

ANNUAL FINANCIAL REPORT
LAWRENCE COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2020



DIVISION OF LOCAL GOVERNMENT AUDIT



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FOR THE YEAR ENDED JUNE 30, 2020

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

DIVISION OF LOCAL GOVERNMENT AUDIT
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Director

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

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Summary of Audit Findings

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

Scope

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

Results

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

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

Finding

The following is a summary of the audit finding:

OFFICE OF DIRECTOR OF SCHOOLS

The office did not provide the accounting records for auditors to review on a timely basis.

INTRODUCTORY SECTION

Lawrence County Officials
June 30, 2020

Officials

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

Board of County Commissioners

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

Board of Education

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

Audit Committee

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

FINANCIAL SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

Independent Auditor's Report

Lawrence County Executive and
Board of County Commissioners
Lawrence County, Tennessee

To the County Executive and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lawrence County, Tennessee, as of and for the year ended June 30, 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 Lawrence County, Tennessee, as of June 30, 2020, and the respective changes in financial position and the respective budgetary comparison for the General, Solid Waste/Sanitation, 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 OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lawrence County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service, General Capital Projects, and Higher Education funds, combining and individual fund financial statements of the Lawrence 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.

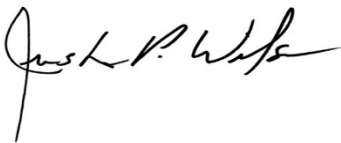
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service, General Capital Projects, and Higher Education funds, combining and individual fund financial statements of the Lawrence County School Department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

The introductory section 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 December 15, 2020, on our consideration of Lawrence County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lawrence County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lawrence County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 15, 2020

JPW/yu

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Governmental Activities	Component Unit Lawrence County School Department
<u>ASSETS</u>		
Cash	\$ 97,526	\$ 1,100
Equity in Pooled Cash and Investments	16,030,405	24,039,504
Inventories	0	121,860
Accounts Receivable	7,286,545	50
Allowance for Uncollectible	(1,092,739)	0
Due from Other Governments	1,235,536	1,605,724
Due from Component Unit	300,000	0
Property Taxes Receivable	14,044,097	6,303,099
Allowance for Uncollectible Property Taxes	(227,119)	(101,932)
Notes Receivable - Long-term	21,413	0
Net Pension Asset - Agent Plan	2,559,321	1,672,360
Net Pension Asset - Teacher Retirement Plan	0	181,046
Net Pension Asset - Teacher Legacy Pension Plan	0	7,532,558
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	143,744
Capital Assets:		
Assets Not Depreciated:		
Land	1,309,719	1,426,454
Construction in Progress	10,258,237	3,688,916
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	18,246,277	29,136,233
Infrastructure	15,700,536	0
Other Capital Assets	3,986,492	2,973,377
Total Assets	<u>\$ 89,756,246</u>	<u>\$ 78,724,093</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred Charge on Refunding	\$ 209,354	\$ 0
Pension Changes in Experience	32,091	395,217
Pension Contributions After Measurement Date	673,527	3,159,241
Pension Changes in Assumptions	370,852	1,263,670
Pension Changes in Proportion	0	189,993
OPEB Changes in Experience	0	192,969
OPEB Changes in Assumptions	46,291	397,109
OPEB Contributions After Measurement Date	15,805	530,732
Total Deferred Outflows of Resources	<u>\$ 1,347,920</u>	<u>\$ 6,128,931</u>

(Continued)

Exhibit A

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

	Primary Governmental Activities	Component Unit Lawrence County School Department
<u>LIABILITIES</u>		
Accounts Payable	\$ 1,148,848	\$ 124,554
Payroll Deductions Payable	84,613	2,164,588
Contracts Payable	782,562	74,631
Retainage Payable	39,036	3,928
Accrued Interest Payable	276,301	0
Due to Primary Government	0	300,000
Due to Litigants, Heirs, and Others	50	0
Due to State of Tennessee	814	0
Noncurrent Liabilities:		
Due Within One Year - Debt	4,551,243	0
Due Within One Year - Other	739,871	82,213
Due in More Than One Year - Debt	54,315,294	0
Due in More Than One Year - Other	1,115,524	12,303,661
Total Liabilities	<u>\$ 63,054,156</u>	<u>\$ 15,053,575</u>

DEFERRED INFLOWS OF RESOURCES

Pension Changes in Experience	\$ 590,140	\$ 5,018,262
Pension Changes in Investment Earnings	390,270	2,414,868
Pension Changes in Proportion	0	32,478
OPEB Changes in Experience	142,117	2,119,012
OPEB Changes in Assumptions	19,344	1,325,927
OPEB Changes in Proportion	0	996,425
Deferred Current Property Taxes	13,455,799	6,039,067
Total Deferred Inflows of Resources	<u>\$ 14,597,670</u>	<u>\$ 17,946,039</u>

NET POSITION

Net Investment in Capital Assets	\$ 19,681,111	\$ 37,224,980
Restricted for:		
General Government	94,881	0
Administration of Justice	56,723	0
Public Safety	149,189	0
Public Health and Welfare	1,500	0
Social, Cultural, and Recreational Services	20,887	0
Highway/Public Works	1,560,295	0
Debt Service	1,204,555	0
Education	0	12,457,802
Capital Projects	958,577	0
Pensions	2,559,321	9,529,708
Unrestricted	<u>(12,834,699)</u>	<u>(7,359,080)</u>
Total Net Position	<u>\$ 13,452,340</u>	<u>\$ 51,853,410</u>

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

Exhibit B

Lawrence County, Tennessee
Statement of Activities
For the Year Ended June 30, 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
					Governmental Total Activities	Unit Lawrence County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 2,530,627	\$ 307,269	\$ 4,951,548	\$ 0	\$ 2,728,190	\$ 0
Finance	1,490,968	1,179,018	0	0	(311,950)	0
Administration of Justice	1,599,582	587,376	8,934	0	(1,003,272)	0
Public Safety	7,278,729	824,406	90,922	0	(6,363,401)	0
Public Health and Welfare	5,586,999	4,782,181	1,329,025	0	524,207	0
Social, Cultural, and Recreational Services	985,781	1,868	24,360	0	(959,553)	0
Agriculture and Natural Resources	195,283	0	0	0	(195,283)	0
Highways	7,391,855	2,595	2,817,165	223,944	(4,348,151)	0
Education	13,751,875	1,153,595	0	0	(12,598,280)	0
Interest on Long-term Debt	1,447,136	0	0	0	(1,447,136)	0
Total Primary Government	\$ 42,258,835	\$ 8,838,308	\$ 9,221,954	\$ 223,944	\$ (23,974,629)	\$ 0
Component Unit:						
Lawrence County School Department	\$ 66,258,039	\$ 1,011,836	\$ 21,902,231	\$ 0	\$ 0	\$ (43,343,972)

(Continued)

Exhibit B

Lawrence County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component
					Government Total Governmental Activities	Unit Lawrence County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 10,827,928	\$ 6,121,591
Property Taxes Levied for Debt Service					2,658,048	0
Local Option Sales Tax					1,442,420	6,514,565
Hotel/Motel Tax					113,118	0
Wheel Tax					990,937	0
Litigation Tax - General					89,729	0
Litigation Tax - Jail, Workhouse, or Courthouse					85,100	0
Business Tax					413,370	0
Mixed Drink Tax					272	0
Mineral Severance Tax					38,183	0
Wholesale Beer Tax					177,475	0
Other Local Taxes					68,199	14,455
Grants and Contributions Not Restricted to Specific Programs					1,693,920	41,990,423
Unrestricted Investment Income					321,933	14,272
Miscellaneous					111,407	50,515
Total General Revenues					\$ 19,032,039	\$ 54,705,821
Change in Net Position					\$ (4,942,590)	\$ 11,361,849
Net Position, July 1, 2019					18,394,930	40,491,561
Net Position, June 30, 2020					\$ 13,452,340	\$ 51,853,410

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

Exhibit C-1

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

	Major Funds					
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	General Capital Projects	Higher Education Fund
<u>ASSETS</u>						
Cash	\$ 19,981	\$ 1,225	\$ 0	\$ 0	\$ 0	\$ 0
Equity in Pooled Cash and Investments	6,505,903	559,621	1,507,150	5,112,969	1,142,560	868,459
Accounts Receivable	4,537,714	2,563,413	344	132,229	0	0
Allowance for Uncollectibles	(679,946)	(412,793)	0	0	0	0
Due from Other Governments	472,474	10,500	480,658	271,904	0	0
Due from Component Units	0	0	0	300,000	0	0
Property Taxes Receivable	9,098,441	396,780	1,798,233	2,750,643	0	0
Allowance for Uncollectible Property Taxes	(147,138)	(6,417)	(29,081)	(44,483)	0	0
Notes Receivable - Long-term	0	0	0	0	0	0
Total Assets	\$ 19,807,429	\$ 3,112,329	\$ 3,757,304	\$ 8,523,262	\$ 1,142,560	\$ 868,459
<u>LIABILITIES</u>						
Accounts Payable	\$ 330,327	\$ 151,589	\$ 410,164	\$ 750	\$ 252,594	\$ 3,000
Payroll Deductions Payable	70,543	2,554	11,516	0	0	0
Contracts Payable	0	0	0	0	0	782,562
Retainage Payable	0	0	0	0	0	39,036
Due to State of Tennessee	281	18	515	0	0	0
Due to Litigants, Heirs, and Others	0	0	0	0	0	0
Total Liabilities	\$ 401,151	\$ 154,161	\$ 422,195	\$ 750	\$ 252,594	\$ 824,598
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 8,717,314	\$ 380,159	\$ 1,722,906	\$ 2,635,420	\$ 0	\$ 0
Deferred Delinquent Property Taxes	233,491	10,182	46,148	70,590	0	0

(Continued)

Exhibit C-1

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

	Major Funds					
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	General Capital Projects	Higher Education Fund
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>						
Other Deferred/Unavailable Revenue	\$ 3,573,361	\$ 2,119,708	\$ 251,485	\$ 136,783	\$ 0	\$ 0
Total Deferred Inflows of Resources	\$ 12,524,166	\$ 2,510,049	\$ 2,020,539	\$ 2,842,793	\$ 0	\$ 0
<u>FUND BALANCES</u>						
Nonspendable:						
Endowments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted:						
Restricted for General Government	40,549	0	0	0	0	0
Restricted for General Government - COVID-19	54,332	0	0	0	0	0
Restricted for Administration of Justice	56,723	0	0	0	0	0
Restricted for Public Safety	20,593	0	0	0	0	0
Restricted for Public Health and Welfare	1,500	0	0	0	0	0
Restricted for Social, Cultural, and Recreational Services	20,887	0	0	0	0	0
Restricted for Highways/Public Works	0	0	1,314,570	0	0	0
Restricted for Debt Service	0	0	0	1,204,555	0	0
Restricted for Capital Projects	0	0	0	0	889,966	43,861
Committed:						
Committed for General Government	14,234	0	0	0	0	0
Committed for Finance	0	0	0	0	0	0
Committed for Public Safety	90,174	0	0	0	0	0
Committed for Public Health and Welfare	0	448,119	0	0	0	0
Committed for Debt Service	0	0	0	4,475,164	0	0
Assigned:						
Assigned for General Government	655,263	0	0	0	0	0
Unassigned	5,927,857	0	0	0	0	0
Total Fund Balances	\$ 6,882,112	\$ 448,119	\$ 1,314,570	\$ 5,679,719	\$ 889,966	\$ 43,861
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 19,807,429	\$ 3,112,329	\$ 3,757,304	\$ 8,523,262	\$ 1,142,560	\$ 868,459

(Continued)

Exhibit C-1

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

	<u>Nonmajor Funds</u>		<u>Other Govern- mental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash	\$ 76,320	\$		97,526
Equity in Pooled Cash and Investments	333,743			16,030,405
Accounts Receivable	52,845			7,286,545
Allowance for Uncollectibles	0			(1,092,739)
Due from Other Governments	0			1,235,536
Due from Component Units	0			300,000
Property Taxes Receivable	0			14,044,097
Allowance for Uncollectible Property Taxes	0			(227,119)
Notes Receivable - Long-term	21,413			21,413
Total Assets	\$ 484,321	\$		37,695,664
<u>LIABILITIES</u>				
Accounts Payable	\$ 424	\$		1,148,848
Payroll Deductions Payable	0			84,613
Contracts Payable	0			782,562
Retainage Payable	0			39,036
Due to State of Tennessee	0			814
Due to Litigants, Heirs, and Others	50			50
Total Liabilities	\$ 474	\$		2,055,923
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$		13,455,799
Deferred Delinquent Property Taxes	0			360,411

(Continued)

Exhibit C-1

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

<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>	<u>Nonmajor Funds</u>	<u>Other Govern- mental Funds</u>	<u>Total Governmental Funds</u>
Other Deferred/Unavailable Revenue	\$ 0	\$ 6,081,337	
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 19,897,547</u>	
 <u>FUND BALANCES</u> 			
Nonspendable:			
Endowments	\$ 75,799	\$ 75,799	
Restricted:			
Restricted for General Government	0	40,549	
Restricted for General Government - COVID-19	0	54,332	
Restricted for Administration of Justice	0	56,723	
Restricted for Public Safety	128,596	149,189	
Restricted for Public Health and Welfare	0	1,500	
Restricted for Social, Cultural, and Recreational Services	0	20,887	
Restricted for Highways/Public Works	0	1,314,570	
Restricted for Debt Service	0	1,204,555	
Restricted for Capital Projects	24,750	958,577	
Committed:			
Committed for General Government	78,080	92,314	
Committed for Finance	27,500	27,500	
Committed for Public Safety	0	90,174	
Committed for Public Health and Welfare	149,122	597,241	
Committed for Debt Service	0	4,475,164	
Assigned:			
Assigned for General Government	0	655,263	
Unassigned	0	5,927,857	
Total Fund Balances	<u>\$ 483,847</u>	<u>\$ 15,742,194</u>	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 484,321</u>	<u>\$ 37,695,664</u>	

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

Lawrence County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 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)		\$	15,742,194
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.			
Add: land	\$	1,309,719	
Add: construction in progress		10,258,237	
Add: buildings and improvements net of accumulated depreciation		18,246,277	
Add: infrastructure net of accumulated depreciation		15,700,536	
Add: other capital assets net of accumulated depreciation		<u>3,986,492</u>	49,501,261
(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	\$	(4,980,000)	
Less: bonds payable		(49,221,294)	
Less: other loans payable		(2,540,391)	
Less: unamortized premium on debt		(2,124,852)	
Add: deferred amount on refunding		209,354	
Less: compensated absences payable		(734,871)	
Less: landfill postclosure care costs		(614,482)	
Less: net OPEB liability		(506,042)	
Less: accrued interest on bonds and notes		<u>(276,301)</u>	(60,788,879)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expenses in future years.			
Add: deferred outflows of resources related to pensions	\$	1,076,470	
Add: deferred outflows of resources related to OPEB		62,096	
Less: deferred inflows of resources related to pensions		(980,410)	
Less: deferred inflows of resources related to OPEB		<u>(161,461)</u>	(3,305)
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			2,559,321
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>6,441,748</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>13,452,340</u></u>

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

Exhibit C-3

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

	Major Funds					
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	General Capital Projects	Higher Education Fund
<u>Revenues</u>						
Local Taxes	\$ 9,888,658	\$ 389,802	\$ 1,802,078	\$ 4,577,739	\$ 0	\$ 0
Licenses and Permits	57,314	0	0	0	0	0
Fines, Forfeitures, and Penalties	134,349	0	0	0	0	0
Charges for Current Services	1,780,874	1,146,968	0	0	0	0
Other Local Revenues	473,255	102,028	3,250	29,173	1,500	0
Fees Received From County Officials	1,307,455	0	0	0	0	0
State of Tennessee	2,373,140	127,622	3,032,682	0	0	4,744,089
Federal Government	560,065	0	0	0	0	0
Other Governments and Citizens Groups	180,158	20,835	32,418	1,153,595	0	3,400
Total Revenues	\$ 16,755,268	\$ 1,787,255	\$ 4,870,428	\$ 5,760,507	\$ 1,500	\$ 4,747,489
<u>Expenditures</u>						
Current:						
General Government	\$ 1,315,727	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Finance	970,034	0	0	0	0	0
Administration of Justice	1,638,356	0	0	0	0	0
Public Safety	7,008,660	0	0	0	0	0
Public Health and Welfare	3,360,268	1,610,858	0	0	0	0
Social, Cultural, and Recreational Services	414,914	0	0	0	0	0
Agriculture and Natural Resources	185,769	0	0	0	0	0
Other Operations	1,064,872	0	0	0	0	0
Highways	0	0	4,642,394	0	0	0
Debt Service:						
Principal on Debt	0	0	0	3,524,999	0	0
Interest on Debt	0	0	0	1,314,324	0	0
Other Debt Service	0	0	0	75,184	0	0

(Continued)

Exhibit C-3

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

	Major Funds					
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	General Capital Projects	Higher Education Fund
<u>Expenditures (Cont.)</u>						
Capital Projects	\$ 18,342	\$ 0	\$ 0	\$ 0	\$ 1,436,240	\$ 7,628,124
Capital Projects - Donated	0	0	0	0	13,751,875	0
Total Expenditures	\$ 15,976,942	\$ 1,610,858	\$ 4,642,394	\$ 4,914,507	\$ 15,188,115	\$ 7,628,124
<u>Excess (Deficiency) of Revenues</u>						
Over Expenditures	\$ 778,326	\$ 176,397	\$ 228,034	\$ 846,000	\$ (15,186,615)	\$ (2,880,635)
<u>Other Financing Sources (Uses)</u>						
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,050,000	\$ 2,500,000
Notes Issued	0	0	0	0	0	0
Premiums on Debt Sold	0	0	0	0	983,279	0
Other Loans Issued	0	0	0	0	1,776,875	0
Insurance Recovery	55,523	0	8,976	0	0	0
Transfers In	76,659	150,000	0	1,427,897	0	0
Transfers Out	(150,000)	0	0	0	0	0
Total Other Financing Sources (Uses)	\$ (17,818)	\$ 150,000	\$ 8,976	\$ 1,427,897	\$ 15,810,154	\$ 2,500,000
<u>Net Change in Fund Balances</u>						
Fund Balance, July 1, 2019	\$ 6,121,604	\$ 121,722	\$ 1,077,560	\$ 3,405,822	\$ 266,427	\$ 424,496
Fund Balance, June 30, 2020	\$ 6,882,112	\$ 448,119	\$ 1,314,570	\$ 5,679,719	\$ 889,966	\$ 43,861

(Continued)

Exhibit C-3

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

	Nonmajor Funds	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 738,469		\$ 17,396,746
Licenses and Permits	0		57,314
Fines, Forfeitures, and Penalties	44,255		178,604
Charges for Current Services	509,937		3,437,779
Other Local Revenues	1,809		611,015
Fees Received From County Officials	0		1,307,455
State of Tennessee	0		10,277,533
Federal Government	321,618		881,683
Other Governments and Citizens Groups	0		1,390,406
Total Revenues	<u>\$ 1,616,088</u>		<u>\$ 35,538,535</u>
<u>Expenditures</u>			
Current:			
General Government	\$ 0		\$ 1,315,727
Finance	506,525		1,476,559
Administration of Justice	3,411		1,641,767
Public Safety	52,761		7,061,421
Public Health and Welfare	0		4,971,126
Social, Cultural, and Recreational Services	0		414,914
Agriculture and Natural Resources	0		185,769
Other Operations	34,993		1,099,865
Highways	0		4,642,394
Debt Service:			
Principal on Debt	870,000		4,394,999
Interest on Debt	54,446		1,368,770
Other Debt Service	13,938		89,122

(Continued)

Exhibit C-3

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

	Nonmajor Funds		Total Governmental Funds
	Other Govern- mental Funds		
<hr/>			
<u>Expenditures (Cont.)</u>			
Capital Projects	\$ 795,203	\$	9,877,909
Capital Projects - Donated	0		13,751,875
Total Expenditures	<u>\$ 2,331,277</u>	<u>\$</u>	<u>52,292,217</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (715,189)</u>	<u>\$</u>	<u>(16,753,682)</u>
<u>Other Financing Sources (Uses)</u>			
Bonds Issued	\$ 0	\$	15,550,000
Notes Issued	450,000		450,000
Premiums on Debt Sold	0		983,279
Other Loans Issued	0		1,776,875
Insurance Recovery	0		64,499
Transfers In	0		1,654,556
Transfers Out	(1,504,556)		(1,654,556)
Total Other Financing Sources (Uses)	<u>\$ (1,054,556)</u>	<u>\$</u>	<u>18,824,653</u>
Net Change in Fund Balances	<u>\$ (1,769,745)</u>	<u>\$</u>	<u>2,070,971</u>
Fund Balance, July 1, 2019	<u>2,253,592</u>		<u>13,671,223</u>
Fund Balance, June 30, 2020	<u>\$ 483,847</u>	<u>\$</u>	<u>15,742,194</u>

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

Exhibit C-4

Lawrence County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 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)		\$ 2,070,971
(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	\$ 9,244,657	
Less: current-year depreciation expense	<u>(4,204,922)</u>	5,039,735
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: book value of capital assets disposed		(38,698)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2019	\$ (4,632,427)	
Add: deferred delinquent property taxes and other deferred June 30, 2020	<u>6,441,748</u>	1,809,321
(4) The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of those differences in the treatment of long-term debt and related items.		
Less: change in deferred amount on refunding debt	\$ (28,154)	
Less: change in premium on debt issuances	(858,092)	
Add: principal payments on notes	1,440,000	
Add: principal payments on bonds	2,954,999	
Less: bond proceeds	(15,550,000)	
Less: note proceeds	(450,000)	
Less: other loan proceeds	<u>(1,776,875)</u>	(14,268,122)
(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	\$ (78,366)	
Change in net pension asset	892,691	
Change in deferred outflows of resources related to pensions	(307,714)	
Change in deferred inflows of resources related to pensions	(101,862)	
Change in compensated absences payable	36,847	
Change in net OPEB liability	31,173	
Change in deferred outflows of resources related to OPEB	15,220	
Change in deferred inflows of resources related to OPEB	(87,795)	
Change in landfill postclosure care costs	<u>44,009</u>	444,203
Change in net position of governmental activities (Exhibit B)		<u>\$ (4,942,590)</u>

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

Exhibit C-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 9,888,658	\$ 9,613,516	\$ 9,613,516	\$ 275,142
Licenses and Permits	57,314	53,092	53,092	4,222
Fines, Forfeitures, and Penalties	134,349	203,239	203,239	(68,890)
Charges for Current Services	1,780,874	2,028,198	2,028,198	(247,324)
Other Local Revenues	473,255	244,597	322,570	150,685
Fees Received From County Officials	1,307,455	1,368,097	1,368,097	(60,642)
State of Tennessee	2,373,140	3,008,138	2,869,859	(496,719)
Federal Government	560,065	242,700	709,982	(149,917)
Other Governments and Citizens Groups	180,158	92,018	176,587	3,571
Total Revenues	\$ 16,755,268	\$ 16,853,595	\$ 17,345,140	\$ (589,872)
<u>Expenditures</u>				
<u>General Government</u>				
County Commission	\$ 124,343	\$ 134,715	\$ 158,815	\$ 34,472
Beer Board	625	2,083	2,083	1,458
County Mayor/Executive	191,761	196,675	201,329	9,568
County Attorney	6,891	6,891	6,891	0
Election Commission	198,713	259,952	259,952	61,239
Register of Deeds	210,368	246,719	246,719	36,351
County Buildings	525,415	553,307	642,957	117,542
Preservation of Records	57,611	59,828	62,280	4,669
<u>Finance</u>				
Accounting and Budgeting	358,767	380,428	383,276	24,509
Property Assessor's Office	337,602	352,003	352,003	14,401
County Trustee's Office	64,610	79,358	79,358	14,748
County Clerk's Office	104,457	160,245	160,245	55,788
Data Processing	104,598	131,341	131,341	26,743
<u>Administration of Justice</u>				
Circuit Court	569,352	613,913	633,140	63,788
General Sessions Court	332,367	341,257	345,061	12,694
Chancery Court	319,852	312,497	330,847	10,995
Juvenile Court	187,335	207,201	207,201	19,866
Other Administration of Justice	20,000	0	20,000	0
Courtroom Security	124,490	140,821	142,821	18,331
Victim Assistance Programs	84,960	75,504	144,664	59,704
<u>Public Safety</u>				
Sheriff's Department	3,402,144	3,677,868	3,819,514	417,370
Jail	2,678,873	2,903,835	2,903,836	224,963
Workhouse	58,391	58,600	58,600	209
Work Release Program	38,024	54,037	54,038	16,014
Fire Prevention and Control	2,000	2,000	2,000	0
Civil Defense	4,820	10,000	10,000	5,180
Rescue Squad	352,500	352,500	352,500	0
Other Emergency Management	339,245	339,245	339,245	0
County Coroner/Medical Examiner	88,421	92,221	117,221	28,800
Public Safety Grants Program	44,242	50,560	50,560	6,318
<u>Public Health and Welfare</u>				
Local Health Center	186,867	156,113	198,891	12,024

(Continued)

Exhibit C-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Expenditures (Cont.)</u>				
<u>Public Health and Welfare (Cont.)</u>				
Ambulance/Emergency Medical Services	\$ 2,474,036	\$ 2,591,680	\$ 2,588,282	\$ 114,246
Alcohol and Drug Programs	58,212	67,142	67,742	9,530
Other Local Health Services	113,126	124,719	185,579	72,453
Appropriation to State	447,767	499,500	522,221	74,454
Other Public Health and Welfare	80,260	80,260	80,260	0
<u>Social, Cultural, and Recreational Services</u>				
Senior Citizens Assistance	20,000	20,000	20,000	0
Libraries	329,164	379,964	424,871	95,707
Other Social, Cultural, and Recreational	65,750	50,000	65,750	0
<u>Agriculture and Natural Resources</u>				
Agricultural Extension Service	132,431	149,054	149,054	16,623
Soil Conservation	53,338	47,293	59,576	6,238
Other Agriculture and Natural Resources	0	1,000	1,000	1,000
<u>Other Operations</u>				
Tourism	78,328	64,500	80,131	1,803
Industrial Development	182,536	172,536	182,536	0
Airport	69,000	69,000	69,000	0
Veterans' Services	100,242	101,180	101,180	938
Other Charges	565,677	572,166	581,392	15,715
COVID-19 Grant #6	15,533	0	73,262	57,729
Miscellaneous	53,556	60,000	60,000	6,444
<u>Capital Projects</u>				
General Administration Projects	18,342	0	18,342	0
Total Expenditures	\$ 15,976,942	\$ 17,001,711	\$ 17,747,566	\$ 1,770,624
Excess (Deficiency) of Revenues Over Expenditures	\$ 778,326	\$ (148,116)	\$ (402,426)	\$ 1,180,752
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 55,523	\$ 0	\$ 45,832	\$ 9,691
Transfers In	76,659	0	0	76,659
Transfers Out	(150,000)	0	(150,000)	0
Total Other Financing Sources	\$ (17,818)	\$ 0	\$ (104,168)	\$ 86,350
Net Change in Fund Balance	\$ 760,508	\$ (148,116)	\$ (506,594)	\$ 1,267,102
Fund Balance, July 1, 2019	6,121,604	6,040,172	6,040,172	81,432
Fund Balance, June 30, 2020	\$ 6,882,112	\$ 5,892,056	\$ 5,533,578	\$ 1,348,534

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

Exhibit C-6

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 389,802	\$ 368,827	\$ 370,489	\$ 19,313
Charges for Current Services	1,146,968	1,142,890	1,161,250	(14,282)
Other Local Revenues	102,028	162,200	102,200	(172)
State of Tennessee	127,622	0	127,622	0
Other Governments and Citizens Groups	20,835	21,200	21,200	(365)
Total Revenues	<u>\$ 1,787,255</u>	<u>\$ 1,695,117</u>	<u>\$ 1,782,761</u>	<u>\$ 4,494</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Landfill Operation and Maintenance	\$ 1,610,858	\$ 1,682,671	\$ 1,754,671	\$ 143,813
Total Expenditures	<u>\$ 1,610,858</u>	<u>\$ 1,682,671</u>	<u>\$ 1,754,671</u>	<u>\$ 143,813</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 176,397</u>	<u>\$ 12,446</u>	<u>\$ 28,090</u>	<u>\$ 148,307</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 150,000	\$ 0	\$ 150,000	\$ 0
Total Other Financing Sources	<u>\$ 150,000</u>	<u>\$ 0</u>	<u>\$ 150,000</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 326,397	\$ 12,446	\$ 178,090	\$ 148,307
Fund Balance, July 1, 2019	<u>121,722</u>	<u>126,622</u>	<u>126,622</u>	<u>(4,900)</u>
Fund Balance, June 30, 2020	<u>\$ 448,119</u>	<u>\$ 139,068</u>	<u>\$ 304,712</u>	<u>\$ 143,407</u>

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

Exhibit C-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,802,078	\$ 1,750,645	\$ 1,750,645	\$ 51,433
Other Local Revenues	3,250	0	4,154	(904)
State of Tennessee	3,032,682	3,077,377	3,056,356	(23,674)
Other Governments and Citizens Groups	32,418	0	32,418	0
Total Revenues	<u>\$ 4,870,428</u>	<u>\$ 4,828,022</u>	<u>\$ 4,843,573</u>	<u>\$ 26,855</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 210,042	\$ 280,356	\$ 280,431	\$ 70,389
Highway and Bridge Maintenance	3,417,162	3,623,259	3,766,535	349,373
Operation and Maintenance of Equipment	548,228	637,050	639,972	91,744
Other Charges	122,252	126,147	126,147	3,895
Capital Outlay	344,710	568,000	556,979	212,269
<u>Principal on Debt</u>				
Highways and Streets	0	100,000	0	0
<u>Interest on Debt</u>				
Highways and Streets	0	10,000	0	0
Total Expenditures	<u>\$ 4,642,394</u>	<u>\$ 5,344,812</u>	<u>\$ 5,370,064</u>	<u>\$ 727,670</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 228,034</u>	<u>\$ (516,790)</u>	<u>\$ (526,491)</u>	<u>\$ 754,525</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 8,976	\$ 0	\$ 6,381	\$ 2,595
Total Other Financing Sources	<u>\$ 8,976</u>	<u>\$ 0</u>	<u>\$ 6,381</u>	<u>\$ 2,595</u>
Net Change in Fund Balance	\$ 237,010	\$ (516,790)	\$ (520,110)	\$ 757,120
Fund Balance, July 1, 2019	<u>1,077,560</u>	<u>845,535</u>	<u>845,535</u>	<u>232,025</u>
Fund Balance, June 30, 2020	<u>\$ 1,314,570</u>	<u>\$ 328,745</u>	<u>\$ 325,425</u>	<u>\$ 989,145</u>

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

Exhibit D

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,720,011
Equity in Pooled Cash and Investments	148,502
Accounts Receivable	1,887
Due from Other Governments	<u>988,970</u>
Total Assets	<u>\$ 2,859,370</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 1,463
Due to Other Taxing Units	988,970
Due to Litigants, Heirs, and Others	1,730,052
Due to Joint Ventures	<u>138,885</u>
Total Liabilities	<u>\$ 2,859,370</u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

Lawrence County is a public municipal corporation governed by an elected 18-member board. As required by GAAP, these financial statements present Lawrence County (the primary government) and its component units. The financial statements of the Lawrence County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of the omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

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

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

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

Administrative Office:

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

B. Government-wide and Fund Financial Statements

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

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

Lawrence County issues all debt for the discretely presented Lawrence County School Department. Net debt issues totaling \$13,751,875 were contributed by the county to the school department during the year ended June 30, 2020.

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

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. Lawrence County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Lawrence County reports the following major governmental funds:

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

Solid Waste/Sanitation Fund – This special revenue fund accounts for transactions related to the disposal of Lawrence County’s solid waste. Local taxes and general service charges are the foundational revenues of this fund.

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

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

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

Higher Education Fund – This fund is used to account for the financial resources to be used for the construction of a county building to offer college classes.

Additionally, Lawrence County reports the following fund types:

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

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes received by the state to be forwarded to the various cities in Lawrence County, state grants and other restricted revenues held for the benefit of the Judicial District Drug Task Force, and restricted revenues held for the benefit of the Office of District Attorney General. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

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

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

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

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

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

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

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

1. Deposits and Investments

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

securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Lawrence County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Fund. Lawrence County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

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

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

Lawrence County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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

2. Receivables and Payables

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

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

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

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

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

Retainage payables in the primary government's Higher Education and the school department's Education Capital Projects funds represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held

by the county trustee as Equity in Pooled Cash and Investments in the primary government's Higher Education and the school department's Education Capital Projects funds.

3. Inventories

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

4. Restricted Assets

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

5. Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$10,000 (bridge infrastructure \$50,000) or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	25 - 40
Other Capital Assets	5 - 10
Infrastructure:	
Roads	10 - 25
Bridges	25

6. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. 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. One such item is a deferred charge on refunding that results from the differences in the carrying values of refunded debts and their reacquisition prices. These amounts are deferred and amortized over the shorter of the refunded or refunding debts. Other items of deferred outflows include pension changes in experience, pension contributions after the measurement date, pension changes in assumptions, pension changes in proportion, OPEB changes in experience, OPEB changes in assumptions, and OPEB contributions after the measurement date.

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

governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Compensated Absences

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

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

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

8. Long-term Debt and Long-term Obligations

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

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

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

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

9. Net Position and Fund Balance

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

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

As of June 30, 2020, Lawrence County had \$27,664,235 in outstanding debt for capital purposes for the discretely presented Lawrence County School Department. This debt is a liability of Lawrence County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Lawrence County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

amounts in any of these unrestricted fund balance classifications could be used.

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

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by resolution authorized the county's Budget Committee to make assignments for the general government. The Board of Education makes assignments for the school department.

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

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Lawrence County's participation in the Public Employee Retirement Plan of the Tennessee

Consolidated Retirement System (TCRS), and additions to/deductions from Lawrence County's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

Discretely Presented Lawrence County School Department

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Lawrence County School Department

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

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

Discretely Presented Lawrence County School Department

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

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

Primary Government

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

Discretely Presented Lawrence County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

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

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

County Attorney, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

At June 30, 2020, Lawrence County School Department reported the following significant encumbrances:

<u>Fund</u>	<u>Amount</u>
School Department:	
Major Fund:	
General Purpose School	\$ 362,890

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

Legal Provisions. Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool, 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.

The county had no pooled and nonpooled investments as of June 30, 2020.

TCRS Stabilization Trust

Legal Provisions. The Lawrence County School Department is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The school department has placed funds into the irrevocable trust as authorized by statute under *Tennessee Code Annotated (TCA)*, Title 8,

Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the school department.

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

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

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments and interest and dividend income. Interest income is recognized when earned. Securities and securities transactions are recorded in the financial statements on a trade-date basis. The fair value of assets of the TRGT held at June 30, 2020, represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets held are categorized for fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.

- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.

- Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments where fair value is measured using the Net Asset Value (“NAV”) per share have no readily determinable fair value and have been determined to be calculated consistent with FASB principles for investment companies.

Where inputs used in the measurement of fair value fall into different levels of the hierarchy, fair value of the instrument in its entirety is categorized based on the lowest level input that is significant to the valuation. This assessment requires professional judgement and as such management of the TRGT developed a fair value committee that worked in conjunction with the plan’s custodian and investment professionals to make these valuations. All assets held were valued individually and aggregated into classes to be represented in the table below.

Short-term securities generally include investments in money market-type securities reported at cost plus accrued interest.

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

U.S. Treasury Bills, Bonds, Notes and Futures classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Debt and debt derivative securities classified in Level 2 are valued using a bid-ask spread price from multiple independent brokers, dealers, or market principals, which are known to be actively involved in the market. Level 3 debt securities are valued using proprietary information, a single pricing source, or other unobservable inputs related to similar assets or liabilities.

Real estate investments classified in Level 3 are valued using the last valuations provided by external investment advisors or independent external appraisers. Generally, all direct real estate investments are appraised by a qualified independent appraiser(s) with the professional designation of Member of the Appraisal Institute (“MAI”), or its equivalent, every three (3) years beginning from the acquisition date of the property. The appraisals are performed using generally accepted valuation approaches applicable to the property type.

Investments in private mutual funds, traditional private equity funds, strategic lending funds and real estate funds that report using GAAP, the fair value, as well as the unfunded commitments, were determined using the prior quarter’s NAV, as reported by the fund managers, plus the current cash flows. These assets were then categorized by investment strategy. In instances where the fund investment reported using non-GAAP standards, the investment was valued using the same method, but was classified in Level 3.

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

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 44,561
Developed Market International Equity	N/A	N/A	20,124
Emerging Market International Equity	N/A	N/A	5,750
U.S. Fixed Income	N/A	N/A	28,749
Real Estate	N/A	N/A	14,374
Short-term Securities	N/A	N/A	1,437
NAV - Private Equity and Strategic Lending	N/A	N/A	28,749
 Total			\$ 143,744

Investment by Fair Value Level	Fair Value 6-30-20	Fair Value Measurements Using			NAV
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
U.S. Equity	\$ 44,561	\$ 44,561	\$ 0	\$ 0	0
Developed Market International Equity	20,124	20,124	0	0	0
Emerging Market International Equity	5,750	5,750	0	0	0
U.S. Fixed Income	28,749	0	28,749	0	0
Real Estate	14,374	0	0	14,374	0
Short-term Securities	1,437	0	1,437	0	0
Private Equity and Strategic Lending	28,749	0	0	0	28,749
 Total	\$ 143,744	\$ 70,435	\$ 30,186	\$ 14,374	\$ 28,749

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

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

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

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

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

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

B. Notes Receivable

The Industrial/Economic Development Fund had a long-term note receivable of \$21,413 on June 30, 2020, from financing projects for the Lawrenceburg-Lawrence County Airport (Joint Venture) and is included in the committed fund balance account.

C. Capital Assets

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

Primary Government - Governmental Activities:

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 1,309,719	\$ 0	\$ 0	\$ 1,309,719
Construction in Progress	2,567,703	7,690,534	0	10,258,237
Total Capital Assets Not Depreciated	\$ 3,877,422	\$ 7,690,534	\$ 0	\$ 11,567,956
Capital Assets Depreciated:				
Buildings and Improvements	\$ 27,207,249	\$ 14,755	\$ 0	\$ 27,222,004
Infrastructure	83,347,634	0	0	83,347,634
Other Capital Assets	13,604,139	1,539,368	(100,371)	15,043,136
Total Capital Assets Depreciated	\$ 124,159,022	\$ 1,554,123	\$ (100,371)	\$ 125,612,774
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 8,311,374	\$ 664,353	\$ 0	\$ 8,975,727
Infrastructure	64,875,413	2,771,685	0	67,647,098
Other Capital Assets	10,349,433	768,884	(61,673)	11,056,644
Total Accumulated Depreciation	\$ 83,536,220	\$ 4,204,922	\$ (61,673)	\$ 87,679,469
Total Capital Assets Depreciated, Net	\$ 40,622,802	\$ (2,650,799)	\$ (38,698)	\$ 37,933,305
Governmental Activities Capital Assets, Net	\$ 44,500,224	\$ 5,039,735	\$ (38,698)	\$ 49,501,261

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

Governmental Activities:

General Government	\$ 578,289
Finance	924
Public Safety	242,346
Public Health and Welfare	311,120
Social, Cultural, and Recreational Services	77,545
Agriculture and Natural Resources	5,472
Other Operations	3,026
Highways	<u>2,986,200</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 4,204,922</u></u>

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

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 1,426,454	\$ 0	\$ 0	\$ 1,426,454
Construction in Progress	3,141,152	547,764	0	3,688,916
Total Capital Assets Not Depreciated	<u>\$ 4,567,606</u>	<u>\$ 547,764</u>	<u>\$ 0</u>	<u>\$ 5,115,370</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 64,383,622	\$ 653,211	\$ 0	\$ 65,036,833
Other Capital Assets	13,680,251	258,618	(428,394)	13,510,475
Total Capital Assets Depreciated	<u>\$ 78,063,873</u>	<u>\$ 911,829</u>	<u>\$ (428,394)</u>	<u>\$ 78,547,308</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 34,255,018	\$ 1,645,582	\$ 0	\$ 35,900,600
Other Capital Assets	10,506,555	458,937	(428,394)	10,537,098
Total Accumulated Depreciation	<u>\$ 44,761,573</u>	<u>\$ 2,104,519</u>	<u>\$ (428,394)</u>	<u>\$ 46,437,698</u>
Total Capital Assets Depreciated, Net	<u>\$ 33,302,300</u>	<u>\$ (1,192,690)</u>	<u>\$ 0</u>	<u>\$ 32,109,610</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 37,869,906</u></u>	<u><u>\$ (644,926)</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 37,224,980</u></u>

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

Governmental Activities:

Instruction	\$ 1,506,282
Support Services	474,325
Operation of Non-instructional Services	<u>123,912</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,104,519</u>

D. Construction Commitments

On June 30, 2020, Lawrence County had uncompleted construction contracts of approximately \$4,114,315 in the Higher Education Fund for building construction. Funding for these future expenditures is expected to be received from state grants (\$1,355,911), contributions from the City of Lawrenceburg (\$2,500,000), and private donations (\$1,496,600).

E. Interfund Receivables, Payables, and Transfers

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

Due to/from Primary Government and Component Unit:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government: General Debt Service	Component Unit: School Department: General Purpose School	\$ 300,000

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In			Purpose
	General Fund	Solid Waste/ Sanitation Fund	General Debt Service Fund	
General Fund	\$ 0	\$ 150,000	\$ 0	Operations
Nonmajor governmental funds	76,659	0	1,427,897	Close funds
Total	\$ 76,659	\$ 150,000	\$ 1,427,897	

Discretely Presented Lawrence County School Department

Transfer Out	Transfer In		Purpose
	General Purpose School Fund		
Nonmajor governmental funds	\$ 62,167		Indirect Costs
Total	\$ 62,167		

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.

The county made a one-time transfer of \$150,000 from the General Fund to the Solid Waste/Sanitation Fund to subsidize cash flow.

F. Long-term Debt

Primary Government

General Obligation Bonds, Notes and Other Loans

General Obligation Bonds – Lawrence County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General

obligation bonds were issued for original terms of up to 38 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements – Lawrence County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were issued for original terms of up to 12 years for notes and up to 12 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	2.47 to 3.70 %		6-21-50	\$ 32,732,000	\$ 30,106,294
General Obligation Bonds - Refunding	1.7 to 2.70		4-1-37	23,090,000	19,115,000
Direct Borrowing and Direct Placement:					
Capital Outlay Notes	1.60 to 2.96		12-1-26	9,700,000	4,980,000
Other Loans	1.5		10-1-31	2,540,391	2,540,391

In the prior year, Lawrence County entered into a loan agreement with the Tennessee Energy Efficient Schools Council to receive funding from the Energy Efficient Schools Initiative program. This agreement provided for the council to make \$3,000,000 available for loan to Lawrence County to increase energy efficiency in the Lawrence County School Department. As of June 30, 2020, Lawrence County has borrowed \$2,540,391 of the authorized amount of the loan. The interest rate on the loan is 1.5 percent.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 2,705,168	\$ 1,474,142	\$ 4,179,310
2022	2,785,342	1,394,231	4,179,573
2023	2,875,522	1,305,977	4,181,499
2024	2,965,708	1,213,540	4,179,248
2025	3,065,901	1,115,886	4,181,787
2026-2030	13,727,630	4,256,516	17,984,146
2031-2035	11,453,522	2,224,070	13,677,592
2036-2040	5,375,475	958,259	6,333,734
2041-2045	4,203,686	334,994	4,538,680
2046-2050	63,340	6,554	69,894
Total	\$ 49,221,294	\$ 14,284,169	\$ 63,505,463

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 1,616,167	\$ 102,930	\$ 1,719,097
2022	1,029,978	66,061	1,096,039
2023	1,058,855	45,947	1,104,802
2024	310,000	24,418	334,418
2025	315,000	17,972	332,972
2026-2027	650,000	14,737	664,737
Total	\$ 4,980,000	\$ 272,065	\$ 5,252,065

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2021	\$ 229,908	\$ 43,428	\$ 273,336
2022	233,388	39,948	273,336
2023	236,904	36,432	273,336
2024	240,492	32,844	273,336
2025	244,116	29,220	273,336
2026-2030	1,277,028	89,652	1,366,680
2031	78,555	2,080	80,635
Total	\$ 2,540,391	\$ 273,604	\$ 2,813,995

There is \$5,679,719 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,176, based on the 2010 federal census. Total debt per capita, including bonds, notes, other loans, and unamortized debt premiums, totaled \$1,406, based on the 2010 federal census.

During the year, the school department contributed \$1,153,595 to service some of the debt issued on its behalf by the primary government.

Changes in Long-term Debt

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

Governmental Activities:	Bonds	Notes - Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2019	\$ 36,626,293	\$ 5,970,000	\$ 763,516
Additions	15,550,000	450,000	1,776,875
Reductions	(2,954,999)	(1,440,000)	0
Balance, June 30, 2020	<u>\$ 49,221,294</u>	<u>\$ 4,980,000</u>	<u>\$ 2,540,391</u>
Balance Due Within One Year	<u>\$ 2,705,168</u>	<u>\$ 1,616,167</u>	<u>\$ 229,908</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 56,741,685
Less: Balance Due Within One Year - Debt	(4,551,243)
Add: Unamortized Premium on Debt	<u>2,124,852</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 54,315,294</u>

G. Long-term Obligations

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Landfill Postclosure Care Costs	Other Postemployment Benefits
Balance, July 1, 2019	\$ 771,718	\$ 658,491	\$ 537,215
Additions	808,971	10,865	98,677
Reductions	(845,818)	(54,874)	(129,850)
Balance, June 30, 2020	<u>\$ 734,871</u>	<u>\$ 614,482</u>	<u>\$ 506,042</u>
Balance Due Within One Year	<u>\$ 734,871</u>	<u>\$ 5,000</u>	<u>\$ 0</u>

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 1,855,395
Less: Balance Due Within One Year - Other	<u>(739,871)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,115,524</u>

Discretely Presented Lawrence County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2019	\$ 84,104	\$ 14,057,111
Additions	18,425	786,554
Reductions	(20,316)	(2,540,004)
Balance, June 30, 2020	<u>\$ 82,213</u>	<u>\$ 12,303,661</u>
Balance Due Within One Year	<u>\$ 82,213</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities, June 30, 2020	\$ 12,385,874
Less: Balance Due Within One Year - Other	<u>(82,213)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 12,303,661</u>

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

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Lawrence County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2020, totaled \$217,984. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Primary Government

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

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

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

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

Discretely Presented Lawrence County School Department

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

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

B. Contingent Liabilities

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

C. Change in Administration

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

D. Landfill Closure/Postclosure Care Costs

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Lawrence County closed its sanitary landfill in 2001. The \$614,482 reported as postclosure care liability on June 30, 2020, represents amounts based on what it would cost to perform all postclosure care in 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. Joint Ventures

Lawrence County and the City of Lawrenceburg jointly operate the Lawrenceburg-Lawrence County Airport. A six-member board, including three appointees from the county and three from the city, governs the Lawrenceburg-Lawrence County Airport. Lawrence County has control over budgeting and financing the joint venture only to the extent of representation by the three members appointed. Lawrence County contributed \$69,000 to the operations of the joint venture during the year ended June 30, 2020.

The Lawrence County Joint Economic Development Board is a joint venture between Lawrence County, the City of Loretto, and the City of Lawrenceburg. The board comprises the county executive, the mayors of the cities of Loretto and Lawrenceburg, and 11 additional members representing county and city governments, private citizens, industry, and business. The purpose of the board is to foster communication and facilitate economic and community development between and among governmental entities, industry, and private citizens. The county and cities will provide the majority of funding for the board based on the percentage of their population compared to the total census of the county. Lawrence County contributed \$182,536 to the Lawrence County Joint Economic Development Board during the year ended June 30, 2020.

The Twenty-second Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-second Judicial District, Lawrence, Giles, Maury, and Wayne counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the

DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Lawrence County did not contribute any funds to the DTF for the year ended June 30, 2020.

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

Complete financial statements for the Lawrenceburg-Lawrence County Airport, the Lawrence County Joint Economic Development Board, and the DTF can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

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

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

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

F. Jointly Governed Organization

Lawrence County, in conjunction with Giles and Maury counties, created the Tennessee Southern Railroad Authority (TSRA). The TSRA's board includes the Lawrence County Executive and county executive/mayor of Giles and Maury counties, a representative appointed by the respective county commissions from each of the three counties, and a representative from the cities of Mt. Pleasant and Lawrenceburg. However, the counties and cities do not have any ongoing financial interest or responsibility for the entity. The majority of TSRA's funding is received from various grants from the Tennessee Department of Transportation. Lawrence County did not appropriate any funds to the authority for the year ended June 30, 2020.

G. Retirement Commitments

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

General Information About the Pension Plan

Plan Description. Employees of Lawrence County and non-certified employees of the discretely presented Lawrence County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 60.48 percent, the non-certified employees of the discretely presented school department comprise 39.52 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.

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 nonservice-related disability eligibility. The service related and nonservice-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	345
Inactive Employees Entitled To But Not Yet Receiving Benefits	511
Active Employees	570
 Total	 <u><u>1,426</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. Lawrence County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2020, the employer contribution for Lawrence County was \$1,113,636 based on a rate of 6.95 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Lawrence County’s state shared taxes if required employer contributions are not remitted. The employer’s actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Pension Liabilities (Assets). Lawrence County’s net pension liability (asset) was measured as of June 30, 2019, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability as of the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2018	\$ 49,711,613	\$ 52,593,062	\$ (2,881,449)
Changes for the Year:			
Service Cost	\$ 1,341,143	\$ 0	\$ 1,341,143
Interest	3,613,810	0	3,613,810
Differences Between Expected and Actual Experience	(190,218)	0	(190,218)
Contributions-Employer	0	1,490,029	(1,490,029)
Contributions-Employees	0	766,540	(766,540)
Net Investment Income	0	3,908,335	(3,908,335)
Benefit Payments, Including Refunds of Employee Contributions	(2,414,198)	(2,414,198)	0
Administrative Expense	0	(49,937)	49,937
Net Changes	\$ 2,350,537	\$ 3,700,769	\$ (1,350,232)
Balance, June 30, 2019	\$ 52,062,150	\$ 56,293,831	\$ (4,231,681)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	60.48%	\$ 31,487,188	\$ 34,046,509	\$ (2,559,321)
School Department	39.52%	20,574,962	22,247,322	(1,672,360)
Total		\$ 52,062,150	\$ 56,293,831	\$ (4,231,681)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Lawrence County calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it were

calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	6.25%	7.25%	8.25%
Net Pension Liability (Asset)	\$ 2,338,425	\$ (4,231,681)	\$ (9,685,170)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2020, Lawrence County recognized pension expense (negative pension expense) of \$472,840.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 53,060	\$ 975,760
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	645,287
Changes in Assumptions	613,181	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	1,113,636	N/A
Total	<u>\$ 1,779,877</u>	<u>\$ 1,621,047</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	60.48%	\$ 1,076,470	\$ 980,410
School Department	39.52%	703,407	640,637
Total		<u>\$ 1,779,877</u>	<u>\$ 1,621,047</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	\$ (193,752)
2022	(505,440)
2023	(196,994)
2024	(58,620)
2025	0
Thereafter	0

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

Discretely Presented Lawrence County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Lawrence County and non-certified employees of the discretely presented Lawrence County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 60.48 percent and the non-certified employees of the discretely presented school department comprise 39.52 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for nonservice-related disability eligibility. The service related and nonservice-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 \$74,172, which is 2.03 percent of covered payroll. In addition, employer contributions of \$71,980, which is 1.97 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense (Negative 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 (\$181,046) 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 0.320728 percent. The proportion as of June 30, 2018, was 0.281306 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2020, the school department recognized pension expense (negative pension expense) of \$55,449.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>Resources</u>	<u>Resources</u>
Difference Between Expected and Actual Experience	\$ 7,507	\$ 31,606
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	7,654
Changes in Assumptions	6,290	0
Changes in Proportion of Net Pension Liability (Asset)	6,534	22,344
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	<u>74,172</u>	<u>N/A</u>
Total	<u>\$ 94,503</u>	<u>\$ 61,604</u>

The school department's employer contributions of \$74,172, 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	\$ (5,207)
2022	(6,378)
2023	(4,231)
2024	(3,136)
2025	(2,824)
Thereafter	(19,497)

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	
			100	%
Total			100	%

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability (Asset) \$ 57,363 \$ (181,046) \$ (357,275)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

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

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Lawrence County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$2,644,960, 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 (Negative Pension Expense), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liability (Assets). On June 30, 2020, the school department reported a liability (asset) of (\$7,532,558) 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 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 0.732611 percent. The proportion measured on June 30, 2018, was 0.716684 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2020, the school department recognized pension expense (negative pension expense) of \$1,112,982.

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	\$ 366,741	\$ 4,601,036
Changes in Assumptions	1,015,051	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	2,152,197
Changes in Proportion of Net Pension Liability (Asset)	183,459	10,134
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	<u>2,644,960</u>	<u>N/A</u>
Total	<u>\$ 4,210,211</u>	<u>\$ 6,763,367</u>

The school department's employer contributions of \$2,644,960 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	\$ (1,429,211)
2022	(2,097,020)
2023	(954,854)
2024	(717,031)
2025	0
Thereafter	0

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

Actuarial Assumptions. The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability (Asset) \$ 15,401,904 \$ (7,532,558) \$ (25,776,286)

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

2. Deferred Compensation

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

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state’s 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher’s salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$219,482 and teachers contributed \$17,373 to this deferred compensation pension plan.

H. Other Postemployment Benefits (OPEB)

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

OPEB Provided through State Administered Public Entity Risk Pools

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

The county and 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 of each plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.2%
Salary Increases	Salary increases used in the July 1, 2018, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.51
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.03% for pre-65 retirees in the 2019 calendar year, and gradually decreasing over a 10 year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit Related Cost	Discussed under each plan

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

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2019, valuations were the same as those employed in the July 1,

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

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

Local Government OPEB Plan (Primary Government)

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

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

Employees Covered by Benefit Terms

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

	<u>Total</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	3
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	<u>237</u>
Total	<u><u>240</u></u>

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2020, the county paid \$15,805 to the LGP for OPEB benefits as they came due.

Changes in the Total OPEB Liability

	<u>Lawrence County</u>
Balance July 1, 2018	<u>\$ 537,215</u>
Changes for the Year:	
Service Cost	\$ 52,552
Interest	21,001
Difference between Expected and Actual Experience	(110,440)
Changes in Assumption and Other Inputs	25,124
Benefit Payments	<u>(19,410)</u>
Net Changes	<u>\$ (31,173)</u>
Balance June 30, 2019	<u><u>\$ 506,042</u></u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the county recognized OPEB

expense of \$57,207. On June 30, 2020, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 142,117
Changes of Assumptions/Inputs	46,291	19,344
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2019	<u>15,805</u>	<u>0</u>
Total	<u>\$ 62,096</u>	<u>\$ 161,461</u>

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

Year Ending June 30	Lawrence County
2021	\$ (16,346)
2022	(16,346)
2023	(16,346)
2024	(16,346)
2025	(16,346)
Thereafter	(33,440)

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

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

<u>Discount Rate</u>	1% Decrease	Current Discount Rate	1% Increase
Lawrence County	2.51%	3.51%	4.51%

Total OPEB Liability \$ 546,177 \$ 506,042 \$ 469,084

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

<u>Healthcare Cost Trend Rate</u>	1% Decrease	Current Trend Rate	1% Increase
Lawrence County	5.03 to 3.5%	6.03 to 4.5%	7.03 to 5.5%

Total OPEB Liability \$ 452,142 \$ 506,042 \$ 570,906

Closed Local Education (LEP) OPEB Plan (discretely presented school department)

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

Benefits Provided. The Lawrence County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The Lawrence County School Department (LCSD) provides post-retirement

health care benefits, in accordance with contract provisions, to all employees who retire from the school department on or after 30 years' service (ten of the 30 with the LCSD) or age 55 (or over) with at least 17 years' service (ten of the 17 with LCSD). The school department pays the cost of individual coverage for accident and health insurance until the individual reaches the age of 65. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided by the state 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	48
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	690
Total	<u><u>738</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 \$530,732 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Lawrence County School Department</u>	<u>State of TN</u>	<u>Total OPEB Liability</u>
	<u>73.7448%</u>	<u>26.2552%</u>	
Balance July 1, 2018	\$ 14,057,111	\$ 4,568,634	\$ 18,625,745
Changes for the Year:			
Service Cost	\$ 746,530	\$ 265,785	\$ 1,012,315
Interest	513,391	182,781	696,172
Changes in Benefit Terms	(1,410,984)	(502,350)	(1,913,334)
Difference between Expected and Actuarial Experience	217,741	77,522	295,263
Changes in Assumption and Other Inputs	(1,217,237)	6,055	(1,211,182)
Benefit Payments	(602,890)	(217,984)	(820,874)
Net Changes	\$ (1,753,450)	\$ (188,190)	\$ (1,941,640)
Balance June 30, 2019	\$ 12,303,661	\$ 4,380,444	\$ 16,684,105

The Lawrence County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Lawrence County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized (\$61,203) in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Lawrence County School Department's proportionate share of the collective OPEB liability was 73.7448 percent and the State of Tennessee's share was 26.2552 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the school department recognized negative OPEB expense of \$719,876, including the state's share of the expense. On 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	\$ 192,969	\$ 2,119,012
Changes of Assumptions/Inputs	397,109	1,325,927
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	0	996,425
Benefits Paid After the Measurement Date of June 30, 2019	<u>530,732</u>	<u>0</u>
Total	<u>\$ 1,120,810</u>	<u>\$ 4,441,364</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	\$ (507,610)
2022	(507,610)
2023	(507,610)
2024	(507,610)
2025	(507,610)
Thereafter	(1,313,236)

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	\$ 13,238,237	\$ 12,303,661	\$ 11,412,604
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease 5.03 to 3.5%	Current Rates 6.03 to 4.5%	1% Increase 7.03 to 5.5%
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Proportionate Share of the Collective Total OPEB Liability	\$ 10,961,196	\$ 12,303,661	\$ 13,878,773
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I. Office of Central Accounting and Budgeting

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

J. Purchasing Laws

Office of Central Purchasing

Purchasing procedures for the Office of County Executive and the highway department are governed by the County Purchasing Law of 1957, Section 5-14-101 et seq., *Tennessee Code Annotated (TCA)*. Purchases for the highway department are also governed by the Uniform Road Law, Section 54-7-113, *TCA*. Section 5-14-101 et seq., *TCA*, provides for a purchasing agent, appointed by the county executive and approved by the Lawrence County Commission, to make all purchases. Effective September 24, 2013, the Lawrence County Commission added the duties of the purchasing agent to

the director of accounts and budgets. This statute also provides for a County Purchasing Committee to assist the purchasing agent in the determination of overall purchasing policies. These statutes require all purchases exceeding \$25,000 to be made on the basis of publicly advertised competitive bids. Additionally, the county commission requires three quotes for purchases over \$10,000.

Office of Director of Schools

Purchasing procedures for the Lawrence County School Department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the county Board of Education, through its executive committee (director of schools and chairman of the Board of Education), to make all purchases. This statute also requires competitive bids to be solicited through newspaper advertisement on all purchases exceeding \$10,000. Additionally, the Board of Education requires three quotes for purchases estimated to be between \$2,000 and \$10,000, and competitive bids on all purchases made from federal grant funds exceeding \$5,000.

K. Subsequent Events

On July 31, 2020, Johnny McDaniel retired from the Office of Director of Schools and was succeeded by Michael Adkins effective September 14, 2020.

On August 31, 2020, Barbara Kizer left the Office of Property Assessor and was succeeded by Brady Hutton.

On October 22, 2020, Lawrence County issued \$1,375,000 in general obligation refunding bonds.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit E-1

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

	2014	2015	2016	2017	2018	2019
Total Pension Liability						
Service Cost	\$ 1,271,060	\$ 1,211,026	\$ 1,232,011	\$ 1,265,829	\$ 1,353,325	\$ 1,341,143
Interest	2,948,844	3,048,419	3,165,275	3,352,588	3,489,668	3,613,810
Differences Between Actual and Expected Experience	(787,746)	(607,124)	159,180	(394,656)	(875,115)	(190,218)
Changes of Assumptions	0	0	0	1,226,363	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,905,706)	(2,183,175)	(2,047,274)	(2,138,286)	(2,072,594)	(2,414,198)
Net Change in Total Pension Liability	\$ 1,526,452	\$ 1,469,146	\$ 2,509,192	\$ 3,311,838	\$ 1,895,284	\$ 2,350,537
Total Pension Liability, Beginning	38,999,701	40,526,153	41,995,299	44,504,491	47,816,329	49,711,613
Total Pension Liability, Ending (a)	\$ 40,526,153	\$ 41,995,299	\$ 44,504,491	\$ 47,816,329	\$ 49,711,613	\$ 52,062,150
Plan Fiduciary Net Position						
Contributions - Employer	\$ 1,393,943	\$ 1,320,163	\$ 1,397,768	\$ 1,433,034	\$ 1,450,213	\$ 1,490,029
Contributions - Employee	676,878	676,371	961,918	448,058	743,238	766,540
Net Investment Income	5,879,061	1,271,681	1,129,720	4,952,304	4,028,396	3,908,335
Benefit Payments, Including Refunds of Employee Contributions	(1,905,706)	(2,183,175)	(2,047,274)	(2,138,286)	(2,072,594)	(2,414,198)
Administrative Expense	(22,110)	(28,821)	(43,608)	(48,925)	(54,409)	(49,937)
Other	0	0	0	(25)	0	0
Net Change in Plan Fiduciary Net Position	\$ 6,022,066	\$ 1,056,219	\$ 1,398,524	\$ 4,646,160	\$ 4,094,844	\$ 3,700,769
Plan Fiduciary Net Position, Beginning	35,375,249	41,397,315	42,453,534	43,852,058	48,498,218	52,593,062
Plan Fiduciary Net Position, Ending (b)	\$ 41,397,315	\$ 42,453,534	\$ 43,852,058	\$ 48,498,218	\$ 52,593,062	\$ 56,293,831
Net Pension Liability (Asset), Ending (a - b)	\$ (871,162)	\$ (458,235)	\$ 652,433	\$ (681,889)	\$ (2,881,449)	\$ (4,231,681)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	102.15%	101.09%	98.53%	101.43%	105.80%	108.13%
Covered Payroll	\$ 13,507,051	\$ 13,508,240	\$ 14,307,019	\$ 14,667,955	\$ 14,843,552	\$ 15,251,089
Net Pension Liability (Asset) as a Percentage of Covered Payroll	6.45%	3.39%	4.56%	(4.65)%	(19.41)%	(27.75)%

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

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

Exhibit E-2

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

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 1,393,943	\$ 1,320,163	\$ 1,397,768	\$ 1,433,034	\$ 1,450,213	\$ 1,490,029	\$ 1,113,636
Less Contributions in Relation to the Actuarially Determined Contribution	(1,393,943)	(1,320,163)	(1,397,768)	(1,433,034)	(1,450,213)	(1,490,029)	(1,113,636)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 13,507,051	\$ 13,508,240	\$ 14,307,019	\$ 14,667,955	\$ 14,843,552	\$ 15,251,089	\$ 16,023,540
Contributions as a Percentage of Covered Payroll	10.32%	9.77%	9.77%	9.77%	9.77%	9.77%	6.95%

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

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

Exhibit E-3

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

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 13,833	\$ 48,374	\$ 81,585	\$ 98,331	\$ 65,843	\$ 74,172
Less Contributions in Relation to the Contractually Required Contribution	(13,833)	(48,374)	(81,585)	(98,331)	(65,843)	(74,172)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 345,812	\$ 1,209,349	\$ 1,937,690	\$ 2,493,546	\$ 3,393,963	\$ 3,653,807
Contributions as a Percentage of Covered Payroll	4%	4%	4%	4%	1.94%	2.03%

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

Exhibit E-4

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

	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 2,266,972	\$ 2,284,174	\$ 2,269,765	\$ 2,287,823	\$ 2,278,712	\$ 2,569,550	\$ 2,644,960
Less Contributions in Relation to the Contractually Required Contribution	(2,266,972)	(2,284,174)	(2,269,765)	(2,287,823)	(2,278,712)	(2,569,550)	(2,644,960)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 25,528,961	\$ 25,267,416	\$ 25,108,537	\$ 25,409,660	\$ 25,060,676	\$ 24,565,513	\$ 24,882,032
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

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

	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability (Asset)	0.166438%	0.274849%	0.310756%	0.281306%	0.320728%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (6,696)	\$ (28,613)	\$ (81,990)	\$ (127,580)	\$ (181,046)
Covered Payroll	\$ 345,812	\$ 1,209,349	\$ 1,937,690	\$ 2,493,546	\$ 3,393,963
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.23)%	(5.12)%	(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

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

	2014	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability (Asset)	0.650421%	0.674967%	0.695552%	0.715930%	0.716684%	0.732611%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (105,690)	\$ 276,490	\$ 4,346,814	\$ (234,241)	\$ (2,521,952)	\$ (7,532,558)
Covered Payroll	\$ 25,528,961	\$ 25,267,416	\$ 25,108,537	\$ 25,409,660	\$ 25,060,676	\$ 24,565,513
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.414002)%	1.094253%	17.31%	(.92)%	(10.06)%	(30.66)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%

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

Exhibit E-7

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

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 46,959	\$ 44,426	\$ 52,552
Interest	15,268	19,530	21,001
Differences Between Actual and Expected Experience	0	(57,396)	(110,440)
Changes in Assumptions or Other Inputs	(27,516)	30,552	25,124
Benefit Payments	(4,793)	(8,125)	(19,410)
Net Change in Total OPEB Liability	\$ 29,918	\$ 28,987	\$ (31,173)
Total OPEB Liability, Beginning	478,310	508,228	537,215
Total OPEB Liability, Ending	<u>\$ 508,228</u>	<u>\$ 537,215</u>	<u>\$ 506,042</u>
Covered Employee Payroll	\$ 8,904,896	\$ 9,386,103	\$ 10,071,303
Net OPEB Liability as a Percentage of Covered Employee Payroll	5.71%	5.72%	5.02%

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

Note 2: Changes in assumptions.

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

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

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

Plan year 2019 - from 5.4% to 6.75%

Plan year 2020 - from 6.75% to 6.03%

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

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

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 1,610,450	\$ 1,502,935	\$ 1,012,315
Interest	713,301	880,300	696,172
Changes in Benefit Terms	0	(3,585,307)	(1,913,334)
Differences Between Actual and Expected Experience	0	(3,610,217)	295,263
Changes in Assumptions or Other Inputs	(1,059,033)	676,565	(1,211,182)
Benefit Payments	(789,339)	(926,251)	(820,874)
Net Change in Total OPEB Liability	\$ 475,379	\$ (5,061,975)	\$ (1,941,640)
Total OPEB Liability, Beginning	23,212,341	23,687,720	18,625,745
Total OPEB Liability, Ending	<u>\$ 23,687,720</u>	<u>\$ 18,625,745</u>	<u>\$ 16,684,105</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 5,007,442	\$ 4,568,634	\$ 4,380,444
Employer Proportionate Share of the Total OPEB Liability	18,680,278	14,057,111	12,303,661
Covered Employee Payroll	\$ 32,901,250	\$ 34,363,765	\$ 34,842,637
Net OPEB Liability as a Percentage of Covered Employee Payroll	56.78%	40.91%	35.31%

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

Note 2: Changes in assumptions.

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

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

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

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

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

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates for fiscal year 2020 were calculated based on the June 30, 2018, actuarial valuation.

Methods and assumptions used to determine contribution rates:

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

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

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

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

Debt Service Funds

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

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

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

Capital Projects Funds

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

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

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

Permanent Fund

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

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

Exhibit F-1

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

	Special Revenue Funds					Capital
	Courthouse and Jail Maintenance	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Total	Highway Capital Projects
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 76,320	\$ 76,320	\$ 0
Equity in Pooled Cash and Investments	70,159	107,597	55,438	0	233,194	24,750
Accounts Receivable	871	20,112	2,552	29,310	52,845	0
Notes Receivable - Long-term	0	21,413	0	0	21,413	0
Total Assets	\$ 71,030	\$ 149,122	\$ 57,990	\$ 105,630	\$ 383,772	\$ 24,750
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 0	\$ 424	\$ 0	\$ 424	\$ 0
Due to Litigants, Heirs, and Others	0	0	0	50	50	0
Total Liabilities	\$ 0	\$ 0	\$ 424	\$ 50	\$ 474	\$ 0
<u>FUND BALANCES</u>						
Nonspendable:						
Endowments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Restricted:						
Restricted for Public Safety	71,030	0	57,566	0	128,596	0
Restricted for Capital Projects	0	0	0	0	0	24,750
Committed:						
Committed for General Government	0	0	0	78,080	78,080	0
Committed for Finance	0	0	0	27,500	27,500	0
Committed for Public Health and Welfare	0	149,122	0	0	149,122	0
Total Fund Balances	\$ 71,030	\$ 149,122	\$ 57,566	\$ 105,580	\$ 383,298	\$ 24,750
Total Liabilities and Fund Balances	\$ 71,030	\$ 149,122	\$ 57,990	\$ 105,630	\$ 383,772	\$ 24,750

(Continued)

Exhibit F-1

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

	<u>Permanent Fund Endowment</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ASSETS</u>		
Cash	\$ 0	\$ 76,320
Equity in Pooled Cash and Investments	75,799	333,743
Accounts Receivable	0	52,845
Notes Receivable - Long-term	0	21,413
	<hr/>	<hr/>
Total Assets	\$ 75,799	\$ 484,321
<u>LIABILITIES</u>		
Accounts Payable	\$ 0	\$ 424
Due to Litigants, Heirs, and Others	0	50
Total Liabilities	<hr/>	<hr/>
	\$ 0	\$ 474
<u>FUND BALANCES</u>		
Nonspendable:		
Endowments	\$ 75,799	\$ 75,799
Restricted:		
Restricted for Public Safety	0	128,596
Restricted for Capital Projects	0	24,750
Committed:		
Committed for General Government	0	78,080
Committed for Finance	0	27,500
Committed for Public Health and Welfare	0	149,122
Total Fund Balances	<hr/>	<hr/>
	\$ 75,799	\$ 483,847
Total Liabilities and Fund Balances	<hr/>	<hr/>
	\$ 75,799	\$ 484,321

Exhibit F-2

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

	Special Revenue Funds					Debt Service
	Courthouse and Jail Maintenance	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Total	Education Debt Service
<u>Revenues</u>						
Local Taxes	\$ 18,764	\$ 20,112	\$ 0	\$ 0	\$ 38,876	\$ 399,772
Fines, Forfeitures, and Penalties	287	0	43,968	0	44,255	0
Charges for Current Services	0	0	0	509,937	509,937	0
Other Local Revenues	0	1,809	0	0	1,809	0
Federal Government	0	297,559	0	0	297,559	0
Total Revenues	\$ 19,051	\$ 319,480	\$ 43,968	\$ 509,937	\$ 892,436	\$ 399,772
<u>Expenditures</u>						
Current:						
Finance	\$ 0	\$ 0	\$ 0	\$ 506,525	\$ 506,525	\$ 0
Administration of Justice	0	0	0	3,411	3,411	0
Public Safety	0	0	52,761	0	52,761	0
Other Operations	193	34,800	0	0	34,993	0
Debt Service:						
Principal on Debt	0	0	0	0	0	585,000
Interest on Debt	0	0	0	0	0	34,855
Other Debt Service	0	0	0	0	0	7,966
Capital Projects	0	341,830	0	0	341,830	0
Total Expenditures	\$ 193	\$ 376,630	\$ 52,761	\$ 509,936	\$ 939,520	\$ 627,821
Excess (Deficiency) of Revenues						
Over Expenditures	\$ 18,858	\$ (57,150)	\$ (8,793)	\$ 1	\$ (47,084)	\$ (228,049)

(Continued)

Exhibit F-2

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

	Special Revenue Funds					Debt Service
	Courthouse and Jail Maintenance	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Total	Education Debt Service
<u>Other Financing Sources (Uses)</u>						
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Transfers Out	0	0	0	0	0	(752,873)
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	(752,873)
Net Change in Fund Balances	\$ 18,858	\$ (57,150)	\$ (8,793)	\$ 1	\$ (47,084)	\$ (980,922)
Fund Balance, July 1, 2019	52,172	206,272	66,359	105,579	430,382	980,922
Fund Balance, June 30, 2020	\$ 71,030	\$ 149,122	\$ 57,566	\$ 105,580	\$ 383,298	\$ 0

(Continued)

Exhibit F-2

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

	<u>Debt Service Funds (Cont.)</u>		<u>Capital Projects Funds</u>		
	<u>Highway Debt Service</u>	<u>Total</u>	<u>Highway Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>
<u>Revenues</u>					
Local Taxes	\$ 299,821	\$ 699,593	\$ 0	\$ 0	\$ 0
Fines, Forfeitures, and Penalties	0	0	0	0	0
Charges for Current Services	0	0	0	0	0
Other Local Revenues	0	0	0	0	0
Federal Government	0	0	0	24,059	24,059
Total Revenues	<u>\$ 299,821</u>	<u>\$ 699,593</u>	<u>\$ 0</u>	<u>\$ 24,059</u>	<u>\$ 24,059</u>
<u>Expenditures</u>					
Current:					
Finance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Administration of Justice	0	0	0	0	0
Public Safety	0	0	0	0	0
Other Operations	0	0	0	0	0
Debt Service:					
Principal on Debt	285,000	870,000	0	0	0
Interest on Debt	19,591	54,446	0	0	0
Other Debt Service	5,972	13,938	0	0	0
Capital Projects	0	0	430,250	23,123	453,373
Total Expenditures	<u>\$ 310,563</u>	<u>\$ 938,384</u>	<u>\$ 430,250</u>	<u>\$ 23,123</u>	<u>\$ 453,373</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (10,742)</u>	<u>\$ (238,791)</u>	<u>\$ (430,250)</u>	<u>\$ 936</u>	<u>\$ (429,314)</u>

(Continued)

Exhibit F-2

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

	<u>Debt Service Funds (Cont.)</u>		<u>Capital Projects Funds</u>		
	<u>Highway Debt Service</u>	<u>Total</u>	<u>Highway Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>
<u>Other Financing Sources (Uses)</u>					
Notes Issued	\$ 0	\$ 0	\$ 450,000	\$ 0	\$ 450,000
Transfers Out	(675,024)	(1,427,897)	0	(76,659)	(76,659)
Total Other Financing Sources (Uses)	<u>\$ (675,024)</u>	<u>\$ (1,427,897)</u>	<u>\$ 450,000</u>	<u>\$ (76,659)</u>	<u>\$ 373,341</u>
Net Change in Fund Balances	\$ (685,766)	\$ (1,666,688)	\$ 19,750	\$ (75,723)	\$ (55,973)
Fund Balance, July 1, 2019	<u>685,766</u>	<u>1,666,688</u>	<u>5,000</u>	<u>75,723</u>	<u>80,723</u>
Fund Balance, June 30, 2020	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 24,750</u>	<u>\$ 0</u>	<u>\$ 24,750</u>

(Continued)

Exhibit F-2

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

	<u>Permanent Fund</u>	Total Nonmajor Governmental Funds
	Endowment	
<u>Revenues</u>		
Local Taxes	\$ 0	\$ 738,469
Fines, Forfeitures, and Penalties	0	44,255
Charges for Current Services	0	509,937
Other Local Revenues	0	1,809
Federal Government	0	321,618
Total Revenues	<u>\$ 0</u>	<u>\$ 1,616,088</u>
<u>Expenditures</u>		
Current:		
Finance	\$ 0	\$ 506,525
Administration of Justice	0	3,411
Public Safety	0	52,761
Other Operations	0	34,993
Debt Service:		
Principal on Debt	0	870,000
Interest on Debt	0	54,446
Other Debt Service	0	13,938
Capital Projects	0	795,203
Total Expenditures	<u>\$ 0</u>	<u>\$ 2,331,277</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 0</u>	<u>\$ (715,189)</u>

(Continued)

Exhibit F-2

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

	<u>Permanent Fund</u>	Total Nonmajor Governmental Funds
	Endowment	
<hr/>		
<u>Other Financing Sources (Uses)</u>		
Notes Issued	\$ 0	\$ 450,000
Transfers Out	0	(1,504,556)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ (1,054,556)</u>
Net Change in Fund Balances	\$ 0	\$ (1,769,745)
Fund Balance, July 1, 2019	75,799	2,253,592
Fund Balance, June 30, 2020	<u>\$ 75,799</u>	<u>\$ 483,847</u>

Exhibit F-3

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 18,764	\$ 19,000	\$ 19,000	\$ (236)
Fines, Forfeitures, and Penalties	287	620	620	(333)
Total Revenues	\$ 19,051	\$ 19,620	\$ 19,620	\$ (569)
<u>Expenditures</u>				
<u>Other Operations</u>				
Other Charges	\$ 193	\$ 50,300	\$ 50,300	\$ 50,107
Total Expenditures	\$ 193	\$ 50,300	\$ 50,300	\$ 50,107
Excess (Deficiency) of Revenues Over Expenditures	\$ 18,858	\$ (30,680)	\$ (30,680)	\$ 49,538
Net Change in Fund Balance	\$ 18,858	\$ (30,680)	\$ (30,680)	\$ 49,538
Fund Balance, July 1, 2019	52,172	51,981	51,981	191
Fund Balance, June 30, 2020	\$ 71,030	\$ 21,301	\$ 21,301	\$ 49,729

Exhibit F-4

Lawrence County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Industrial/Economic Development Fund
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 20,112	\$ 0	\$ 0	\$ 20,112
Other Local Revenues	1,809	40,500	40,500	(38,691)
Federal Government	297,559	353,767	297,559	0
Total Revenues	<u>\$ 319,480</u>	<u>\$ 394,267</u>	<u>\$ 338,059</u>	<u>\$ (18,579)</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
Other Economic and Community Development	\$ 34,800	\$ 0	\$ 34,800	\$ 0
<u>Capital Projects</u>				
General Administration Projects	12,619	15,000	15,000	2,381
Public Utility Projects	329,211	432,100	349,211	20,000
Total Expenditures	<u>\$ 376,630</u>	<u>\$ 447,100</u>	<u>\$ 399,011</u>	<u>\$ 22,381</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (57,150)</u>	<u>\$ (52,833)</u>	<u>\$ (60,952)</u>	<u>\$ 3,802</u>
Net Change in Fund Balance	\$ (57,150)	\$ (52,833)	\$ (60,952)	\$ 3,802
Fund Balance, July 1, 2019	206,272	198,884	198,884	7,388
Fund Balance, June 30, 2020	<u>\$ 149,122</u>	<u>\$ 146,051</u>	<u>\$ 137,932</u>	<u>\$ 11,190</u>

Exhibit F-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 43,968	\$ 39,500	\$ 39,500	\$ 4,468
Total Revenues	\$ 43,968	\$ 39,500	\$ 39,500	\$ 4,468
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 52,761	\$ 34,850	\$ 58,249	\$ 5,488
Total Expenditures	\$ 52,761	\$ 34,850	\$ 58,249	\$ 5,488
Excess (Deficiency) of Revenues Over Expenditures	\$ (8,793)	\$ 4,650	\$ (18,749)	\$ 9,956
Net Change in Fund Balance	\$ (8,793)	\$ 4,650	\$ (18,749)	\$ 9,956
Fund Balance, July 1, 2019	66,359	46,598	46,598	19,761
Fund Balance, June 30, 2020	\$ 57,566	\$ 51,248	\$ 27,849	\$ 29,717

Exhibit F-6

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 399,772	\$ 385,608	\$ 385,608	\$ 14,164
Total Revenues	\$ 399,772	\$ 385,608	\$ 385,608	\$ 14,164
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Education	\$ 585,000	\$ 585,000	\$ 585,000	\$ 0
<u>Interest on Debt</u>				
Education	34,855	35,040	35,040	185
<u>Other Debt Service</u>				
Education	7,966	9,200	8,853	887
Total Expenditures	\$ 627,821	\$ 629,240	\$ 628,893	\$ 1,072
Excess (Deficiency) of Revenues Over Expenditures	\$ (228,049)	\$ (243,632)	\$ (243,285)	\$ 15,236
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (752,873)	\$ 0	\$ (752,873)	\$ 0
Total Other Financing Sources	\$ (752,873)	\$ 0	\$ (752,873)	\$ 0
Net Change in Fund Balance	\$ (980,922)	\$ (243,632)	\$ (996,158)	\$ 15,236
Fund Balance, July 1, 2019	980,922	996,158	996,158	(15,236)
Fund Balance, June 30, 2020	\$ 0	\$ 752,526	\$ 0	\$ 0

Exhibit F-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 299,821	\$ 293,749	\$ 293,749	\$ 6,072
Total Revenues	\$ 299,821	\$ 293,749	\$ 293,749	\$ 6,072
<u>Expenditures</u>				
<u>Principal on Debt</u>				
Highways and Streets	\$ 285,000	\$ 285,000	\$ 285,000	\$ 0
<u>Interest on Debt</u>				
Highways and Streets	19,591	19,591	19,591	0
<u>Other Debt Service</u>				
Highways and Streets	5,972	9,200	9,200	3,228
Total Expenditures	\$ 310,563	\$ 313,791	\$ 313,791	\$ 3,228
Excess (Deficiency) of Revenues Over Expenditures	\$ (10,742)	\$ (20,042)	\$ (20,042)	\$ 9,300
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (675,024)	\$ 0	\$ (675,024)	\$ 0
Total Other Financing Sources	\$ (675,024)	\$ 0	\$ (675,024)	\$ 0
Net Change in Fund Balance	\$ (685,766)	\$ (20,042)	\$ (695,066)	\$ 9,300
Fund Balance, July 1, 2019	685,766	701,003	701,003	(15,237)
Fund Balance, June 30, 2020	\$ 0	\$ 680,961	\$ 5,937	\$ (5,937)

Exhibit F-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
<u>Capital Projects</u>				
Highway and Street Capital Projects	\$ 430,250	\$ 0	\$ 450,000	\$ 19,750
Total Expenditures	\$ 430,250	\$ 0	\$ 450,000	\$ 19,750
Excess (Deficiency) of Revenues Over Expenditures	\$ (430,250)	\$ 0	\$ (450,000)	\$ 19,750
<u>Other Financing Sources (Uses)</u>				
Notes Issued	\$ 450,000	\$ 0	\$ 450,000	\$ 0
Total Other Financing Sources	\$ 450,000	\$ 0	\$ 450,000	\$ 0
Net Change in Fund Balance	\$ 19,750	\$ 0	\$ 0	\$ 19,750
Fund Balance, July 1, 2019	5,000	0	0	5,000
Fund Balance, June 30, 2020	\$ 24,750	\$ 0	\$ 0	\$ 24,750

Exhibit F-9

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 24,059	\$ 48,229	\$ 48,229	\$ (24,170)
Total Revenues	\$ 24,059	\$ 48,229	\$ 48,229	\$ (24,170)
<u>Expenditures</u>				
<u>Capital Projects</u>				
Public Safety Projects	\$ 23,123	\$ 47,299	\$ 47,294	\$ 24,171
Total Expenditures	\$ 23,123	\$ 47,299	\$ 47,294	\$ 24,171
Excess (Deficiency) of Revenues Over Expenditures	\$ 936	\$ 930	\$ 935	\$ 1
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (76,659)	\$ 0	\$ (76,659)	\$ 0
Total Other Financing Sources	\$ (76,659)	\$ 0	\$ (76,659)	\$ 0
Net Change in Fund Balance	\$ (75,723)	\$ 930	\$ (75,724)	\$ 1
Fund Balance, July 1, 2019	75,723	75,724	75,724	(1)
Fund Balance, June 30, 2020	\$ 0	\$ 76,654	\$ 0	\$ 0

Major Governmental Funds

Debt Service Fund

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

General Capital Projects Fund

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

Higher Education Fund

The Higher Education Fund is used to account for the construction of a county building to offer college classes.

Exhibit G-1

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 4,577,739	\$ 4,422,301	\$ 4,422,301	\$ 155,438
Other Local Revenues	29,173	45,000	45,000	(15,827)
Other Governments and Citizens Groups	1,153,595	1,153,082	1,153,082	513
Total Revenues	<u>\$ 5,760,507</u>	<u>\$ 5,620,383</u>	<u>\$ 5,620,383</u>	<u>\$ 140,124</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,944,862	\$ 2,255,883	\$ 1,944,862	\$ 0
Highways and Streets	79,200	0	79,200	0
Education	1,500,937	1,269,116	1,500,937	0
<u>Interest on Debt</u>				
General Government	684,761	676,085	684,761	0
Highways and Streets	14,748	0	14,748	0
Education	614,815	389,058	614,816	1
<u>Other Debt Service</u>				
General Government	75,184	89,001	89,001	13,817
Total Expenditures	<u>\$ 4,914,507</u>	<u>\$ 4,679,143</u>	<u>\$ 4,928,325</u>	<u>\$ 13,818</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 846,000</u>	<u>\$ 941,240</u>	<u>\$ 692,058</u>	<u>\$ 153,942</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 1,427,897	0	\$ 1,427,897	0
Total Other Financing Sources	<u>\$ 1,427,897</u>	<u>\$ 0</u>	<u>\$ 1,427,897</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 2,273,897	\$ 941,240	\$ 2,119,955	\$ 153,942
Fund Balance, July 1, 2019	3,405,822	3,438,604	3,438,604	(32,782)
Fund Balance, June 30, 2020	<u>\$ 5,679,719</u>	<u>\$ 4,379,844</u>	<u>\$ 5,558,559</u>	<u>\$ 121,160</u>

Exhibit G-2

Lawrence County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
General Capital Projects Fund
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 1,500	\$ 0	\$ 0	\$ 1,500
Total Revenues	\$ 1,500	\$ 0	\$ 0	\$ 1,500
<u>Expenditures</u>				
<u>Other Debt Service</u>				
General Government	\$ 0	\$ 0	\$ 373,875	\$ 373,875
<u>Capital Projects</u>				
General Administration Projects	1,436,240	0	1,862,904	426,664
<u>Capital Projects - Donated</u>				
Capital Projects Donated to School Department	13,751,875	0	13,751,875	0
Total Expenditures	\$ 15,188,115	\$ 0	\$ 15,988,654	\$ 800,539
Excess (Deficiency) of Revenues Over Expenditures				
	\$ (15,186,615)	\$ 0	\$ (15,988,654)	\$ 802,039
<u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 13,050,000	\$ 0	\$ 13,050,000	\$ 0
Premiums on Debt Sold	983,279	0	983,279	0
Other Loans Issued	1,776,875	0	1,776,875	0
Total Other Financing Sources	\$ 15,810,154	\$ 0	\$ 15,810,154	\$ 0
Net Change in Fund Balance	\$ 623,539	\$ 0	\$ (178,500)	\$ 802,039
Fund Balance, July 1, 2019	266,427	281,150	281,150	(14,723)
Fund Balance, June 30, 2020	\$ 889,966	\$ 281,150	\$ 102,650	\$ 787,316

Exhibit G-3

Lawrence County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Higher Education Fund
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
State of Tennessee	\$ 4,744,089	\$ 4,600,000	\$ 4,600,000	\$ 144,089
Other Governments and Citizens Groups	3,400	1,500,000	3,419,800	(3,416,400)
Total Revenues	<u>\$ 4,747,489</u>	<u>\$ 6,100,000</u>	<u>\$ 8,019,800</u>	<u>\$ (3,272,311)</u>
<u>Expenditures</u>				
<u>Capital Projects</u>				
Education Capital Projects	\$ 7,628,124	\$ 7,600,000	\$ 12,019,799	\$ 4,391,675
Total Expenditures	<u>\$ 7,628,124</u>	<u>\$ 7,600,000</u>	<u>\$ 12,019,799</u>	<u>\$ 4,391,675</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (2,880,635)</u>	<u>\$ (1,500,000)</u>	<u>\$ (3,999,999)</u>	<u>\$ 1,119,364</u>
<u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 2,500,000	0	\$ 2,500,000	0
Total Other Financing Sources	<u>\$ 2,500,000</u>	<u>0</u>	<u>\$ 2,500,000</u>	<u>0</u>
Net Change in Fund Balance	\$ (380,635)	\$ (1,500,000)	\$ (1,499,999)	\$ 1,119,364
Fund Balance, July 1, 2019	424,496	1,500,000	1,500,000	(1,075,504)
Fund Balance, June 30, 2020	<u>\$ 43,861</u>	<u>\$ 0</u>	<u>\$ 1</u>	<u>\$ 43,860</u>

Fiduciary Funds

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.

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

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

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

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

Exhibit H-1

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

	Agency Funds					Total
	Cities - Sales Tax	Judicial District Drug	Constitu- tional Officers - Agency	District Attorney General		
<u>ASSETS</u>						
Cash	\$ 0	\$ 12,024	\$ 1,707,987	\$ 0	\$ 1,720,011	
Equity in Pooled Cash and Investments	0	128,153	0	20,349	148,502	
Accounts Receivable	0	171	1,716	0	1,887	
Due from Other Governments	988,970	0	0	0	988,970	
Total Assets	<u>\$ 988,970</u>	<u>\$ 140,348</u>	<u>\$ 1,709,703</u>	<u>\$ 20,349</u>	<u>\$ 2,859,370</u>	
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 1,463	\$ 0	\$ 0	\$ 1,463	
Due to Other Taxing Units	988,970	0	0	0	988,970	
Due to Litigants, Heirs, and Others	0	0	1,709,703	20,349	1,730,052	
Due to Joint Ventures	0	138,885	0	0	138,885	
Total Liabilities	<u>\$ 988,970</u>	<u>\$ 140,348</u>	<u>\$ 1,709,703</u>	<u>\$ 20,349</u>	<u>\$ 2,859,370</u>	

Exhibit H-2

Lawrence 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	\$ 5,233,525	\$ 5,233,525	\$ 0
Due from Other Governments	886,841	988,970	886,841	988,970
Total Assets	\$ 886,841	\$ 6,222,495	\$ 6,120,366	\$ 988,970
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 886,841	\$ 6,222,495	\$ 6,120,366	\$ 988,970
Total Liabilities	\$ 886,841	\$ 6,222,495	\$ 6,120,366	\$ 988,970
<u>Judicial District Drug Fund</u>				
<u>Assets</u>				
Cash	\$ 16,718	\$ 12,024	\$ 16,718	\$ 12,024
Equity in Pooled Cash and Investments	109,809	128,153	109,809	128,153
Accounts Receivable	274	171	274	171
Total Assets	\$ 126,801	\$ 140,348	\$ 126,801	\$ 140,348
<u>Liabilities</u>				
Accounts Payable	\$ 1,727	\$ 1,463	\$ 1,727	\$ 1,463
Due to Joint Ventures	125,074	138,885	125,074	138,885
Total Liabilities	\$ 126,801	\$ 140,348	\$ 126,801	\$ 140,348
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 1,496,105	\$ 9,531,488	\$ 9,319,606	\$ 1,707,987
Accounts Receivable	4,086	1,716	4,086	1,716
Total Assets	\$ 1,500,191	\$ 9,533,204	\$ 9,323,692	\$ 1,709,703
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,500,191	\$ 9,533,204	\$ 9,323,692	\$ 1,709,703
Total Liabilities	\$ 1,500,191	\$ 9,533,204	\$ 9,323,692	\$ 1,709,703
<u>District Attorney General Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 26,305	\$ 20,349	\$ 26,305	\$ 20,349
Total Assets	\$ 26,305	\$ 20,349	\$ 26,305	\$ 20,349
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 26,305	\$ 20,349	\$ 26,305	\$ 20,349
Total Liabilities	\$ 26,305	\$ 20,349	\$ 26,305	\$ 20,349

(Continued)

Exhibit H-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 1,512,823	\$ 9,543,512	\$ 9,336,324	\$ 1,720,011
Equity in Pooled Cash and Investments	136,114	5,382,027	5,369,639	148,502
Accounts Receivable	4,360	1,887	4,360	1,887
Due from Other Governments	886,841	988,970	886,841	988,970
Total Assets	<u>\$ 2,540,138</u>	<u>\$ 15,916,396</u>	<u>\$ 15,597,164</u>	<u>\$ 2,859,370</u>
<u>Totals - All Agency Funds</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 1,727	\$ 1,463	\$ 1,727	\$ 1,463
Due to Other Taxing Units	886,841	6,222,495	6,120,366	988,970
Due to Litigants, Heirs, and Others	1,526,496	9,553,553	9,349,997	1,730,052
Due to Joint Ventures	125,074	138,885	125,074	138,885
Total Liabilities	<u>\$ 2,540,138</u>	<u>\$ 15,916,396</u>	<u>\$ 15,597,164</u>	<u>\$ 2,859,370</u>

Lawrence County School Department

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

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

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

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

Extended School Program Fund – The Extended School Program Fund is used to account for the transactions of the day-care program.

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

Exhibit I-1

Lawrence County, Tennessee
Statement of Activities
Discretely Presented Lawrence County School Department
For the Year Ended June 30, 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	\$ 34,385,793	\$ 248,468	\$ 4,547,246	\$ (29,590,079)
Support Services	26,296,133	6,045	14,343,208	(11,946,880)
Operation of Non-instructional Services	5,576,113	757,323	3,011,777	(1,807,013)
Total Governmental Activities	<u>\$ 66,258,039</u>	<u>\$ 1,011,836</u>	<u>\$ 21,902,231</u>	<u>\$ (43,343,972)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 6,121,591
Local Option Sales Tax				6,514,565
Other Local Taxes				14,455
Grants and Contributions Not Restricted to Specific Programs				41,990,423
Unrestricted Investment Income				14,272
Miscellaneous				50,515
Total General Revenues				<u>\$ 54,705,821</u>
Change in Net Position				\$ 11,361,849
Net Position, July 1, 2019				<u>40,491,561</u>
Net Position, June 30, 2020				<u>\$ 51,853,410</u>

Exhibit I-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Other</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>Governmental</u>	<u>Funds</u>
			<u>Funds</u>	
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 1,100	\$ 1,100
Equity in Pooled Cash and Investments	10,973,817	11,429,308	1,636,379	24,039,504
Inventories	0	0	121,860	121,860
Accounts Receivable	0	0	50	50
Due from Other Governments	1,541,813	0	63,911	1,605,724
Property Taxes Receivable	6,303,099	0	0	6,303,099
Allowance for Uncollectible Property Taxes	(101,932)	0	0	(101,932)
Restricted Assets	143,744	0	0	143,744
Total Assets	<u>\$ 18,860,541</u>	<u>\$ 11,429,308</u>	<u>\$ 1,823,300</u>	<u>\$ 32,113,149</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 12,122	\$ 105,599	\$ 6,833	\$ 124,554
Payroll Deductions Payable	1,932,342	0	232,246	2,164,588
Contracts Payable	0	74,631	0	74,631
Retainage Payable	0	3,928	0	3,928
Due to Primary Government	300,000	0	0	300,000
Total Liabilities	<u>\$ 2,244,464</u>	<u>\$ 184,158</u>	<u>\$ 239,079</u>	<u>\$ 2,667,701</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 6,039,067	\$ 0	\$ 0	\$ 6,039,067
Deferred Delinquent Property Taxes	161,755	0	0	161,755
Other Deferred/Unavailable Revenue	617,927	0	0	617,927
Total Deferred Inflows of Resources	<u>\$ 6,818,749</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,818,749</u>

(Continued)

Exhibit I-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Other</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>Funds</u>	<u>Funds</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Inventory	\$ 0	\$ 0	\$ 121,860	\$ 121,860
Restricted:				
Restricted for Education	0	11,245,150	1,212,652	12,457,802
Restricted for Hybrid Retirement Stabilization Funds	143,744	0	0	143,744
Committed:				
Committed for Education	0	0	249,709	249,709
Assigned:				
Assigned for Education	930,609	0	0	930,609
Unassigned	8,722,975	0	0	8,722,975
Total Fund Balances	<u>\$ 9,797,328</u>	<u>\$ 11,245,150</u>	<u>\$ 1,584,221</u>	<u>\$ 22,626,699</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,860,541</u>	<u>\$ 11,429,308</u>	<u>\$ 1,823,300</u>	<u>\$ 32,113,149</u>

Exhibit I-3

Lawrence County, Tennessee
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
Discretely Presented Lawrence County School Department
June 30, 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)		\$	22,626,699
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	1,426,454	
Add: construction in progress		3,688,916	
Add: buildings and improvements net of accumulated depreciation		29,136,233	
Add: other capital assets net of accumulated depreciation		<u>2,973,377</u>	37,224,980
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$	(82,213)	
Less: net OPEB liability		<u>(12,303,661)</u>	(12,385,874)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expenses in future years.			
Add: deferred outflows of resources related to pensions	\$	5,008,121	
Add: deferred outflows of resources related to OPEB		1,120,810	
Less: deferred inflows of resources related to pensions		(7,465,608)	
Less: deferred inflows of resources related to OPEB		<u>(4,441,364)</u>	(5,778,041)
(4) Net pension assets of the agent, teacher retirement, and teacher legacy pension plans are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	1,672,360	
Add: net pension asset - teacher retirement plan		181,046	
Add: net pension asset - teacher legacy pension plan		<u>7,532,558</u>	9,385,964
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>779,682</u>
Net position of governmental activities (Exhibit A)		\$	<u>51,853,410</u>

Exhibit I-4

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

	Major Funds		Nonmajor	Total
	General Purpose School	Education Capital Projects	Other Governmental Funds	
<u>Revenues</u>				
Local Taxes	\$ 12,568,621	\$ 0	\$ 0	\$ 12,568,621
Licenses and Permits	1,368	0	0	1,368
Charges for Current Services	142,777	0	863,014	1,005,791
Other Local Revenues	45,352	0	27,286	72,638
State of Tennessee	41,760,499	0	42,195	41,802,694
Federal Government	253,319	0	8,081,592	8,334,911
Other Governments and Citizens Groups	0	13,751,875	0	13,751,875
Total Revenues	\$ 54,771,936	\$ 13,751,875	\$ 9,014,087	\$ 77,537,898
<u>Expenditures</u>				
Current:				
Instruction	\$ 32,532,532	\$ 0	\$ 2,635,325	\$ 35,167,857
Support Services	19,143,927	0	2,058,315	21,202,242
Operation of Non-Instructional Services	1,300,874	0	4,286,989	5,587,863
Capital Outlay	1,504,591	0	0	1,504,591
Capital Projects	0	5,061,848	0	5,061,848
Total Expenditures	\$ 54,481,924	\$ 5,061,848	\$ 8,980,629	\$ 68,524,401
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 290,012	\$ 8,690,027	\$ 33,458	\$ 9,013,497
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 10,888	\$ 0	\$ 0	\$ 10,888
Transfers In	62,167	0	0	62,167
Transfers Out	0	0	(62,167)	(62,167)
Total Other Financing Sources (Uses)	\$ 73,055	\$ 0	\$ (62,167)	\$ 10,888

(Continued)

Exhibit I-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
Net Change in Fund Balances	\$ 363,067	\$ 8,690,027	\$ (28,709)	\$ 9,024,385
Fund Balance, July 1, 2019	9,434,261	2,555,123	1,612,930	13,602,314
Fund Balance, June 30, 2020	\$ 9,797,328	\$ 11,245,150	\$ 1,584,221	\$ 22,626,699

Exhibit I-5

Lawrence County, Tennessee
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Discretely Presented Lawrence County School Department
For the Year Ended June 30, 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)		\$ 9,024,385
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 1,459,593	
Less: current-year depreciation expense	<u>(2,104,519)</u>	(644,926)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Less: deferred delinquent property taxes and other deferred June 30, 2019	\$ (697,692)	
Add: deferred delinquent property taxes and other deferred June 30, 2020	<u>779,682</u>	81,990
(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	\$ 1,891	
Change in net pension asset - agent plan	457,541	
Change in net pension asset - teacher retirement plan	53,466	
Change in net pension asset - teacher legacy pension plan	5,010,606	
Change in deferred outflows of resources related to pensions	(957,047)	
Change in deferred inflows of resources related to pensions	(2,855,462)	
Change in net OPEB liability	1,753,450	
Change in deferred outflows of resources related to OPEB	59,410	
Change in deferred inflows of resources related to OPEB	<u>(623,455)</u>	<u>2,900,400</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 11,361,849</u>

Exhibit I-6

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

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>ASSETS</u>				
Cash	\$ 0	\$ 1,100	\$ 0	\$ 1,100
Equity in Pooled Cash and Investments	263,730	1,272,940	99,709	1,636,379
Inventories	0	121,860	0	121,860
Accounts Receivable	50	0	0	50
Due from Other Governments	63,911	0	0	63,911
Total Assets	<u>\$ 327,691</u>	<u>\$ 1,395,900</u>	<u>\$ 99,709</u>	<u>\$ 1,823,300</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 282	\$ 6,551	\$ 0	\$ 6,833
Payroll Deductions Payable	177,409	54,837	0	232,246
Total Liabilities	<u>\$ 177,691</u>	<u>\$ 61,388</u>	<u>\$ 0</u>	<u>\$ 239,079</u>
<u>FUND BALANCES</u>				
Nonspendable:				
Inventory	\$ 0	\$ 121,860	\$ 0	\$ 121,860
Restricted:				
Restricted for Education	0	1,212,652	0	1,212,652
Committed:				
Committed for Education	150,000	0	99,709	249,709
Total Fund Balances	<u>\$ 150,000</u>	<u>\$ 1,334,512</u>	<u>\$ 99,709</u>	<u>\$ 1,584,221</u>
Total Liabilities and Fund Balances	<u>\$ 327,691</u>	<u>\$ 1,395,900</u>	<u>\$ 99,709</u>	<u>\$ 1,823,300</u>

Exhibit I-7

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

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Extended School Program	
<u>Revenues</u>				
Charges for Current Services	\$ 0	\$ 757,333	\$ 105,681	\$ 863,014
Other Local Revenues	0	27,286	0	27,286
State of Tennessee	0	39,052	3,143	42,195
Federal Government	5,108,867	2,972,725	0	8,081,592
Total Revenues	<u>\$ 5,108,867</u>	<u>\$ 3,796,396</u>	<u>\$ 108,824</u>	<u>\$ 9,014,087</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 2,635,325	\$ 0	\$ 0	\$ 2,635,325
Support Services	2,058,315	0	0	2,058,315
Operation of Non-Instructional Services	353,374	3,843,939	89,676	4,286,989
Total Expenditures	<u>\$ 5,047,014</u>	<u>\$ 3,843,939</u>	<u>\$ 89,676</u>	<u>\$ 8,980,629</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 61,853</u>	<u>\$ (47,543)</u>	<u>\$ 19,148</u>	<u>\$ 33,458</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (62,167)	\$ 0	\$ 0	\$ (62,167)
Total Other Financing Sources (Uses)	<u>\$ (62,167)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (62,167)</u>
Net Change in Fund Balances	\$ (314)	\$ (47,543)	\$ 19,148	\$ (28,709)
Fund Balance, July 1, 2019	150,314	1,382,055	80,561	1,612,930
Fund Balance, June 30, 2020	<u>\$ 150,000</u>	<u>\$ 1,334,512</u>	<u>\$ 99,709</u>	<u>\$ 1,584,221</u>

Exhibit I-8

Lawrence County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Lawrence County School Department
General Purpose School Fund
For the Year Ended June 30, 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	\$ 12,568,621	\$ 0	\$ 0	\$ 12,568,621	\$ 11,412,135	\$ 11,412,135	\$ 1,156,486
Licenses and Permits	1,368	0	0	1,368	1,000	1,000	368
Charges for Current Services	142,777	0	0	142,777	65,000	117,000	25,777
Other Local Revenues	45,352	0	0	45,352	8,700	28,200	17,152
State of Tennessee	41,760,499	0	0	41,760,499	39,769,748	41,864,476	(103,977)
Federal Government	253,319	0	0	253,319	0	254,423	(1,104)
Total Revenues	\$ 54,771,936	\$ 0	\$ 0	\$ 54,771,936	\$ 51,256,583	\$ 53,677,234	\$ 1,094,702
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 26,521,751	\$ (158,995)	\$ 0	\$ 26,362,756	\$ 26,406,902	\$ 26,673,374	\$ 310,618
Alternative Instruction Program	274,256	0	0	274,256	358,462	293,237	18,981
Special Education Program	3,302,036	0	0	3,302,036	3,359,185	3,335,185	33,149
Career and Technical Education Program	2,434,489	(4,949)	0	2,429,540	2,340,220	2,450,857	21,317
Student Body Education Program	0	0	0	0	508,545	0	0
<u>Support Services</u>							
Health Services	614,886	(2,500)	0	612,386	23,150	632,895	20,509
Other Student Support	1,335,175	(4,915)	0	1,330,260	1,513,975	1,383,406	53,146
Regular Instruction Program	1,873,779	(297,329)	0	1,576,450	1,344,725	1,867,196	290,746
Alternative Instruction Program	11,223	0	0	11,223	10,750	16,250	5,027
Special Education Program	187,795	0	0	187,795	252,195	219,627	31,832
Career and Technical Education Program	79,639	0	0	79,639	88,260	85,760	6,121
Technology	424,696	(33,750)	0	390,946	467,055	496,555	105,609
Other Programs	217,984	0	0	217,984	0	217,984	0
Board of Education	2,217,265	(5,625)	0	2,211,640	1,140,435	2,305,235	93,595
Director of Schools	327,690	(6,546)	6,133	327,277	391,740	391,740	64,463
Office of the Principal	3,845,523	0	0	3,845,523	3,936,355	3,897,355	51,832
Fiscal Services	516,106	(232,494)	0	283,612	304,730	297,130	13,518
Human Services/Personnel	156,418	0	0	156,418	168,915	168,915	12,497

(Continued)

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	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	\$ 3,455,297	\$ (122,171)	\$ 112,197	\$ 3,445,323	\$ 3,519,975	\$ 3,539,475	\$ 94,152
Maintenance of Plant	1,174,693	(26,882)	7,383	1,155,194	1,047,230	1,178,099	22,905
Transportation	2,586,830	(29,300)	237,177	2,794,707	2,893,285	2,897,285	102,578
Central and Other	118,928	0	0	118,928	140,765	140,765	21,837
<u>Operation of Non-Instructional Services</u>							
Community Services	203,092	0	0	203,092	83,975	319,837	116,745
Early Childhood Education	1,097,782	(1,800)	0	1,095,982	0	1,096,589	607
<u>Capital Outlay</u>							
Regular Capital Outlay	1,504,591	0	0	1,504,591	0	1,539,675	35,084
<u>Other Debt Service</u>							
Education	0	0	0	0	850,000	0	0
Total Expenditures	\$ 54,481,924	\$ (927,256)	\$ 362,890	\$ 53,917,558	\$ 51,150,829	\$ 55,444,426	\$ 1,526,868
Excess (Deficiency) of Revenues Over Expenditures	\$ 290,012	\$ 927,256	\$ (362,890)	\$ 854,378	\$ 105,754	\$ (1,767,192)	\$ 2,621,570
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 10,888	\$ 0	\$ 0	\$ 10,888	\$ 0	\$ 0	\$ 10,888
Transfers In	62,167	0	0	62,167	11,079	0	62,167
Total Other Financing Sources	\$ 73,055	\$ 0	\$ 0	\$ 73,055	\$ 11,079	\$ 0	\$ 73,055
Net Change in Fund Balance	\$ 363,067	\$ 927,256	\$ (362,890)	\$ 927,433	\$ 116,833	\$ (1,767,192)	\$ 2,694,625
Fund Balance, July 1, 2019	9,434,261	(927,256)	0	8,507,005	7,077,390	7,077,390	1,429,615
Fund Balance, June 30, 2020	\$ 9,797,328	\$ 0	\$ (362,890)	\$ 9,434,438	\$ 7,194,223	\$ 5,310,198	\$ 4,124,240

Exhibit I-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Federal Government	\$ 5,108,867	\$ 0	\$ 5,108,867	\$ 5,286,105	\$ 6,369,682	\$ (1,260,815)
Total Revenues	\$ 5,108,867	\$ 0	\$ 5,108,867	\$ 5,286,105	\$ 6,369,682	\$ (1,260,815)
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 1,255,990	\$ (10,223)	\$ 1,245,767	\$ 1,583,712	\$ 1,676,403	\$ 430,636
Special Education Program	1,252,517	0	1,252,517	1,307,824	1,280,665	28,148
Career and Technical Education Program	126,818	0	126,818	114,047	126,818	0
<u>Support Services</u>						
Health Services	52,715	0	52,715	54,820	54,820	2,105
Other Student Support	208,753	0	208,753	238,680	227,265	18,512
Regular Instruction Program	1,378,767	0	1,378,767	1,527,369	1,646,810	268,043
Special Education Program	415,515	0	415,515	406,847	439,514	23,999
Transportation	2,565	0	2,565	2,698	2,698	133
<u>Operation of Non-Instructional Services</u>						
Community Services	353,374	0	353,374	0	851,351	497,977
Total Expenditures	\$ 5,047,014	\$ (10,223)	\$ 5,036,791	\$ 5,235,997	\$ 6,306,344	\$ 1,269,553
Excess (Deficiency) of Revenues Over Expenditures	\$ 61,853	\$ 10,223	\$ 72,076	\$ 50,108	\$ 63,338	\$ 8,738
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (62,167)	\$ 0	\$ (62,167)	\$ (50,111)	\$ (63,395)	\$ 1,228
Total Other Financing Sources	\$ (62,167)	\$ 0	\$ (62,167)	\$ (50,111)	\$ (63,395)	\$ 1,228
Net Change in Fund Balance	\$ (314)	\$ 10,223	\$ 9,909	\$ (3)	\$ (57)	\$ 9,966
Fund Balance, July 1, 2019	150,314	(10,223)	140,091	150,314	150,314	(10,223)
Fund Balance, June 30, 2020	\$ 150,000	\$ 0	\$ 150,000	\$ 150,311	\$ 150,257	\$ (257)

Exhibit I-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 757,333	\$ 1,019,050	\$ 794,050	\$ (36,717)
Other Local Revenues	27,286	8,100	28,092	(806)
State of Tennessee	39,052	34,000	39,500	(448)
Federal Government	2,972,725	3,030,000	3,022,508	(49,783)
Total Revenues	<u>\$ 3,796,396</u>	<u>\$ 4,091,150</u>	<u>\$ 3,884,150</u>	<u>\$ (87,754)</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 3,843,939	\$ 4,091,150	\$ 3,985,000	\$ 141,061
Total Expenditures	<u>\$ 3,843,939</u>	<u>\$ 4,091,150</u>	<u>\$ 3,985,000</u>	<u>\$ 141,061</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (47,543)</u>	<u>\$ 0</u>	<u>\$ (100,850)</u>	<u>\$ 53,307</u>
Net Change in Fund Balance	\$ (47,543)	\$ 0	\$ (100,850)	\$ 53,307
Fund Balance, July 1, 2019	1,382,055	1,394,406	1,394,406	(12,351)
Fund Balance, June 30, 2020	<u>\$ 1,334,512</u>	<u>\$ 1,394,406</u>	<u>\$ 1,293,556</u>	<u>\$ 40,956</u>

Exhibit I-11

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 105,681	\$ 142,000	\$ 142,000	\$ (36,319)
State of Tennessee	3,143	3,500	3,500	(357)
Total Revenues	<u>\$ 108,824</u>	<u>\$ 145,500</u>	<u>\$ 145,500</u>	<u>\$ (36,676)</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Community Services	\$ 89,676	\$ 145,500	\$ 145,500	\$ 55,824
Total Expenditures	<u>\$ 89,676</u>	<u>\$ 145,500</u>	<u>\$ 145,500</u>	<u>\$ 55,824</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 19,148</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 19,148</u>
Net Change in Fund Balance	\$ 19,148	\$ 0	\$ 0	\$ 19,148
Fund Balance, July 1, 2019	80,561	100,274	100,274	(19,713)
Fund Balance, June 30, 2020	<u>\$ 99,709</u>	<u>\$ 100,274</u>	<u>\$ 100,274</u>	<u>\$ (565)</u>

Exhibit I-12

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 0	\$ 0	\$ 245,436	\$ (245,436)
Other Governments and Citizens Groups	13,751,875	0	14,211,484	(459,609)
Total Revenues	<u>\$ 13,751,875</u>	<u>\$ 0</u>	<u>\$ 14,456,920</u>	<u>\$ (705,045)</u>
<u>Expenditures</u>				
<u>Capital Projects</u>				
Education Capital Projects	\$ 5,061,848	\$ 0	\$ 16,631,249	\$ 11,569,401
Total Expenditures	<u>\$ 5,061,848</u>	<u>\$ 0</u>	<u>\$ 16,631,249</u>	<u>\$ 11,569,401</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 8,690,027</u>	<u>\$ 0</u>	<u>\$ (2,174,329)</u>	<u>\$ 10,864,356</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ 0	\$ 0	\$ (245,436)	\$ 245,436
Total Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (245,436)</u>	<u>\$ 245,436</u>
Net Change in Fund Balance	\$ 8,690,027	\$ 0	\$ (2,419,765)	\$ 11,109,792
Fund Balance, July 1, 2019	2,555,123	55,573	2,555,123	0
Fund Balance, June 30, 2020	<u>\$ 11,245,150</u>	<u>\$ 55,573</u>	<u>\$ 135,358</u>	<u>\$ 11,109,792</u>

MISCELLANEOUS SCHEDULES

Exhibit J-1

Lawrence County, Tennessee
 Schedule of Changes in Long-term Notes, Other Loans, and Bonds
 For the Year Ended June 30, 2020

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-20
NOTES PAYABLE								
<u>Payable through General Debt Service Fund</u>								
General Obligation Capital Outlay Note Series 2014	\$ 3,500,000	1.83	% 12-19-14	12-1-26	\$ 2,450,000	\$ 0	\$ 285,000	\$ 2,165,000
General Obligation Capital Outlay Note Series 2016	2,000,000	1.60	3-3-16	3-1-23	1,167,500	0	285,000	882,500
General Obligation Capital Outlay Note Series 2016	2,000,000	(1) 1.60	3-3-16	3-1-23	1,167,500	0	285,000	882,500
General Obligation School Capital Outlay Note Series 2016	1,750,000	(2) 2.96	3-9-18	3-1-21	1,185,000	0	585,000	600,000
General Obligation Highway Capital Outlay Note Series 2019	450,000	2.55	10-9-19	10-9-22	0	450,000	0	450,000
Total Notes Payable					<u>\$ 5,970,000</u>	<u>\$ 450,000</u>	<u>\$ 1,440,000</u>	<u>\$ 4,980,000</u>
OTHER LOANS PAYABLE								
<u>Payable through General Debt Service Fund</u>								
Energy Efficient Schools Initiative	(3)	1.5	6-25-19	10-1-31	\$ 763,516	\$ 1,776,875	\$ 0	\$ 2,540,391
Total Other Loans Payable					<u>\$ 763,516</u>	<u>\$ 1,776,875</u>	<u>\$ 0</u>	<u>\$ 2,540,391</u>
BONDS PAYABLE								
<u>Payable through General Debt Service Fund</u>								
School Improvement, Series 2010	2,160,000	3.70	1-13-10	10-1-34	\$ 1,550,000	\$ 0	\$ 70,000	\$ 1,480,000
General Obligation, Series 2012	132,000	3.38	4-26-12	4-26-50	118,353	0	2,222	116,131
General Obligation, Series 2012	165,000	3.38	6-21-12	6-21-50	147,940	0	2,777	145,163
General Obligation, Series 2012	2,750,000	3.38	12-1-12	12-1-27	1,740,000	0	180,000	1,560,000
School Refunding, Series 2014	3,170,000	1.08	7-23-14	7-8-19	650,000	0	650,000	0
General Obligation Refunding, Series 2016	7,015,000	1.70	4-27-16	5-1-31	5,775,000	0	430,000	5,345,000
General Obligation Refunding, Series 2017	8,215,000	2.57	4-28-17	4-1-37	7,565,000	0	330,000	7,235,000
General Obligation Improvement, Series 2017	495,000	2.57	4-28-17	4-1-37	455,000	0	20,000	435,000
General Obligation Refunding, Series 2017A	7,860,000	2.70	12-14-17	12-1-36	7,205,000	0	670,000	6,535,000
General Obligation Improvement, Series 2017A	1,505,000	2.70	12-14-17	12-1-36	1,445,000	0	60,000	1,385,000
General Obligation School Improvement, Series 2019	9,975,000	2.47	5-15-19	5-1-34	9,975,000	0	540,000	9,435,000
General Obligation Improvement, Series 2019A	15,550,000	2.684	11-1-19	11-1-44	0	15,550,000	0	15,550,000
Total Bonds Payable					<u>\$ 36,626,293</u>	<u>\$ 15,550,000</u>	<u>\$ 2,954,999</u>	<u>\$ 49,221,294</u>

(1) In prior years, this note was paid from the Highway Debt Service Fund.
 (2) In prior years, this note was paid from the Education Debt Service Fund.
 (3) Total amount approved was \$3,000,000, of which \$459,609 remains available for draws as of June 30, 2020.

Exhibit J-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 2,705,168	\$ 1,474,142	\$ 4,179,310
2022	2,785,342	1,394,231	4,179,573
2023	2,875,522	1,305,977	4,181,499
2024	2,965,708	1,213,540	4,179,248
2025	3,065,901	1,115,886	4,181,787
2026	3,161,100	1,019,712	4,180,812
2027	2,621,306	933,878	3,555,184
2028	2,706,519	851,297	3,557,816
2029	2,576,739	767,866	3,344,605
2030	2,661,966	683,763	3,345,729
2031	2,747,202	595,553	3,342,755
2032	2,292,445	508,891	2,801,336
2033	2,357,695	441,392	2,799,087
2034	2,417,956	373,860	2,791,816
2035	1,638,224	304,374	1,942,598
2036	1,548,501	260,756	1,809,257
2037	1,588,788	218,560	1,807,348
2038	724,085	179,799	903,884
2039	744,392	159,917	904,309
2040	769,709	139,227	908,936
2041	790,037	116,749	906,786
2042	815,375	92,636	908,011
2043	840,725	67,761	908,486
2044	866,088	42,123	908,211
2045	891,461	15,725	907,186
2046	11,848	2,138	13,986
2047	12,248	1,738	13,986
2048	12,661	1,325	13,986
2049	13,089	897	13,986
2050	13,494	456	13,950
Total	<u>\$ 49,221,294</u>	<u>\$ 14,284,169</u>	<u>\$ 63,505,463</u>

(Continued)

Exhibit J-2

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

Year Ending June 30	Notes		
	Principal	Interest	Total
2021	\$ 1,616,167	\$ 102,930	\$ 1,719,097
2022	1,029,978	66,061	1,096,039
2023	1,058,855	45,947	1,104,802
2024	310,000	24,418	334,418
2025	315,000	17,972	332,972
2026	320,000	11,025	331,025
2027	330,000	3,712	333,712
Total	<u>\$ 4,980,000</u>	<u>\$ 272,065</u>	<u>\$ 5,252,065</u>

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2021	\$ 229,908	\$ 43,428	\$ 273,336
2022	233,388	39,948	273,336
2023	236,904	36,432	273,336
2024	240,492	32,844	273,336
2025	244,116	29,220	273,336
2026	247,812	25,524	273,336
2027	251,544	21,792	273,336
2028	255,348	17,988	273,336
2029	259,200	14,136	273,336
2030	263,124	10,212	273,336
2031	78,555	2,080	80,635
Total	<u>\$ 2,540,391</u>	<u>\$ 273,604</u>	<u>\$ 2,813,995</u>

Exhibit J-3

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

<u>Description</u>	<u>Debtor</u>	<u>Original Amount of Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance 6-30-20</u>
<u>Industrial/Economic Development Fund</u> Airport Renovation	Lawrenceburg-Lawrence County Airport	\$ 150,000	5-18-07	Various	0%	<u>\$ 21,413</u>
Total Notes Receivable						<u><u>\$ 21,413</u></u>

Exhibit J-4

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

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
General	Solid Waste/Sanitation	Operations	\$ 150,000
Education Debt Service	General Debt Service	Close fund	752,873
Highway Debt Service	"	"	675,024
Other Capital Projects	General	"	<u>76,659</u>
Total Transfers Primary Government			<u>\$ 1,654,556</u>
<u>DISCRETELY PRESENTED LAWRENCE COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	<u>\$ 62,167</u>
Total Transfers Discretely Presented Lawrence County School Department			<u>\$ 62,167</u>

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, <i>TCA</i>	\$ 98,772	\$ 400,000	Local Government Property and Casualty Fund
Road Superintendent	Section 8-24-102, <i>TCA</i>	88,827	400,000	"
Director of Schools	State Board of Education and County Board of Education	161,189 (1)	400,000	Tennessee Risk Management Trust
Trustee	Section 8-24-102, <i>TCA</i>	80,751	400,000	Local Government Property and Casualty Fund
Assessor of Property	Section 8-24-102, <i>TCA</i>	80,751 (2)	50,000	(6) Auto-Owners Insurance Company
Director of Accounts and Budgets	County Commission	81,977 (3)	400,000	Local Government Property and Casualty Fund
County Clerk	Section 8-24-102, <i>TCA</i>	80,751	400,000	"
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	80,751	400,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i>	80,751 (4)	100,000	(6) Auto-Owners Insurance Company
Register of Deeds:				
Teresa Dunkin (7-1-19 through 10-20-19)	Section 8-24-102, <i>TCA</i>	26,399	400,000	Local Government Property and Casualty Fund
Terra Dickey (12-6-19 through 6-30-20)	Section 8-24-102, <i>TCA</i>	43,863	400,000	"
Sheriff	Section 8-24-102, <i>TCA</i>	93,268 (5)	400,000	"
<u>Employee Blanket Bonds</u>				
Public Employee Dishonesty - County Departments			400,000	Local Government Property and Casualty Fund
Public Employee Dishonesty - School Departments			400,000	Tennessee Risk Management Trust

- (1) Includes a cell phone allowance of \$1,800, travel allowance of \$12,000, and accrued vacation leave of \$5,309. Does not include a career ladder supplement of \$1,000.
- (2) Does not include Tennessee certified assessor's pay of \$1,000.
- (3) Includes CCFO training supplement of \$1,226. Does not include longevity pay of \$750.
- (4) Does not include special commissioner fees of \$3,411.
- (5) Does not include a law enforcement training supplement of \$800.
- (6) Covered under the Public Employee Dishonesty - County Blanket Bond.

Exhibit J-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 8,271,593	\$ 0	\$ 370,685	\$ 0	\$ 0	0
Trustee's Collections - Prior Year	286,946	0	12,859	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	86,691	0	3,885	0	0	0
Interest and Penalty	52,903	0	2,373	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	2,290	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	362,973	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	1,975	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	113,118	0	0	0	0	0
Wheel Tax	0	0	0	0	0	0
Litigation Tax - General	89,729	0	0	0	0	0
Litigation Tax - Special Purpose	44,112	18,764	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Litigation Tax - Victim-Offender Mediation Center	5,323	0	0	0	0	0
Business Tax	413,370	0	0	0	0	0
Mixed Drink Tax	272	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	0
Wholesale Beer Tax	157,363	0	0	20,112	0	0
Total Local Taxes	\$ 9,888,658	\$ 18,764	\$ 389,802	\$ 20,112	\$ 0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 1,382	\$ 0	\$ 0	\$ 0	\$ 0	0
Cable TV Franchise	53,573	0	0	0	0	0
<u>Permits</u>						
Beer Permits	2,359	0	0	0	0	0
Total Licenses and Permits	\$ 57,314	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 7,917	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	18,691	0	0	0	0	0
Drug Control Fines	9,077	0	0	0	7,663	0
Jail Fees	11,413	0	0	0	0	0
Data Entry Fee - Circuit Court	1,842	0	0	0	0	0
Courtroom Security Fee	0	287	0	0	0	0
<u>Criminal Court</u>						
Officers Costs	2,670	0	0	0	0	0
DUI Treatment Fines	1,113	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	14,152	0	0	0	0	0
Fines for Littering	380	0	0	0	0	0
Officers Costs	33,646	0	0	0	0	0
Game and Fish Fines	662	0	0	0	0	0
Drug Control Fines	5,782	0	0	0	5,985	0
DUI Treatment Fines	6,428	0	0	0	0	0
Data Entry Fee - General Sessions Court	12,310	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Juvenile Court</u>						
Fines	\$ 132	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	779	0	0	0	0	0
Data Entry Fee - Juvenile Court	222	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	2,140	0	0	0	0	0
Data Entry Fee - Chancery Court	4,993	0	0	0	0	0
<u>Judicial District Drug Program</u>						
Drug Task Force Forfeitures and Seizures	0	0	0	0	8,457	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	21,863	0
Total Fines, Forfeitures, and Penalties	\$ 134,349	\$ 287	\$ 0	\$ 0	\$ 43,968	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Commercial and Industrial Waste Collection Charge	\$ 0	\$ 0	\$ 391,869	\$ 0	\$ 0	0
Residential Waste Collection Charge	0	0	671,304	0	0	0
Tipping Fees	0	0	651	0	0	0
Surcharge - General	0	0	27,612	0	0	0
Solid Waste Disposal Fee	0	0	894	0	0	0
Surcharge - Waste Tire Disposal	0	0	54,638	0	0	0
Patient Charges	1,654,466	0	0	0	0	0
Service Charges	1,685	0	0	0	0	0
<u>Fees</u>						
Copy Fees	5,090	0	0	0	0	0
Library Fees	1,868	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Constitu- tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Telephone Commissions	\$ 94,084	\$ 0	\$ 0	\$ 0	\$ 0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	506,526
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	3,411
Data Processing Fee - Register	14,184	0	0	0	0	0
Data Processing Fee - Sheriff	1,549	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	4,900	0	0	0	0	0
Data Processing Fee - County Clerk	2,643	0	0	0	0	0
<u>Education Charges</u>						
Other Charges for Services	405	0	0	0	0	0
Total Charges for Current Services	\$ 1,780,874	\$ 0	\$ 1,146,968	\$ 0	\$ 0	509,937
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 319,189	\$ 0	\$ 2,744	\$ 0	\$ 0	0
Lease/Rentals	375	0	0	0	0	0
Commissary Sales	33,642	0	0	0	0	0
Sale of Recycled Materials	0	0	99,284	0	0	0
E-Rate Funding	376	0	0	0	0	0
Miscellaneous Refunds	2,992	0	0	0	0	0
Expenditure Credits	600	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	115,641	0	0	0	0	0
Sale of Property	319	0	0	1,809	0	0
Damages Recovered from Individuals	121	0	0	0	0	0
Total Other Local Revenues	\$ 473,255	\$ 0	\$ 102,028	\$ 1,809	\$ 0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
County Clerk	\$ 175,201	\$ 0	\$ 0	\$ 0	\$ 0	0
Trustee	493,266	0	0	0	0	0
<u>Fees In-Lieu-of Salary</u>						
Circuit Court Clerk	95,911	0	0	0	0	0
General Sessions Court Clerk	157,886	0	0	0	0	0
Clerk and Master	149,347	0	0	0	0	0
Juvenile Court Clerk	24,080	0	0	0	0	0
Register	196,249	0	0	0	0	0
Sheriff	15,515	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,307,455	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 8,934	\$ 0	\$ 0	\$ 0	\$ 0	0
Solid Waste Grants	0	0	127,622	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	38,400	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	276,699	0	0	0	0	0
Other Health and Welfare Grants	17,007	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	82,861	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	28,899	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds					Constitu - tional Officers - Fees
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Beer Tax	\$ 18,176	\$ 0	\$ 0	\$ 0	\$ 0	0
Vehicle Certificate of Title Fees	10,082	0	0	0	0	0
Alcoholic Beverage Tax	108,836	0	0	0	0	0
State Revenue Sharing - T.V.A.	982,111	0	0	0	0	0
State Revenue Sharing - Telecommunications	73,642	0	0	0	0	0
Contracted Prisoner Boarding	706,758	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	0	0	0	0	0	0
Other State Revenues	5,571	0	0	0	0	0
Total State of Tennessee	\$ 2,373,140	\$ 0	\$ 127,622	\$ 0	\$ 0	0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Appalachian Regional Commission	\$ 0	\$ 0	\$ 0	\$ 24,360	\$ 0	0
Community Development	0	0	0	273,199	0	0
Homeland Security Grants	0	0	0	0	0	0
Law Enforcement Grants	28,463	0	0	0	0	0
Other Federal through State	237,552	0	0	0	0	0
<u>Direct Federal Revenue</u>						
COVID-19 Grant #6	69,865	0	0	0	0	0
Other Direct Federal Revenue	224,185	0	0	0	0	0
Total Federal Government	\$ 560,065	\$ 0	\$ 0	\$ 297,559	\$ 0	0

(Continued)

Exhibit J-6

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Solid Waste / Sanitation	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Paving and Maintenance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Contributions	166,573	0	20,835	0	0	0
Contracted Services	3,800	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	8,414	0	0	0	0	0
<u>Other</u>						
Other	1,371	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 180,158</u>	<u>\$ 0</u>	<u>\$ 20,835</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Total	<u>\$ 16,755,268</u>	<u>\$ 19,051</u>	<u>\$ 1,787,255</u>	<u>\$ 319,480</u>	<u>\$ 43,968</u>	<u>\$ 509,937</u>

(Continued)

Exhibit J-6

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

	Special	Debt Service Funds			Capital Projects Funds	
	Revenue Fund	General	Education	Highway	General	Higher
	Highway / Public Works	Debt Service	Debt Service	Debt Service	Capital Projects	Education Fund
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 1,680,422	\$ 1,869,283	\$ 380,168	\$ 285,115	\$ 0	0
Trustee's Collections - Prior Year	58,295	64,845	13,189	9,892	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	17,612	19,591	3,985	2,988	0	0
Interest and Penalty	10,751	11,959	2,430	1,826	0	0
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Local Utilities	0	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	1,415,742	0	0	0	0
Hotel/Motel Tax	0	0	0	0	0	0
Wheel Tax	0	990,937	0	0	0	0
Litigation Tax - General	0	0	0	0	0	0
Litigation Tax - Special Purpose	0	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	85,100	0	0	0	0
Litigation Tax - Victim-Offender Mediation Center	0	0	0	0	0	0
Business Tax	0	0	0	0	0	0
Mixed Drink Tax	0	0	0	0	0	0
Mineral Severance Tax	34,998	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	120,282	0	0	0	0
Wholesale Beer Tax	0	0	0	0	0	0
Total Local Taxes	\$ 1,802,078	\$ 4,577,739	\$ 399,772	\$ 299,821	\$ 0	0

(Continued)

Exhibit J-6

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

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

(Continued)

Exhibit J-6

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

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

(Continued)

Exhibit J-6

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

	Special	Debt Service Funds			Capital Projects Funds	
	Revenue Fund	General	Education	Highway	General	Higher
	Highway / Public Works	Debt Service	Debt Service	Debt Service	Capital Projects	Education Fund
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Telephone Commissions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	0	0
Data Processing Fee - Register	0	0	0	0	0	0
Data Processing Fee - Sheriff	0	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	0	0	0	0	0	0
Data Processing Fee - County Clerk	0	0	0	0	0	0
<u>Education Charges</u>						
Other Charges for Services	0	0	0	0	0	0
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Lease/Rentals	0	29,173	0	0	0	0
Commissary Sales	0	0	0	0	0	0
Sale of Recycled Materials	2,595	0	0	0	0	0
E-Rate Funding	0	0	0	0	0	0
Miscellaneous Refunds	655	0	0	0	1,500	0
Expenditure Credits	0	0	0	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	0	0	0	0	0	0
Sale of Property	0	0	0	0	0	0
Damages Recovered from Individuals	0	0	0	0	0	0
Total Other Local Revenues	\$ 3,250	\$ 29,173	\$ 0	\$ 0	\$ 1,500	0

(Continued)

Exhibit J-6

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

	Special	Debt Service Funds			Capital Projects Funds	
	Revenue Fund	General	Education	Highway	General	Higher
	Highway / Public Works	Debt Service	Debt Service	Debt Service	Capital Projects	Education Fund
<u>Fees Received From County Officials</u>						
<u>Excess Fees</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Trustee	0	0	0	0	0	0
<u>Fees In-Lieu-of Salary</u>						
Circuit Court Clerk	0	0	0	0	0	0
General Sessions Court Clerk	0	0	0	0	0	0
Clerk and Master	0	0	0	0	0	0
Juvenile Court Clerk	0	0	0	0	0	0
Register	0	0	0	0	0	0
Sheriff	0	0	0	0	0	0
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Solid Waste Grants	0	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	0	0	0	0	0	0
Other Health and Welfare Grants	0	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	223,944	0	0	0	0	0
Litter Program	0	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	0	0	0	0	0	0

(Continued)

Exhibit J-6

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

	Special	Debt Service Funds			Capital Projects Funds	
	Revenue Fund	General	Education	Highway	General	Higher
	Highway / Public Works	Debt Service	Debt Service	Debt Service	Capital Projects	Education Fund
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Beer Tax	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Vehicle Certificate of Title Fees	0	0	0	0	0	0
Alcoholic Beverage Tax	0	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	0	0	0
State Revenue Sharing - Telecommunications	0	0	0	0	0	0
Contracted Prisoner Boarding	0	0	0	0	0	0
Gasoline and Motor Fuel Tax	2,778,528	0	0	0	0	0
Petroleum Special Tax	30,210	0	0	0	0	0
Registrar's Salary Supplement	0	0	0	0	0	0
Other State Grants	0	0	0	0	0	4,744,089
Other State Revenues	0	0	0	0	0	0
Total State of Tennessee	\$ 3,032,682	\$ 0	\$ 0	\$ 0	\$ 0	4,744,089
<u>Federal Government</u>						
<u>Federal Through State</u>						
Appalachian Regional Commission	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
Community Development	0	0	0	0	0	0
Homeland Security Grants	0	0	0	0	0	0
Law Enforcement Grants	0	0	0	0	0	0
Other Federal through State	0	0	0	0	0	0
<u>Direct Federal Revenue</u>						
COVID-19 Grant #6	0	0	0	0	0	0
Other Direct Federal Revenue	0	0	0	0	0	0
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0

(Continued)

Exhibit J-6

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

	Special Revenue Fund	Debt Service Funds			Capital Projects Funds	
	Highway / Public Works	General Debt Service	Education Debt Service	Highway Debt Service	General Capital Projects	Higher Education Fund
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Paving and Maintenance	\$ 25,655	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	597	1,153,595	0	0	0	3,400
Contracted Services	0	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	6,166	0	0	0	0	0
<u>Other</u>						
Other	0	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 32,418	\$ 1,153,595	\$ 0	\$ 0	\$ 0	\$ 3,400
Total	\$ 4,870,428	\$ 5,760,507	\$ 399,772	\$ 299,821	\$ 1,500	\$ 4,747,489

(Continued)

Exhibit J-6

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 0	\$ 12,857,266
Trustee's Collections - Prior Year	0	446,026
Circuit Clerk/Clerk and Master Collections - Prior Years	0	134,752
Interest and Penalty	0	82,242
Payments in-Lieu-of Taxes - T.V.A.	0	2,290
Payments in-Lieu-of Taxes - Local Utilities	0	362,973
Payments in-Lieu-of Taxes - Other	0	1,975
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	1,415,742
Hotel/Motel Tax	0	113,118
Wheel Tax	0	990,937
Litigation Tax - General	0	89,729
Litigation Tax - Special Purpose	0	62,876
Litigation Tax - Jail, Workhouse, or Courthouse	0	85,100
Litigation Tax - Victim-Offender Mediation Center	0	5,323
Business Tax	0	413,370
Mixed Drink Tax	0	272
Mineral Severance Tax	0	34,998
<u>Statutory Local Taxes</u>		
Bank Excise Tax	0	120,282
Wholesale Beer Tax	0	177,475
Total Local Taxes	<u>\$ 0</u>	<u>\$ 17,396,746</u>

(Continued)

Exhibit J-6

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

	<u>Capital Projects Fund</u>	<u>Other Capital Projects</u>	<u>Total</u>
<u>Licenses and Permits</u>			
<u>Licenses</u>			
Marriage Licenses	\$ 0	\$ 0	1,382
Cable TV Franchise		0	53,573
<u>Permits</u>			
Beer Permits		0	2,359
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>57,314</u>
<u>Fines, Forfeitures, and Penalties</u>			
<u>Circuit Court</u>			
Fines	\$ 0	\$ 0	7,917
Officers Costs		0	18,691
Drug Control Fines		0	16,740
Jail Fees		0	11,413
Data Entry Fee - Circuit Court		0	1,842
Courtroom Security Fee		0	287
<u>Criminal Court</u>			
Officers Costs		0	2,670
DUI Treatment Fines		0	1,113
<u>General Sessions Court</u>			
Fines		0	14,152
Fines for Littering		0	380
Officers Costs		0	33,646
Game and Fish Fines		0	662
Drug Control Fines		0	11,767
DUI Treatment Fines		0	6,428
Data Entry Fee - General Sessions Court		0	12,310

(Continued)

Exhibit J-6

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

	<u>Capital Projects Fund</u>	
	Other Capital Projects	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>		
<u>Juvenile Court</u>		
Fines	\$ 0	\$ 132
Officers Costs	0	779
Data Entry Fee - Juvenile Court	0	222
<u>Chancery Court</u>		
Officers Costs	0	2,140
Data Entry Fee - Chancery Court	0	4,993
<u>Judicial District Drug Program</u>		
Drug Task Force Forfeitures and Seizures	0	8,457
<u>Other Fines, Forfeitures, and Penalties</u>		
Proceeds from Confiscated Property	0	21,863
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 178,604</u>
<u>Charges for Current Services</u>		
<u>General Service Charges</u>		
Commercial and Industrial Waste Collection Charge	\$ 0	\$ 391,869
Residential Waste Collection Charge	0	671,304
Tipping Fees	0	651
Surcharge - General	0	27,612
Solid Waste Disposal Fee	0	894
Surcharge - Waste Tire Disposal	0	54,638
Patient Charges	0	1,654,466
Service Charges	0	1,685
<u>Fees</u>		
Copy Fees	0	5,090
Library Fees	0	1,868

(Continued)

Exhibit J-6

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

	Capital Projects Fund Other Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>		
<u>Fees (Cont.)</u>		
Telephone Commissions	\$ 0	\$ 94,084
Constitutional Officers' Fees and Commissions	0	506,526
Special Commissioner Fees/Special Master Fees	0	3,411
Data Processing Fee - Register	0	14,184
Data Processing Fee - Sheriff	0	1,549
Sexual Offender Registration Fee - Sheriff	0	4,900
Data Processing Fee - County Clerk	0	2,643
<u>Education Charges</u>		
Other Charges for Services	0	405
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 3,437,779</u>
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 0	\$ 321,933
Lease/Rentals	0	29,548
Commissary Sales	0	33,642
Sale of Recycled Materials	0	101,879
E-Rate Funding	0	376
Miscellaneous Refunds	0	5,147
Expenditure Credits	0	600
<u>Nonrecurring Items</u>		
Sale of Equipment	0	115,641
Sale of Property	0	2,128
Damages Recovered from Individuals	0	121
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 611,015</u>

(Continued)

Exhibit J-6

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

	<u>Capital Projects Fund</u>		<u>Other Capital Projects</u>	<u>Total</u>
<hr/>				
<u>Fees Received From County Officials</u>				
<u>Excess Fees</u>				
County Clerk	\$	0	\$	175,201
Trustee			0	493,266
<u>Fees In-Lieu-of Salary</u>				
Circuit Court Clerk		0		95,911
General Sessions Court Clerk		0		157,886
Clerk and Master		0		149,347
Juvenile Court Clerk		0		24,080
Register		0		196,249
Sheriff		0		15,515
Total Fees Received From County Officials	\$	0	\$	1,307,455
<hr/>				
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
Juvenile Services Program	\$	0	\$	8,934
Solid Waste Grants			0	127,622
<u>Public Safety Grants</u>				
Law Enforcement Training Programs		0		38,400
<u>Health and Welfare Grants</u>				
Health Department Programs		0		276,699
Other Health and Welfare Grants		0		17,007
<u>Public Works Grants</u>				
State Aid Program		0		223,944
Litter Program		0		82,861
<u>Other State Revenues</u>				
Income Tax		0		28,899

(Continued)

Exhibit J-6

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

	<u>Capital Projects Fund</u>		<u>Other Capital Projects</u>	<u>Total</u>
<u>State of Tennessee (Cont.)</u>				
<u>Other State Revenues (Cont.)</u>				
Beer Tax	\$	0	\$	18,176
Vehicle Certificate of Title Fees		0		10,082
Alcoholic Beverage Tax		0		108,836
State Revenue Sharing - T.V.A.		0		982,111
State Revenue Sharing - Telecommunications		0		73,642
Contracted Prisoner Boarding		0		706,758
Gasoline and Motor Fuel Tax		0		2,778,528
Petroleum Special Tax		0		30,210
Registrar's Salary Supplement		0		15,164
Other State Grants		0		4,744,089
Other State Revenues		0		5,571
Total State of Tennessee	\$	0	\$	10,277,533
<u>Federal Government</u>				
<u>Federal Through State</u>				
Appalachian Regional Commission	\$	0	\$	24,360
Community Development		0		273,199
Homeland Security Grants		24,059		24,059
Law Enforcement Grants		0		28,463
Other Federal through State		0		237,552
<u>Direct Federal Revenue</u>				
COVID-19 Grant #6		0		69,865
Other Direct Federal Revenue		0		224,185
Total Federal Government	\$	24,059	\$	881,683

(Continued)

Exhibit J-6

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

	<u>Capital Projects Fund</u>		<u>Other Capital Projects</u>	<u>Total</u>
<hr/>				
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Paving and Maintenance	\$	0	\$	25,655
Contributions		0		1,345,000
Contracted Services		0		3,800
<u>Citizens Groups</u>				
Donations		0		14,580
<u>Other</u>				
Other		0		1,371
Total Other Governments and Citizens Groups	\$	0	\$	1,390,406
Total	\$	24,059	\$	35,538,535

Exhibit J-7

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 5,856,353	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,856,353
Trustee's Collections - Prior Year	204,384	0	0	0	0	204,384
Circuit Clerk/Clerk and Master Collections - Prior Years	61,747	0	0	0	0	61,747
Interest and Penalty	37,684	0	0	0	0	37,684
<u>County Local Option Taxes</u>						
Local Option Sales Tax	6,393,998	0	0	0	0	6,393,998
Mixed Drink Tax	14,455	0	0	0	0	14,455
Total Local Taxes	<u>\$ 12,568,621</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 12,568,621</u>
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 1,368	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,368
Total Licenses and Permits	<u>\$ 1,368</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,368</u>
<u>Charges for Current Services</u>						
<u>Education Charges</u>						
Tuition - Other	\$ 0	\$ 0	\$ 0	\$ 105,681	\$ 0	\$ 105,681
Lunch Payments - Children	0	0	554,845	0	0	554,845
Lunch Payments - Adults	0	0	92,096	0	0	92,096
Income from Breakfast	0	0	84,894	0	0	84,894
A la Carte Sales	0	0	23,142	0	0	23,142
Receipts from Individual Schools	66,627	0	2,346	0	0	68,973
Other Charges for Services	76,150	0	10	0	0	76,160
Total Charges for Current Services	<u>\$ 142,777</u>	<u>\$ 0</u>	<u>\$ 757,333</u>	<u>\$ 105,681</u>	<u>\$ 0</u>	<u>\$ 1,005,791</u>

(Continued)

Exhibit J-7

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 4,478	\$ 0	\$ 9,794	\$ 0	\$ 0	14,272
Lease/Rentals	1,200	0	0	0	0	1,200
Sale of Materials and Supplies	4,845	0	0	0	0	4,845
Rebates	0	0	17,352	0	0	17,352
Miscellaneous Refunds	2,505	0	140	0	0	2,645
<u>Nonrecurring Items</u>						
Sale of Equipment	24,018	0	0	0	0	24,018
Damages Recovered from Individuals	4,000	0	0	0	0	4,000
Contributions and Gifts	1,806	0	0	0	0	1,806
<u>Other Local Revenues</u>						
Other Local Revenues	2,500	0	0	0	0	2,500
Total Other Local Revenues	\$ 45,352	\$ 0	\$ 27,286	\$ 0	\$ 0	72,638
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
On-behalf Contributions for OPEB	\$ 217,984	\$ 0	\$ 0	\$ 0	\$ 0	217,984
<u>State Education Funds</u>						
Basic Education Program	39,696,173	0	0	0	0	39,696,173
Early Childhood Education	1,239,399	0	0	0	0	1,239,399
School Food Service	0	0	36,552	0	0	36,552
Driver Education	24,964	0	0	0	0	24,964
Other State Education Funds	486,552	0	0	0	0	486,552
Career Ladder Program	88,667	0	0	0	0	88,667

(Continued)

Exhibit J-7

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues</u>						
Other State Grants	\$ 0	\$ 0	\$ 2,500	\$ 0	\$ 0	\$ 2,500
Other State Revenues	6,760	0	0	3,143	0	9,903
Total State of Tennessee	\$ 41,760,499	\$ 0	\$ 39,052	\$ 3,143	\$ 0	\$ 41,802,694
<u>Federal Government</u>						
<u>Federal Through State</u>						
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,842,232	\$ 0	\$ 0	\$ 1,842,232
USDA - Commodities	0	0	311,934	0	0	311,934
Breakfast	0	0	796,881	0	0	796,881
USDA - Other	0	0	21,678	0	0	21,678
Vocational Education - Basic Grants to States	0	147,062	0	0	0	147,062
Title I Grants to Local Education Agencies	0	2,073,092	0	0	0	2,073,092
Special Education - Grants to States	31,432	1,601,575	0	0	0	1,633,007
Special Education Preschool Grants	0	66,457	0	0	0	66,457
English Language Acquisition Grants	29,924	0	0	0	0	29,924
Rural Education	0	111,590	0	0	0	111,590
21st Century Community Learning Centers	100,865	0	0	0	0	100,865
Eisenhower Professional Development State Grants	0	262,527	0	0	0	262,527
Other Federal through State	15,722	340,510	0	0	0	356,232
<u>Direct Federal Revenue</u>						
Public Safety Partnership and Community Policing - COPS	75,376	0	0	0	0	75,376
Other Direct Federal Revenue	0	506,054	0	0	0	506,054
Total Federal Government	\$ 253,319	\$ 5,108,867	\$ 2,972,725	\$ 0	\$ 0	\$ 8,334,911

(Continued)

Exhibit J-7

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

	General Purpose School	Special Revenue Funds			Capital Projects Fund	Total
		School Federal Projects	Central Cafeteria	Extended School Program	Education Capital Projects	
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 0	\$ 0	\$ 0	\$ 0	13,751,875	\$ 13,751,875
Total Other Governments and Citizens Groups	\$ 0	\$ 0	\$ 0	\$ 0	13,751,875	\$ 13,751,875
Total	\$ 54,771,936	\$ 5,108,867	\$ 3,796,396	\$ 108,824	13,751,875	\$ 77,537,898

Exhibit J-8

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	66,504	
In-service Training		200	
Social Security		4,042	
Pensions		3,896	
Medical Insurance		93	
Employer Medicare		945	
Advertising		857	
Audit Services		17,310	
Consultants		16,006	
Data Processing Services		1,988	
Dues and Memberships		8,680	
Travel		3,633	
Office Supplies		81	
Workers' Compensation Insurance		88	
Other Charges		20	
Total County Commission			\$ 124,343

Beer Board

Board and Committee Members Fees	\$	450	
Social Security		28	
Employer Medicare		7	
Legal Notices, Recording, and Court Costs		107	
Workers' Compensation Insurance		4	
Criminal Investigation of Applicants - TBI		29	
Total Beer Board			625

County Mayor/Executive

County Official/Administrative Officer	\$	98,772	
Secretary(ies)		46,822	
Longevity Pay		250	
Overtime Pay		2,188	
Social Security		8,270	
Pensions		9,652	
Life Insurance		12	
Medical Insurance		19,066	
Disability Insurance		44	
Unemployment Compensation		46	
Employer Medicare		1,934	
Dues and Memberships		1,785	
Evaluation and Testing		68	
Maintenance Agreements		490	
Pest Control		60	
Postal Charges		57	
Printing, Stationery, and Forms		58	
Travel		53	
Office Supplies		425	
Other Supplies and Materials		551	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

Workers' Compensation Insurance	\$	440	
Other Charges		122	
Data Processing Equipment		596	
Total County Mayor/Executive			\$ 191,761

County Attorney

County Official/Administrative Officer	\$	6,000	
Social Security		372	
Pensions		420	
Employer Medicare		87	
Workers' Compensation Insurance		12	
Total County Attorney			6,891

Election Commission

County Official/Administrative Officer	\$	72,676	
Deputy(ies)		50,553	
Longevity Pay		300	
Overtime Pay		219	
Election Commission		2,780	
Election Workers		520	
Social Security		7,406	
Pensions		8,662	
Medical Insurance		21,449	
Unemployment Compensation		42	
Employer Medicare		1,732	
Contracts with Private Agencies		1,881	
Data Processing Services		3,570	
Dues and Memberships		300	
Evaluation and Testing		348	
Legal Notices, Recording, and Court Costs		753	
Maintenance Agreements		10,880	
Pest Control		180	
Postal Charges		1,466	
Printing, Stationery, and Forms		422	
Office Supplies		2,077	
Utilities		4,756	
Other Supplies and Materials		338	
Liability Insurance		3,149	
Workers' Compensation Insurance		284	
Data Processing Equipment		1,970	
Total Election Commission			198,713

Register of Deeds

County Official/Administrative Officer	\$	70,262	
Deputy(ies)		69,872	
Longevity Pay		1,350	
Overtime Pay		1,980	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Social Security	\$	8,457	
Pensions		9,904	
Medical Insurance		23,832	
Unemployment Compensation		51	
Employer Medicare		1,978	
Data Processing Services		2,325	
Dues and Memberships		830	
Operating Lease Payments		14,695	
Maintenance and Repair Services - Equipment		521	
Pest Control		60	
Postal Charges		391	
Printing, Stationery, and Forms		156	
Travel		453	
Office Supplies		2,123	
Other Supplies and Materials		36	
Workers' Compensation Insurance		328	
Data Processing Equipment		764	
Total Register of Deeds			\$ 210,368

County Buildings

Supervisor/Director	\$	46,800
Custodial Personnel		50,462
Longevity Pay		750
Social Security		5,928
Pensions		6,861
Employee and Dependent Insurance		296
Life Insurance		74
Medical Insurance		14,332
Dental Insurance		242
Disability Insurance		261
Unemployment Compensation		63
Employer Medicare		1,386
Communication		106,926
Evaluation and Testing		53
Maintenance and Repair Services - Buildings		90,637
Maintenance and Repair Services - Equipment		733
Maintenance and Repair Services - Vehicles		1,603
Pest Control		1,050
Postal Charges		127
Rentals		1,018
Travel		93
Custodial Supplies		12,858
Food Supplies		5,345
Gasoline		3,180
Small Tools		796
Utilities		138,678
Other Supplies and Materials		3,777

(Continued)

Exhibit J-8

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Workers' Compensation Insurance	\$	2,934	
Other Charges		3,500	
Other Capital Outlay		24,652	
Total County Buildings			\$ 525,415

Preservation of Records

Supervisor/Director	\$	31,203	
Social Security		1,864	
Pensions		2,184	
Medical Insurance		7,150	
Unemployment Compensation		21	
Employer Medicare		436	
Communication		2,477	
Contracts with Private Agencies		496	
Dues and Memberships		30	
Maintenance Agreements		1,864	
Maintenance and Repair Services - Buildings		21	
Pest Control		180	
Postal Charges		5	
Travel		249	
Office Supplies		278	
Utilities		6,111	
Other Supplies and Materials		480	
Workers' Compensation Insurance		64	
Data Processing Equipment		2,498	
Total Preservation of Records			57,611

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	81,977	
Accountants/Bookkeepers		144,988	
Part-time Personnel		3,855	
Longevity Pay		2,600	
In-service Training		283	
Social Security		13,303	
Pensions		16,070	
Employee and Dependent Insurance		360	
Life Insurance		74	
Medical Insurance		28,598	
Dental Insurance		242	
Disability Insurance		261	
Unemployment Compensation		110	
Employer Medicare		3,111	
Communication		786	
Data Processing Services		18,457	
Dues and Memberships		450	
Evaluation and Testing		57	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Legal Notices, Recording, and Court Costs	\$	704	
Maintenance Agreements		2,061	
Maintenance and Repair Services - Buildings		21	
Pest Control		240	
Postal Charges		2,364	
Printing, Stationery, and Forms		757	
Travel		4,044	
Office Supplies		5,760	
Utilities		6,907	
Other Supplies and Materials		636	
Workers' Compensation Insurance		444	
Other Charges		550	
Data Processing Equipment		17,795	
Furniture and Fixtures		617	
Office Equipment		285	
Total Accounting and Budgeting			\$ 358,767

Property Assessor's Office

County Official/Administrative Officer	\$	80,751	
Deputy(ies)		115,626	
Salary Supplements		1,000	
Longevity Pay		2,500	
Other Salaries and Wages		33,667	
Board and Committee Members Fees		1,104	
In-service Training		100	
Social Security		13,078	
Pensions		16,278	
Employee and Dependent Insurance		210	
Life Insurance		43	
Medical Insurance		36,772	
Unemployment Compensation		108	
Employer Medicare		3,058	
Data Processing Services		12,352	
Dues and Memberships		2,300	
Legal Notices, Recording, and Court Costs		74	
Maintenance Agreements		3,922	
Maintenance and Repair Services - Vehicles		1,257	
Pest Control		60	
Postal Charges		1,496	
Travel		3,035	
Gasoline		1,211	
Office Supplies		3,429	
Workers' Compensation Insurance		2,400	
Other Charges		23	
Office Equipment		1,748	
Total Property Assessor's Office			337,602

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

Social Security	\$	122	
Pensions		12,165	
Employee and Dependent Insurance		540	
Life Insurance		140	
Medical Insurance		16,087	
Dental Insurance		283	
Disability Insurance		479	
Unemployment Compensation		100	
Employer Medicare		28	
Data Processing Services		14,524	
Dues and Memberships		854	
Evaluation and Testing		86	
Maintenance Agreements		490	
Pest Control		60	
Postal Charges		7,301	
Printing, Stationery, and Forms		6,615	
Office Supplies		938	
Workers' Compensation Insurance		344	
Other Charges		25	
Data Processing Equipment		3,349	
Office Equipment		80	
Total County Trustee's Office	\$		64,610

County Clerk's Office

Pensions	\$	19,472	
Employee and Dependent Insurance		360	
Life Insurance		74	
Medical Insurance		43,753	
Disability Insurance		261	
Unemployment Compensation		126	
Dues and Memberships		1,065	
Maintenance Agreements		22,444	
Maintenance and Repair Services - Equipment		517	
Pest Control		60	
Postal Charges		7,764	
Printing, Stationery, and Forms		1,070	
Travel		235	
Office Supplies		6,394	
Other Supplies and Materials		86	
Workers' Compensation Insurance		776	
Total County Clerk's Office			104,457

Data Processing

Supervisor/Director	\$	48,461	
Longevity Pay		400	
Social Security		2,968	
Pensions		3,420	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Finance (Cont.)

Data Processing (Cont.)

Medical Insurance	\$	6,696	
Unemployment Compensation		21	
Employer Medicare		694	
Communication		1,064	
Data Processing Services		1,300	
Maintenance Agreements		25,981	
Travel		344	
Other Supplies and Materials		250	
Workers' Compensation Insurance		488	
Data Processing Equipment		12,511	
Total Data Processing			\$ 104,598

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	80,751	
Deputy(ies)		279,463	
Part-time Personnel		2,052	
Longevity Pay		4,650	
Overtime Pay		6,415	
Jury and Witness Expense		15,111	
Social Security		22,233	
Pensions		25,231	
Employee and Dependent Insurance		510	
Life Insurance		99	
Medical Insurance		56,634	
Disability Insurance		109	
Unemployment Compensation		200	
Employer Medicare		5,200	
Data Processing Services		30,673	
Dues and Memberships		1,105	
Evaluation and Testing		243	
Legal Notices, Recording, and Court Costs		201	
Maintenance Agreements		6,059	
Pest Control		102	
Postal Charges		3,983	
Printing, Stationery, and Forms		3,552	
Travel		4,993	
Office Supplies		6,189	
Workers' Compensation Insurance		616	
Other Charges		603	
Data Processing Equipment		12,375	
Total Circuit Court			569,352

General Sessions Court

Judge(s)	\$	162,303	
Deputy(ies)		26,724	
Guards		57,648	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

Part-time Personnel	\$	15,705	
Longevity Pay		1,450	
Overtime Pay		3,314	
Social Security		13,246	
Pensions		17,472	
Employee and Dependent Insurance		90	
Life Insurance		6	
Medical Insurance		25,619	
Disability Insurance		65	
Unemployment Compensation		91	
Employer Medicare		3,098	
Dues and Memberships		435	
Maintenance Agreements		690	
Pest Control		102	
Postal Charges		22	
Printing, Stationery, and Forms		192	
Travel		1,923	
Office Supplies		1,215	
Other Supplies and Materials		437	
Workers' Compensation Insurance		520	
Total General Sessions Court			\$ 332,367

Chancery Court

County Official/Administrative Officer	\$	80,751	
Deputy(ies)		127,768	
Part-time Personnel		16,534	
Longevity Pay		2,500	
Overtime Pay		1,282	
Social Security		13,610	
Pensions		14,374	
Employee and Dependent Insurance		300	
Life Insurance		62	
Medical Insurance		29,194	
Dental Insurance		202	
Disability Insurance		218	
Unemployment Compensation		105	
Employer Medicare		3,183	
Data Processing Services		10,608	
Dues and Memberships		770	
Evaluation and Testing		14	
Maintenance Agreements		760	
Pest Control		102	
Postal Charges		12,392	
Printing, Stationery, and Forms		653	
Travel		98	
Office Supplies		3,419	
Other Supplies and Materials		509	
Workers' Compensation Insurance		444	
Total Chancery Court			319,852

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court

Deputy(ies)	\$	64,451	
Youth Service Officer(s)		8,934	
Salary Supplements		66,496	
Longevity Pay		650	
Social Security		8,401	
Pensions		9,837	
Medical Insurance		21,151	
Unemployment Compensation		47	
Employer Medicare		1,965	
Dues and Memberships		80	
Postal Charges		1,042	
Printing, Stationery, and Forms		136	
Travel		2,905	
Office Supplies		123	
Other Supplies and Materials		246	
Workers' Compensation Insurance		280	
Data Processing Equipment		591	
Total Juvenile Court			\$ 187,335

Other Administration of Justice

Other Charges	\$	20,000	
Total Other Administration of Justice			20,000

Courtroom Security

Deputy(ies)	\$	87,859	
Longevity Pay		650	
In-service Training		3,300	
Social Security		5,261	
Pensions		6,196	
Life Insurance		50	
Medical Insurance		15,343	
Dental Insurance		121	
Disability Insurance		141	
Unemployment Compensation		81	
Employer Medicare		1,230	
Evaluation and Testing		39	
Maintenance Agreements		2,000	
Maintenance and Repair Services - Equipment		34	
Law Enforcement Supplies		640	
Uniforms		1,545	
Total Courtroom Security			124,490

Victim Assistance Programs

Assistant(s)	\$	41,648	
Other Salaries and Wages		20,461	
Social Security		3,794	
Pensions		3,104	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Victim Assistance Programs (Cont.)

Life Insurance	\$	74	
Medical Insurance		3,575	
Disability Insurance		261	
Unemployment Compensation		51	
Employer Medicare		887	
Contracts with Private Agencies		7,323	
Travel		551	
Office Supplies		2,087	
Workers' Compensation Insurance		100	
Data Processing Equipment		1,044	
Total Victim Assistance Programs			\$ 84,960

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	93,268
Supervisor/Director		70,000
Deputy(ies)		642,501
Investigator(s)		211,338
Captain(s)		59,797
Lieutenant(s)		192,210
Sergeant(s)		269,461
Secretary(ies)		155,259
School Resource Officer		433,104
Longevity Pay		20,450
Overtime Pay		55,173
In-service Training		66,345
Social Security		134,505
Pensions		146,305
Employee and Dependent Insurance		2,220
Life Insurance		562
Medical Insurance		326,924
Dental Insurance		1,475
Disability Insurance		1,763
Unemployment Compensation		1,305
Employer Medicare		31,457
Communication		2,595
Contracts with Private Agencies		1,013
Data Processing Services		535
Dues and Memberships		2,765
Evaluation and Testing		2,699
Freight Expenses		800
Legal Notices, Recording, and Court Costs		38
Maintenance Agreements		20,134
Maintenance and Repair Services - Buildings		980
Maintenance and Repair Services - Equipment		44
Maintenance and Repair Services - Vehicles		95,837
Pest Control		282

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Postal Charges	\$	906	
Printing, Stationery, and Forms		2,536	
Rentals		13,125	
Towing Services		3,240	
Travel		14,174	
Remittance of Revenue Collected		750	
Custodial Supplies		9,990	
Gasoline		90,010	
Law Enforcement Supplies		18,347	
Office Supplies		9,108	
Tires and Tubes		6,044	
Uniforms		40,289	
Utilities		7,958	
Gravel and Chert		1,000	
Other Supplies and Materials		4,720	
Workers' Compensation Insurance		56,152	
Other Self-insured Claims		5,242	
Other Charges		263	
Data Processing Equipment		24,620	
Furniture and Fixtures		1,729	
Law Enforcement Equipment		3,778	
Motor Vehicles		45,019	
Total Sheriff's Department			\$ 3,402,144

Jail

Assistant(s)	\$	33,280
Lieutenant(s)		46,569
Sergeant(s)		117,392
Medical Personnel		117,588
Guards		740,084
Longevity Pay		4,000
Overtime Pay		32,469
In-service Training		900
Social Security		63,615
Pensions		56,069
Employee and Dependent Insurance		1,785
Life Insurance		515
Medical Insurance		188,479
Dental Insurance		980
Disability Insurance		1,839
Unemployment Compensation		1,039
Employer Medicare		14,878
Communication		10,567
Contracts with Private Agencies		922
Dues and Memberships		30
Evaluation and Testing		5,330
Maintenance Agreements		10,058

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Maintenance and Repair Services - Buildings	\$	34,544	
Maintenance and Repair Services - Equipment		13,423	
Maintenance and Repair Services - Vehicles		221	
Pest Control		360	
Travel		4,950	
Custodial Supplies		23,562	
Drugs and Medical Supplies		74,459	
Food Supplies		324,119	
Gasoline		255	
Law Enforcement Supplies		4,553	
Office Supplies		276	
Uniforms		15,763	
Utilities		257,176	
Other Supplies and Materials		47,167	
Medical Claims		381,184	
Workers' Compensation Insurance		44,872	
Other Self-insured Claims		500	
Other Charges		250	
Data Processing Equipment		1,344	
Furniture and Fixtures		1,507	
Total Jail			\$ 2,678,873

Workhouse

Accountants/Bookkeepers	\$	7,200	
Guards		12,842	
Social Security		446	
Unemployment Compensation		6	
Employer Medicare		104	
Food Supplies		2,543	
Gasoline		905	
Other Charges		34,345	
Total Workhouse			58,391

Work Release Program

Maintenance Personnel	\$	22,100	
Social Security		1,323	
Pensions		1,295	
Employee and Dependent Insurance		25	
Medical Insurance		5,064	
Unemployment Compensation		32	
Employer Medicare		309	
Evaluation and Testing		29	
Legal Notices, Recording, and Court Costs		54	
Maintenance and Repair Services - Equipment		2,092	
Maintenance and Repair Services - Vehicles		459	
Food Supplies		384	
Gasoline		2,255	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Public Safety (Cont.)

Work Release Program (Cont.)

Lubricants	\$	553	
Small Tools		13	
Tires and Tubes		112	
Other Supplies and Materials		1,154	
Workers' Compensation Insurance		756	
Other Charges		15	
Total Work Release Program	\$		38,024

Fire Prevention and Control

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

Civil Defense

Dues and Memberships	\$	18	
Maintenance and Repair Services - Equipment		1,791	
Maintenance and Repair Services - Vehicles		2,240	
Travel		470	
Other Equipment		301	
Total Civil Defense			4,820

Rescue Squad

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

Other Emergency Management

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

County Coroner/Medical Examiner

Social Security	\$	375	
Pensions		438	
Employer Medicare		88	
Maintenance and Repair Services - Vehicles		778	
Medical and Dental Services		10,000	
Travel		356	
Other Contracted Services		76,250	
Gasoline		136	
Total County Coroner/Medical Examiner			88,421

Public Safety Grants Program

Deputy(ies)	\$	30,540	
Social Security		1,811	
Pensions		2,138	
Medical Insurance		6,696	
Unemployment Compensation		19	
Employer Medicare		424	
Other Supplies and Materials		2,614	
Total Public Safety Grants Program			44,242

(Continued)

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

General Fund (Cont.)

Public Health and Welfare

Local Health Center

Communication	\$	3,576	
Contracts with Government Agencies		90,290	
Dues and Memberships		375	
Janitorial Services		20,400	
Legal Notices, Recording, and Court Costs		47	
Maintenance and Repair Services - Buildings		171	
Pest Control		288	
Disposal Fees		400	
Food Supplies		350	
Office Supplies		173	
Utilities		26,584	
Other Supplies and Materials		1,202	
Other Charges		31,329	
Building Improvements		11,682	
Total Local Health Center			\$ 186,867

Ambulance/Emergency Medical Services

County Official/Administrative Officer	\$	58,013
Assistant(s)		47,174
Medical Personnel		1,187,908
Secretary(ies)		30,197
Part-time Personnel		124,519
Longevity Pay		9,100
Overtime Pay		73,027
In-service Training		2,913
Social Security		91,756
Pensions		98,175
Employee and Dependent Insurance		296
Life Insurance		93
Medical Insurance		176,868
Dental Insurance		61
Disability Insurance		326
Unemployment Compensation		828
Employer Medicare		21,459
Communication		14,438
Contracts with Private Agencies		88,881
Dues and Memberships		795
Evaluation and Testing		640
Laundry Service		179
Licenses		2,940
Maintenance Agreements		440
Maintenance and Repair Services - Buildings		661
Maintenance and Repair Services - Equipment		9,280
Maintenance and Repair Services - Vehicles		62,779
Pest Control		180
Postal Charges		77
Towing Services		435

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Ambulance/Emergency Medical Services (Cont.)

Travel	\$	3,845	
Disposal Fees		958	
Custodial Supplies		2,708	
Drugs and Medical Supplies		100,015	
Gasoline		52,476	
Office Supplies		698	
Tires and Tubes		9,421	
Uniforms		7,138	
Utilities		19,172	
Other Supplies and Materials		85	
Liability Insurance		13,811	
Vehicle and Equipment Insurance		27,506	
Workers' Compensation Insurance		130,112	
Other Charges		1,163	
Data Processing Equipment		490	
Total Ambulance/Emergency Medical Services			\$ 2,474,036

Alcohol and Drug Programs

Assistant(s)	\$	33,726	
In-service Training		385	
Social Security		1,752	
Pensions		2,361	
Unemployment Compensation		18	
Employer Medicare		410	
Advertising		6,475	
Communication		724	
Dues and Memberships		780	
Postal Charges		165	
Printing, Stationery, and Forms		369	
Travel		3,040	
Office Supplies		7,331	
Workers' Compensation Insurance		76	
Other Charges		600	
Total Alcohol and Drug Programs			58,212

Other Local Health Services

Assistant(s)	\$	4,599	
Supervisor/Director		39,360	
Social Security		2,180	
Pensions		2,273	
Medical Insurance		8,341	
Unemployment Compensation		41	
Employer Medicare		510	
Evaluation and Testing		43	
Printing, Stationery, and Forms		428	
Travel		5,481	
Other Contracted Services		18,428	

(Continued)

Exhibit J-8

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Local Health Services (Cont.)

Office Supplies	\$	19,462	
Other Supplies and Materials		11,980	
Total Other Local Health Services			\$ 113,126

Appropriation to State

Longevity Pay	\$	1,250	
Overtime Pay		2,596	
Other Salaries and Wages		342,068	
Social Security		20,342	
Pensions		21,169	
Employee and Dependent Insurance		1,295	
Life Insurance		291	
Medical Insurance		43,493	
Dental Insurance		606	
Disability Insurance		1,023	
Unemployment Compensation		236	
Employer Medicare		4,757	
Evaluation and Testing		86	
Travel		5,143	
Other Supplies and Materials		1,169	
Liability Insurance		223	
Workers' Compensation Insurance		2,020	
Total Appropriation to State			447,767

Other Public Health and Welfare

Dues and Memberships	\$	9,504	
Other Contracted Services		70,756	
Total Other Public Health and Welfare			80,260

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	20,000	
Total Senior Citizens Assistance			20,000

Libraries

Supervisor/Director	\$	44,713	
Deputy(ies)		30,160	
Librarians		44,337	
Part-time Personnel		57,136	
Longevity Pay		750	
Social Security		9,847	
Pensions		5,998	
Medical Insurance		24,181	
Unemployment Compensation		174	
Employer Medicare		2,303	
Communication		4,495	
Contracts with Private Agencies		1,500	

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Dues and Memberships	\$	408	
Janitorial Services		900	
Maintenance Agreements		2,334	
Maintenance and Repair Services - Buildings		6,770	
Maintenance and Repair Services - Equipment		98	
Pest Control		420	
Postal Charges		958	
Printing, Stationery, and Forms		503	
Travel		1,104	
Custodial Supplies		1,846	
Instructional Supplies and Materials		7,589	
Library Books/Media		35,070	
Office Supplies		4,645	
Periodicals		4,898	
Utilities		23,273	
Refunds		18	
Workers' Compensation Insurance		348	
Other Charges		6,145	
Data Processing Equipment		5,505	
Furniture and Fixtures		738	
Total Libraries			\$ 329,164

Other Social, Cultural, and Recreational

Contributions	\$	65,000	
Other Charges		750	
Total Other Social, Cultural, and Recreational			65,750

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	112,340	
Secretary(ies)		4,575	
Board and Committee Members Fees		175	
Social Security		284	
Pensions		202	
Unemployment Compensation		14	
Employer Medicare		66	
Communication		2,047	
Dues and Memberships		540	
Maintenance Agreements		540	
Maintenance and Repair Services - Buildings		147	
Pest Control		144	
Disposal Fees		400	
Gasoline		130	
Instructional Supplies and Materials		2,000	
Utilities		8,819	
Workers' Compensation Insurance		8	
Total Agricultural Extension Service			132,431

(Continued)

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation

Salary Supplements	\$	40,760	
Longevity Pay		300	
Social Security		2,479	
Pensions		2,874	
Medical Insurance		6,172	
Unemployment Compensation		21	
Employer Medicare		580	
Postal Charges		72	
Workers' Compensation Insurance		80	
Total Soil Conservation			\$ 53,338

Other Operations

Tourism

Contributions	\$	77,328	
Dues and Memberships		1,000	
Total Tourism			78,328

Industrial Development

Contributions	\$	182,536	
Total Industrial Development			182,536

Airport

Contributions	\$	69,000	
Total Airport			69,000

Veterans' Services

Supervisor/Director	\$	32,448	
Secretary(ies)		28,561	
Longevity Pay		1,000	
Social Security		3,615	
Pensions		4,341	
Employee and Dependent Insurance		180	
Life Insurance		37	
Medical Insurance		10,498	
Dental Insurance		121	
Disability Insurance		131	
Unemployment Compensation		42	
Employer Medicare		845	
Communication		2,740	
Contracts with Private Agencies		216	
Maintenance Agreements		839	
Maintenance and Repair Services - Buildings		15	
Pest Control		120	
Postal Charges		100	
Travel		980	
Disposal Fees		400	
Gasoline		205	

(Continued)

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

Office Supplies	\$	1,411	
Utilities		2,900	
Other Supplies and Materials		3,395	
Workers' Compensation Insurance		120	
Other Charges		829	
Office Equipment		4,153	
Total Veterans' Services			\$ 100,242

Other Charges

Communication	\$	3,900	
Contracts with Private Agencies		350	
Data Processing Services		9,842	
Legal Notices, Recording, and Court Costs		147	
Other Supplies and Materials		223	
Building and Contents Insurance		97,948	
Liability Insurance		149,371	
Trustee's Commission		221,145	
Vehicle and Equipment Insurance		63,274	
Workers' Compensation Insurance		15,868	
Other Charges		3,609	
Total Other Charges			565,677

COVID-19 Grant #6

Drugs and Medical Supplies	\$	15,533	
Total COVID-19 Grant #6			15,533

Miscellaneous

Tax Relief Program	\$	53,556	
Total Miscellaneous			53,556

Capital Projects

General Administration Projects

Communication	\$	18,342	
Total General Administration Projects			18,342

Total General Fund \$ 15,976,942

Courthouse and Jail Maintenance Fund

Other Operations

Other Charges

Trustee's Commission	\$	193	
Total Other Charges			\$ 193

Total Courthouse and Jail Maintenance Fund 193

(Continued)

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

Solid Waste/Sanitation Fund

Public Health and Welfare

Landfill Operation and Maintenance

Salary Supplements	\$	43,476
Laborers		238,698
Secretary(ies)		38,591
Clerical Personnel		31,203
Longevity Pay		4,000
Overtime Pay		5,391
Social Security		19,641
Pensions		21,525
Medical Insurance		74,119
Unemployment Compensation		2,066
Employer Medicare		4,594
Communication		3,616
Contracts with Private Agencies		853,837
Data Processing Services		4,605
Dues and Memberships		363
Engineering Services		16,021
Evaluation and Testing		329
Licenses		62
Maintenance Agreements		440
Maintenance and Repair Services - Buildings		6,342
Maintenance and Repair Services - Equipment		14,809
Maintenance and Repair Services - Vehicles		4,217
Pest Control		495
Postal Charges		11,129
Printing, Stationery, and Forms		3,718
Travel		1,163
Brokerage Fees - Recyclables		70,756
Permits		6,650
Other Contracted Services		1,843
Custodial Supplies		934
Diesel Fuel		8,354
Food Supplies		10,983
Garage Supplies		13,681
Gasoline		3,182
Office Supplies		1,992
Propane Gas		3,188
Tires and Tubes		1,891
Uniforms		945
Utilities		29,263
Wire		2,613
Other Supplies and Materials		78
Building and Contents Insurance		8,890
Liability Insurance		1,930
Refunds		1,341
Trustee's Commission		18,821
Vehicle and Equipment Insurance		3,913
Workers' Compensation Insurance		13,704

(Continued)

Exhibit J-8

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

<u>Solid Waste/Sanitation Fund (Cont.)</u>			
<u>Public Health and Welfare (Cont.)</u>			
<u>Landfill Operation and Maintenance (Cont.)</u>			
Other Self-insured Claims	\$	500	
Other Charges		382	
Data Processing Equipment		574	
Total Landfill Operation and Maintenance		<u>1,456</u>	\$ 1,610,858
Total Solid Waste/Sanitation Fund			\$ 1,610,858
<u>Industrial/Economic Development Fund</u>			
<u>Other Operations</u>			
<u>Other Economic and Community Development</u>			
Consultants	\$	34,800	
Total Other Economic and Community Development			\$ 34,800
<u>Capital Projects</u>			
<u>General Administration Projects</u>			
Contributions	\$	12,619	
Total General Administration Projects			12,619
<u>Public Utility Projects</u>			
Contracts with Private Agencies	\$	323,527	
Contributions		5,684	
Total Public Utility Projects		<u>329,211</u>	
Total Industrial/Economic Development Fund			376,630
<u>Drug Control Fund</u>			
<u>Public Safety</u>			
<u>Drug Enforcement</u>			
Communication	\$	8,539	
Confidential Drug Enforcement Payments		5,000	
Maintenance and Repair Services - Buildings		42	
Travel		5,127	
Veterinary Services		356	
Animal Food and Supplies		8,146	
Law Enforcement Supplies		4,360	
Trustee's Commission		572	
Other Charges		207	
Law Enforcement Equipment		20,412	
Total Drug Enforcement		<u>52,761</u>	
Total Drug Control Fund			52,761
<u>Constitutional Officers - Fees Fund</u>			
<u>Finance</u>			
<u>County Trustee's Office</u>			
Constitutional Officers' Operating Expenses	\$	205,791	
Total County Trustee's Office			\$ 205,791

(Continued)

Exhibit J-8

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

Constitutional Officers - Fees Fund (Cont.)

Finance (Cont.)

County Clerk's Office

Constitutional Officers' Operating Expenses	\$ 300,734	
Total County Clerk's Office		\$ 300,734

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$ 3,411	
Total Chancery Court		<u>3,411</u>

Total Constitutional Officers - Fees Fund		\$ 509,936
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Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$ 88,827	
Accountants/Bookkeepers	52,000	
Custodial Personnel	2,229	
Longevity Pay	750	
Social Security	8,693	
Pensions	9,364	
Medical Insurance	14,854	
Unemployment Compensation	487	
Employer Medicare	2,033	
Communication	5,157	
Data Processing Services	400	
Dues and Memberships	4,920	
Evaluation and Testing	875	
Maintenance Agreements	149	
Pest Control	240	
Printing, Stationery, and Forms	317	
Travel	1,114	
Custodial Supplies	571	
Office Supplies	1,777	
Utilities	11,463	
Workers' Compensation Insurance	2,783	
Other Charges	<u>1,039</u>	
Total Administration		\$ 210,042

Highway and Bridge Maintenance

Foremen	\$ 135,510
Equipment Operators	311,218
Equipment Operators - Light	220,800
Truck Drivers	266,239
Laborers	152,117
Longevity Pay	12,850
Overtime Pay	2,780
Social Security	65,606
Pensions	73,843

(Continued)

Exhibit J-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Employee and Dependent Insurance	\$	361	
Life Insurance		67	
Medical Insurance		195,912	
Dental Insurance		242	
Disability Insurance		260	
Unemployment Compensation		6,741	
Employer Medicare		15,343	
Rentals		8,950	
Asphalt		1,370,321	
Asphalt - Cold Mix		41,530	
Concrete		7,436	
Crushed Stone		318,064	
Pipe - Metal		116,275	
Road Signs		10,289	
Wood Products		202	
Workers' Compensation Insurance		66,113	
Other Self-insured Claims		1,000	
Other Charges		17,093	
Total Highway and Bridge Maintenance			\$ 3,417,162

Operation and Maintenance of Equipment

Mechanic(s)	\$	159,369	
Longevity Pay		2,000	
Social Security		9,652	
Pensions		11,296	
Medical Insurance		28,598	
Unemployment Compensation		840	
Employer Medicare		2,257	
Maintenance and Repair Services - Buildings		454	
Maintenance and Repair Services - Equipment		151,547	
Diesel Fuel		93,152	
Garage Supplies		1,825	
Gasoline		24,276	
Lubricants		14,668	
Propane Gas		90	
Tires and Tubes		30,416	
Workers' Compensation Insurance		4,668	
Other Charges		13,120	
Total Operation and Maintenance of Equipment			548,228

Other Charges

Building and Contents Insurance	\$	2,293	
Liability Insurance		23,972	
Trustee's Commission		63,954	
Vehicle and Equipment Insurance		30,658	
Other Charges		1,375	
Total Other Charges			122,252

(Continued)

Exhibit J-8

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Capital Outlay

Engineering Services	\$	1,445	
Highway Construction		217,690	
Highway Equipment		116,932	
Other Construction		8,643	
Total Capital Outlay			\$ 344,710

Total Highway/Public Works Fund \$ 4,642,394

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	1,599,299	
Principal on Notes		345,563	
Total General Government			\$ 1,944,862

Highways and Streets

Principal on Bonds	\$	79,200	
Total Highways and Streets			79,200

Education

Principal on Bonds	\$	1,276,500	
Principal on Notes		224,437	
Total Education			1,500,937

Interest on Debt

General Government

Interest on Bonds	\$	644,505	
Interest on Notes		40,256	
Total General Government			684,761

Highways and Streets

Interest on Bonds	\$	14,748	
Total Highways and Streets			14,748

Education

Interest on Bonds	\$	585,886	
Interest on Notes		28,929	
Total Education			614,815

Other Debt Service

General Government

Trustee's Commission	\$	67,414	
Other Debt Service		7,770	
Total General Government			75,184

Total General Debt Service Fund 4,914,507

(Continued)

Exhibit J-8

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

Education Debt Service Fund

Principal on Debt

Education

Principal on Notes	\$ 585,000	
Total Education		\$ 585,000

Interest on Debt

Education

Interest on Notes	\$ 34,855	
Total Education		34,855

Other Debt Service

Education

Trustee's Commission	\$ 7,966	
Total Education		<u>7,966</u>

Total Education Debt Service Fund		\$ 627,821
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Highway Debt Service Fund

Principal on Debt

Highways and Streets

Principal on Notes	\$ 285,000	
Total Highways and Streets		\$ 285,000

Interest on Debt

Highways and Streets

Interest on Notes	\$ 19,591	
Total Highways and Streets		19,591

Other Debt Service

Highways and Streets

Trustee's Commission	\$ 5,972	
Total Highways and Streets		<u>5,972</u>

Total Highway Debt Service Fund		310,563
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General Capital Projects Fund

Capital Projects

General Administration Projects

Consultants	\$ 68,500	
Contracts with Private Agencies	65,209	
Other Debt Issuance Charges	373,875	
Building Improvements	16,515	
Motor Vehicles	657,126	
Other Capital Outlay	<u>255,015</u>	
Total General Administration Projects		\$ 1,436,240

Capital Projects - Donated

Capital Projects Donated to School Department

Contributions	\$ 13,751,875	
Total Capital Projects Donated to School Department		<u>13,751,875</u>

Total General Capital Projects Fund		15,188,115
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(Continued)

Exhibit J-8

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

<u>Highway Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Highway and Street Capital Projects</u>			
Highway Equipment	\$	430,250	
Total Highway and Street Capital Projects			\$ 430,250
Total Highway Capital Projects Fund			\$ 430,250
<u>Higher Education Fund</u>			
<u>Capital Projects</u>			
<u>Education Capital Projects</u>			
Architects	\$	170,978	
Permits		500	
Cabling		3,000	
Building Construction		7,450,246	
Land		3,400	
Total Education Capital Projects			\$ 7,628,124
Total Higher Education Fund			7,628,124
<u>Other Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Public Safety Projects</u>			
Other Charges	\$	23,123	
Total Public Safety Projects			\$ 23,123
Total Other Capital Projects Fund			23,123
Total Governmental Funds - Primary Government			\$ 52,292,217

Exhibit J-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 17,233,885	
Career Ladder Program	80,368	
Homebound Teachers	15,075	
Educational Assistants	740,326	
Other Salaries and Wages	8,330	
Certified Substitute Teachers	29,067	
Non-certified Substitute Teachers	163,294	
Social Security	1,058,694	
Pensions	1,768,055	
Medical Insurance	3,334,686	
Unemployment Compensation	24,386	
Employer Medicare	249,139	
Retirement - Hybrid Stabilization	27,480	
Contributions	19,072	
Other Contracted Services	120,502	
Instructional Supplies and Materials	492,119	
Textbooks - Bound	700,298	
Other Supplies and Materials	664	
Other Charges	138	
Regular Instruction Equipment	456,173	
Total Regular Instruction Program		\$ 26,521,751

Alternative Instruction Program

Teachers	\$ 141,917	
Educational Assistants	57,849	
Social Security	11,716	
Pensions	18,365	
Medical Insurance	39,710	
Employer Medicare	2,740	
Instructional Supplies and Materials	991	
Other Supplies and Materials	968	
Total Alternative Instruction Program		274,256

Special Education Program

Teachers	\$ 1,224,884	
Career Ladder Program	5,000	
Homebound Teachers	8,768	
Educational Assistants	669,428	
Speech Pathologist	285,629	
Other Salaries and Wages	114,368	
Certified Substitute Teachers	2,310	
Non-certified Substitute Teachers	19,847	
Social Security	134,187	
Pensions	189,041	
Medical Insurance	537,157	
Employer Medicare	31,451	

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Contracts with Private Agencies	\$	63,800	
Instructional Supplies and Materials		14,965	
Other Supplies and Materials		1,201	
Total Special Education Program			\$ 3,302,036

Career and Technical Education Program

Teachers	\$	1,570,952	
Career Ladder Program		5,000	
Certified Substitute Teachers		1,210	
Non-certified Substitute Teachers		20,405	
Social Security		94,355	
Pensions		159,281	
Medical Insurance		275,578	
Employer Medicare		22,094	
Contracts with Other School Systems		178,400	
Maintenance and Repair Services - Equipment		1,844	
Other Contracted Services		2,299	
Instructional Supplies and Materials		61,447	
Textbooks - Bound		36,635	
Other Supplies and Materials		2,672	
Other Charges		34	
Vocational Instruction Equipment		2,283	
Total Career and Technical Education Program			2,434,489

Support Services

Health Services

Supervisor/Director	\$	49,445	
Medical Personnel		339,344	
Other Salaries and Wages		22,733	
Social Security		22,330	
Pensions		35,377	
Medical Insurance		114,355	
Employer Medicare		5,223	
Travel		576	
Other Contracted Services		195	
Drugs and Medical Supplies		12,205	
Other Supplies and Materials		9,615	
In Service/Staff Development		3,488	
Total Health Services			614,886

Other Student Support

Career Ladder Program	\$	1,000	
Guidance Personnel		776,423	
Social Workers		83,876	
Other Salaries and Wages		93,302	
Social Security		52,869	

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Pensions	\$	82,955	
Medical Insurance		134,087	
Employer Medicare		13,181	
Evaluation and Testing		73,457	
Other Contracted Services		17,500	
Other Supplies and Materials		1,094	
In Service/Staff Development		831	
Other Equipment		4,600	
Total Other Student Support			\$ 1,335,175

Regular Instruction Program

Supervisor/Director	\$	255,890	
Career Ladder Program		2,000	
Librarians		597,535	
Other Salaries and Wages		100,193	
Social Security		56,198	
Pensions		97,864	
Medical Insurance		151,008	
Employer Medicare		13,143	
Contributions		3,988	
Travel		6,488	
Other Contracted Services		175,226	
Other Supplies and Materials		70,815	
In Service/Staff Development		100,222	
Other Charges		537	
Other Equipment		242,672	
Total Regular Instruction Program			1,873,779

Alternative Instruction Program

Other Contracted Services	\$	5,974	
Other Charges		5,249	
Total Alternative Instruction Program			11,223

Special Education Program

Supervisor/Director	\$	76,985	
Career Ladder Program		1,000	
Other Salaries and Wages		638	
Social Security		4,669	
Pensions		8,290	
Medical Insurance		17,475	
Employer Medicare		1,092	
Travel		4,994	
Other Contracted Services		64,872	
Other Supplies and Materials		5,630	
In Service/Staff Development		2,150	
Total Special Education Program			187,795

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program

Supervisor/Director	\$	38,492	
Social Security		2,102	
Pensions		4,092	
Medical Insurance		6,357	
Employer Medicare		492	
Travel		5,291	
Other Contracted Services		1,000	
Other Supplies and Materials		12,007	
In Service/Staff Development		1,837	
Other Charges		7,969	
Total Career and Technical Education Program	\$		79,639

Technology

Supervisor/Director	\$	69,480	
Computer Programmer(s)		133,804	
Other Salaries and Wages		50,937	
Social Security		15,595	
Pensions		21,773	
Medical Insurance		37,861	
Employer Medicare		3,647	
Travel		1,298	
Other Contracted Services		51,125	
Data Processing Supplies		1,148	
Other Supplies and Materials		14,759	
In Service/Staff Development		244	
Other Charges		1,350	
Data Processing Equipment		21,675	
Total Technology			424,696

Other Programs

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

Board of Education

Secretary to Board	\$	2,400	
Board and Committee Members Fees		21,600	
Social Security		1,041	
Pensions		322	
Medical Insurance		232,436	
Employer Medicare		348	
Audit Services		14,935	
Contributions		1,153,082	
Dues and Memberships		4,635	
Legal Services		21,875	
Other Contracted Services		16,852	
Liability Insurance		90,845	

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Trustee's Commission	\$	258,888	
Workers' Compensation Insurance		393,761	
In Service/Staff Development		3,517	
Criminal Investigation of Applicants - TBI		352	
Other Charges		376	
Total Board of Education			\$ 2,217,265

Director of Schools

County Official/Administrative Officer	\$	161,189	
Career Ladder Program		1,000	
Secretary(ies)		35,572	
Social Security		10,540	
Pensions		19,166	
Medical Insurance		9,776	
Employer Medicare		2,785	
Communication		56,854	
Dues and Memberships		6,599	
Postal Charges		1,434	
Travel		269	
Other Contracted Services		14,383	
Office Supplies		4,523	
Other Supplies and Materials		1,127	
In Service/Staff Development		1,563	
Other Charges		461	
Administration Equipment		449	
Total Director of Schools			327,690

Office of the Principal

Principals	\$	956,542	
Career Ladder Program		6,300	
Assistant Principals		1,331,336	
Secretary(ies)		577,633	
Social Security		170,882	
Pensions		277,986	
Medical Insurance		402,591	
Employer Medicare		39,964	
Contributions		60,000	
Dues and Memberships		15,600	
Other Contracted Services		4,842	
Other Supplies and Materials		923	
Other Charges		924	
Total Office of the Principal			3,845,523

Fiscal Services

Supervisor/Director	\$	76,109	
Accountants/Bookkeepers		112,772	

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Fiscal Services (Cont.)

Social Security	\$	11,603	
Pensions		13,228	
Medical Insurance		20,820	
Employer Medicare		2,714	
Data Processing Services		15,108	
Other Contracted Services		260,841	
Data Processing Supplies		868	
In Service/Staff Development		513	
Administration Equipment		1,530	
Total Fiscal Services			\$ 516,106

Human Services/Personnel

Supervisor/Director	\$	76,985	
Career Ladder Program		500	
Secretary(ies)		33,372	
Social Security		6,578	
Pensions		10,572	
Medical Insurance		18,767	
Employer Medicare		1,538	
Dues and Memberships		925	
Other Contracted Services		5,430	
Other Supplies and Materials		627	
In Service/Staff Development		1,017	
Other Charges		107	
Total Human Services/Personnel			156,418

Operation of Plant

Custodial Personnel	\$	632,047	
Other Salaries and Wages		512,954	
Social Security		67,170	
Pensions		77,112	
Medical Insurance		301,453	
Employer Medicare		15,717	
Laundry Service		10,828	
Travel		10,372	
Disposal Fees		38,750	
Other Contracted Services		36,454	
Custodial Supplies		169,882	
Electricity		1,040,003	
Natural Gas		170,297	
Water and Sewer		181,195	
Other Supplies and Materials		13,828	
Building and Contents Insurance		163,502	
In Service/Staff Development		100	
Plant Operation Equipment		13,633	
Total Operation of Plant			3,455,297

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

Supervisor/Director	\$	62,463	
Other Salaries and Wages		354,724	
Social Security		25,426	
Pensions		29,194	
Medical Insurance		56,171	
Employer Medicare		5,947	
Laundry Service		7,509	
Maintenance and Repair Services - Equipment		24,789	
Maintenance and Repair Services - Vehicles		3,211	
Other Contracted Services		124,766	
Other Supplies and Materials		452,828	
Other Charges		493	
Maintenance Equipment		8,173	
Plant Operation Equipment		18,999	
Total Maintenance of Plant			\$ 1,174,693

Transportation

Supervisor/Director	\$	76,985	
Mechanic(s)		173,470	
Bus Drivers		842,078	
Clerical Personnel		32,474	
Other Salaries and Wages		85,585	
Social Security		68,910	
Pensions		76,188	
Medical Insurance		459,967	
Employer Medicare		16,142	
Communication		4,225	
Contracts with Parents		11,190	
Laundry Service		4,709	
Maintenance and Repair Services - Vehicles		13,518	
Medical and Dental Services		1,800	
Travel		7,316	
Other Contracted Services		11,511	
Diesel Fuel		164,921	
Garage Supplies		278	
Gasoline		24,426	
Lubricants		9,410	
Tires and Tubes		34,366	
Vehicle Parts		128,282	
Other Supplies and Materials		16,669	
Vehicle and Equipment Insurance		46,272	
In Service/Staff Development		260	
Other Charges		114	
Transportation Equipment		275,764	
Total Transportation			2,586,830

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Central and Other

Other Salaries and Wages	\$	8,308	
Social Security		489	
Pensions		415	
Medical Insurance		821	
Employer Medicare		114	
Other Contracted Services		108,781	
Total Central and Other	\$		118,928

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	15,556	
Teachers		50,196	
Career Ladder Program		1,000	
Clerical Personnel		4,991	
Educational Assistants		7,038	
Other Salaries and Wages		64,986	
Social Security		8,036	
Pensions		13,710	
Medical Insurance		12,529	
Employer Medicare		1,879	
Other Contracted Services		1,386	
Food Supplies		139	
Instructional Supplies and Materials		1,536	
Other Supplies and Materials		7,671	
In Service/Staff Development		86	
Other Charges		12,353	
Total Community Services			203,092

Early Childhood Education

Teachers	\$	541,358	
Clerical Personnel		10,794	
Educational Assistants		173,253	
Certified Substitute Teachers		248	
Non-certified Substitute Teachers		10,037	
Social Security		41,049	
Pensions		69,835	
Medical Insurance		178,771	
Employer Medicare		9,604	
Maintenance and Repair Services - Equipment		50	
Travel		139	
Instructional Supplies and Materials		6,699	
Other Supplies and Materials		12,709	
In Service/Staff Development		4,866	
Other Charges		2,388	
Regular Instruction Equipment		35,982	
Total Early Childhood Education			1,097,782

(Continued)

Exhibit J-9

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

General Purpose School Fund (Cont.)

Capital Outlay

Regular Capital Outlay

Other Contracted Services	\$ 1,386,035	
Building Improvements	118,556	
Total Regular Capital Outlay		\$ 1,504,591

Total General Purpose School Fund \$ 54,481,924

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 466,810	
Educational Assistants	222,642	
Certified Substitute Teachers	522	
Non-certified Substitute Teachers	14,960	
Social Security	41,197	
Pensions	56,162	
Medical Insurance	130,239	
Employer Medicare	9,644	
Retirement - Hybrid Stabilization	398	
Instructional Supplies and Materials	264,019	
Other Supplies and Materials	3,049	
Other Charges	344	
Regular Instruction Equipment	46,004	
Total Regular Instruction Program		\$ 1,255,990

Special Education Program

Teachers	\$ 449,132	
Educational Assistants	291,812	
Speech Pathologist	107,753	
Certified Substitute Teachers	495	
Non-certified Substitute Teachers	18,232	
Social Security	49,531	
Pensions	72,884	
Medical Insurance	194,095	
Employer Medicare	11,586	
Instructional Supplies and Materials	46,166	
Other Supplies and Materials	168	
Special Education Equipment	10,663	
Total Special Education Program		1,252,517

Career and Technical Education Program

Other Salaries and Wages	\$ 15,109	
Social Security	870	
Pensions	1,604	
Medical Insurance	2,749	
Employer Medicare	204	
Maintenance and Repair Services - Equipment	951	

(Continued)

Exhibit J-9

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Career and Technical Education Program (Cont.)

Other Contracted Services	\$	23,964	
Instructional Supplies and Materials		339	
Other Supplies and Materials		17,627	
Vocational Instruction Equipment		63,401	
Total Career and Technical Education Program			\$ 126,818

Support Services

Health Services

Other Salaries and Wages	\$	34,208	
Social Security		1,715	
Pensions		3,623	
Medical Insurance		12,767	
Employer Medicare		402	
Total Health Services			52,715

Other Student Support

Supervisor/Director	\$	17,684	
Guidance Personnel		53,470	
Social Workers		25,056	
Certified Substitute Teachers		440	
Non-certified Substitute Teachers		7,012	
Social Security		6,105	
Pensions		9,619	
Medical Insurance		9,569	
Employer Medicare		1,436	
Travel		10,683	
Other Contracted Services		800	
Office Supplies		494	
Other Supplies and Materials		12,008	
In Service/Staff Development		37,791	
Other Charges		16,586	
Total Other Student Support			208,753

Regular Instruction Program

Supervisor/Director	\$	150,797	
Other Salaries and Wages		788,017	
Non-certified Substitute Teachers		605	
Social Security		55,159	
Pensions		97,970	
Medical Insurance		143,854	
Employer Medicare		12,901	
In Service/Staff Development		129,464	
Total Regular Instruction Program			1,378,767

Special Education Program

Psychological Personnel	\$	119,632	
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(Continued)

Exhibit J-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

Medical Personnel	\$	118,778	
Clerical Personnel		34,472	
Social Security		15,931	
Pensions		25,276	
Medical Insurance		54,015	
Employer Medicare		3,726	
Travel		1,279	
Other Contracted Services		31,478	
Other Supplies and Materials		7,233	
In Service/Staff Development		3,695	
Total Special Education Program			\$ 415,515

Transportation

Bus Drivers	\$	802	
Social Security		50	
Pensions		56	
Employer Medicare		12	
Diesel Fuel		1,645	
Total Transportation			2,565

Operation of Non-Instructional Services

Community Services

Teachers	\$	45,475	
Other Salaries and Wages		56,467	
Non-certified Substitute Teachers		110	
Social Security		6,297	
Pensions		8,310	
Employer Medicare		1,473	
Retirement - Hybrid Stabilization		96	
Other Contracted Services		104,702	
Instructional Supplies and Materials		94,638	
In Service/Staff Development		6,383	
Other Charges		29,423	
Total Community Services			353,374

Total School Federal Projects Fund \$ 5,047,014

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	74,831	
Accountants/Bookkeepers		37,619	
Cafeteria Personnel		1,287,422	
Social Security		82,412	
Pensions		66,895	
Medical Insurance		287,932	

(Continued)

Exhibit J-9

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Unemployment Compensation	\$	479	
Employer Medicare		19,273	
Maintenance and Repair Services - Equipment		62,038	
Transportation - Other than Students		28,770	
Travel		1,812	
Other Contracted Services		52,791	
Food Supplies		1,361,489	
Office Supplies		3,556	
USDA - Commodities		311,934	
Other Supplies and Materials		137,547	
In Service/Staff Development		2,119	
Other Charges		421	
Food Service Equipment		24,599	
Total Food Service			<u>\$ 3,843,939</u>

Total Central Cafeteria Fund \$ 3,843,939

Extended School Program Fund

Operation of Non-Instructional Services

Community Services

Other Salaries and Wages	\$	70,739	
Social Security		4,384	
Pensions		5,743	
Employer Medicare		1,030	
Retirement - Hybrid Stabilization		4	
Other Supplies and Materials		4,915	
Trustee's Commission		1,103	
Other Charges		1,758	
Total Community Services			<u>\$ 89,676</u>

Total Extended School Program Fund 89,676

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Consultants	\$	96,000	
Contracts with Private Agencies		4,560,249	
Contributions		300,000	
Building Construction		105,599	
Total Education Capital Projects			<u>\$ 5,061,848</u>

Total Education Capital Projects Fund 5,061,848

Total Governmental Funds - Lawrence County School Department \$ 68,524,401

Lawrence 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
	<u> </u>
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 5,233,525
Total Cash Receipts	<u>\$ 5,233,525</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 5,181,190
Trustee's Commission	<u>52,335</u>
Total Cash Disbursements	<u>\$ 5,233,525</u>
 Excess of Cash Receipts Over (Under) Cash Disbursements	 \$ 0
Cash, July 1, 2019	<u>0</u>
 Cash, June 30, 2020	 <u><u>\$ 0</u></u>

SINGLE AUDIT SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

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

Independent Auditor's Report

Lawrence County Executive and
Board of County Commissioners
Lawrence County, Tennessee

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lawrence County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Lawrence County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated December 15, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lawrence County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lawrence County's internal control. Accordingly, we do not express an opinion on the effectiveness of Lawrence County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lawrence County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 one instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2020-001.

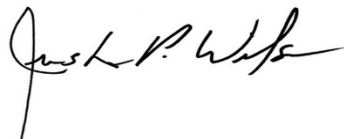
Lawrence County's Response to the Finding

Lawrence County's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Lawrence County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lawrence County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 15, 2020

JPW/yu



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Lawrence County Executive and
Board of County Commissioners
Lawrence County, Tennessee

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Lawrence County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Lawrence County's major federal programs for the year ended June 30, 2020. Lawrence County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Lawrence County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Lawrence County's compliance with those

requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Lawrence County's compliance.

Opinion on Each Major Federal Program

In our opinion, Lawrence County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Lawrence County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Lawrence County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Lawrence County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

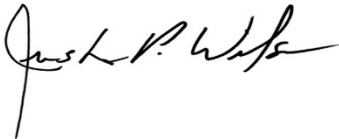
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the

requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lawrence County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Lawrence County's basic financial statements. We issued our report thereon dated December 15, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

December 15, 2020

JPW/yu

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	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	(3)	\$ 0	\$ 311,934 (5)
Passed-through State Department of Education:				
Child Nutrition Cluster: (4)				
School Breakfast Program	10.553	(3)	0	567,038 (5)
COVID 19 - School Breakfast Program	10.553	(3)	0	229,843 (5)
National School Lunch Program	10.555	(3)	0	1,476,573 (5)
COVID 19 - National School Lunch Program	10.555	(3)	0	365,659 (5)
Fresh Fruit and Vegetable Program	10.582	(3)	0	21,678
Passed-through State Department of Health:				
Special Supplement Nutrition Program for Women, Infants, and Children	10.557	GG2063232	0	64,844
Total U.S. Department of Agriculture				<u>\$ 3,037,569</u>
U.S. Department of Defense:				
Passed-through State Department of General Services:				
Section 1033 Excess Property Program (Noncash Assistance)				
	12.U01	(3)	0	\$ 355,543 (6)
Total U.S. Department of Defense				<u>\$ 355,543</u>
U.S. Department of Housing and Urban Development:				
Passed-through State Department of Economic and Community Development:				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii				
	14.228	(3)	0	\$ 273,199
Total U.S. Department of Housing and Urban Development				<u>\$ 273,199</u>
U.S. Department of Justice:				
Direct Program:				
Public Safety Partnership and Community Policing Grants				
	16.710	N/A	0	\$ 75,376
Passed-through State Department of Finance and Administration:				
Crime Victim Assistance				
	16.575	(3)	0	80,460
Total U.S. Department of Justice				<u>\$ 155,836</u>
Appalachian Regional Commission:				
Passed-through State Department of Economic and Community Development:				
Appalachian Area Development				
	23.002	(3)	0	\$ 24,360
Total Appalachian Regional Commission				<u>\$ 24,360</u>
U.S. Department of Education:				
Direct Program:				
Funds for the Improvement of Education				
	84.215	N/A	0	\$ 506,054
Passed-through State Department of Education:				
Title I Grants to Local Educational Agencies				
	84.010	(3)	0	2,073,092
Special Education Cluster: (4)				
Special Education - Grants to States	84.027	(3)	0	1,636,342
Special Education - Preschool Grants	84.173	(3)	0	63,122
Career and Technical Education - Basic Grants to States				
	84.048	(3)	0	147,062
Twenty-first Century Community Learning Centers	84.287	(3)	0	100,865
Rural Education	84.358	(3)	0	111,590
English Language Acquisition State Grants	84.365	(3)	23,060	29,924 (7)
Supporting Effective Instruction State Grants	84.367	(3)	0	262,527
Statewide Longitudinal Data Systems	84.372	(3)	0	15,722
Student Support and Academic Enrichment Program	84.424	(3)	0	183,296
Total U.S. Department of Education				<u>\$ 5,129,596</u>

(Continued)

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

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Election Assistance Commission: Passed-through Tennessee Secretary of State: 2020 HAVA Election Security Grants	90.404	(3)	\$ 0	\$ 1,625
Total U.S. Election Assistance Commission				\$ 1,625
U.S. Department of Health and Human Services: Direct Programs: COVID 19 - Public Health and Social Services Emergency Fund	93.003	N/A	0	\$ 69,865
Drug-Free Communities Support Program Grants	93.276	N/A	0	223,385
Passed-through State Department of Education: Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	(3)	0	103,556
Passed-through State Department of Health: Maternal and Child Health Services Block Grant to the States	93.994	GG2063232	0	27,389
Passed-through State Department of Human Services: Child Support Enforcement	93.563	(3)	0	28,463
CCDF Cluster: (4) Child Care and Development Block Grant	93.575	(3)	0	53,658
Block Grants for Prevention and Treatment of Substance Abuse	93.959	(3)	0	63,234
Total U.S. Department of Health and Human Services				\$ 569,550
U.S. Department of Homeland Security: Passed-through State Department of Military: Homeland Security Grant Program	97.067	(3)	0	\$ 24,059
Total U.S. Department of Homeland Security				\$ 24,059
Total Expenditures of Federal Grants				\$ 9,571,337
		<u>Contract Number</u>		
<u>State Grants</u> COVID 19 - Personal Protective Equipment Distribution (Noncash Assistance) - State Department of Military	N/A	(3)	\$	937
School Safety and Security Grant - State Department of Education	N/A	(3)		165,626
Safe Schools Act - State Department of Education	N/A	(3)		131,288
Early Childhood Education - State Department of Education	N/A	(3)		1,239,399
Coordinated School Health - State Department of Education	N/A	(3)		100,000
Alternative Breakfast Grant - State Department of Education	N/A	(3)		2,500
Special Needs - State Department of Health	N/A	GG1958571		17,007
Litter Grant - State Department of Transportation	N/A	(3)		82,861
Family Resources Center - State Department of Education	N/A	(3)		29,541
Principal Pipeline Partnership - State Department of Education	N/A	(3)		60,097
Health Department Programs - State Department of Health	N/A	GG2063232		276,699
Waste Reduction Grant - State Department of Environment and Conservation	N/A	(3)		127,622
Rural Development Block Grant Program - State Department of Economic and Community Development	N/A	(3)		4,744,089
State Supplement Juvenile Court Improvement Funds - State Commission on Children and Youth	N/A	(3)		8,934
Total State Grants				\$ 6,986,600

(Continued)

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

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

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Lawrence County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Child Nutrition Cluster total \$2,951,047; Special Education Cluster (IDEA) total \$1,699,464; CCDF Cluster total \$53,658.
- (5) Total for CFDA No. 10.553 is \$796,881; Total for CFDA No. 10.555 is \$2,154,166.
- (6) During the year ended June 30, 2020, Lawrence County received surplus military equipment from the U.S. Department of Defense valued at \$355,543.
- (7) SUBRECIPIENTS

Program Title	Federal CFDA Number	Amount Provided to Subrecipient	Subrecipient
English Language Acquisition State Grants	84.365	\$2,044	Giles County School Department
"	"	\$9,447	Coffee County School Department
"	"	\$5,399	Tulahoma City School District
"	"	\$771	Fayetteville City School District
"	"	\$5,399	Lincoln County School Department

- (8) For the Year ended June 30, 2020, Lawrence County received donated PPE valued at \$3,749 (\$2,812 federal and \$937 state) from the Tennessee Department of Military. These donations were unaudited.

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

Prior-year Financial Statement Findings

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

Prior-year Federal Awards Findings

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

LAWRENCE COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2020

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

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

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * CFDA Numbers: 10.553 and 10.555 Nutrition Cluster: School Breakfast Program and National School Lunch Program
 - * CFDA Numbers: 84.027 and 84.173 Special Education Cluster: Special Education - Grants to States and Special Education - Preschool Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF DIRECTOR OF SCHOOLS

FINDING 2020-001

THE OFFICE DID NOT PROVIDE THE ACCOUNTING RECORDS FOR AUDITORS TO REVIEW ON A TIMELY BASIS

(Noncompliance Under *Government Auditing Standards*)

Accounting records, including subsidiary capital assets and compensated absences records, were not closed and available for audit by August 31, 2020, as required by Section 9-2-102, *Tennessee Code Annotated*. This statute requires a county have their records available for audit no later than two months after the close of their fiscal year. The accounting records were closed on September 28, 2020. The capital assets and compensated absences subsidiary records were made available to auditors on October 23rd and October 15th, respectively. This deficiency can be attributed to a lack of management oversight. The failure to properly maintain and close accounting and subsidiary records on a current basis diminishes the usefulness of the financial records as a management tool, results in the loss of budgetary and accounting controls, and increases the risk that errors will not be discovered and corrected in a timely manner.

RECOMMENDATION

Management should ensure all accounting records for the fiscal year ended June 30 are available for audit by the following August 31, as required by state statute.

MANAGEMENT'S RESPONSE – DIRECTOR OF SCHOOLS

We concur with the finding, but would like for the following to be disclosed:

This finding is a direct implication from the COVID-19 pandemic. In addition to the challenges the school department faced with how to open schools for the upcoming 2020-2021 school year, the school department also experienced a slowdown in operations in the financial department. The financial focus became adopting a FY21 budget within the timeline established by *Tennessee Code Annotated* and providing the necessary instructional technology and operational supplies and materials needed to begin the 2020-2021 school year. This focus resulted in a delay in closing the accounting records for the year ended June 30, 2020. The COVID-19 disruption has taught the district to embrace technology at this critical time, and we are now more prepared in the financial department to work remotely while continuing to provide accurate and timely financial records.

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.

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

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF DIRECTOR OF SCHOOLS

2020-001	The office did not provide the accounting records for auditors to review on a timely basis.	232
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LAWRENCE COUNTY
SCHOOL  SYSTEM

Michael Adkins, Ed. S., Director of Schools
700 Mahr Avenue • Lawrenceburg, TN 38464
931-762-3581

Corrective Action Plan

FINDING: ACCOUNTING RECORDS FOR THE YEAR ENDED JUNE 30, 2020, WERE NOT CLOSED AND AVAILABLE FOR AUDIT BY AUGUST 31, 2020

Response and Corrective Action Plan Prepared by:
Jessica Eledge, CFO

Person Responsible for Implementing the Corrective Action:
Jessica Eledge, CFO

Anticipated Completion Date of Corrective Action:
Immediately

Planned Corrective Action:

This finding is a direct implication from the COVID-19 pandemic. In addition to the challenges the school department faced with how to open schools for the upcoming 2020-2021 school year, the school department also experienced a slowdown in operations in the financial department. The financial focus became adopting a FY21 budget within the timeline established by TCA and providing the necessary instructional technology and operational supplies and materials needed to begin the 2020-2021 school year. This focus resulted in a delay in closing the accounting records for the year ended June 30, 2020. The COVID-19 disruption has taught the district to embrace technology at this critical time and we are now more prepared in the financial department to work remotely while continuing to provide accurate and timely financial records.



Michael Adkins
Director of Schools



Jessica Eledge
Chief Financial Officer

BEST PRACTICE

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

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

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

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