCA</i>	85,433	100,000	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	85,433	100,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	85,433 (3)	100,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	85,433		
Sheriff	Section 8-24-102, <i>TCA</i>	94,777 (4)	100,000	"
Director of Finance	County Commission	96,500	100,000	"
Employee Blanket Bonds:				
Public Employee Dishonesty - County Departments			400,000	Local Government Property and Casualty Fund
Public Employee Dishonesty - School Department			400,000	Tennessee Risk Management Trust

(1) Includes \$400 for being on a development board.

(2) Includes \$1,000 for a chief executive officer's supplement.

(3) Does not include \$35,101 for special commissioner fees.

(4) Includes \$800 for a law enforcement training supplement.

## Exhibit J-5

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 6,641,608	\$ 1,188,188	\$ 925,655	\$ 203,477	\$ 0	\$ 0
Discount on Property Taxes	(75,624)	(13,528)	(10,538)	(2,316)	0	0
Trustee's Collections - Prior Year	284,002	48,786	32,556	8,879	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	108,191	18,577	12,412	3,383	0	0
Interest and Penalty	88,788	15,315	10,410	2,771	0	0
Payments in-Lieu-of Taxes - T.V.A.	13,388	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	341,097	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	130,110	0	0	10,715	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	256,438	0	0	81,000	0	0
Wheel Tax	323,888	600,000	0	0	0	0
Litigation Tax - General	141,295	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	344,289	0	0	0	0	0
Mixed Drink Tax	20,727	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Other County Local Option Taxes	3,688	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	291,451	0	0	0	0	0
Wholesale Beer Tax	117,468	0	0	0	0	0
Coal Severance Tax	0	0	0	0	0	0
Other Statutory Local Taxes	0	0	0	0	0	0
Total Local Taxes	\$ 9,030,804	\$ 1,857,338	\$ 970,495	\$ 307,909	\$ 0	\$ 0

(Continued)

## Exhibit J-5

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 1,434	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	163,862	0	0	0	0	0
<u>Permits</u>						
Beer Permits	593	0	0	0	0	0
Building Permits	2,337	0	0	0	0	0
Total Licenses and Permits	<u>\$ 168,226</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 4,552	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	5,030	0	0	0	0	0
Drug Control Fines	0	0	0	0	4,535	0
Jail Fees	36,432	0	0	0	0	0
Data Entry Fee - Circuit Court	1,714	0	0	0	0	0
<u>Criminal Court</u>						
Fines	1,021	0	0	0	0	0
DUI Treatment Fines	1,947	0	0	0	0	0
Courtroom Security Fee	6	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	14,135	0	0	0	0	0
Fines for Littering	332	0	0	0	0	0
Officers Costs	35,419	0	0	0	0	0
Game and Fish Fines	598	0	0	0	0	0
Drug Control Fines	0	0	0	0	12,299	0
Jail Fees	27,731	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
DUI Treatment Fines	\$ 8,449	\$ 0	\$ 0	\$ 0	\$ 0	0
Data Entry Fee - General Sessions Court	10,950	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	428	0	0	0	0	0
Officers Costs	656	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	10,794	0	0	0	0	0
Data Entry Fee - Chancery Court	5,226	0	0	0	0	0
<u>Other Courts - In-county</u>						
Fines	10	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Drug Task Force Forfeitures and Seizures	0	0	0	0	10	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	17,030	0
Other Fines, Forfeitures, and Penalties	49,915	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	<u>\$ 215,345</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>33,874</u>	<u>0</u>
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other Employee Benefit Charges/Contributions	\$ 69,164	\$ 0	\$ 0	\$ 0	\$ 0	0
Commercial and Industrial Waste Collection Charge	0	190,164	0	0	0	0
Tipping Fees	0	5,264	0	0	0	0
Solid Waste Disposal Fee	0	91,909	0	0	0	0
Surcharge - Waste Tire Disposal	0	10,019	0	0	0	0
Patient Charges	0	0	1,782,753	0	0	0

(Continued)

## Exhibit J-5

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

	Special Revenue Funds						Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control		
<u>Charges for Current Services (Cont.)</u>							
<u>General Service Charges (Cont.)</u>							
Past Due Collections - Ambulance	\$ 0	\$ 0	\$ 11,434	\$ 0	\$ 0	\$ 0	0
Other General Service Charges	0	0	32	550	0	0	0
<u>Fees</u>							
Recreation Fees	1,140	0	0	0	0	0	0
Copy Fees	6,124	0	0	0	0	0	0
Greenbelt Late Application Fee	350	0	0	0	0	0	0
Telephone Commissions	71,925	0	0	0	0	0	0
Vending Machine Collections	221	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0	393
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	0	35,101
Data Processing Fee - Register	13,474	0	0	0	0	0	0
Data Processing Fee - Sheriff	2,859	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	7,050	0	0	0	0	0	0
Total Charges for Current Services	\$ 172,307	\$ 297,356	\$ 1,794,219	\$ 550	\$ 0	\$ 0	35,494
<u>Other Local Revenues</u>							
<u>Recurring Items</u>							
Investment Income	\$ 26	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Lease/Rentals	45,235	0	0	88,200	0	0	0
Sale of Materials and Supplies	0	0	0	0	0	0	0
Commissary Sales	26,403	0	0	0	0	0	0
Sale of Gasoline	0	0	0	0	0	0	0
Sale of Maps	20	0	0	0	0	0	0
Sale of Recycled Materials	0	70,777	0	0	0	0	0
Miscellaneous Refunds	68,251	4,434	21,831	485	509	0	0

(Continued)



## Exhibit J-5

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items</u>						
Sale of Equipment	\$ 9,834	\$ 9,725	\$ 0	\$ 0	\$ 0	0
<u>Other Local Revenues</u>						
Other Local Revenues	0	309	0	0	0	0
Total Other Local Revenues	\$ 149,769	\$ 85,245	\$ 21,831	\$ 88,685	\$ 509	0
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 473,319	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	301,530	0	0	0	0	0
Clerk and Master	142,145	0	0	0	0	0
Register	191,114	0	0	0	0	0
Sheriff	16,372	0	0	0	0	0
Trustee	628,692	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,753,172	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 8,975	\$ 0	\$ 0	\$ 0	\$ 0	0
Airport Maintenance Program	15,000	0	0	0	0	0
Aging Programs	10,121	0	0	0	0	0
Solid Waste Grants	0	29,516	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	32,000	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	370,102	0	0	0	0	0

(Continued)

## Exhibit J-5

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	
<u>State of Tennessee (Cont.)</u>						
<u>Public Works Grants</u>						
Bridge Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
State Aid Program	0	0	0	0	0	0
Litter Program	44,539	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	28,986	0	0	0	0	0
Beer Tax	18,175	0	0	0	0	0
Vehicle Certificate of Title Fees	8,355	0	0	0	0	0
Alcoholic Beverage Tax	96,723	0	0	0	0	0
State Revenue Sharing - T.V.A.	1,428,757	0	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	0	0
Contracted Prisoner Boarding	2,363,166	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	2,952	0	1,582	0	0	0
Other State Revenues	58,335	26,817	0	0	0	0
Total State of Tennessee	\$ 4,501,350	\$ 56,333	\$ 1,582	\$ 0	\$ 0	0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Disaster Relief	\$ 25,000	\$ 0	\$ 0	\$ 0	\$ 0	0
Homeland Security Grants	10,500	0	0	0	0	0
Medicaid	0	0	198,548	0	0	0
COVID-19 Grant #1	0	0	55,596	0	0	0
COVID-19 Grant #2	8,813	0	4,746	0	0	0

(Continued)

## Exhibit J-5

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Solid Waste / Sanitation	Ambulance Service	Industrial / Economic Development	Drug Control	
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
COVID-19 Grant #3	\$ 2,474	\$ 0	\$ 482	\$ 0	\$ 0	\$ 0
Other Federal through State	242,572	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Tax Credit Bond Rebate	0	0	0	0	0	0
Total Federal Government	<u>\$ 289,359</u>	<u>\$ 0</u>	<u>\$ 259,372</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 12,800	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	120,067	0	0	35,398	0	0
Contracted Services	382,523	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 515,390</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 35,398</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 16,795,722</u>	<u>\$ 2,296,272</u>	<u>\$ 3,047,499</u>	<u>\$ 432,542</u>	<u>\$ 34,383</u>	<u>\$ 35,494</u>

(Continued)

## Exhibit J-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Total
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects	
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 412,557	\$ 1,338,204	\$ 643,162	\$ 0	\$ 11,352,851
Discount on Property Taxes	(4,697)	(15,237)	(7,326)	0	(129,266)
Trustee's Collections - Prior Year	16,421	45,828	28,134	0	464,606
Circuit Clerk/Clerk and Master Collections - Prior Years	6,247	17,459	10,721	0	176,990
Interest and Penalty	5,171	14,699	8,777	0	145,931
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	13,388
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	341,097
Payments in-Lieu-of Taxes - Other	0	0	0	0	140,825
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	1,097,443	0	0	1,097,443
Hotel/Motel Tax	0	75,000	50,000	0	462,438
Wheel Tax	400,000	0	150,000	0	1,473,888
Litigation Tax - General	0	0	0	0	141,295
Litigation Tax - Special Purpose	0	2,025	16,577	0	18,602
Litigation Tax - Jail, Workhouse, or Courthouse	0	154,692	0	0	154,692
Business Tax	0	0	0	0	344,289
Mixed Drink Tax	0	0	0	0	20,727
Mineral Severance Tax	97,402	0	0	0	97,402
Other County Local Option Taxes	0	0	0	0	3,688
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	0	0	0	291,451
Wholesale Beer Tax	0	0	0	0	117,468
Coal Severance Tax	143	0	0	0	143
Other Statutory Local Taxes	6,289	0	0	0	6,289
Total Local Taxes	\$ 939,533	\$ 2,730,113	\$ 900,045	\$ 0	\$ 16,736,237

(Continued)

## Exhibit J-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Total
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects	
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	1,434
Cable TV Franchise	0	0	0	0	163,862
<u>Permits</u>					
Beer Permits	0	0	0	0	593
Building Permits	0	0	0	0	2,337
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	168,226
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	4,552
Officers Costs	0	0	0	0	5,030
Drug Control Fines	0	0	0	0	4,535
Jail Fees	0	0	0	0	36,432
Data Entry Fee - Circuit Court	0	0	0	0	1,714
<u>Criminal Court</u>					
Fines	0	0	0	0	1,021
DUI Treatment Fines	0	0	0	0	1,947
Courtroom Security Fee	0	0	0	0	6
<u>General Sessions Court</u>					
Fines	0	0	0	0	14,135
Fines for Littering	0	0	0	0	332
Officers Costs	0	0	0	0	35,419
Game and Fish Fines	0	0	0	0	598
Drug Control Fines	0	0	0	0	12,299
Jail Fees	0	0	0	0	27,731

(Continued)

## Exhibit J-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Total
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
DUI Treatment Fines	\$ 0	\$ 0	\$ 0	\$ 0	8,449
Data Entry Fee - General Sessions Court	0	0	0	0	10,950
<u>Juvenile Court</u>					
Fines	0	0	0	0	428
Officers Costs	0	0	0	0	656
<u>Chancery Court</u>					
Officers Costs	0	0	0	0	10,794
Data Entry Fee - Chancery Court	0	0	0	0	5,226
<u>Other Courts - In-county</u>					
Fines	0	0	0	0	10
<u>Judicial District Drug Program</u>					
Drug Task Force Forfeitures and Seizures	0	0	0	0	10
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	17,030
Other Fines, Forfeitures, and Penalties	0	0	0	0	49,915
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	249,219
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Other Employee Benefit Charges/Contributions	\$ 0	\$ 0	\$ 0	\$ 0	69,164
Commercial and Industrial Waste Collection Charge	0	0	0	0	190,164
Tipping Fees	0	0	0	0	5,264
Solid Waste Disposal Fee	0	0	0	0	91,909
Surcharge - Waste Tire Disposal	0	0	0	0	10,019
Patient Charges	0	0	0	0	1,782,753

(Continued)

## Exhibit J-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Total
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects	
<u>Charges for Current Services (Cont.)</u>					
<u>General Service Charges (Cont.)</u>					
Past Due Collections - Ambulance	\$ 0	\$ 0	\$ 0	\$ 0	11,434
Other General Service Charges	300	0	0	0	882
<u>Fees</u>					
Recreation Fees	0	0	0	0	1,140
Copy Fees	0	0	0	0	6,124
Greenbelt Late Application Fee	0	0	0	0	350
Telephone Commissions	0	0	0	0	71,925
Vending Machine Collections	0	0	0	0	221
Constitutional Officers' Fees and Commissions	0	0	0	0	393
Special Commissioner Fees/Special Master Fees	0	0	0	0	35,101
Data Processing Fee - Register	0	0	0	0	13,474
Data Processing Fee - Sheriff	0	0	0	0	2,859
Sexual Offender Registration Fee - Sheriff	0	0	0	0	7,050
Total Charges for Current Services	\$ 300	\$ 0	\$ 0	\$ 0	2,300,226
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 201,502	\$ 0	\$ 0	201,528
Lease/Rentals	0	63,750	0	27,560	224,745
Sale of Materials and Supplies	120,239	0	0	0	120,239
Commissary Sales	0	0	0	0	26,403
Sale of Gasoline	145,015	0	0	0	145,015
Sale of Maps	0	0	0	0	20
Sale of Recycled Materials	0	0	0	0	70,777
Miscellaneous Refunds	5,278	0	0	18	100,806

(Continued)

## Exhibit J-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Total
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects	
<u>Other Local Revenues (Cont.)</u>					
<u>Nonrecurring Items</u>					
Sale of Equipment	\$ 66,372	\$ 0	\$ 0	\$ 0	\$ 85,931
<u>Other Local Revenues</u>					
Other Local Revenues	0	0	0	961	1,270
Total Other Local Revenues	\$ 336,904	\$ 265,252	\$ 0	\$ 28,539	\$ 976,734
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 473,319
Circuit Court Clerk	0	0	0	0	301,530
Clerk and Master	0	0	0	0	142,145
Register	0	0	0	0	191,114
Sheriff	0	0	0	0	16,372
Trustee	0	0	0	0	628,692
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,753,172
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,975
Airport Maintenance Program	0	0	0	0	15,000
Aging Programs	0	0	0	0	10,121
Solid Waste Grants	0	0	0	0	29,516
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	0	0	0	0	32,000
<u>Health and Welfare Grants</u>					
Health Department Programs	0	0	0	0	370,102

(Continued)



## Exhibit J-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Total
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects	
<u>State of Tennessee (Cont.)</u>					
<u>Public Works Grants</u>					
Bridge Program	\$ 190,070	\$ 0	\$ 0	\$ 0	\$ 190,070
State Aid Program	202,029	0	0	0	202,029
Litter Program	0	0	0	0	44,539
<u>Other State Revenues</u>					
Income Tax	0	0	0	0	28,986
Beer Tax	0	0	0	0	18,175
Vehicle Certificate of Title Fees	0	0	0	0	8,355
Alcoholic Beverage Tax	0	0	0	0	96,723
State Revenue Sharing - T.V.A.	0	0	0	0	1,428,757
State Revenue Sharing - Telecommunications	0	56,749	0	0	56,749
Contracted Prisoner Boarding	0	0	0	0	2,363,166
Gasoline and Motor Fuel Tax	2,549,995	0	0	0	2,549,995
Petroleum Special Tax	29,378	0	0	0	29,378
Registrar's Salary Supplement	0	0	0	0	15,164
Other State Grants	0	0	0	7,239	11,773
Other State Revenues	0	0	0	0	85,152
Total State of Tennessee	\$ 2,971,472	\$ 56,749	\$ 0	\$ 7,239	\$ 7,594,725
<u>Federal Government</u>					
<u>Federal Through State</u>					
Disaster Relief	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,000
Homeland Security Grants	0	0	0	0	10,500
Medicaid	0	0	0	0	198,548
COVID-19 Grant #1	0	0	0	0	55,596
COVID-19 Grant #2	0	0	0	0	13,559

(Continued)

## Exhibit J-5

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

	Special Revenue Fund	Debt Service Fund	Capital Projects Funds		Total
	Highway / Public Works	General Debt Service	General Capital Projects	Other Capital Projects	
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
COVID-19 Grant #3	\$ 492	\$ 0	\$ 0	\$ 0	\$ 3,448
Other Federal through State	19,527	0	0	283,603	545,702
<u>Direct Federal Revenue</u>					
Tax Credit Bond Rebate	0	140,630	0	0	140,630
Total Federal Government	\$ 20,019	\$ 140,630	\$ 0	\$ 283,603	\$ 992,983
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	\$ 12,800
Contributions	0	2,093,842	0	0	2,249,307
Contracted Services	0	0	0	0	382,523
Total Other Governments and Citizens Groups	\$ 0	\$ 2,093,842	\$ 0	\$ 0	\$ 2,644,630
Total	\$ 4,268,228	\$ 5,286,586	\$ 900,045	\$ 319,381	\$ 33,416,152

## Exhibit J-6

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

	<u>Special Revenue Funds</u>			
	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 5,132,592	\$ 0	\$ 0	\$ 5,132,592
Discount on Property Taxes	(58,442)	0	0	(58,442)
Trustee's Collections - Prior Year	251,444	0	0	251,444
Circuit Clerk/Clerk and Master Collections - Prior Years	95,806	0	0	95,806
Interest and Penalty	77,573	0	0	77,573
<u>County Local Option Taxes</u>				
Local Option Sales Tax	4,546,950	0	0	4,546,950
Mixed Drink Tax	24,329	0	0	24,329
<u>Statutory Local Taxes</u>				
Coal Severance Tax	143	0	0	143
Total Local Taxes	\$ 10,070,395	\$ 0	\$ 0	\$ 10,070,395
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 1,434	\$ 0	\$ 0	\$ 1,434
Total Licenses and Permits	\$ 1,434	\$ 0	\$ 0	\$ 1,434
<u>Charges for Current Services</u>				
<u>Education Charges</u>				
Lunch Payments - Adults	\$ 0	\$ 0	\$ 47,394	\$ 47,394
A la Carte Sales	0	0	82,046	82,046
Other Charges for Services	90	0	0	90
Total Charges for Current Services	\$ 90	\$ 0	\$ 129,440	\$ 129,530

(Continued)

Exhibit J-6

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

	<u>Special Revenue Funds</u>			
	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 4,769	\$ 0	\$ 602	\$ 5,371
Miscellaneous Refunds	27,588	0	8,158	35,746
<u>Nonrecurring Items</u>				
Sale of Equipment	1,500	0	0	1,500
Contributions and Gifts	127,235	0	9,666	136,901
Total Other Local Revenues	<u>\$ 161,092</u>	<u>\$ 0</u>	<u>\$ 18,426</u>	<u>\$ 179,518</u>
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
On-behalf Contributions for OPEB	\$ 260,017	\$ 0	\$ 0	\$ 260,017
<u>State Education Funds</u>				
Basic Education Program	29,740,748	0	0	29,740,748
School Food Service	0	0	31,032	31,032
Driver Education	11,892	0	0	11,892
Other State Education Funds	907,858	0	0	907,858
Career Ladder Program	87,820	0	0	87,820
<u>Other State Revenues</u>				
Other State Grants	961	0	0	961
Safe Schools	208,471	0	0	208,471
Other State Revenues	466,738	0	0	466,738
Total State of Tennessee	<u>\$ 31,684,505</u>	<u>\$ 0</u>	<u>\$ 31,032</u>	<u>\$ 31,715,537</u>

(Continued)

## Exhibit J-6

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

	<u>Special Revenue Funds</u>			
	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,782,939	\$ 1,782,939
USDA - Commodities	0	0	307,603	307,603
Breakfast	0	0	656,794	656,794
USDA - Other	0	0	1,239,746	1,239,746
USDA Food Service Equipment Grant	0	0	55,000	55,000
Vocational Education - Basic Grants to States	0	100,092	0	100,092
Title I Grants to Local Education Agencies	0	2,752,632	0	2,752,632
Special Education - Grants to States	38,422	1,459,956	0	1,498,378
Special Education Preschool Grants	0	55,939	0	55,939
Safe and Drug-free Schools - State Grants	0	89,376	0	89,376
Rural Education	0	78,879	0	78,879
21st Century Community Learning Centers	0	424,137	0	424,137
Eisenhower Professional Development State Grants	0	303,193	0	303,193
COVID-19 Grant #2	316	0	0	316
COVID-19 Grant #3	8,788	0	243	9,031
Other Federal through State	253,249	250,900	0	504,149
<u>Direct Federal Revenue</u>				
ROTC Reimbursement	47,467	0	0	47,467
Total Federal Government	\$ 348,242	\$ 5,515,104	\$ 4,042,325	\$ 9,905,671
Total	\$ 42,265,758	\$ 5,515,104	\$ 4,221,223	\$ 52,002,085

## Exhibit J-7

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

General FundGeneral GovernmentCounty Commission

Secretary(ies)	\$	25,184	
Other Salaries and Wages		4,919	
Board and Committee Members Fees		95,617	
Social Security		5,758	
Pensions		3,932	
Life Insurance		1,242	
Medical Insurance		61,589	
Employer Medicare		1,561	
Other Fringe Benefits		1,820	
Audit Services		15,472	
Communication		1,084	
Dues and Memberships		1,800	
Legal Services		70,094	
Maintenance and Repair Services - Office Equipment		2,121	
Postal Charges		76	
Internet Connectivity		6,983	
Travel		18,608	
Office Supplies		827	
Judgments		25,000	
Office Equipment		6,688	
Total County Commission			\$ 350,375

Board of Equalization

Board and Committee Members Fees	\$	3,360	
Travel		747	
Total Board of Equalization			4,107

County Mayor/Executive

County Official/Administrative Officer	\$	98,677	
Deputy(ies)		44,544	
Secretary(ies)		48,698	
Other Salaries and Wages		3,000	
Social Security		11,211	
Pensions		9,219	
Life Insurance		377	
Medical Insurance		48,706	
Employer Medicare		2,622	
Other Fringe Benefits		1,820	
Communication		4,011	
Dues and Memberships		4,815	
Maintenance and Repair Services - Office Equipment		1,007	
Maintenance and Repair Services - Vehicles		1,671	
Medical and Dental Services		4,500	
Postal Charges		285	
Internet Connectivity		1,222	
Rentals		4,200	
Travel		3,818	

(Continued)

## Exhibit J-7

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

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

Office Supplies	\$	2,411	
Premiums on Corporate Surety Bonds		350	
Other Charges		177	
Office Equipment		2,817	
Total County Mayor/Executive			\$ 300,158

County Attorney

County Official/Administrative Officer	\$	28,906	
Social Security		1,274	
Pensions		1,442	
Life Insurance		111	
Medical Insurance		21,017	
Employer Medicare		298	
Other Fringe Benefits		455	
Legal Notices, Recording, and Court Costs		3,000	
Total County Attorney			56,503

Election Commission

County Official/Administrative Officer	\$	78,293	
Assistant(s)		35,363	
Data Processing Personnel		31,162	
Custodial Personnel		268	
Overtime Pay		2,946	
Election Commission		16,500	
Election Workers		30,408	
Other Per Diem and Fees		476	
Social Security		9,652	
Pensions		7,580	
Life Insurance		284	
Medical Insurance		31,761	
Employer Medicare		2,291	
Other Fringe Benefits		1,365	
Communication		2,752	
Contracts with Private Agencies		2,910	
Data Processing Services		23,968	
Dues and Memberships		500	
Legal Notices, Recording, and Court Costs		2,867	
Maintenance and Repair Services - Buildings		726	
Maintenance and Repair Services - Office Equipment		1,191	
Pest Control		420	
Postal Charges		843	
Internet Connectivity		1,222	
Rentals		1,469	
Transportation - Other than Students		1,200	
Travel		4,317	
Electricity		5,004	
Natural Gas		757	

(Continued)

## Exhibit J-7

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

General Fund (Cont.)General Government (Cont.)Election Commission (Cont.)

Office Supplies	\$	2,236	
Water and Sewer		1,318	
Other Supplies and Materials		1,782	
Liability Insurance		5,454	
Office Equipment		3,563	
Total Election Commission			\$ 312,848

Register of Deeds

County Official/Administrative Officer	\$	85,433	
Assistant(s)		35,363	
Deputy(ies)		40,460	
Data Processing Personnel		30,471	
Social Security		11,017	
Pensions		9,567	
Life Insurance		420	
Medical Insurance		48,021	
Employer Medicare		2,577	
Other Fringe Benefits		1,365	
Communication		1,649	
Contracts with Private Agencies		1,500	
Dues and Memberships		815	
Maintenance and Repair Services - Office Equipment		364	
Postal Charges		132	
Internet Connectivity		1,222	
Rentals		11,159	
Office Supplies		1,706	
Premiums on Corporate Surety Bonds		350	
Office Equipment		1,200	
Total Register of Deeds			284,791

County Buildings

Supervisor/Director	\$	40,930	
Custodial Personnel		87,406	
Overtime Pay		1,905	
Other Salaries and Wages		351	
Other Per Diem and Fees		99	
Social Security		7,471	
Pensions		6,118	
Life Insurance		457	
Medical Insurance		39,589	
Employer Medicare		1,747	
Other Fringe Benefits		1,365	
Communication		1,449	
Contracts with Private Agencies		5,670	
Legal Notices, Recording, and Court Costs		55	
Maintenance and Repair Services - Buildings		32,238	
Maintenance and Repair Services - Equipment		5,968	

(Continued)



## Exhibit J-7

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

General Fund (Cont.)General Government (Cont.)County Buildings (Cont.)

Maintenance and Repair Services - Vehicles	\$	280	
Pest Control		1,630	
Custodial Supplies		20,683	
Diesel Fuel		53	
Electricity		53,563	
Gasoline		412	
General Construction Materials		6,189	
Natural Gas		7,875	
Uniforms		688	
Water and Sewer		34,211	
Other Supplies and Materials		310	
Office Equipment		1,031	
Total County Buildings			\$ 359,743

Preservation of Records

Part-time Personnel	\$	6,984	
Social Security		433	
Employer Medicare		101	
Communication		572	
Maintenance and Repair Services - Office Equipment		27	
Postal Charges		76	
Internet Connectivity		1,069	
Rentals		7,200	
Office Supplies		223	
Total Preservation of Records			16,685

FinanceAccounting and Budgeting

Supervisor/Director	\$	96,500	
Accountants/Bookkeepers		503,008	
Overtime Pay		119	
Other Salaries and Wages		133	
Social Security		32,500	
Pensions		27,667	
Life Insurance		1,122	
Medical Insurance		126,226	
Employer Medicare		8,108	
Other Fringe Benefits		5,005	
Communication		2,817	
Data Processing Services		11,544	
Maintenance and Repair Services - Equipment		810	
Postal Charges		7,581	
Internet Connectivity		1,222	
Travel		129	
Custodial Supplies		1,592	
Data Processing Supplies		7,574	
Office Supplies		3,462	

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Finance (Cont.)Accounting and Budgeting (Cont.)

Premiums on Corporate Surety Bonds	\$	350	
Office Equipment		20,363	
Total Accounting and Budgeting			\$ 857,832

Central Services

Computer Programmer(s)	\$	36,557	
Part-time Personnel		9,952	
Other Salaries and Wages		50,834	
Social Security		5,801	
Pensions		4,361	
Life Insurance		167	
Medical Insurance		12,212	
Employer Medicare		1,357	
Other Fringe Benefits		796	
Communication		535	
Contracts with Government Agencies		15,498	
Contracts with Private Agencies		4,849	
Data Processing Services		115,435	
Legal Notices, Recording, and Court Costs		1,328	
Maintenance and Repair Services - Office Equipment		11,253	
Printing, Stationery, and Forms		1,413	
Internet Connectivity		4,857	
Data Processing Supplies		21,856	
Other Supplies and Materials		733	
Building and Contents Insurance		51,082	
Liability Insurance		68,590	
Trustee's Commission		181,538	
Vehicle and Equipment Insurance		6,685	
Office Equipment		16,194	
Total Central Services			623,883

Property Assessor's Office

County Official/Administrative Officer	\$	86,992	
Assessment Personnel		196,686	
Other Salaries and Wages		6,215	
Social Security		16,308	
Pensions		13,894	
Life Insurance		748	
Medical Insurance		88,995	
Employer Medicare		3,814	
Other Fringe Benefits		2,802	
Communication		5,418	
Consultants		8,028	
Contracts with Government Agencies		5,722	
Dues and Memberships		2,245	
Maintenance and Repair Services - Office Equipment		1,425	
Maintenance and Repair Services - Vehicles		402	

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Finance (Cont.)Property Assessor's Office (Cont.)

Postal Charges	\$	3,700	
Internet Connectivity		2,130	
Rentals		2,400	
Travel		1,070	
Electricity		234	
Gasoline		810	
Office Supplies		3,552	
Premiums on Corporate Surety Bonds		175	
Other Charges		266	
Office Equipment		2,737	
Total Property Assessor's Office			\$ 456,768

Reappraisal Program

Legal Notices, Recording, and Court Costs	\$	150	
Total Reappraisal Program			150

County Trustee's Office

County Official/Administrative Officer	\$	85,433	
Assistant(s)		35,363	
Deputy(ies)		41,012	
Data Processing Personnel		30,748	
Clerical Personnel		25,344	
Other Salaries and Wages		6,215	
Social Security		12,881	
Pensions		11,183	
Life Insurance		513	
Medical Insurance		53,993	
Employer Medicare		3,012	
Other Fringe Benefits		1,891	
Communication		1,671	
Data Processing Services		8,741	
Dues and Memberships		790	
Maintenance and Repair Services - Office Equipment		600	
Postal Charges		9,500	
Internet Connectivity		1,222	
Rentals		1,125	
Travel		100	
Office Supplies		2,292	
Premiums on Corporate Surety Bonds		7,953	
Office Equipment		1,675	
Total County Trustee's Office			343,257

County Clerk's Office

County Official/Administrative Officer	\$	85,433	
Deputy(ies)		42,941	
Data Processing Personnel		63,149	
Clerical Personnel		131,464	

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Finance (Cont.)County Clerk's Office (Cont.)

Other Salaries and Wages	\$	15,454	
Social Security		19,784	
Pensions		16,888	
Life Insurance		908	
Medical Insurance		71,766	
Employer Medicare		4,627	
Other Fringe Benefits		3,256	
Communication		4,025	
Data Processing Services		8,965	
Dues and Memberships		830	
Maintenance and Repair Services - Office Equipment		11,145	
Postal Charges		11,841	
Internet Connectivity		5,708	
Rentals		7,800	
Travel		56	
Disposal Fees		180	
Data Processing Supplies		997	
Electricity		2,770	
Office Supplies		3,811	
Premiums on Corporate Surety Bonds		450	
Office Equipment		8,988	
Other Capital Outlay		4,075	
Total County Clerk's Office			\$ 527,311

Administration of JusticeCircuit Court

County Official/Administrative Officer	\$	85,433
Assistant(s)		186,217
Deputy(ies)		42,251
Data Processing Personnel		95,550
Clerical Personnel		9,564
Part-time Personnel		29,397
Overtime Pay		1,114
Other Salaries and Wages		5,781
Jury and Witness Expense		9,315
Social Security		25,830
Pensions		20,501
Life Insurance		1,062
Medical Insurance		118,784
Employer Medicare		6,041
Other Fringe Benefits		4,209
Communication		6,719
Contracts with Private Agencies		416
Data Processing Services		25,081
Dues and Memberships		770
Maintenance and Repair Services - Office Equipment		4,042
Postal Charges		7,630

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Administration of Justice (Cont.)Circuit Court (Cont.)

Internet Connectivity	\$	1,222	
Rentals		600	
Travel		2,830	
Office Supplies		8,153	
Premiums on Corporate Surety Bonds		600	
Office Equipment		53,350	
Total Circuit Court			\$ 752,462

General Sessions Court

Judge(s)	\$	162,461	
Secretary(ies)		32,391	
Social Security		10,191	
Pensions		9,723	
Life Insurance		222	
Medical Insurance		22,443	
Employer Medicare		2,738	
Other Fringe Benefits		910	
Communication		1,139	
Dues and Memberships		445	
Maintenance and Repair Services - Office Equipment		952	
Postal Charges		67	
Travel		1,546	
Library Books/Media		688	
Office Supplies		744	
Office Equipment		200	
Total General Sessions Court			246,860

Chancery Court

County Official/Administrative Officer	\$	85,433	
Assistant(s)		106,088	
Deputy(ies)		42,941	
Overtime Pay		1,658	
Other Salaries and Wages		6,571	
Social Security		13,838	
Pensions		12,110	
Life Insurance		463	
Medical Insurance		64,644	
Employer Medicare		3,236	
Other Fringe Benefits		1,891	
Communication		4,009	
Data Processing Services		12,272	
Dues and Memberships		770	
Postal Charges		2,960	
Office Supplies		2,752	
Premiums on Corporate Surety Bonds		600	
Office Equipment		750	
Total Chancery Court			362,986

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Administration of Justice (Cont.)District Attorney General

Secretary(ies)	\$	28,979	
Social Security		1,475	
Pensions		1,365	
Life Insurance		111	
Medical Insurance		14,696	
Employer Medicare		345	
Other Fringe Benefits		455	
Total District Attorney General			\$ 47,426

Office of Public Defender

Part-time Personnel	\$	24,636	
Social Security		165	
Employer Medicare		357	
Other Charges		8,482	
Total Office of Public Defender			33,640

Public SafetySheriff's Department

County Official/Administrative Officer	\$	93,977	
Supervisor/Director		66,745	
Deputy(ies)		459,724	
Detective(s)		263,720	
Captain(s)		43,025	
Lieutenant(s)		54,334	
Sergeant(s)		111,893	
Data Processing Personnel		65,078	
Part-time Personnel		72,155	
Overtime Pay		166,076	
Other Salaries and Wages		21,111	
Other Per Diem and Fees		30,019	
Social Security		83,496	
Pensions		65,922	
Life Insurance		3,170	
Medical Insurance		303,240	
Employer Medicare		19,590	
Other Fringe Benefits		9,555	
Communication		17,942	
Contracts with Private Agencies		21,561	
Data Processing Services		3,195	
Confidential Drug Enforcement Payments		6,500	
Dues and Memberships		2,000	
Evaluation and Testing		350	
Legal Notices, Recording, and Court Costs		576	
Maintenance and Repair Services - Equipment		404	
Maintenance and Repair Services - Office Equipment		99	
Maintenance and Repair Services - Vehicles		37,690	
Postal Charges		906	

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Public Safety (Cont.)Sheriff's Department (Cont.)

Internet Connectivity	\$	1,222	
Rentals		2,518	
Towing Services		3,050	
Travel		1,841	
Animal Food and Supplies		750	
Diesel Fuel		82	
Electricity		4,626	
Gasoline		97,719	
Law Enforcement Supplies		2,443	
Natural Gas		412	
Office Supplies		2,317	
Tires and Tubes		15,644	
Uniforms		13,674	
Vehicle Parts		2,824	
Water and Sewer		5,255	
Other Supplies and Materials		275	
Building and Contents Insurance		9,288	
Liability Insurance		144,312	
Premiums on Corporate Surety Bonds		1,000	
Vehicle and Equipment Insurance		58,979	
Workers' Compensation Insurance		74,837	
In Service/Staff Development		2,929	
Law Enforcement Equipment		8,416	
Motor Vehicles		179,591	
Office Equipment		7,218	
Other Equipment		155	
Total Sheriff's Department			\$ 2,665,430

Special Patrols

Part-time Personnel	\$	3,145	
School Resource Officer		389,906	
Other Salaries and Wages		5,329	
Social Security		22,234	
Pensions		18,994	
Life Insurance		1,248	
Medical Insurance		129,356	
Employer Medicare		5,212	
Other Fringe Benefits		4,550	
Maintenance and Repair Services - Vehicles		6,115	
Veterinary Services		704	
Animal Food and Supplies		738	
Gasoline		11,304	
Law Enforcement Supplies		5,258	
Uniforms		12,125	
Workers' Compensation Insurance		24,241	
In Service/Staff Development		8,566	
Total Special Patrols			649,025

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Public Safety (Cont.)Traffic Control

Contracts with Private Agencies	\$	650	
Electricity		1,271	
Site Development		1,200	
Total Traffic Control			\$ 3,121

Administration of the Sexual Offender Registry

Remittance of Revenue Collected	\$	2,450	
Other Charges		397	
Total Administration of the Sexual Offender Registry			2,847

Jail

Assistant(s)	\$	34,397	
Captain(s)		51,166	
Lieutenant(s)		44,959	
Sergeant(s)		65,562	
Guards		1,051,668	
Cafeteria Personnel		32,027	
Maintenance Personnel		33,746	
Part-time Personnel		37,599	
Overtime Pay		254,752	
Other Salaries and Wages		24,804	
Other Per Diem and Fees		49,326	
Social Security		97,765	
Pensions		80,718	
Life Insurance		4,168	
Medical Insurance		344,142	
Employer Medicare		22,899	
Other Fringe Benefits		19,110	
Communication		3,686	
Contracts with Private Agencies		731	
Data Processing Services		4,779	
Evaluation and Testing		5,850	
Maintenance and Repair Services - Buildings		33,253	
Maintenance and Repair Services - Equipment		8,299	
Maintenance and Repair Services - Office Equipment		5,147	
Medical and Dental Services		1,079,854	
Pest Control		1,320	
Postal Charges		11	
Travel		3,162	
Other Contracted Services		4,785	
Electricity		154,287	
Food Preparation Supplies		87,392	
Food Supplies		446,994	
General Construction Materials		2,797	
Natural Gas		33,978	
Office Supplies		4,232	
Prisoners Clothing		8,749	

(Continued)



## Exhibit J-7

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

General Fund (Cont.)Public Safety (Cont.)Jail (Cont.)

Uniforms	\$	17,145	
Water and Sewer		244,769	
Other Supplies and Materials		18,107	
Building and Contents Insurance		9,288	
Liability Insurance		133,312	
Vehicle and Equipment Insurance		769	
Workers' Compensation Insurance		92,137	
In Service/Staff Development		5,807	
Law Enforcement Equipment		74	
Office Equipment		1,465	
Plant Operation Equipment		18,320	
Other Equipment		9,097	
Total Jail			\$ 4,688,404

Juvenile Services

Youth Service Officer(s)	\$	19,499	
Social Security		1,209	
Employer Medicare		283	
Communication		535	
Contracts with Government Agencies		25,115	
Total Juvenile Services			46,641

Fire Prevention and Control

Contributions	\$	97,875	
Building and Contents Insurance		9,317	
Liability Insurance		3,551	
Vehicle and Equipment Insurance		40,654	
Workers' Compensation Insurance		4,688	
Total Fire Prevention and Control			156,085

Civil Defense

Supervisor/Director	\$	61,626	
Social Security		3,219	
Pensions		3,075	
Life Insurance		111	
Medical Insurance		20,821	
Employer Medicare		753	
Other Fringe Benefits		455	
Communication		2,994	
Dues and Memberships		55	
Maintenance and Repair Services - Buildings		560	
Maintenance and Repair Services - Equipment		190	
Maintenance and Repair Services - Vehicles		5,723	
Travel		680	
Diesel Fuel		126	
Gasoline		3,611	
Tires and Tubes		1,213	

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Public Safety (Cont.)Civil Defense (Cont.)

Uniforms	\$	112	
Vehicle and Equipment Insurance		8,903	
In Service/Staff Development		1,085	
Other Charges		538	
Office Equipment		1,031	
Other Equipment		6,936	
Other Capital Outlay		26,653	
Total Civil Defense			\$ 150,470

Rescue Squad

Contributions	\$	36,000	
Building and Contents Insurance		6,433	
Liability Insurance		1,504	
Vehicle and Equipment Insurance		20,085	
Workers' Compensation Insurance		1,418	
Total Rescue Squad			65,440

Other Emergency Management

Communication	\$	1,500	
Contracts with Government Agencies		186,956	
Total Other Emergency Management			188,456

County Coroner/Medical Examiner

County Official/Administrative Officer	\$	17,250	
Social Security		846	
Life Insurance		68	
Medical Insurance		16,413	
Employer Medicare		198	
Other Fringe Benefits		455	
Contracts with Private Agencies		36,823	
Contracts with Vehicle Owners		10,196	
Total County Coroner/Medical Examiner			82,249

Other Public Safety

Deputy(ies)	\$	15,420	
Salary Supplements		32,000	
Guards		87,541	
Overtime Pay		12,030	
Other Salaries and Wages		38,267	
Social Security		11,125	
Pensions		2,603	
Life Insurance		16	
Medical Insurance		2,656	
Employer Medicare		2,678	
Other Fringe Benefits		174	
Architects		15,000	
Communication		549	

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Public Safety (Cont.)Other Public Safety (Cont.)

Evaluation and Testing	\$	1,750	
Postal Charges		10,690	
Travel		164	
Office Supplies		356	
Uniforms		1,736	
Other Supplies and Materials		639	
Other Charges		1,478	
Total Other Public Safety			\$ 236,872

Public Health and WelfareLocal Health Center

Communication	\$	5,447	
Dues and Memberships		200	
Maintenance and Repair Services - Buildings		4,226	
Pest Control		540	
Other Contracted Services		8,984	
Custodial Supplies		2,530	
Drugs and Medical Supplies		197	
Electricity		20,964	
Natural Gas		1,279	
Office Supplies		67	
Water and Sewer		4,299	
Other Supplies and Materials		9,297	
In Service/Staff Development		402	
Other Charges		1,104	
Total Local Health Center			59,536

Rabies and Animal Control

Contracts with Private Agencies	\$	149,568	
Building Improvements		44,000	
Other Capital Outlay		25,199	
Total Rabies and Animal Control			218,767

Alcohol and Drug Programs

Contracts with Private Agencies	\$	10,397	
Total Alcohol and Drug Programs			10,397

Crippled Children Services

Contributions	\$	2,764	
Total Crippled Children Services			2,764

Other Local Health Services

Social Workers	\$	152,920	
Medical Personnel		103,501	
Clerical Personnel		79,272	
Social Security		18,453	
Pensions		13,591	

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Public Health and Welfare (Cont.)Other Local Health Services (Cont.)

Life Insurance	\$	1,007	
Medical Insurance		125,375	
Employer Medicare		4,316	
Other Fringe Benefits		4,095	
Travel		7,400	
Workers' Compensation Insurance		9,402	
Other Charges		16	
Total Other Local Health Services			\$ 519,348

Appropriation to State

Contracts with Other Public Agencies	\$	23,275	
Total Appropriation to State			23,275

General Welfare Assistance

Pauper Burials	\$	6,800	
Total General Welfare Assistance			6,800

Sanitation Education/Information

Sergeant(s)	\$	36,093	
Other Salaries and Wages		3,039	
Other Per Diem and Fees		138	
Social Security		2,292	
Pensions		1,960	
Life Insurance		111	
Medical Insurance		7,747	
Employer Medicare		536	
Other Fringe Benefits		455	
Communication		633	
Maintenance and Repair Services - Vehicles		4,875	
Travel		213	
Electricity		306	
Gasoline		4,461	
Instructional Supplies and Materials		9,535	
Natural Gas		60	
Uniforms		1,073	
Water and Sewer		655	
Other Supplies and Materials		2,188	
Workers' Compensation Insurance		150	
Total Sanitation Education/Information			76,520

Social, Cultural, and Recreational ServicesSenior Citizens Assistance

Assistant(s)	\$	27,063	
Other Salaries and Wages		129	
Social Security		669	
Employer Medicare		394	
Contributions		21,615	

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Social, Cultural, and Recreational Services (Cont.)Senior Citizens Assistance (Cont.)

Office Supplies	\$	347	
Other Supplies and Materials		650	
Building and Contents Insurance		2,723	
Liability Insurance		519	
Vehicle and Equipment Insurance		2,128	
Total Senior Citizens Assistance			\$ 56,237

Libraries

Contributions	\$	38,000	
Total Libraries			38,000

Other Social, Cultural, and Recreational

Part-time Personnel	\$	34,741	
Social Security		2,154	
Employer Medicare		504	
Communication		534	
Contributions		10,000	
Engineering Services		3,000	
Maintenance and Repair Services - Equipment		5,016	
Permits		1,080	
Other Contracted Services		1,991	
Custodial Supplies		839	
Diesel Fuel		374	
Electricity		10,123	
Food Supplies		107	
Gasoline		1,480	
Office Supplies		88	
Sand		3,232	
Uniforms		653	
Water and Sewer		295	
Other Supplies and Materials		2,258	
Other Charges		45	
Site Development		21,400	
Other Equipment		7,606	
Other Capital Outlay		7,028	
Total Other Social, Cultural, and Recreational			114,548

Agriculture and Natural ResourcesAgricultural Extension Service

Other Salaries and Wages	\$	6,105	
Social Security		378	
Employer Medicare		89	
Communication		1,641	
Contracts with Government Agencies		38,319	
Dues and Memberships		215	
Maintenance and Repair Services - Office Equipment		602	
Postal Charges		150	

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Agriculture and Natural Resources (Cont.)Agricultural Extension Service (Cont.)

Internet Connectivity	\$	1,222	
Travel		2,024	
Office Equipment		569	
Total Agricultural Extension Service			\$ 51,314

Other OperationsAirport

Medical Insurance	\$	7,747	
Communication		1,520	
Contracts with Private Agencies		43,200	
Licenses		200	
Maintenance and Repair Services - Buildings		11,435	
Maintenance and Repair Services - Vehicles		690	
Internet Connectivity		839	
Travel		191	
Other Contracted Services		15,000	
Electricity		9,556	
Water and Sewer		626	
Liability Insurance		1,897	
Vehicle and Equipment Insurance		1,981	
Total Airport			94,882

Veterans' Services

Supervisor/Director	\$	49,432	
Secretary(ies)		52,360	
Other Salaries and Wages		541	
Social Security		5,710	
Pensions		5,106	
Life Insurance		333	
Medical Insurance		33,748	
Employer Medicare		1,335	
Other Fringe Benefits		910	
Communication		1,694	
Contracts with Private Agencies		6,000	
Data Processing Services		1,212	
Dues and Memberships		100	
Maintenance and Repair Services - Office Equipment		974	
Postal Charges		765	
Internet Connectivity		1,052	
Travel		3,422	
Office Supplies		2,359	
Uniforms		226	
Total Veterans' Services			167,279

Contributions to Other Agencies

Contributions	\$	91,250	
Total Contributions to Other Agencies			91,250

(Continued)

## Exhibit J-7

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

General Fund (Cont.)Other Operations (Cont.)Employee Benefits

Salary Supplements	\$	1,125	
Other Salaries and Wages		61,923	
Social Security		3,909	
Pensions		56	
Unemployment Compensation		9,410	
Employer Medicare		914	
Premiums on Corporate Surety Bonds		1,152	
Workers' Compensation Insurance		40,747	
Total Employee Benefits			\$ 119,236

COVID-19 Grant C

Other Supplies and Materials	\$	11,751	
Total COVID-19 Grant C			11,751

Miscellaneous

Other Charges	\$	155	
Total Miscellaneous			155

HighwaysEmployee Benefits

Other Fringe Benefits	\$	21,992	
Total Employee Benefits			21,992

Total General Fund \$ 16,556,876

Solid Waste/Sanitation FundPublic Health and WelfareSanitation Management

Supervisor/Director	\$	63,645	
Paraprofessionals		33,840	
Mechanic(s)		31,985	
Clerical Personnel		32,043	
Part-time Personnel		12,443	
Overtime Pay		2,276	
Other Salaries and Wages		697	
Other Per Diem and Fees		1,806	
Social Security		10,228	
Pensions		8,075	
Life Insurance		419	
Medical Insurance		50,584	
Unemployment Compensation		3,466	
Employer Medicare		2,392	
Communication		437	
Data Processing Services		573	
Legal Notices, Recording, and Court Costs		236	
Maintenance and Repair Services - Office Equipment		750	
Medical and Dental Services		266	

(Continued)

## Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)Public Health and Welfare (Cont.)Sanitation Management (Cont.)

Postal Charges	\$	600	
Internet Connectivity		1,068	
Diesel Fuel		673	
Gasoline		77	
Office Supplies		649	
Uniforms		1,863	
Building and Contents Insurance		9,288	
Liability Insurance		36,160	
Trustee's Commission		31,232	
Vehicle and Equipment Insurance		22,143	
Workers' Compensation Insurance		60,632	
In Service/Staff Development		381	
Other Charges		3,680	
Total Sanitation Management			\$ 424,607

Convenience Centers

Truck Drivers	\$	59,365	
Attendants		233,350	
Overtime Pay		1,169	
Other Salaries and Wages		1,122	
Other Per Diem and Fees		6,445	
Social Security		17,603	
Pensions		10,373	
Life Insurance		836	
Medical Insurance		74,031	
Employer Medicare		4,117	
Communication		7,307	
Contracts with Private Agencies		438,994	
Licenses		150	
Maintenance and Repair Services - Vehicles		150	
Rentals		6,480	
Towing Services		450	
Custodial Supplies		161	
Diesel Fuel		46,370	
Electricity		8,946	
Equipment and Machinery Parts		3,682	
Fuel Oil		2,427	
Garage Supplies		1,174	
Gasoline		1,238	
Lubricants		3,261	
Office Supplies		6	
Small Tools		438	
Tires and Tubes		15,860	
Uniforms		3,450	
Vehicle Parts		18,696	
Other Supplies and Materials		1,719	
Total Convenience Centers			969,370

(Continued)



## Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)Public Health and Welfare (Cont.)Transfer Stations

Equipment Operators	\$	57,275	
Truck Drivers		57,463	
Overtime Pay		786	
Other Salaries and Wages		373	
Other Per Diem and Fees		2,106	
Social Security		6,503	
Pensions		5,873	
Life Insurance		426	
Medical Insurance		59,022	
Employer Medicare		1,521	
Licenses		1,500	
Maintenance and Repair Services - Vehicles		6,706	
Rentals		720	
Towing Services		700	
Diesel Fuel		28,799	
Equipment Parts - Light		1,918	
Gasoline		508	
Lubricants		3,500	
Tires and Tubes		5,657	
Uniforms		2,452	
Total Transfer Stations			\$ 243,808

Other Waste Collection

Rentals	\$	3,600	
Disposal Fees		15,180	
Total Other Waste Collection			18,780

Recycling Center

Equipment Operators	\$	58,562	
Truck Drivers		58,101	
Laborers		32,897	
Overtime Pay		1,661	
Other Salaries and Wages		497	
Other Per Diem and Fees		2,261	
Social Security		9,280	
Pensions		7,011	
Life Insurance		451	
Medical Insurance		22,806	
Employer Medicare		2,170	
Communication		1,758	
Maintenance and Repair Services - Buildings		840	
Maintenance and Repair Services - Equipment		270	
Pest Control		330	
Custodial Supplies		1,716	
Diesel Fuel		3,419	
Electricity		12,413	
Equipment and Machinery Parts		187	

(Continued)

## Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)Public Health and Welfare (Cont.)Recycling Center (Cont.)

Fuel Oil	\$	1,000	
Garage Supplies		300	
Gasoline		59	
General Construction Materials		107	
Lubricants		1,499	
Natural Gas		11,421	
Propane Gas		663	
Tires and Tubes		2,451	
Uniforms		3,422	
Vehicle Parts		10,241	
Water and Sewer		496	
Wire		1,570	
Other Supplies and Materials		868	
Total Recycling Center			\$ 250,727

Other Waste Disposal

Other Fringe Benefits	\$	361	
Licenses		3,123	
Diesel Fuel		1,948	
Electricity		2,278	
Equipment and Machinery Parts		890	
Other Supplies and Materials		180	
Total Other Waste Disposal			8,780

Other OperationsEmployee Benefits

Other Salaries and Wages	\$	3,954	
Social Security		245	
Employer Medicare		57	
Total Employee Benefits			4,256

Capital ProjectsPublic Health and Welfare Projects

Matching Share	\$	7,379	
Motor Vehicles		51,539	
Site Development		33,366	
Other Equipment		15,609	
Other Capital Outlay		8,369	
Total Public Health and Welfare Projects			116,262

Total Solid Waste/Sanitation Fund \$ 2,036,590

Ambulance Service FundPublic Health and WelfareAmbulance/Emergency Medical Services

Supervisor/Director	\$	66,264	
Medical Personnel		701,737	

(Continued)

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

Ambulance Service Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Paraprofessionals	\$	50,964
Clerical Personnel		1,769
Attendants		58,479
Part-time Personnel		33,447
Overtime Pay		442,182
Bonus Payments		57,330
Other Salaries and Wages		46,399
In-service Training		2,155
Other Per Diem and Fees		34,315
Social Security		87,515
Pensions		67,247
Life Insurance		2,416
Medical Insurance		282,890
Unemployment Compensation		1,252
Employer Medicare		20,523
Other Fringe Benefits		416
Advertising		113
Communication		10,799
Contracts with Government Agencies		64,148
Contracts with Private Agencies		10,084
Data Processing Services		96,268
Dues and Memberships		685
Legal Notices, Recording, and Court Costs		45
Licenses		3,000
Maintenance and Repair Services - Buildings		8,732
Maintenance and Repair Services - Equipment		5,948
Maintenance and Repair Services - Office Equipment		1,176
Maintenance and Repair Services - Vehicles		25,868
Medical and Dental Services		32,920
Pest Control		150
Postal Charges		81
Internet Connectivity		6,367
Rentals		2,085
Towing Services		635
Travel		1,444
Custodial Supplies		3,162
Diesel Fuel		67,038
Drugs and Medical Supplies		79,319
Electricity		19,938
Fuel Oil		1,729
Gasoline		4,297
General Construction Materials		514
Natural Gas		6,171
Office Supplies		1,442
Tires and Tubes		9,446
Uniforms		2,452
Vehicle Parts		1,007

(Continued)

## Exhibit J-7

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

Ambulance Service Fund (Cont.)Public Health and Welfare (Cont.)Ambulance/Emergency Medical Services (Cont.)

Water and Sewer	\$	3,801	
Chemicals		7,970	
Building and Contents Insurance		4,644	
Liability Insurance		12,835	
Refunds		321	
Trustee's Commission		37,960	
Vehicle and Equipment Insurance		16,002	
Workers' Compensation Insurance		246,242	
In Service/Staff Development		250	
Other Charges		827	
Motor Vehicles		29,794	
Office Equipment		11,487	
Health Equipment		118,978	
Other Equipment		4,957	
Total Ambulance/Emergency Medical Services			\$ 2,920,431

Other OperationsEmployee Benefits

Other Salaries and Wages	\$	1,265	
Social Security		78	
Employer Medicare		17	
Total Employee Benefits			1,360

COVID-19 Grant C

Other Supplies and Materials	\$	6,328	
Total COVID-19 Grant C			6,328

Total Ambulance Service Fund \$ 2,928,119

Industrial/Economic Development FundGeneral GovernmentDevelopment

Other Salaries and Wages	\$	376	
Board and Committee Members Fees		2,750	
Social Security		57	
Pensions		50	
Employer Medicare		13	
Contributions		53,000	
Travel		4,252	
Other Contracted Services		5,000	
Workers' Compensation Insurance		485	
In Service/Staff Development		300	
Other Charges		5,404	
Total Development			\$ 71,687

Planning

Board and Committee Members Fees	\$	4,500	
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(Continued)

## Exhibit J-7

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

Industrial/Economic Development Fund (Cont.)General Government (Cont.)Planning (Cont.)

Social Security	\$	121	
Pensions		50	
Employer Medicare		30	
Consultants		12,375	
Legal Services		4,382	
Other Charges		150	
Total Planning			\$ 21,608

Other OperationsTourism

Contributions	\$	48,000	
Total Tourism			48,000

Industrial Development

Communication	\$	2,211	
Contributions		52,000	
Dues and Memberships		4,254	
Trustee's Commission		5,254	
Heating and Air Conditioning Equipment		13,600	
Total Industrial Development			77,319

Total Industrial/Economic Development Fund \$ 218,614

Drug Control FundPublic SafetyDrug Enforcement

Other Salaries and Wages	\$	12,600	
Social Security		781	
Pensions		629	
Employer Medicare		183	
Communication		3,419	
Data Processing Services		2,963	
Confidential Drug Enforcement Payments		3,000	
Veterinary Services		1,618	
Animal Food and Supplies		346	
Gasoline		29	
Law Enforcement Supplies		806	
Uniforms		500	
Workers' Compensation Insurance		900	
Total Drug Enforcement			\$ 27,774

Total Drug Control Fund 27,774

Constitutional Officers - Fees FundFinanceCounty Clerk's Office

Constitutional Officers' Operating Expenses	\$	393	
Total County Clerk's Office			\$ 393

(Continued)

## Exhibit J-7

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

Constitutional Officers - Fees Fund (Cont.)Administration of JusticeChancery Court

Special Commissioner Fees/Special Master Fees	\$ 35,101	
Total Chancery Court		\$ 35,101

Total Constitutional Officers - Fees Fund \$ 35,494

Highway/Public Works FundHighwaysAdministration

County Official/Administrative Officer	\$ 93,977	
Assistant(s)	70,204	
Other Salaries and Wages	68	
Social Security	9,501	
Pensions	8,196	
Life Insurance	333	
Medical Insurance	21,017	
Employer Medicare	2,222	
Other Fringe Benefits	12,643	
Dues and Memberships	4,576	
Postal Charges	153	
Travel	1,620	
Office Supplies	919	
Total Administration		\$ 225,429

Highway and Bridge Maintenance

Supervisor/Director	\$ 57,180	
Equipment Operators	292,154	
Truck Drivers	237,934	
Laborers	51,192	
Overtime Pay	13,157	
Other Salaries and Wages	2,342	
Social Security	37,506	
Pensions	32,418	
Life Insurance	2,207	
Medical Insurance	217,688	
Employer Medicare	8,772	
Contracts with Private Agencies	52,876	
Asphalt - Hot Mix	828,087	
Asphalt - Liquid	239,222	
Fertilizer, Lime, and Seed	2,500	
Pipe - Metal	21,876	
Road Signs	6,009	
Salt	3,432	
Tires and Tubes	15,060	
Other Charges	1,750	
Total Highway and Bridge Maintenance		2,123,362

(Continued)

## Exhibit J-7

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

Highway/Public Works Fund (Cont.)Highways (Cont.)Operation and Maintenance of Equipment

Mechanic(s)	\$	35,192	
Equipment Operators		30,919	
Overtime Pay		3,059	
Other Salaries and Wages		211	
Social Security		4,110	
Pensions		3,334	
Life Insurance		190	
Medical Insurance		11,434	
Employer Medicare		961	
Maintenance and Repair Services - Office Equipment		2,661	
Diesel Fuel		220,901	
Equipment and Machinery Parts		146,942	
Fuel Oil		1,999	
Garage Supplies		1,258	
Gasoline		158,345	
Lubricants		10,065	
Natural Gas		629	
Tires and Tubes		17,049	
Total Operation and Maintenance of Equipment			\$ 649,259

Quarry Operations

Foremen	\$	35,003	
Equipment Operators		24,753	
Truck Drivers		26,689	
Laborers		26,996	
Overtime Pay		2,142	
Other Salaries and Wages		836	
Social Security		6,565	
Pensions		5,799	
Life Insurance		389	
Medical Insurance		40,511	
Employer Medicare		1,535	
Contracts with Private Agencies		1,200	
Explosive and Drilling Services		43,620	
Licenses		4,242	
Electricity		25,046	
Total Quarry Operations			245,326

Other Charges

Communication	\$	10,414	
Legal Notices, Recording, and Court Costs		28	
Maintenance and Repair Services - Office Equipment		1,515	
Internet Connectivity		1,868	
Electricity		5,826	
Uniforms		20,421	
Water and Sewer		2,258	
Building and Contents Insurance		9,288	

(Continued)

## Exhibit J-7

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

Highway/Public Works Fund (Cont.)Highways (Cont.)Other Charges (Cont.)

Liability Insurance	\$	36,088	
Premiums on Corporate Surety Bonds		524	
Trustee's Commission		39,708	
Vehicle and Equipment Insurance		36,349	
Office Equipment		1,123	
Total Other Charges			\$ 165,410

Employee Benefits

Other Salaries and Wages	\$	14,416	
Social Security		894	
Unemployment Compensation		1,377	
Employer Medicare		209	
Medical and Dental Services		322	
Workers' Compensation Insurance		96,139	
Total Employee Benefits			113,357

Capital Outlay

Engineering Services	\$	167,823	
Bridge Construction		189,529	
Highway Equipment		416,225	
State Aid Projects		209,890	
Total Capital Outlay			983,467

Total Highway/Public Works Fund \$ 4,505,610

General Debt Service FundPrincipal on DebtGeneral Government

Principal on Bonds	\$	24,835	
Principal on Notes		141,700	
Total General Government			\$ 166,535

Education

Principal on Bonds	\$	2,840,165	
Principal on Notes		41,667	
Principal on Other Loans		323,164	
Total Education			3,204,996

Interest on DebtGeneral Government

Interest on Bonds	\$	671,776	
Interest on Notes		11,494	
Total General Government			683,270

Education

Interest on Bonds	\$	831,447	
Interest on Notes		2,203	
Interest on Other Loans		13,620	
Total Education			847,270

(Continued)



## Exhibit J-7

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

General Debt Service Fund (Cont.)Other Debt ServiceGeneral Government

Trustee's Commission	\$	41,875	
Underwriter's Discount		153,497	
Other Debt Issuance Charges		233,500	
Other Debt Service		5,803	
Total General Government			\$ 434,675

Total General Debt Service Fund \$ 5,336,746

General Capital Projects FundCapital ProjectsGeneral Administration Projects

Trustee's Commission	\$	15,862	
Building Improvements		25,519	
Other Capital Outlay		61,803	
Total General Administration Projects			\$ 103,184

Public Safety Projects

Motor Vehicles	\$	85,952	
Total Public Safety Projects			85,952

Social, Cultural, and Recreation Projects

Site Development	\$	7,900	
Other Capital Outlay		7,915	
Total Social, Cultural, and Recreation Projects			15,815

Other General Government Projects

Building Improvements	\$	69,900	
Total Other General Government Projects			69,900

Highway and Street Capital Projects

Asphalt - Hot Mix	\$	548,324	
Total Highway and Street Capital Projects			548,324

Total General Capital Projects Fund 823,175

Other Capital Projects FundCapital ProjectsPublic Safety Projects

Engineering Services	\$	146,631	
Matching Share		24,305	
Airport Improvement		93,906	
Other Capital Outlay		15,153	
Total Public Safety Projects			\$ 279,995

Public Health and Welfare Projects

Advertising	\$	108	
Matching Share		16	
Building Improvements		9,575	
Total Public Health and Welfare Projects			9,699

(Continued)

Exhibit J-7

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

<u>Other Capital Projects Fund (Cont.)</u>		
<u>Capital Projects (Cont.)</u>		
<u>Education Capital Projects</u>		
Heating and Air Conditioning Equipment	\$ 1,550,037	
Total Education Capital Projects		\$ 1,550,037
Total Other Capital Projects Fund		\$ 1,839,731
Total Governmental Funds - Primary Government		\$ 34,308,729

## Exhibit J-8

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

General Purpose School FundInstructionRegular Instruction Program

Teachers	\$ 11,817,443	
Career Ladder Program	41,205	
Homebound Teachers	9,175	
Educational Assistants	71,962	
Other Salaries and Wages	383,113	
Certified Substitute Teachers	115,460	
Non-certified Substitute Teachers	195,360	
Social Security	729,223	
Pensions	1,170,359	
Life Insurance	25,867	
Medical Insurance	2,380,670	
Unemployment Compensation	12,811	
Employer Medicare	171,740	
Operating Lease Payments	12,376	
Other Contracted Services	57,860	
Instructional Supplies and Materials	44,928	
Textbooks - Bound	726,565	
Other Supplies and Materials	4,725	
Regular Instruction Equipment	1,970	
Total Regular Instruction Program		\$ 17,972,812

Alternative Instruction Program

Teachers	\$ 70,657	
Social Security	4,003	
Pensions	7,505	
Life Insurance	192	
Medical Insurance	20,051	
Employer Medicare	936	
Total Alternative Instruction Program		103,344

Special Education Program

Teachers	\$ 1,527,717	
Career Ladder Program	7,300	
Homebound Teachers	13,020	
Educational Assistants	65,187	
Certified Substitute Teachers	14,915	
Non-certified Substitute Teachers	18,948	
Social Security	89,903	
Pensions	148,115	
Life Insurance	3,368	
Medical Insurance	306,966	
Employer Medicare	22,344	
Instructional Supplies and Materials	8,279	
Total Special Education Program		2,226,062

(Continued)

## Exhibit J-8

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

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

Teachers	\$	1,129,293	
Career Ladder Program		4,000	
Non-certified Substitute Teachers		2,722	
Social Security		65,674	
Pensions		116,084	
Life Insurance		2,454	
Medical Insurance		219,527	
Employer Medicare		15,359	
Maintenance and Repair Services - Equipment		3,536	
Instructional Supplies and Materials		21,407	
Textbooks - Electronic		1,300	
Other Supplies and Materials		746	
Vocational Instruction Equipment		58,514	
Total Career and Technical Education Program			\$ 1,640,616

Support ServicesAttendance

Supervisor/Director	\$	47,188	
Other Salaries and Wages		13,573	
Social Security		3,504	
Pensions		5,680	
Life Insurance		109	
Medical Insurance		14,105	
Employer Medicare		820	
Data Processing Services		35,632	
Travel		725	
Total Attendance			121,336

Health Services

Supervisor/Director	\$	55,089	
Medical Personnel		325,087	
Other Salaries and Wages		11,000	
Social Security		22,324	
Pensions		30,134	
Life Insurance		1,107	
Medical Insurance		97,341	
Employer Medicare		5,337	
Travel		6,984	
Other Contracted Services		21,274	
Drugs and Medical Supplies		59,450	
Other Supplies and Materials		3,049	
Other Charges		34,000	
Other Equipment		7,919	
Total Health Services			680,095

(Continued)

## Exhibit J-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Other Student Support

Career Ladder Program	\$	4,000	
Guidance Personnel		652,051	
Social Workers		22,798	
Attendants		33,691	
Other Salaries and Wages		309,336	
Social Security		58,884	
Pensions		94,822	
Life Insurance		1,698	
Medical Insurance		175,954	
Employer Medicare		13,824	
Evaluation and Testing		45,299	
Travel		18,701	
Other Contracted Services		385,211	
Other Supplies and Materials		93,794	
In Service/Staff Development		38,576	
Other Charges		15,000	
Other Equipment		196,908	
Total Other Student Support			\$ 2,160,547

Regular Instruction Program

Supervisor/Director	\$	156,485	
Career Ladder Program		9,500	
Librarians		489,523	
Materials Supervisor		22,760	
Secretary(ies)		70,130	
Bonus Payments		90,500	
Other Salaries and Wages		136,934	
Social Security		55,273	
Pensions		91,259	
Life Insurance		1,570	
Medical Insurance		162,563	
Employer Medicare		13,377	
Communication		32,810	
Maintenance and Repair Services - Equipment		4,239	
Travel		12,739	
Other Contracted Services		7,527	
Library Books/Media		40,561	
Other Supplies and Materials		1,317	
In Service/Staff Development		15,697	
Other Charges		95,000	
Total Regular Instruction Program			1,509,764

Alternative Instruction Program

Career Ladder Program	\$	1,000	
Other Salaries and Wages		69,750	
Social Security		4,099	

(Continued)

## Exhibit J-8

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

General Purpose School Fund (Cont.)Support Services (Cont.)Alternative Instruction Program (Cont.)

Pensions	\$	7,507	
Life Insurance		111	
Medical Insurance		16,039	
Employer Medicare		959	
Total Alternative Instruction Program			\$ 99,465

Special Education Program

Supervisor/Director	\$	94,755	
Career Ladder Program		2,150	
Psychological Personnel		104,924	
Medical Personnel		15,723	
Secretary(ies)		44,251	
Other Salaries and Wages		54,413	
Social Security		16,067	
Pensions		22,699	
Life Insurance		497	
Medical Insurance		48,484	
Employer Medicare		4,363	
Communication		6,813	
Postal Charges		610	
Travel		10,176	
Other Contracted Services		32,259	
Other Supplies and Materials		1,245	
Other Charges		45,000	
Total Special Education Program			504,429

Career and Technical Education Program

Supervisor/Director	\$	42,622	
Career Ladder Program		1,000	
Secretary(ies)		30,653	
Social Security		4,218	
Pensions		6,154	
Life Insurance		163	
Medical Insurance		19,137	
Employer Medicare		987	
Communication		1,107	
Travel		385	
Other Contracted Services		500	
Other Charges		3,834	
Total Career and Technical Education Program			110,760

Technology

Supervisor/Director	\$	80,932	
Computer Programmer(s)		78,305	
Secretary(ies)		33,415	
Clerical Personnel		32,488	

(Continued)

## Exhibit J-8

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

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

Other Salaries and Wages	\$	26,000	
Social Security		14,304	
Pensions		11,820	
Life Insurance		444	
Medical Insurance		69,987	
Employer Medicare		3,345	
Maintenance and Repair Services - Equipment		18,232	
Internet Connectivity		62,573	
Travel		2,760	
Other Equipment		89,964	
Total Technology			\$ 524,569

Other Programs

On-behalf Payments to OPEB	\$	260,017	
Total Other Programs			260,017

Board of Education

Secretary to Board	\$	10,480	
Bonus Payments		100,000	
Other Salaries and Wages		185,195	
Board and Committee Members Fees		62,676	
Social Security		18,630	
Pensions		10,380	
Life Insurance		978	
Medical Insurance		242,949	
Employer Medicare		4,841	
Other Fringe Benefits		30,820	
Audit Services		23,100	
Dues and Memberships		6,669	
Legal Services		59,050	
Travel		31,060	
Liability Insurance		88,498	
Trustee's Commission		235,561	
Workers' Compensation Insurance		449,472	
Criminal Investigation of Applicants - TBI		2,210	
Other Charges		5,675	
Total Board of Education			1,568,244

Director of Schools

County Official/Administrative Officer	\$	117,405	
Career Ladder Program		1,000	
Secretary(ies)		30,661	
Other Salaries and Wages		17,368	
Social Security		9,890	
Pensions		15,499	
Life Insurance		222	

(Continued)

## Exhibit J-8

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

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

Medical Insurance	\$	15,016	
Unemployment Compensation		18,960	
Employer Medicare		2,313	
Communication		35,104	
Dues and Memberships		6,448	
Postal Charges		1,429	
Travel		6,021	
Office Supplies		3,948	
Total Director of Schools			\$ 281,284

Office of the Principal

Principals	\$	980,062	
Career Ladder Program		4,000	
Assistant Principals		529,900	
Secretary(ies)		564,964	
Clerical Personnel		5,175	
Bonus Payments		12,000	
Other Salaries and Wages		39,030	
Social Security		123,578	
Pensions		174,329	
Life Insurance		4,603	
Medical Insurance		445,634	
Employer Medicare		28,938	
Communication		45,604	
Other Charges		3,264	
Total Office of the Principal			2,961,081

Fiscal Services

Other Charges	\$	120,067	
Total Fiscal Services			120,067

Operation of Plant

Custodial Personnel	\$	937,269	
Other Salaries and Wages		11,685	
Social Security		51,363	
Pensions		46,163	
Life Insurance		4,074	
Medical Insurance		387,521	
Employer Medicare		12,135	
Maintenance and Repair Services - Equipment		19,774	
Other Contracted Services		64,534	
Custodial Supplies		85,659	
Electricity		820,805	
Natural Gas		103,628	
Water and Sewer		199,141	
Building and Contents Insurance		263,773	
Other Charges		235,000	
Total Operation of Plant			3,242,524

(Continued)



## Exhibit J-8

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

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

Supervisor/Director	\$	4,000	
Maintenance Personnel		262,173	
Other Salaries and Wages		53,542	
Social Security		18,678	
Pensions		16,178	
Life Insurance		877	
Medical Insurance		83,601	
Employer Medicare		4,368	
Communication		1,364	
Maintenance and Repair Services - Buildings		48,263	
Maintenance and Repair Services - Vehicles		2,033	
Other Contracted Services		21,499	
Gasoline		7,851	
General Construction Materials		133,956	
Other Supplies and Materials		210	
Other Charges		60,000	
Total Maintenance of Plant			\$ 718,593

Transportation

Supervisor/Director	\$	42,622	
Bus Drivers		32,883	
Other Salaries and Wages		24,849	
Social Security		5,006	
Pensions		6,017	
Life Insurance		303	
Medical Insurance		23,821	
Employer Medicare		1,379	
Contracts with Parents		6,243	
Contracts with Vehicle Owners		1,198,843	
Maintenance and Repair Services - Vehicles		7,516	
Medical and Dental Services		1,210	
Travel		561	
Gasoline		6,406	
Other Supplies and Materials		3,161	
Vehicle and Equipment Insurance		77,204	
Other Charges		50,830	
Total Transportation			1,488,854

Operation of Non-Instructional ServicesCommunity Services

Other Salaries and Wages	\$	56,597	
Social Security		3,252	
Pensions		2,824	
Life Insurance		222	
Medical Insurance		16,413	
Employer Medicare		761	

(Continued)

## Exhibit J-8

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

General Purpose School Fund (Cont.)Operation of Non-Instructional Services (Cont.)Community Services (Cont.)

Travel	\$	1,762	
Other Contracted Services		100	
Other Charges		6,908	
Total Community Services			\$ 88,839

Early Childhood Education

Teachers	\$	480,966	
Career Ladder Program		2,500	
Educational Assistants		144,369	
Other Salaries and Wages		59,186	
Certified Substitute Teachers		9,228	
Non-certified Substitute Teachers		4,372	
Social Security		40,525	
Pensions		57,035	
Life Insurance		2,134	
Medical Insurance		120,780	
Employer Medicare		9,615	
Other Supplies and Materials		31,206	
In Service/Staff Development		447	
Total Early Childhood Education			962,363

COVID-19 Expenditures

Other Supplies and Materials	\$	422	
Total COVID-19 Expenditures			422

Capital OutlayRegular Capital Outlay

Building Improvements	\$	23,044	
Other Capital Outlay		701,123	
Total Regular Capital Outlay			724,167

Other Debt ServiceEducation

Debt Service Contribution to Primary Government	\$	2,093,842	
Total Education			2,093,842

Total General Purpose School Fund \$ 42,164,096

School Federal Projects FundInstructionRegular Instruction Program

Teachers	\$	583,156	
Educational Assistants		604,476	
Other Salaries and Wages		10,862	
Non-certified Substitute Teachers		20,873	
Social Security		70,000	

(Continued)

## Exhibit J-8

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

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

Pensions	\$	65,126	
Life Insurance		2,713	
Medical Insurance		214,283	
Employer Medicare		16,791	
Instructional Supplies and Materials		237,667	
Other Supplies and Materials		239	
Regular Instruction Equipment		416,113	
Total Regular Instruction Program			\$ 2,242,299

Special Education Program

Teachers	\$	352,067	
Educational Assistants		372,189	
Speech Pathologist		53,176	
Other Salaries and Wages		4,194	
Social Security		39,102	
Pensions		42,999	
Life Insurance		1,988	
Medical Insurance		199,548	
Employer Medicare		10,484	
Instructional Supplies and Materials		10,424	
Other Supplies and Materials		500	
Special Education Equipment		14,471	
Total Special Education Program			1,101,142

Career and Technical Education Program

Educational Assistants	\$	15,665	
Social Security		771	
Pensions		782	
Life Insurance		111	
Medical Insurance		14,696	
Employer Medicare		180	
Instructional Supplies and Materials		5,793	
Vocational Instruction Equipment		46,255	
Total Career and Technical Education Program			84,253

Support ServicesOther Student Support

Travel	\$	7,606	
In Service/Staff Development		4,661	
Other Charges		11,362	
Total Other Student Support			23,629

Regular Instruction Program

Supervisor/Director	\$	90,288	
Secretary(ies)		50,138	
Bonus Payments		17,400	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Other Salaries and Wages	\$	380,702	
Non-certified Substitute Teachers		6,930	
Social Security		29,970	
Pensions		49,522	
Life Insurance		894	
Medical Insurance		61,258	
Employer Medicare		7,597	
Maintenance and Repair Services - Equipment		4,068	
Travel		2,267	
Other Supplies and Materials		79,598	
In Service/Staff Development		353,230	
Other Equipment		6,538	
Total Regular Instruction Program			\$ 1,140,400

Special Education Program

Psychological Personnel	\$	61,452	
Medical Personnel		18,546	
Clerical Personnel		7,854	
Social Security		4,457	
Pensions		560	
Employer Medicare		1,274	
Maintenance and Repair Services - Equipment		6,635	
Other Contracted Services		145,250	
Other Supplies and Materials		12,579	
In Service/Staff Development		20,615	
Total Special Education Program			279,222

Career and Technical Education Program

Travel	\$	2,292	
In Service/Staff Development		1,280	
Total Career and Technical Education Program			3,572

Office of the Principal

Assistant Principals	\$	59,941	
Social Security		3,511	
Pensions		6,360	
Life Insurance		111	
Medical Insurance		10,175	
Employer Medicare		821	
Total Office of the Principal			80,919

Transportation

Bus Drivers	\$	72,680	
Other Salaries and Wages		32,978	
Social Security		3,286	
Employer Medicare		1,532	

(Continued)

## Exhibit J-8

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

School Federal Projects Fund (Cont.)Support Services (Cont.)Transportation (Cont.)

Maintenance and Repair Services - Vehicles	\$	14,326	
Gasoline		<u>10,731</u>	
Total Transportation	\$		135,533

Operation of Non-Instructional ServicesCommunity Services

Other Salaries and Wages	\$	352,484	
Social Security		20,890	
Pensions		30,661	
Employer Medicare		5,096	
Travel		634	
Food Supplies		600	
Instructional Supplies and Materials		5,439	
Other Supplies and Materials		3,489	
In Service/Staff Development		1,845	
Other Charges		<u>2,998</u>	
Total Community Services			<u>424,136</u>

Total School Federal Projects Fund \$ 5,515,105

Central Cafeteria FundOperation of Non-Instructional ServicesFood Service

Supervisor/Director	\$	86,997	
Accountants/Bookkeepers		28,629	
Cafeteria Personnel		996,618	
Other Salaries and Wages		163,037	
Social Security		70,742	
Pensions		54,422	
Life Insurance		5,505	
Medical Insurance		476,865	
Unemployment Compensation		542	
Employer Medicare		16,564	
Other Fringe Benefits		18,861	
Communication		10,400	
Maintenance and Repair Services - Equipment		43,614	
Travel		6,363	
Other Contracted Services		50,149	
Food Preparation Supplies		176,988	
Food Supplies		1,343,106	
Uniforms		3,248	
USDA - Commodities		307,603	
Other Supplies and Materials		4,747	
In Service/Staff Development		10,928	
Other Charges		121,662	
Food Service Equipment		<u>372,682</u>	
Total Food Service			<u>\$ 4,370,272</u>

Total Central Cafeteria Fund 4,370,272

Total Governmental Funds - Campbell County School Department \$ 52,049,473

## Exhibit J-9

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

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 3,970,387
Total Cash Receipts	<u>\$ 3,970,387</u>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 3,930,683
Trustee's Commission	39,704
Total Cash Disbursements	<u>\$ 3,970,387</u>
Excess of Cash Receipts Over (Under)	
Cash Disbursements	\$ 0
Cash Balance, July 1, 2019	<u>0</u>
Cash Balance, June 30, 2020	<u><u>\$ 0</u></u>

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## **SINGLE AUDIT SECTION**

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JASON E. MUMPOWER  
*Comptroller*

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

Independent Auditor's Report

Campbell County Mayor and  
Board of County Commissioners  
Campbell 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 Campbell County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Campbell County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 26, 2021.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2020-002.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Campbell County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2020-001 and 2020-003.

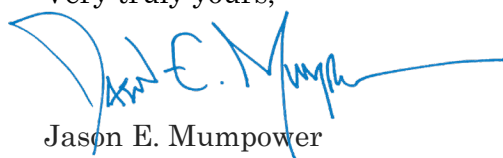
## **Campbell County's Responses to the Findings**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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 Campbell 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 26, 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**

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

To the County Mayor and Board of County Commissioners:

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

We have audited Campbell 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 Campbell County's major federal programs for the year ended June 30, 2020. Campbell County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Campbell 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 Campbell 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 Campbell County's compliance.

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

In our opinion, Campbell 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 Campbell 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 Campbell 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 Campbell 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 Campbell County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Campbell County's basic financial statements. We issued our report thereon dated February 26, 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 26, 2021

JEM/tg

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	\$ 307,603 (5)
National School Lunch Program (Commodities - Cash Assistance)	10.555	N/A	12,688 (5)
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG2064221	123,253
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	656,794 (5)
COVID 19 - School Breakfast Program	10.553	N/A	413,382 (5)
National School Lunch Program	10.555	N/A	1,828,070 (5)
COVID 19 - National School Lunch Program	10.555	N/A	658,546 (5)
Child Nutrition Discretionary Grant Limited Availability	10.579	N/A	55,000
Fresh Fruit and Vegetable Program	10.582	N/A	110,000
Total U.S. Department of Agriculture			<u>\$ 4,165,336</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	33004-17320	\$ 2,392
Total U.S. Department of Housing and Urban Development			<u>\$ 2,392</u>
U.S. Department of Labor:			
Passed-through State Department of Labor and Workforce Development:			
COVID 19 - Unemployment Insurance	17.225	N/A	\$ 12,479
Total U.S. Department of Labor			<u>\$ 12,479</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Airport Improvement Program	20.106	(6)	\$ 299,237
Highway Planning and Construction Cluster: (4)			
Highway Planning and Construction	20.205	07LPLM-F3-019	19,527
Alcohol Open Container Requirements	20.607	(6)	18,764
Total U.S. Department of Transportation			<u>\$ 337,528</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	N/A	\$ 2,997,332
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	1,498,379
Special Education - Preschool Grants	84.173	N/A	55,939
Career and Technical Education - Basic Grants to States	84.048	N/A	100,092
Twenty-first Century Community Learning Centers	84.287	(3)	424,136
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	(3)	253,249
Rural Education	84.358	N/A	78,879
Improving Teacher Quality State Grants	84.367	N/A	303,193
Student Support and Academic Enrichment Program	84.424	N/A	89,376
Total U.S. Department of Education			<u>\$ 5,800,575</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
2020 HAVA Elections Security Grant	90.404	30501-01919-07	\$ 1,750
Total U.S. Election Assistance Commission			<u>\$ 1,750</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Injury Prevention and Control Research and State and Community Based Programs	93.136	GG2064221	\$ 2,339
Family Planning Services	93.217	GG2064221	11,120
National State Based Tobacco Control Programs	93.305	GG2064221	5,210
Medicaid Cluster: (4)			
Medical Assistance Program	93.778	GG2064221	45,075
Maternal and Child Health Service Block Grant to the States	93.994	GG2064221	35,061
Passed-through State Department of Human Services:			
CCDF Cluster: (4)			
Child Care and Development Block Grant	93.575	(3)	6,199
Total U.S. Department of Health and Human Services			<u>\$ 105,004</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
Emergency Management Performance Grants	97.042	34101-01220	25,000
Homeland Security Grant Program	97.067	34101-09119	\$ 10,500
Total U.S. Department of Homeland Security			<u>\$ 35,500</u>
Total Expenditures of Federal Awards			<u>\$ 10,460,564</u>

		Contract Number	
<u>State Grants</u>			
Litter Program - State Department of Transportation	N/A	(3)	\$ 50,523
Health Department Programs - State Department of Health	N/A	GG2064221	297,290
Airport Maintenance - State Department of Transportation	N/A	(3)	15,000
Airport Improvement Program - State Department of Transportation	N/A	40100-00118	6,473
Airport Improvement Program - State Department of Transportation	N/A	40100-00420	868
Airport Improvement Program - State Department of Transportation	N/A	40100-00619	767
Hazard Mitigation Grant - State Department of Military	N/A	(3)	4,709
Highway Planning Grant - State Department of Transportation	N/A	07LPLM-F3-019	4,939
Aging Program - State Commission on Aging	N/A	(3)	10,121
Juvenile Services Program - State Children's Services Commission	N/A	(3)	9,000
Recycling Measurement Grant - State Department of Environment and Conservation	N/A	(3)	29,516
Coordinated School Health Grant - State Department of Education	N/A	(3)	99,291
Family Resource Center - State Department of Education	N/A	(3)	60,785
Priority Principal Leadership Grant - State Department of Education	N/A	(3)	14,194
Safe Schools Grant - State Department of Education	N/A	(3)	62,331
Schools Safety Grant - State Department of Education	N/A	(3)	146,140
Early Childhood Education Program - State Department of Education	N/A	(3)	697,338
Internet Connectivity Grant- State Department of Education	N/A	(3)	8,004
Driver's Education- State Department of Education	N/A	(3)	11,892
SPARC Grant- Tennessee Higher Education Commission	N/A	(3)	36,000
Total State Grants			<u>\$ 1,565,181</u>

CFDA - Catalog of Federal Domestic Assistance  
N/A - Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Campbell County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Cluster Totals: Child Nutrition Cluster \$3,877,083; Highway Planning and Construction Cluster \$19,527; Special Education Cluster \$1,554,318; CCDF Cluster \$6,199; Medicaid Cluster \$45,075.
- (5) CFDA Totals: CFDA No. 10.553, \$1,070,176; CFDA No. 10.555, \$2,806,907.
- (6) Grants with multiple pass-through identifying numbers:  
CFDA 20.106: 40100-00420: \$188,264; 40100-00118: \$110,973; CFDA 20.607: Z19THS036 \$12,261; Z20THS031 \$6,503.
- (7) For the year ended June 30, 2020, Campbell County received donated PPE valued at \$9,251 (\$6,938 federal and \$2,313 state) from the Tennessee Department of Military. These donations were unaudited.
- (8) No amounts (\$0) were passed through to subrecipients.

Campbell 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 Campbell County, Tennessee, for the year ended June 30, 2020.

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

Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	Current Status
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**OFFICE OF COUNTY MAYOR**

2019	213	2019-001	Several travel credit card charges were not supported with itemized receipts.	N/A	Corrected
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***Prior-year Federal Awards Findings***

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

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**CAMPBELL COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2020**

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

**Financial Statements:**

1. Our report on the financial statements of Campbell County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

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



## PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

### OFFICES OF DIRECTOR OF SCHOOLS AND DIRECTOR OF FINANCE

FINDING 2020-001                      **SOME PURCHASES WERE NOT MADE BY THE COUNTY PURCHASING AGENT THROUGH THE GENERAL PURPOSE SCHOOL FUND**  
(Noncompliance Under *Government Auditing Standards*)

During the year, the school department disbursed funds totaling \$600,000 to the two county high schools' activity funds. We were informed that the funds were to be used for capital expenditures at the schools. Based on the budget amendment approved by the board of education, the finance department posted the expenditures against budgets in the following categories of the General Purpose School Fund:

Account Code	Category	Campbell County High School	Jellico High School
72120	Health Services	\$ 25,500	\$ 8,500
72130	Other Student Support	11,250	3,750
72210	Regular Instruction Program	71,250	23,750
72220	Special Education Program	33,750	11,250
72610	Operation of Plant	176,250	72,500
72620	Maintenance of Plant	41,250	0
72710	Transportation	37,500	12,500
76100	Regular Capital Outlay	53,250	17,750
Total		<u>\$ 450,000</u>	<u>\$ 150,000</u>

These disbursements resulted in the following deficiencies:

- A. The funds the individual schools received were expended to various vendors through the schools' activity funds instead of through the General Purpose School Fund expenditure accounts. Section 49-2-110, *Tennessee Code Annotated*, establishes the authority for individual schools to maintain activity funds. That statute, however, does not provide authority for the individual schools to account for any expenditures beyond those used for student activities. Capital purchases made from General Purpose School Fund revenues are not student activity

expenditures and such purchases are required to be made by the county's purchasing agent and accounted for by the Finance Office in accordance with the Financial Management System of 1981.

- B. Coding the payments made to the schools' activity funds to categories in the General Purpose School Fund that are not consistent with how the funds were spent raises questions concerning the levels of spending that are reported to state and federal agencies to document compliance with federal Special Education Maintenance of Effort requirements, and guidelines requiring that federal funds be used to supplement not supplant non-federal funding of services. Also, misclassifying expenditures in the General Purpose School Fund diminishes the usefulness of the financial records as a management tool and results in a loss of budgetary control.

These deficiencies were due to the board of education's efforts to spend the remaining unspent appropriations in the above noted categories that resulted from the COVID-19 school closures.

### RECOMMENDATION

The school department should not disburse funds to individual schools' activity funds for the purchase of capital items. All purchases should be made by the purchasing agent in compliance with the County Financial Management System of 1981. School activity funds should not be used to disburse county school funds, instead these funds should be disbursed through the General Purpose School Fund. Disbursements should be properly classified to reflect the intended use of the funds.

### MANAGEMENT'S RESPONSE – DIRECTOR OF FINANCE AND DIRECTOR OF SCHOOLS

*Tennessee Code Annotated*, Section 49-2-11 0(a) states in part, "The several schools may, if authorized by the particular board of education having jurisdiction over the school or schools, receive funds for student activities ... and funds derived from such sources shall be the property of the respective schools; however, the board of education granting the authorization shall provide for its school system reasonable regulations, standards, procedures, and an accounting manual covering the various phases of student activity funds and other internal school funds ... ", and *Tennessee Code Annotated*, Section 49-2-603(2)(0) states, "Internal school funds mean any and all money received and accounted for at individual schools and specifically include but are not limited to; funds transferred to the local school from the school board that are to be accounted for at the local school level."

It was believed that the provisions of these statutes empowered a school board to transfer funds from centralized school system funds to the local schools to be accounted for and managed by the local schools so long as the funds being transferred to the local schools were not restricted in a manner beyond the compliance capability of the local school. The funds transferred into the possession of Campbell County High School and Jellico High School by the Campbell County Board of Education during the fiscal year ending June 30, 2020 were comprised solely of local funds that were not restricted and/or committed for any required purpose and as such it was believed that the local schools could receive and manage the use of these funds in a manner compliant with the provisions of state law, local policies and the *Tennessee Internal School Uniform Accounting Policy Manual*.

However, through discussions with staff members of the Division of Local Government Audit, it is now understood that various state agencies do not interpret these statutes to empower a school board to transfer funds from centralized school funds to the local schools except for those instances where state law specifically defines the type of funds to be transferred.

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## **OFFICE OF COUNTY CLERK**

### **FINDING 2020-002**

#### **THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOGS**

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

The software application used by the office generated four audit logs that displayed changes made by users. Since these logs provide the only audit trail of these changes, they should be routinely reviewed for inappropriate activity. Although the official was aware of the importance of these logs, only one of the logs was reviewed. When the importance of these logs was brought to management's attention again in May 2020, the review process was resumed. Procedures for reviewing these logs are currently in place.

### **RECOMMENDATION**

Management should review all audit logs on a routine basis. Any unusual transactions should be investigated.

### **MANAGEMENT'S RESPONSE – COUNTY CLERK**

The office of the Campbell County Clerk concurs with the audit finding that we were not reviewing the software audit logs, but only for the ones we check on a monthly basis. The MVD logs were being reviewed more frequently. We have a date that we are consistently running them at this point so they aren't overlooked, as of May 2020.

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### **FINDING 2020-003**

#### **AN INVESTIGATIVE REPORT DISCLOSED DISCREPANCIES IN THE OPERATIONS OF THE COUNTY CLERK'S OFFICE**

(Noncompliance Under *Government Auditing Standards*)

Former Deputy Clerk Jodi Owens was indicted by the Campbell County Grand Jury on May 20, 2020, on one count of Official Misconduct. The indictment was the result of an investigation performed by the Office of the Comptroller of the Treasury, Division of Investigations, and the Tennessee Bureau of Investigations. An investigative report was issued by the Comptroller of the Treasury, Division of Investigations on August 27, 2020. The report reflected two findings. The investigative report can be found at [www.comptroller.tn.gov/ia](http://www.comptroller.tn.gov/ia). Ms. Owens resigned on December 14, 2018.

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### **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.

**Campbell 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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**OFFICES OF DIRECTOR OF SCHOOLS AND DIRECTOR OF FINANCE**

2020-001	Some purchases were not made by the county purchasing agent through the General Purpose School Fund.	214
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**OFFICE OF COUNTY CLERK**

2020-002	The office did not review its software audit logs.	215
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CAMPBELL COUNTY  
**Department of Finance**  
*Jeff Marlow, Director*  
P.O. Box 843 • 555 Main Street  
Jacksboro, TN 37757  
Office: 423-562-6201 • Fax: 423-562-0535

February 17, 2021

**Corrective Action Plan**

**FINDING: SOME PURCHASES WERE NOT MADE THROUGH THE COUNTY PURCHASING AGENT**

**Response and Corrective Action Plan Prepared by:**

Jeff Marlow, Director of Finance and Jennifer Fields, Director of Schools

**Person Responsible for Implementing the Corrective Action:**

Jeff Marlow, Director of Finance and Jennifer Fields, Director of Schools

**Anticipated Completion Date of Corrective Action:**

March 1, 2021

**Repeat Finding:**

No

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

N/A

**Planned Corrective Action:**

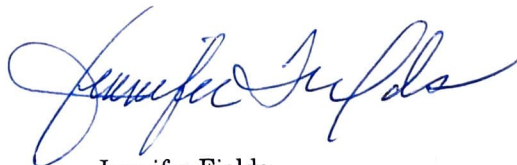
It was believed that the provisions of Tennessee Code Annotated 49-2-110(a) and 49-2-603(2)(D) empowered a school board to transfer funds from centralized school system funds to the local schools to be accounted for and managed by the local schools so long as the funds being transferred to the local schools were not restricted in a manner beyond the compliance capability of the local school. The funds transferred into the possession of Campbell County High School and Jellico High School by the Campbell County Board of Education during the fiscal year ending June 30, 2020 were comprised solely of local funds that were not restricted and/or committed for any required purpose and as such it was believed that the local schools could receive and manage the use of these funds in a manner compliant with the provisions of state law, local policies and the Tennessee Internal School Uniform Accounting Policy Manual.

However, through discussions with staff members of the Division of Local Government Audit it is now understood that various state agencies do not interpret these statutes to empower a school board to transfer funds from centralized school funds to the local schools except for those instances where state law specifically defines the type of funds to be transferred. Thus, going forward no transfers of centralized school system funds will be made to the local schools other than those specifically authorized by state law.

Signature:



Jeff Marlow  
Director of Finance



Jennifer Fields  
Director of Schools

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**Alene Baird**  
**Campbell County Clerk**  
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P.O. Box 450  
Jacksboro, TN 37757  
Office: 423-562-4985  
Fax: 423-566-3852  
Alene.baird@tn.gov

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**FINDING: THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOGS**

**Response and Corrective Action Plan Prepared by:**  
Maria Partin, Deputy Clerk

**Person Responsible for Implementing the Corrective Action:**  
Maria Partin, Deputy Clerk

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

**Repeat Finding:**  
No

**Planned Corrective Action:**  
I will run and review a software audit log promptly on the first of every month.

**Signature:** Alene Baird

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