



ANNUAL FINANCIAL REPORT

Maury County, Tennessee

For the Year Ended June 30, 2020

Jason E. Mumpower
Comptroller of the Treasury



**DIVISION OF
LOCAL GOVERNMENT AUDIT**

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

COMPTROLLER OF THE TREASURY
JASON E. MUMPOWER

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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
Maury County, Tennessee
For the Year Ended June 30, 2020

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR

- ◆ The office had deficiencies in the administration of payroll.
-

OFFICE OF CLERK AND MASTER

- ◆ The office had accounting deficiencies.
-

OTHER FINDINGS AND RECOMMENDATIONS

- ◆ An investigation of the Maury Regional Medical Center disclosed a theft of at least \$798,265.

INTRODUCTORY SECTION

Maury County Officials
June 30, 2020

Officials

Andy Ogles, County Mayor
Van Boshers, Road Superintendent
Christopher Marczak, Director of Schools
Randy McNeece, Trustee
Bobby Daniels, Assessor of Property
Joey Allen, County Clerk
Sandy McLain, Circuit and General Sessions Courts Clerk
Larry Roe, Jr., Clerk and Master
John Fleming, Register of Deeds
Bucky Rowland, Sheriff
Douglas Lukonen, Finance Director
Pattie Farris, Purchasing Agent
Dana Gibson, Director of Human Resources

Board of County Commissioners

Don Morrow, Chairman
Ken Banks
Talvin Barner
Gwynne Evans
Connie Green
Craig Harris
Michelle Haney
Kevin Markham
Brian McKelvy
David Mischke
Wayne Patterson

Terry Potts
Eric Previti
Jordon Shaw
Sue Stephenson
Gary Stovall
Scott Sumners
Debbie Turner
Brian Vick
Matthew White
Linda Whiteside
Tommy Wolaver

Board of Education

Bettye Kinser, Chairperson
Nathan Adkison
Howard Beaver
Tommy Dudley
Michael Fulbright
Natasha Hopkins

Chad Howell
David Moore
Donna Morency
Kristin Parker
Will Sims

Financial Management Board

Gwynne Evans, Chairperson
Andy Ogles, County Mayor
Bettye Kinser, Board of Education Chairperson
Randy McNeece, Trustee

Craig Harris
Scott Sumners
Debbie Turner

Audit Committee

Debbie Turner, Chairperson
Karynda Barner
Jordon Shaw

Vickie Pratt
Brian McKelvy

FINANCIAL SECTION



JASON E. MUMPOWER
Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Maury Regional Hospital (major proprietary fund), which represent 97 percent, 96 percent, and 99 percent, respectively, of the assets, net position, and revenues of the business-type activities. Also, we did not audit the financial statements of the discretely presented Maury County Board of Public Utilities Water System. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Maury Regional Hospital and the discretely presented Maury County Board of Public Utilities Water System, is based solely on the reports of the other auditors. We were unable to determine Maury County Board of Public Utilities Water System's respective percentage of the assets, net position, and revenues of the aggregate discretely presented component units because the Maury County Emergency Communications District and the Industrial Development Board of Maury

County, component units requiring discrete presentation, were not included in the county's financial statements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

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 schedule of changes in the school's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors 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 Maury County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Maury County School Department (a discretely presented component unit), miscellaneous schedules and other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

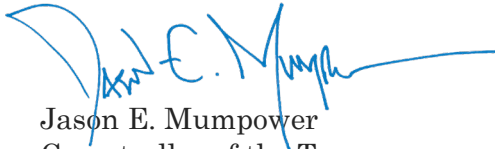
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Maury County School Department (a discretely presented component unit), schedule 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, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Maury County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 9, 2021, on our consideration of Maury County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Maury 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 Maury County’s internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 9, 2021

JEM/yu

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government			Component Units	
	Governmental Activities	Business- type Activities	Total	Maury County School Department	Maury County Board of Public Utilities Water System
<u>ASSETS</u>					
Cash	\$ 875	\$ 74,642,045	\$ 74,642,920	\$ 282,529	\$ 6,038,134
Equity in Pooled Cash and Investments	52,276,671	6,597,443	58,874,114	23,041,205	0
Certificates of Deposit	0	332,917	332,917	0	0
Investments	0	2,757,905	2,757,905	0	5,176,572
Accounts Receivable	1,056,930	2,145,910	3,202,840	102,717	286,134
Patient Accounts Receivable	0	85,411,736	85,411,736	0	0
Allowance for Uncollectible Accounts	0	(33,600,000)	(33,600,000)	0	0
Property Taxes Receivable	26,823,537	2,782,585	29,606,122	24,993,504	0
Allowance for Uncollectible Property Taxes	(412,820)	(42,825)	(455,645)	(316,076)	0
Accrued Interest Receivable	0	0	0	0	39,703
Due from Other Governments	2,745,225	25,929	2,771,154	4,361,867	0
Due from Affiliates	0	249,174	249,174	0	0
Prepaid Items	42,642	4,876,822	4,919,464	0	0
Inventories	0	6,251,493	6,251,493	275,333	96,367
Other Assets	219	2,400,423	2,400,642	0	0
Net Pension Asset - Agent Plan	2,300,591	76,127	2,376,718	1,427,902	96,754
Net Pension Asset - Teacher Retirement Plan	0	0	0	627,905	0
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	12,433,996	0
Assets Limited as to Use	0	51,912,775	51,912,775	0	0
Interest in Joint Ventures	0	14,199,862	14,199,862	0	0
Restricted Assets:					
Amounts Accumulated for Pension Benefits	0	0	0	554,269	0
Customer Deposits	0	0	0	0	33,120
Capital Assets:					
Assets Not Depreciated:					
Land	7,397,075	8,475,539	15,872,614	5,846,313	589,205
Intangibles	1,098,294	0	1,098,294	0	0
Construction in Progress	5,511,308	1,594,402	7,105,710	67,530,205	995,105
Assets Net of Accumulated Depreciation:					
Buildings and Improvements	27,066,456	54,827,517	81,893,973	148,679,797	1,614,140
Infrastructure	41,008,674	0	41,008,674	0	22,148,362
Other Capital Assets	3,479,730	76,168,258	79,647,988	3,994,856	494,012
Total Assets	\$ 170,395,407	\$ 362,086,037	\$ 532,481,444	\$ 293,836,322	\$ 37,607,608

(Continued)

Exhibit A

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

	Primary Government			Component Units	
	Governmental Activities	Business- type Activities	Total	Maury County School Department	Maury County Board of Public Utilities Water System
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Deferred Amount on Refunding	\$ 706,407	\$ 34,251	\$ 740,658	\$ 0	\$ 0
Pension Changes in Experience	256,730	332,141	588,871	790,759	10,797
Pension Changes in Proportion	0	0	0	197,295	0
Pension Changes in Assumptions	383,681	12,696	396,377	1,935,501	16,136
Pension Changes in Investment Earnings	0	3,280,450	3,280,450	0	0
Pension Contributions After Measurement Date	766,012	25,346	791,358	4,867,375	29,450
OPEB Changes in Assumptions	0	0	0	1,044,277	0
OPEB Changes in Experience	0	0	0	2,243,216	0
OPEB Changes in Proportion	0	0	0	2,076,239	0
OPEB Benefits Paid After Measurement Date	0	0	0	1,576,981	0
Total Deferred Outflows of Resources	\$ 2,112,830	\$ 3,684,884	\$ 5,797,714	\$ 14,731,643	\$ 56,383
<u>LIABILITIES</u>					
Accounts Payable	\$ 418,158	\$ 33,936,858	\$ 34,355,016	\$ 521,091	\$ 155,792
Accrued Payroll	0	7,607,024	7,607,024	4,973,628	28,368
Payroll Deductions Payable	812,707	30,022	842,729	2,039,906	0
Compensated Absences Payable	0	6,107,517	6,107,517	0	23,337
Accrued Interest Payable	1,514,126	182,062	1,696,188	0	0
Contracts Payable	0	0	0	284,953	0
Customer Deposits Payable	0	0	0	0	33,120
Deferred Revenue	0	41,799,609	41,799,609	0	419,692
Current Liabilities Payable from Restricted Assets	4,289	0	4,289	0	0
Other Long-term Liabilities	64,283	0	64,283	0	0
Noncurrent Liabilities:					
Due Within One Year - Debt	8,936,960	5,407,394	14,344,354	0	359,528
Due Within One Year - Other	1,470,605	52,886	1,523,491	834,288	0
Due in More Than One Year - Debt	166,478,444	29,750,692	196,229,136	0	4,547,934
Due in More Than One Year - Other	0	19,093,318	19,093,318	30,038,791	0
Total Liabilities	\$ 179,699,572	\$ 143,967,382	\$ 323,666,954	\$ 38,692,657	\$ 5,567,771

(Continued)

Exhibit A

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

	Primary Government			Component Units	
	Governmental Activities	Business- type Activities	Total	Maury County School Department	Maury County Board of Public Utilities Water System
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 25,941,547	\$ 2,729,069	\$ 28,670,616	\$ 24,145,442	\$ 0
Pension Changes in Experience	251,292	8,315	259,607	7,860,513	10,568
Pension Changes in Investment Earnings	556,256	18,406	574,662	3,924,429	23,394
Pension Changes in Assumptions	0	39,975	39,975	0	0
Pension Changes in Proportion	0	0	0	185,430	0
OPEB Changes in Assumptions	0	0	0	2,418,712	0
OPEB Changes in Experience	0	0	0	238,951	0
OPEB Changes in Proportion	0	0	0	599,150	0
Total Deferred Inflows of Resources	<u>\$ 26,749,095</u>	<u>\$ 2,795,765</u>	<u>\$ 29,544,860</u>	<u>\$ 39,372,627</u>	<u>\$ 33,962</u>
<u>NET POSITION</u>					
Net Investment in Capital Assets	\$ 82,353,559	\$ 105,907,630	\$ 188,261,189	\$ 226,051,171	\$ 20,933,362
Restricted for:					
Debt Service	15,579,536	0	15,579,536	0	1,650,000
Highway/Public Works	6,705,601	0	6,705,601	0	0
General Government	5,523,159	0	5,523,159	0	0
Capital Projects	1,972,906	0	1,972,906	0	0
Administration of Justice	1,384,957	0	1,384,957	0	0
Public Safety	551,731	0	551,731	0	0
Finance	149,732	0	149,732	0	0
Public Health and Welfare	6,022	0	6,022	0	0
Education	0	0	0	6,343,159	0
Pensions	2,300,591	76,127	2,376,718	15,044,072	96,754
Unrestricted	(150,468,224)	113,024,017	(37,444,207)	(16,935,721)	9,382,142
Total Net Position	<u>\$ (33,940,430)</u>	<u>\$ 219,007,774</u>	<u>\$ 185,067,344</u>	<u>\$ 230,502,681</u>	<u>\$ 32,062,258</u>

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

Exhibit B

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Maury County School Department	Maury County Board of Public Utilities Water System
					Governmental Activities	Business-type Activities	Total		
Primary Government:									
Governmental Activities:									
General Government	\$ 6,651,717	\$ 1,766,540	\$ 76,656	\$ 0	\$ (4,808,521)	\$ 0	\$ (4,808,521)	\$ 0	\$ 0
Finance	4,388,026	2,924,730	74,611	0	(1,388,685)	0	(1,388,685)	0	0
Administration of Justice	3,934,630	1,590,060	161,549	0	(2,183,021)	0	(2,183,021)	0	0
Public Safety	14,240,736	1,619,657	229,539	0	(12,391,540)	0	(12,391,540)	0	0
Public Health and Welfare	1,942,788	34,503	1,097,847	20,852	(789,586)	0	(789,586)	0	0
Social, Cultural, and Recreational Services	1,835,477	33,781	269,630	0	(1,532,066)	0	(1,532,066)	0	0
Agriculture and Natural Resources	216,044	0	0	0	(216,044)	0	(216,044)	0	0
Highway/Public Works	8,172,556	11,109	3,213,467	239,919	(4,708,061)	0	(4,708,061)	0	0
Education	2,007,728	1,110,648	665,391	0	(231,689)	0	(231,689)	0	0
Interest on Long-term Debt	6,785,139	0	917,080	0	(5,868,059)	0	(5,868,059)	0	0
Total Governmental Activities	\$ 50,174,841	\$ 9,091,028	\$ 6,705,770	\$ 260,771	\$ (34,117,272)	\$ 0	\$ (34,117,272)	\$ 0	\$ 0
Business-type Activities:									
Maury Regional Hospital	\$ 389,151,947	\$ 358,287,856	\$ 22,083,731	\$ 0	\$ 0	\$ (8,780,360)	\$ (8,780,360)	\$ 0	\$ 0
Solid Waste Disposal	4,348,718	1,778,918	64,869	0	0	(2,504,931)	(2,504,931)	0	0
Total Business-type Activities	\$ 393,500,665	\$ 360,066,774	\$ 22,148,600	\$ 0	\$ 0	\$ (11,285,291)	\$ (11,285,291)	\$ 0	\$ 0
Total Primary Government	\$ 443,675,506	\$ 369,157,802	\$ 28,854,370	\$ 260,771	\$ (34,117,272)	\$ (11,285,291)	\$ (45,402,563)	\$ 0	\$ 0
Component Units:									
Maury County School Department	\$ 134,735,859	\$ 2,085,066	\$ 13,965,149	\$ 1,248,523	\$ 0	\$ 0	\$ 0	\$ (117,437,121)	\$ 0
Maury County Board of Public Utilities Water System	4,037,810	5,292,960	0	413,658	0	0	0	0	1,668,808
Total Component Units	\$ 138,773,669	\$ 7,378,026	\$ 13,965,149	\$ 1,662,181	\$ 0	\$ 0	\$ 0	\$ (117,437,121)	\$ 1,668,808

(Continued)

Exhibit B

Maury County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Maury County School Department	Maury County Board of Public Utilities Water System
					Governmental Activities	Business-type Activities	Total		
General Revenues:									
Taxes:									
Property Taxes Levied for General Purposes					\$ 20,532,584	\$ 2,956,995	\$ 23,489,579	\$ 26,326,774	\$ 0
Property Taxes Levied for Debt Service					7,652,902	0	7,652,902	0	0
Local Option Sales Tax					1,673,051	0	1,673,051	18,578,751	0
Hotel/Motel Tax					709,191	0	709,191	0	0
Wheel Tax					2,370,508	0	2,370,508	0	0
Litigation Tax - General					482,159	0	482,159	0	0
Litigation Tax - Jail					550,167	0	550,167	0	0
Business Tax					1,595,012	0	1,595,012	0	0
Mixed Drink Tax					0	0	0	179,124	0
Mineral Severance Tax					155,937	0	155,937	0	0
Adequate Facilities/Development Tax					2,136,081	0	2,136,081	0	0
Wholesale Beer Tax					367,391	0	367,391	0	0
Grants and Contributions Not Restricted to Specific Programs					6,178,204	52,268	6,230,472	59,574,521	0
Unrestricted Investment Earnings					1,337,062	1,175,925	2,512,987	31,880	142,576
Miscellaneous					553,589	205,400	758,989	127,719	0
Total General Revenues					\$ 46,293,838	\$ 4,390,588	\$ 50,684,426	\$ 104,818,769	\$ 142,576
Change in Net Position					\$ 12,176,566	\$ (6,894,703)	\$ 5,281,863	\$ (12,618,352)	\$ 1,811,384
Net Position, July 1, 2019					(46,116,996)	225,902,477	179,785,481	243,121,033	30,250,874
Net Position, June 30, 2020					\$ (33,940,430)	\$ 219,007,774	\$ 185,067,344	\$ 230,502,681	\$ 32,062,258

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

Exhibit C-1

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>				
Cash	\$ 875	\$ 0	\$ 0	\$ 875
Equity in Pooled Cash and Investments	20,199,541	16,940,162	13,864,362	51,004,065
Accounts Receivable	741,546	52,361	248,240	1,042,147
Due from Other Governments	1,437,643	755,318	552,264	2,745,225
Property Taxes Receivable	14,273,858	7,308,859	5,240,820	26,823,537
Allowance for Uncollectible Property Taxes	(219,678)	(112,485)	(80,657)	(412,820)
Prepaid Items	0	42,642	0	42,642
Other Current Assets	219	0	0	219
Total Assets	<u>\$ 36,434,004</u>	<u>\$ 24,986,857</u>	<u>\$ 19,825,029</u>	<u>\$ 81,245,890</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 229,249	\$ 0	\$ 176,363	\$ 405,612
Payroll Deductions Payable	685,792	0	110,698	796,490
Current Liabilities Payable From Restricted Assets	4,289	0	0	4,289
Other Long-term Liabilities	64,283	0	0	64,283
Total Liabilities	<u>\$ 983,613</u>	<u>\$ 0</u>	<u>\$ 287,061</u>	<u>\$ 1,270,674</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 13,804,516	\$ 7,068,535	\$ 5,068,496	\$ 25,941,547
Deferred Delinquent Property Taxes	204,066	73,924	69,127	347,117
Other Deferred/Unavailable Revenue	369,658	377,663	252,900	1,000,221
Total Deferred Inflows of Resources	<u>\$ 14,378,240</u>	<u>\$ 7,520,122</u>	<u>\$ 5,390,523</u>	<u>\$ 27,288,885</u>

(Continued)

Exhibit C-1

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Govern- mental Funds	
<u>FUND BALANCES</u>				
Nonspendable:				
Prepaid Items	\$ 0	\$ 42,642	\$ 0	\$ 42,642
Restricted:				
Restricted for General Government	228,611	0	5,294,548	5,523,159
Restricted for Finance	149,732	0	0	149,732
Restricted for Administration of Justice	274,195	1,110,762	0	1,384,957
Restricted for Public Safety	185,299	0	366,432	551,731
Restricted for Public Health and Welfare	6,022	0	0	6,022
Restricted for Highways/Public Works	0	0	6,540,867	6,540,867
Restricted for Capital Outlay	0	0	1,945,598	1,945,598
Restricted for Debt Service	0	16,313,331	0	16,313,331
Committed:				
Committed for General Government	3,386,028	0	0	3,386,028
Committed for Finance	39,229	0	0	39,229
Committed for Public Safety	4,971,532	0	0	4,971,532
Committed for Public Health and Welfare	98,288	0	0	98,288
Committed for Social, Cultural, and Recreational Services	240,000	0	0	240,000
Assigned:				
Assigned for General Government	2,257,625	0	0	2,257,625
Unassigned	9,235,590	0	0	9,235,590
Total Fund Balances	<u>\$ 21,072,151</u>	<u>\$ 17,466,735</u>	<u>\$ 14,147,445</u>	<u>\$ 52,686,331</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 36,434,004</u>	<u>\$ 24,986,857</u>	<u>\$ 19,825,029</u>	<u>\$ 81,245,890</u>

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

Maury 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)		\$	52,686,331
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	7,397,075	
Add: intangibles		1,098,294	
Add: construction in progress		5,511,308	
Add: buildings and improvements net of accumulated depreciation		27,066,456	
Add: infrastructure net of accumulated depreciation		41,008,674	
Add: other capital assets net of accumulated depreciation		3,479,730	
Less: capital assets of the internal service fund included in item (2) below		(129,029)	85,432,508
(2) An internal service fund is used by management to charge the costs of a central maintenance garage to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.			1,423,088
(3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: notes payable	\$	(120,000)	
Less: other loans payable		(4,582,645)	
Less: bonds payable		(160,355,000)	
Add: deferred amount on refunding		706,407	
Less: compensated absences payable		(1,470,605)	
Add: compensated absences payable of the internal service fund included in item (2) above		14,950	
Less: accrued interest on bonds and notes		(1,514,126)	
Less: unamortized premium on debt		(10,357,759)	(177,678,778)
(4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.			
Add: deferred outflows of resources related to pensions	\$	1,406,423	
Less: deferred outflows of internal service fund		(24,438)	
Less: deferred inflows of resources related to pensions		(807,548)	
Add: deferred inflows of internal service fund		14,032	588,469
(5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension assets of governmental activities	\$	2,300,591	
Less: net pension position of internal service fund		(39,977)	2,260,614
(6) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			1,347,338
Net position of governmental activities (Exhibit A)		\$	<u>(33,940,430)</u>

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

Exhibit C-3

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 23,756,156	\$ 9,633,455	\$ 9,049,311	\$ 42,438,922
Licenses and Permits	516,401	0	0	516,401
Fines, Forfeitures, and Penalties	351,739	0	75,045	426,784
Charges for Current Services	361,173	0	240,871	602,044
Other Local Revenues	776,032	1,674,543	96,118	2,546,693
Fees Received From County Officials	4,884,802	0	0	4,884,802
State of Tennessee	2,453,681	1,291,126	3,472,080	7,216,887
Federal Government	971,129	415	0	971,544
Other Governments and Citizens Groups	101,824	1,218,416	2,505	1,322,745
Total Revenues	\$ 34,172,937	\$ 13,817,955	\$ 12,935,930	\$ 60,926,822
<u>Expenditures</u>				
Current:				
General Government	\$ 4,311,610	\$ 0	\$ 87,714	\$ 4,399,324
Finance	4,340,013	0	0	4,340,013
Administration of Justice	2,934,637	0	58,138	2,992,775
Public Safety	13,618,076	0	774,798	14,392,874
Public Health and Welfare	1,925,680	0	33,131	1,958,811
Social, Cultural, and Recreational Services	1,457,325	0	305,170	1,762,495
Agriculture and Natural Resources	211,877	0	0	211,877
Other Operations	1,908,825	0	57,657	1,966,482
Highways	0	0	5,341,073	5,341,073
Debt Service:				
Principal on Debt	0	10,029,934	0	10,029,934
Interest on Debt	0	6,753,503	0	6,753,503
Other Debt Service	0	580,634	0	580,634

(Continued)

Exhibit C-3

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

	Major Funds		Nonmajor	Total
	General	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>				
Capital Projects	\$ 0	\$ 0	\$ 4,372,349	\$ 4,372,349
Capital Projects - Donated	0	0	1,010,989	1,010,989
Total Expenditures	\$ 30,708,043	\$ 17,364,071	\$ 12,041,019	\$ 60,113,133
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,464,894	\$ (3,546,116)	\$ 894,911	\$ 813,689
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 44,644	\$ 0	\$ 82,533	\$ 127,177
Transfers In	0	316,555	108,500	425,055
Transfers Out	(309,454)	0	(115,601)	(425,055)
Total Other Financing Sources (Uses)	\$ (264,810)	\$ 316,555	\$ 75,432	\$ 127,177
Net Change in Fund Balances	\$ 3,200,084	\$ (3,229,561)	\$ 970,343	\$ 940,866
Fund Balance, July 1, 2019	17,872,067	20,696,296	13,177,102	51,745,465
Fund Balance, June 30, 2020	\$ 21,072,151	\$ 17,466,735	\$ 14,147,445	\$ 52,686,331

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

Maury 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)	\$	940,866
(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	\$	8,305,867
Less: current-year depreciation expense		(7,155,307)
Add: current-year depreciation expense of the internal service fund included in item (6) below		20,591
		1,171,151
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		
Less: capital assets donated to the internal service fund included in item (6) below	\$	(30,795)
Less: book value of capital assets disposed		(108,250)
		(139,045)
(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	\$	(1,351,771)
Add: deferred delinquent property taxes and other deferred June 30, 2020		1,347,338
		(4,433)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, capital 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 the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items.		
Add: change in premium on debt issuances	\$	917,080
Add: principal payments on bonds		8,785,000
Add: principal payments on notes		210,926
Add: principal payments on other loans		480,983
Add: principal payments on capital leases		553,025
Less: change in deferred amount on refunding debt		(244,894)
Less: contributions from the school department for capital leases		(553,025)
		10,149,095
(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	\$	(31,636)
Change in net pension asset of governmental activities		552,160
Change in deferred outflows related to pensions		(292,751)
Change in deferred inflows related to pensions		(277,979)
Change in compensated absences payable		(58,278)
Changes from the internal service fund included in item (6) below:		
Change in net pension asset		(7,357)
Change in deferred outflows related to pensions		7,262
Change in deferred inflows related to pensions		4,152
Change in compensated absences payable		(2,058)
		(106,485)
(6) An internal service fund is used by management to charge the costs of central maintenance garage to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities in the statement of activities.		
		165,417
Change in net position of governmental activities (Exhibit B)	\$	<u>12,176,566</u>

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

Exhibit C-5

Maury 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	\$ 23,756,156	\$ 21,771,366	\$ 21,771,366	\$ 1,984,790
Licenses and Permits	516,401	463,000	463,000	53,401
Fines, Forfeitures, and Penalties	351,739	423,710	423,710	(71,971)
Charges for Current Services	361,173	319,600	319,600	41,573
Other Local Revenues	776,032	469,250	743,652	32,380
Fees Received From County Officials	4,884,802	4,515,000	4,515,000	369,802
State of Tennessee	2,453,681	3,513,477	2,727,561	(273,880)
Federal Government	971,129	200,987	1,374,948	(403,819)
Other Governments and Citizens Groups	101,824	5,000	51,412	50,412
Total Revenues	\$ 34,172,937	\$ 31,681,390	\$ 32,390,249	\$ 1,782,688
<u>Expenditures</u>				
<u>General Government</u>				
County Commission	\$ 124,924	\$ 135,960	\$ 130,960	\$ 6,036
Board of Equalization	971	3,330	3,330	2,359
Other Boards and Committees	5,344	9,080	9,080	3,736
County Mayor/Executive	278,205	288,562	295,806	17,601
Personnel Office	272,590	273,680	280,719	8,129
County Attorney	116,495	116,639	116,639	144
Election Commission	332,700	367,950	363,215	30,515
Register of Deeds	345,922	368,379	364,379	18,457
Development	503,717	542,515	525,515	21,798
County Buildings	937,106	993,453	1,015,728	78,622
Other General Administration	1,223,157	1,256,496	1,274,656	51,499
Preservation of Records	170,479	168,257	171,882	1,403
<u>Finance</u>				
Accounting and Budgeting	1,362,726	1,334,959	1,386,205	23,479
Purchasing	297,829	298,660	298,774	945
Property Assessor's Office	648,431	703,803	673,586	25,155
Reappraisal Program	255,651	255,455	283,888	28,237
County Trustee's Office	350,652	360,171	354,672	4,020
County Clerk's Office	918,735	919,949	922,441	3,706
Data Processing	505,989	529,010	539,760	33,771
<u>Administration of Justice</u>				
Circuit Court	1,150,396	1,255,484	1,251,400	101,004
General Sessions Court	1,146,790	1,173,148	1,202,508	55,718
Chancery Court	458,863	469,926	469,926	11,063
Other Administration of Justice	0	0	25,000	25,000
Courtroom Security	83,039	112,105	84,524	1,485
Victim Assistance Programs	95,549	126,117	127,677	32,128
<u>Public Safety</u>				
Sheriff's Department	7,039,236	7,028,216	7,161,047	121,811
Administration of the Sexual Offender Registry	3,300	2,200	3,300	0
Jail	5,550,841	5,902,681	5,943,798	392,957
Juvenile Services	261,305	342,029	273,219	11,914
Civil Defense	388,008	326,132	528,065	140,057
Other Emergency Management	363,841	427,168	480,746	116,905
Public Safety Grants Program	11,545	0	11,545	0

(Continued)

Exhibit C-5

Maury 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</u>				
Local Health Center	\$ 1,073,672	\$ 1,225,924	\$ 1,367,654	\$ 293,982
Rabies and Animal Control	736,435	740,379	776,254	39,819
Appropriation to State	46,246	67,996	46,246	0
Other Public Health and Welfare	69,327	0	69,328	1
<u>Social, Cultural, and Recreational Services</u>				
Senior Citizens Assistance	34,000	34,000	34,000	0
Libraries	609,209	771,559	738,431	129,222
Parks and Fair Boards	814,116	899,602	899,602	85,486
<u>Agriculture and Natural Resources</u>				
Agricultural Extension Service	166,233	173,319	173,319	7,086
Forest Service	2,000	2,000	2,000	0
Soil Conservation	43,644	42,941	43,653	9
<u>Other Operations</u>				
Tourism	366,224	403,339	403,339	37,115
Industrial Development	225,881	227,500	227,500	1,619
Other Economic and Community Development	118	1,200	1,200	1,082
Airport	51,000	51,000	51,000	0
Veterans' Services	82,963	92,617	96,518	13,555
Other Charges	5,377	0	5,378	1
Contributions to Other Agencies	91,000	174,000	174,000	83,000
Employee Benefits	30,845	31,200	31,200	355
Payments to Cities	250,000	250,000	250,000	0
COVID-19 Grant #1	0	0	39,708	39,708
Miscellaneous	805,417	666,580	812,214	6,797
Total Expenditures	\$ 30,708,043	\$ 31,946,670	\$ 32,816,534	\$ 2,108,491
Excess (Deficiency) of Revenues				
Over Expenditures	\$ 3,464,894	\$ (265,280)	\$ (426,285)	\$ 3,891,179
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 44,644	\$ 0	\$ 19,341	\$ 25,303
Transfers In	0	900,000	0	0
Transfers Out	(309,454)	(635,000)	(309,454)	0
Total Other Financing Sources	\$ (264,810)	\$ 265,000	\$ (290,113)	\$ 25,303
Net Change in Fund Balance				
Fund Balance, July 1, 2019	\$ 3,200,084	\$ (280)	\$ (716,398)	\$ 3,916,482
Fund Balance, June 30, 2020	\$ 21,072,151	\$ 16,516,197	\$ 17,155,669	\$ 3,916,482

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

Exhibit D-1

Maury County, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-type Activities			Governmental
	Major	Nonmajor	Total	Activities -
	Fund	Fund		Internal
	Maury	Solid		Service
Regional	Waste		Central	
	Hospital	Disposal		Maintenance/ Garage
<u>ASSETS</u>				
Current Assets:				
Cash	\$ 74,641,845	\$ 200	\$ 74,642,045	\$ 0
Equity in Pooled Cash and Investments	0	6,597,443	6,597,443	1,272,606
Certificates of Deposit	332,917	0	332,917	0
Investments	2,757,905	0	2,757,905	0
Accounts Receivable	2,022,109	123,801	2,145,910	14,783
Patient Accounts Receivable	85,411,736	0	85,411,736	0
Allowance for Uncollectible Accounts	(33,600,000)	0	(33,600,000)	0
Property Taxes Receivable	0	2,782,585	2,782,585	0
Allowance for Uncollectible Property Taxes	0	(42,825)	(42,825)	0
Due from Other Governments	0	25,929	25,929	0
Due from Affiliates	249,174	0	249,174	0
Inventories	6,251,493	0	6,251,493	0
Prepaid Items	4,876,822	0	4,876,822	0
Total Current Assets	\$ 142,944,001	\$ 9,487,133	\$ 152,431,134	\$ 1,287,389
Noncurrent Assets:				
Assets Limited as to Use	\$ 51,912,775	\$ 0	\$ 51,912,775	\$ 0
Interest in Joint Ventures	14,199,862	0	14,199,862	0
Other Assets	2,400,423	0	2,400,423	0
Net Pension Asset - Agent Plan	0	76,127	76,127	39,977
Capital Assets:				
Assets Not Depreciated:				
Land	7,659,172	816,367	8,475,539	25,000
Construction in Progress	1,594,402	0	1,594,402	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	54,392,418	435,099	54,827,517	51,801
Other Capital Assets	75,519,716	648,542	76,168,258	52,228
Total Noncurrent Assets	\$ 207,678,768	\$ 1,976,135	\$ 209,654,903	\$ 169,006
Total Assets	\$ 350,622,769	\$ 11,463,268	\$ 362,086,037	\$ 1,456,395
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Pension Changes in Experience	\$ 323,646	\$ 8,495	\$ 332,141	\$ 4,461
Pension Changes in Assumptions	0	12,696	12,696	6,667
Pension Changes in Investment Earnings	3,280,450	0	3,280,450	0
Pension Contributions After Measurement Date	0	25,346	25,346	13,310
Deferred Amount on Refunding	34,251	0	34,251	0
Total Deferred Outflows of Resources	\$ 3,638,347	\$ 46,537	\$ 3,684,884	\$ 24,438

(Continued)

Exhibit D-1

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

	Business-type Activities			Governmental Activities - Internal Service Fund Central Maintenance/ Garage
	Major	Nonmajor	Total	
	Fund	Fund		
	Maury Regional Hospital	Solid Waste Disposal		
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 33,828,108	\$ 108,750	\$ 33,936,858	\$ 12,546
Accrued Payroll	7,607,024	0	7,607,024	0
Payroll Deductions Payable	0	30,022	30,022	16,217
Compensated Absences Payable	6,060,095	47,422	6,107,517	14,950
Accrued Liability for Landfill Postclosure Care Costs	0	52,886	52,886	0
Accrued Interest Payable	182,062	0	182,062	0
Current Portion of Long-term Debt	5,407,394	0	5,407,394	0
Deferred Revenue - See Note VI. K.	41,799,609	0	41,799,609	0
Total Current Liabilities	<u>\$ 94,884,292</u>	<u>\$ 239,080</u>	<u>\$ 95,123,372</u>	<u>\$ 43,713</u>
Noncurrent Liabilities:				
Accrued Liability for Landfill Postclosure Care Costs	\$ 0	\$ 193,780	\$ 193,780	\$ 0
Net Pension Liability	14,228,112	0	14,228,112	0
Other Long-term Liabilities	4,671,426	0	4,671,426	0
Bonds and Other Long-term Debt	29,750,692	0	29,750,692	0
Total Noncurrent Liabilities	<u>\$ 48,650,230</u>	<u>\$ 193,780</u>	<u>\$ 48,844,010</u>	<u>\$ 0</u>
Total Liabilities	<u>\$ 143,534,522</u>	<u>\$ 432,860</u>	<u>\$ 143,967,382</u>	<u>\$ 43,713</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Current Property Taxes	\$ 0	\$ 2,729,069	\$ 2,729,069	\$ 0
Pension Changes in Experience	0	8,315	8,315	4,366
Pension Changes in Assumptions	39,975	0	39,975	0
Pension Changes in Investment Earnings	0	18,406	18,406	9,666
Total Deferred Inflows of Resources	<u>\$ 39,975</u>	<u>\$ 2,755,790</u>	<u>\$ 2,795,765</u>	<u>\$ 14,032</u>
NET POSITION				
Net Investment in Capital Assets	\$ 104,007,622	\$ 1,900,008	\$ 105,907,630	\$ 129,029
Restricted for Pensions	0	76,127	76,127	39,977
Unrestricted	106,678,997	6,345,020	113,024,017	1,254,082
Total Net Position	<u>\$ 210,686,619</u>	<u>\$ 8,321,155</u>	<u>\$ 219,007,774</u>	<u>\$ 1,423,088</u>

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

Exhibit D-2

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

	<u>Business-type Activities</u>			<u>Governmental Activities - Internal Service Fund</u>
	<u>Major Fund</u>	<u>Nonmajor Fund</u>	<u>Total</u>	
	<u>Maury Regional Hospital</u>	<u>Solid Waste Disposal</u>		
<u>Operating Revenues</u>				
Charges for Current Services	\$ 347,792,379	\$ 1,641,866	\$ 349,434,245	\$ 1,820,075
Other Local Revenues	10,495,477	137,052	10,632,529	15,930
Total Operating Revenues	<u>\$ 358,287,856</u>	<u>\$ 1,778,918</u>	<u>\$ 360,066,774</u>	<u>\$ 1,836,005</u>
<u>Operating Expenses</u>				
Salaries and Employee Benefits	\$ 216,986,084	\$ 0	\$ 216,986,084	\$ 0
Other General Administration	9,938,851	0	9,938,851	1,680,792
Fees and Professional Services	38,716,120	0	38,716,120	0
Supplies and Other Expenses	95,179,731	0	95,179,731	0
Waste Pickup	0	69,011	69,011	0
Convenience Centers	0	1,077,121	1,077,121	0
Landfill Operation and Maintenance	0	2,927,665	2,927,665	0
Depreciation and Amortization Expense	24,775,635	274,921	25,050,556	20,591
Total Operating Expenses	<u>\$ 385,596,421</u>	<u>\$ 4,348,718</u>	<u>\$ 389,945,139</u>	<u>\$ 1,701,383</u>
Operating Income (Loss)	<u>\$ (27,308,565)</u>	<u>\$ (2,569,800)</u>	<u>\$ (29,878,365)</u>	<u>\$ 134,622</u>
<u>Nonoperating Revenues (Expenses)</u>				
Local Taxes	\$ 0	\$ 2,956,995	\$ 2,956,995	\$ 0
Provider Relief Fund Revenue	18,183,098	0	18,183,098	0
Contributions and Grants	3,900,633	64,869	3,965,502	0
Other State Revenues	0	52,268	52,268	0
Investment Income	1,175,925	0	1,175,925	0
Interest Expense	(1,172,802)	0	(1,172,802)	0
Equity in Joint Venture Losses	(2,382,724)	0	(2,382,724)	0
Other	205,400	0	205,400	0
Total Nonoperating Revenues (Expenses)	<u>\$ 19,909,530</u>	<u>\$ 3,074,132</u>	<u>\$ 22,983,662</u>	<u>\$ 0</u>
Income (Loss) Before Capital Contributions	\$ (7,399,035)	\$ 504,332	\$ (6,894,703)	\$ 134,622
Capital Contribution - Primary Government	0	0	0	30,795
Change in Net Position	<u>\$ (7,399,035)</u>	<u>\$ 504,332</u>	<u>\$ (6,894,703)</u>	<u>\$ 165,417</u>
Net Position, July 1, 2019	<u>218,085,654</u>	<u>7,816,823</u>	<u>225,902,477</u>	<u>1,257,671</u>
Net Position, June 30, 2020	<u>\$ 210,686,619</u>	<u>\$ 8,321,155</u>	<u>\$ 219,007,774</u>	<u>\$ 1,423,088</u>

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

Exhibit D-3

Maury County, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

	Business-type Activities			Governmental
	Major	Nonmajor	Total	Activities -
	Fund	Fund		Internal
Maury	Solid		Central	
Regional	Waste		Maintenance/	
Hospital	Disposal		Garage	
<u>Cash Flows from Operating Activities</u>				
Receipts from Customers and Users	\$ 354,943,346	\$ 1,683,750	\$ 356,627,096	\$ 1,870,898
Other Cash Receipts	11,277,901	137,052	11,414,953	15,930
Payments to and On-Behalf of Employees	(213,588,019)	(1,376,462)	(214,964,481)	(404,251)
Payments to Vendors for Supplies and Other	(140,815,344)	(2,627,417)	(143,442,761)	(1,258,810)
Net Cash Provided By (Used In) Operating Activities	\$ 11,817,884	\$ (2,183,077)	\$ 9,634,807	\$ 223,767
<u>Cash Flows from Capital and Related Financing Activities</u>				
Acquisition of Capital Assets	\$ (7,608,986)	\$ (199,880)	\$ (7,808,866)	\$ 0
Proceeds from Sale of Equipment	89,689	0	89,689	0
Proceeds from Issuance of Long-term Debt	6,373,340	0	6,373,340	0
Principal Payments on Long-term Debt	(4,918,130)	0	(4,918,130)	0
Interest Paid on Long-term Debt	(1,516,746)	0	(1,516,746)	0
Net Cash Provided By (Used In) Capital and Related Financing Activities	\$ (7,580,833)	\$ (199,880)	\$ (7,780,713)	\$ 0
<u>Cash Flows from Noncapital Financing Activities</u>				
Contributions and Grants	\$ 3,900,633	\$ 75,109	\$ 3,975,742	\$ 0
Local Taxes	0	2,959,201	2,959,201	0
Other State Revenues	0	52,268	52,268	0
Stimulus Funding	59,982,707	0	59,982,707	0
Net Cash Provided By (Used In) Noncapital Financing Activities	\$ 63,883,340	\$ 3,086,578	\$ 66,969,918	\$ 0
<u>Cash Flows from Investing Activities</u>				
Investment Income	\$ 1,055,351	\$ 0	\$ 1,055,351	\$ 0
Proceeds from Maturities of Certificates of Deposit	660,639	0	660,639	0
Purchase of Certificates of Deposit	(664,880)	0	(664,880)	0
Purchase of Investments	(862,270)	0	(862,270)	0
Investment in Joint Ventures	(6,700,822)	0	(6,700,822)	0
Issuance of Notes Receivable	(340,000)	0	(340,000)	0
Net Cash Provided By (Used In) Investing Activities	\$ (6,851,982)	\$ 0	\$ (6,851,982)	\$ 0
Net Increase (Decrease) in Cash	\$ 61,268,409	\$ 703,621	\$ 61,972,030	\$ 223,767
Cash, July 1, 2019	13,373,436	5,894,022	19,267,458	1,048,839
Cash, June 30, 2020	\$ 74,641,845	\$ 6,597,643	\$ 81,239,488	\$ 1,272,606

(Continued)

Exhibit D-3

Maury County, Tennessee
Statement of Cash Flows
Proprietary Funds (Cont.)

	Business-type Activities			Governmental
	Major	Nonmajor	Total	Activities -
	Fund	Fund		Internal
	Maury	Solid		Service
Regional	Waste		Fund	
Hospital	Disposal		Central	
			Maintenance/	
			Garage	
<u>Reconciliation of Net Operating Income (Loss)</u>				
<u>to Net Cash Provided By (Used In) Operating Activities</u>				
Operating Income (Loss)	\$ (27,308,565)	\$ (2,569,800)	\$ (29,878,365)	\$ 134,622
Adjustments to Reconcile Net Operating Income (Loss) to				
Net Cash Provided By (Used In) Operating Activities:				
Depreciation and Amortization Expense	24,775,635	274,921	25,050,556	20,591
Provision for Uncollectible Accounts	32,024,106	0	32,024,106	0
Amortization of Deferred Pension Adjustments	1,448,575	24,190	1,472,765	11,414
(Increase) Decrease in Accounts Receivable	0	41,884	41,884	50,823
(Increase) Decrease in Patient Accounts Receivable	(26,637,358)	0	(26,637,358)	0
(Increase) Decrease in Net Pension Asset	0	(10,344)	(10,344)	(7,357)
(Increase) Decrease in Due from Affiliates	69,187	0	69,187	0
(Increase) Decrease in Inventories	(222,115)	0	(222,115)	0
(Increase) Decrease in Prepaid Items	(278,220)	0	(278,220)	0
(Increase) Decrease in Other Assets	782,424	0	782,424	0
Increase (Decrease) in Accounts Payable	5,863,355	82,144	5,945,499	12,049
Increase (Decrease) in Accrued Payroll	1,767,737	0	1,767,737	0
Increase (Decrease) in Payroll Deductions Payable	0	7,121	7,121	3,683
Increase (Decrease) in Landfill Postclosure Care Costs	0	(36,810)	(36,810)	0
Increase (Decrease) in Other Long-term Liabilities	(579,886)	0	(579,886)	0
Increase (Decrease) in Compensated Absences Payable	113,009	3,617	116,626	(2,058)
Net Cash Provided By (Used In) Operating Activities	\$ 11,817,884	\$ (2,183,077)	\$ 9,634,807	\$ 223,767
<u>Reconciliation of Cash With the Statement of Net Position</u>				
Cash Per Net Position	\$ 74,641,845	\$ 200	\$ 74,642,045	\$ 0
Equity in Pooled Cash and Investments Per Net Position	0	6,597,443	6,597,443	1,272,606
Cash, June 30, 2020	\$ 74,641,845	\$ 6,597,643	\$ 81,239,488	\$ 1,272,606
<u>Schedule of Noncash Capital and Related Financing Activities</u>				
Contributions of Capital Assets from Primary Government	\$ 0	\$ 0	\$ 0	\$ 30,795
Equipment Acquired through Capital Leases - See Note VI. I.	2,898,690	0	2,898,690	0

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 2,994,530
Accounts Receivable	64,098
Due from Other Governments	<u>3,558,884</u>
Total Assets	<u>\$ 6,617,512</u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 3,558,884
Due to Litigants, Heirs, and Others	<u>3,058,628</u>
Total Liabilities	<u>\$ 6,617,512</u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Maury 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 Maury County:

A. Reporting Entity

Maury County is a public municipal corporation governed by an elected 22-member board. As required by GAAP, these financial statements present Maury County (the primary government) and its component units. Although required by GAAP, the financial statements of the Maury County Emergency Communications District and the Industrial Development Board of Maury County, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of their omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

The Maury County School Department operates the public school system in the county, and the voters of Maury 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 Maury County Board of Public Utilities Water System provides water supply and distribution lines for county residents outside of the city limits. The county mayor appoints, and the county commission ratifies its governing body. The board's operating budget is subject to the county commission's approval.

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

The Industrial Development Board of Maury County promotes industrial development to provide additional job opportunities within Maury County. The Maury County Commission appoints the board members. The financial statements of the Industrial Development Board of Maury County were not material to the component units' opinion unit and therefore have been omitted from this report.

The Maury 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 Maury County Board of Public Utilities Water System, the Maury County Emergency Communications District, and the Industrial Development Board of Maury County can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Maury County Board of Public Utilities Water System
765 New Lewisburg Highway
Columbia, TN 38401

Maury County Emergency Communications District
2907 Cayce Lane
Columbia, TN 38401

Industrial Development Board of Maury County
816 South Garden Street
Columbia, TN 38401

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. Likewise, the primary government is reported separately from certain legally

separate component units for which the primary government is financially accountable. The Maury 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.

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

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

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

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

Fund financial statements of Maury 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 and proprietary categories. Maury County reports three proprietary funds (one internal service fund and two enterprise funds).

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

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

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

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

Maury County reports the following major governmental funds:

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

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

Maury County reports the following major proprietary fund:

Maury Regional Hospital Fund – This fund accounts for the regional hospital under authority of and in compliance with the provisions of Chapter 373 of the Tennessee Private Acts of 1953.

Additionally, Maury County reports the following fund types:

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

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

Internal Service Fund – The Central Maintenance/Garage Fund is used to account for the county's central vehicle maintenance program.

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

The discretely presented Maury 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 building construction and renovations of the school department.

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has three proprietary funds to account for: a solid waste disposal (enterprise fund), a regional hospital (enterprise fund), and a central maintenance/garage (internal service fund). Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the county's proprietary funds are charges for services. Operating expenses for the proprietary funds include general operating expenses.

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

1. Deposits and Investments

For purposes of the Statement of Cash Flows of the primary government (excluding the Maury Regional Hospital), cash includes cash on hand and cash on deposit with the county trustee.

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

The county trustee maintains a cash and internal investment pool that is used by all funds (excluding the Maury Regional Hospital) and the discretely presented Maury County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. Maury County (excluding the Maury Regional Hospital) 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 fund 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. Maury County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value.

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 property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to one percent of total taxes levied.

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

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

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

Most payables are disaggregated on the face of the financial statements. Current liabilities payable from restricted assets reflected in the primary government funds represent deposits placed with Maury County for animal control spay/neuter vouchers.

3. Inventories and Prepaid Items

Inventories of the discretely presented Maury 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.

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

4. **Restricted Assets**

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Maury 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 Maury County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Maury 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 and the business-type columns in the government-wide financial statements. Capital assets are defined by the government (excluding the Maury Regional Hospital) as assets with an initial, individual cost of \$10,000 (infrastructure and intangible assets \$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, intangibles, and infrastructure of the primary government (excluding Maury Regional Hospital) 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	10 - 50
Other Capital Assets	3 - 7
Infrastructure:	
Roads	5 - 15
Bridges	50
Intangibles	5 - 10

6. Deferred Outflows/Inflows of Resources

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

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

7. **Compensated Absences**

Primary Government

The policy of Maury County (with the exception of the Maury Regional Hospital) permits employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Maury County does not have a policy to pay any 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.

Discretely Presented Maury County School Department

It is the policy of the discretely presented Maury County School Department to permit employees to accumulate varying amounts of earned but unused vacation leave, which will be paid upon retirement, resignation, or termination. It is also the policy of the school department to permit employees to accumulate varying amounts of earned but unused sick leave. Upon retirement from the school department, employees will be paid either \$50 (professional) or \$10 (certain nonprofessional) per day for unused sick leave. This payment will be made after the employee's retirement has been approved by the Tennessee Consolidated Retirement System. All vacation and sick leave is accrued when incurred in the government-wide financial statements for the school department. A liability for vacation and sick leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

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

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type 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 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 and the proprietary funds in the fund financial statements, equity is classified as net position and displayed in three components:

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

The government-wide Statement of Net Position reports \$34,250,362 of restricted net position, of which \$8,252,085 is restricted by enabling legislation.

As of June 30, 2020, Maury County had \$162,181,995 in outstanding debt for capital purposes for the discretely presented Maury County School Department. This debt is a liability of Maury County, but the capital assets acquired are reported in the financial statements of the

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

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

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

These classifications may consist of the following:

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

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

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

Assigned Fund Balance – includes amounts that are constrained by the county's intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by resolution authorized the county's Budget 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 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 Maury County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Maury 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 Maury 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) Plan

Discretely Presented Maury 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 Maury 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 Maury County School Department

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

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

Primary Government

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

Discretely Presented Maury County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (special revenue fund), 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, Board of Equalization, Other Boards and Committees, County Mayor/Executive, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

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

B. Expenditures Exceeded Appropriations

Expenditures exceeded appropriations by the county commission in the following major categories (the legal level of control) in the General Purpose School Fund:

<u>Major Appropriation Category</u>	<u>Amount Overspent</u>
Support Services:	
Other Student Support	\$ 78,320
Career and Technical Education Program	2,720

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

C. Investigations

On June 19, 2020, the Comptroller's Division of Investigations issued an investigative report on the solid waste department. The results of the report can be viewed at <http://www.comptroller.tn.gov/ia/>.

On October 19, 2020, the Comptroller's Division of Investigations issued an investigative report on the Maury Regional Medical Center. The results of the report can be viewed at <http://www.comptroller.tn.gov/ia/>.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

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

law are followed. Counties are also authorized to make investments in the State Treasurer’s Investment Pool, the State Treasurer’s Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer’s Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer’s Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the fund and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller’s Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

Investment Balances. As of June 30, 2020, Maury County had the following investments carried at amortized cost using a Stable Net Asset Value. All investments are in the county trustee’s investment pool. Separate disclosures concerning pooled investments cannot be made for Maury County and the discretely presented Maury County School Department since both pool their deposits and investments through the county trustee.

<u>Investment</u>	<u>Weighted Average Maturity (days)</u>	<u>Amortized Cost</u>
State Treasurer's Investment Pool	1 to 105	\$ 11,966,495

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments, as previously explained. Maury County has no investment policy that would further limit its investment choices. As of June

30, 2020, Maury County's investment in the State Treasurer's Investment Pool was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the State of Tennessee Consolidated Annual Financial Report at <https://www.tn.gov/finance/rd-doa/fa-accfin-cafr.html>.

TCRS Stabilization Trust

Legal Provisions. The Maury 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 Maury 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 Maury 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	\$ 171,822
Developed Market International Equity	N/A	N/A	77,598
Emerging Market International Equity	N/A	N/A	22,171
U.S. Fixed Income	N/A	N/A	110,854
Real Estate	N/A	N/A	55,427
Short-term Securities	N/A	N/A	5,543
NAV - Private Equity and Strategic Lending	N/A	N/A	110,854
 Total			 \$ 554,269

Investment by Fair Value Level	Fair Value Measurements Using					NAV
	Fair Value 6-30-20	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
U.S. Equity	\$ 171,822	\$ 171,822	\$ 0	\$ 0		0
Developed Market						
International Equity	77,598	77,598	0	0		0
Emerging Market						
International Equity	22,171	22,171	0	0		0
U.S. Fixed Income	110,854	0	110,854	0		0
Real Estate	55,427	0	0	55,427		0
Short-term Securities	5,543	0	5,543	0		0
Private Equity and Strategic Lending	110,854	0	0	0		110,854
Total	\$ 554,269	\$ 271,591	\$ 116,397	\$ 55,427		\$ 110,854

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 Maury 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 Maury 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. Maury 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 Maury 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/ag18092.pdf>.

B. Capital Assets

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

Primary Government

Governmental Activities (Includes Internal Service Fund):

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 7,505,325	\$ 0	\$ (108,250)	\$ 7,397,075
Intangibles	1,098,294	0	0	1,098,294
Construction in Progress	3,047,839	2,463,469	0	5,511,308
Total Capital Assets Not Depreciated	\$ 11,651,458	\$ 2,463,469	\$ (108,250)	\$ 14,006,677
Capital Assets Depreciated:				
Buildings and Improvements	\$ 43,428,299	\$ 185,944	\$ 0	\$ 43,614,243
Infrastructure	103,283,246	3,696,591	0	106,979,837
Other Capital Assets	15,598,178	1,959,863	(495,931)	17,062,110
Total Capital Assets Depreciated	\$ 162,309,723	\$ 5,842,398	\$ (495,931)	\$ 167,656,190
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 15,565,459	\$ 982,328	\$ 0	\$ 16,547,787
Infrastructure	60,916,343	5,054,820	0	65,971,163
Other Capital Assets	12,960,152	1,118,159	(495,931)	13,582,380
Total Accumulated Depreciation	\$ 89,441,954	\$ 7,155,307	\$ (495,931)	\$ 96,101,330
Total Capital Assets Depreciated, Net	\$ 72,867,769	\$ (1,312,909)	\$ 0	\$ 71,554,860
Governmental Activities Capital Assets, Net	\$ 84,519,227	\$ 1,150,560	\$ (108,250)	\$ 85,561,537

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

Governmental Activities:

General Government	\$ 762,788
Finance	45,798
Administration of Justice	35,765
Public Safety	599,414
Public Health and Welfare	1,742
Social, Cultural, and Recreational Services	186,171
Agriculture and Natural Resources	4,089
Other Operations	11,372
Highways	<u>5,508,168</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 7,155,307</u></u>

Business-type Activities (Excluding Maury Regional Hospital):

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 816,367	\$ 0	\$ 0	\$ 816,367
Total Capital Assets Not Depreciated	<u>\$ 816,367</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 816,367</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 1,736,841	\$ 40,000	\$ 0	\$ 1,776,841
Other Capital Assets	3,785,641	159,880	(299)	3,945,222
Total Capital Assets Depreciated	<u>\$ 5,522,482</u>	<u>\$ 199,880</u>	<u>\$ (299)</u>	<u>\$ 5,722,063</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 1,307,354	\$ 34,388	\$ 0	\$ 1,341,742
Other Capital Assets	3,056,446	240,533	(299)	3,296,680
Total Accumulated Depreciation	<u>\$ 4,363,800</u>	<u>\$ 274,921</u>	<u>\$ (299)</u>	<u>\$ 4,638,422</u>
Total Capital Assets Depreciated, Net	<u>\$ 1,158,682</u>	<u>\$ (75,041)</u>	<u>\$ 0</u>	<u>\$ 1,083,641</u>
Business-type Activities Capital Assets, Net	<u><u>\$ 1,975,049</u></u>	<u><u>\$ (75,041)</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 1,900,008</u></u>

Depreciation expense of the business-type activities (excluding the Maury Regional Hospital) totaled \$274,921 for the year ended June 30, 2020.

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

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 5,846,313	\$ 0	\$ 0	\$ 5,846,313
Construction in Progress	63,166,601	4,578,356	(214,752)	67,530,205
Total Capital Assets Not Depreciated	<u>\$ 69,012,914</u>	<u>\$ 4,578,356</u>	<u>\$ (214,752)</u>	<u>\$ 73,376,518</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 240,789,074	\$ 199,700	\$ 0	\$ 240,988,774
Other Capital Assets	22,144,363	1,327,766	(828,939)	22,643,190
Total Capital Assets Depreciated	<u>\$ 262,933,437</u>	<u>\$ 1,527,466</u>	<u>\$ (828,939)</u>	<u>\$ 263,631,964</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 86,073,082	\$ 6,235,895	\$ 0	\$ 92,308,977
Other Capital Assets	17,477,181	2,000,092	(828,939)	18,648,334
Total Accumulated Depreciation	<u>\$ 103,550,263</u>	<u>\$ 8,235,987</u>	<u>\$ (828,939)</u>	<u>\$ 110,957,311</u>
Total Capital Assets Depreciated, Net	<u>\$ 159,383,174</u>	<u>\$ (6,708,521)</u>	<u>\$ 0</u>	<u>\$ 152,674,653</u>
Governmental Activities Capital Assets, Net	<u>\$ 228,396,088</u>	<u>\$ (2,130,165)</u>	<u>\$ (214,752)</u>	<u>\$ 226,051,171</u>

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

Governmental Activities:

Instruction	\$ 6,303,684
Support Services	1,750,049
Operation of Non-instructional Services	<u>182,254</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 8,235,987</u>

C. Construction Commitments

At June 30, 2020, the discretely presented Maury County School Department had uncompleted construction contracts in the Education Capital Projects Fund of approximately \$50,156 for the construction of Battle Creek Elementary and Middle Schools. Funding has been received for these future expenditures.

D. Interfund Transfers

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

Primary Government

	<u>Transfers In</u>		Purpose
	General Debt Service Fund	Nonmajor Govern- mental Funds	
<u>Transfers Out</u>			
General Fund	\$ 200,954	\$ 0	Debt retirement
"	0	108,500	Capital outlay
Nonmajor governmental funds	<u>115,601</u>	<u>0</u>	Debt retirement
Total	<u>\$ 316,555</u>	<u>\$ 108,500</u>	

Discretely Presented Maury County School Department

	<u>Transfers In</u>	
	General Purpose School Fund	Purpose
<u>Transfers Out</u>		
Nonmajor governmental funds	\$ 202,225	Indirect costs

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

E. Capital Leases

On February 3, 2017, Maury County entered into a three-year lease-purchase agreement for the school department for computer equipment for school facilities. The terms of the agreement require total lease payments of \$309,653

plus interest of 5.258 percent. Title to the equipment transferred to the school department immediately upon acceptance of each item of equipment. The General Purpose School Fund is making the lease payments.

On March 1, 2017, Maury County entered into a three-year lease-purchase agreement for the school department for computer equipment for school facilities. The terms of the agreement require total lease payments of \$309,653 plus interest of 5.342 percent. Title to the equipment transferred to the school department immediately upon acceptance of each item of equipment. The General Purpose School Fund is making the lease payments.

On March 1, 2017, Maury County entered into a three-year lease-purchase agreement for the school department for computer equipment for school facilities. The terms of the agreement require total lease payments of \$200,655 plus interest of 5.342 percent. Title to the equipment transferred to the school department immediately upon acceptance of each item of equipment. The General Purpose School Fund is making the lease payments.

On March 13, 2017, Maury County entered into a three-year lease-purchase agreement for the school department for computer equipment for school facilities. The terms of the agreement require total lease payments of \$1,476,262 plus interest of 5.342 percent. Title to the equipment transferred to the school department immediately upon acceptance of each item of equipment. The General Purpose School Fund is making the lease payments.

On June 6, 2017, Maury County entered into a three-year lease-purchase agreement for the school department for computer equipment for school facilities. The terms of the agreement require total lease payments of \$369,065 plus interest of 5.279 percent. Title to the equipment transferred to the school department immediately upon acceptance of each item of equipment. The General Purpose School Fund is making the lease payments.

The assets acquired through capital leases are as follows:

<u>Assets</u>	<u>Governmental Activities</u>
Computers	\$ 2,665,288
Less: Accumulated Depreciation	<u>(2,665,288)</u>
Total Book Value	<u>\$ 0</u>

All of the capital leases noted above were retired during the current fiscal year.

F. Long-term Debt

Primary Government (Excluding Maury Regional Hospital)

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds - Maury County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 25 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Maury 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 3 years for notes and up to 17 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:

<u>Type</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount of Issue</u>	<u>Balance 6-30-20</u>
General Obligation Bonds	2 to 5%	4-1-42	\$ 154,855,000	\$ 144,140,000
General Obligation Bonds - Refunding	2.05	4-1-28	20,150,000	16,215,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	1.687	2-1-21	360,000	120,000
Other Loans	1 to 4.85	5-1-31	7,255,543	4,582,645

In a prior year, Maury County entered into a loan agreement with the Tennessee State School Board Authority. Under this loan agreement, the

authority loaned the county \$4,408,000 for rehabilitation and repairs of county school buildings. This loan earns interest monthly based upon the local government investment pool rate, which is netted against the annual principal payment. The county pays an annual administrative fee of \$3,526 under this agreement. The loan retirement schedule also includes equal monthly payments of interest; however, the county will semi-annually receive a federal interest subsidy, which will offset these payments.

In a prior year, Maury County entered into a loan agreement with the Tennessee Energy Efficient Schools Council to receive funding from the Energy Efficient Schools Initiative program. Under this loan agreement, the council loaned the county \$2,847,543 for energy efficiency upgrades. The interest rate on the loan is one percent.

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 8,315,000	\$ 6,053,411	\$ 14,368,411
2022	8,555,000	5,637,660	14,192,660
2023	8,865,000	5,209,911	14,074,911
2024	9,170,000	4,778,660	13,948,660
2025	9,490,000	4,332,412	13,822,412
2026-2030	42,410,000	16,362,691	58,772,691
2031-2035	44,090,000	9,401,745	53,491,745
2036-2040	21,875,000	3,292,856	25,167,856
2041-2042	7,585,000	371,800	7,956,800
Total	\$ 160,355,000	\$ 55,441,146	\$ 215,796,146

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 120,000	\$ 1,855	\$ 121,855
Total	\$ 120,000	\$ 1,855	\$ 121,855

Year Ending June 30	Other Loans - Direct Placement			
	Principal	Interest (1)	Other Fees	Total
2021	\$ 501,960	\$ 238,708	\$ 3,526	\$ 744,194
2022	504,240	236,428	3,526	744,194
2023	506,544	234,124	3,526	744,194
2024	508,872	231,796	3,526	744,194
2025	511,224	229,444	3,526	744,194
2026-2030	1,820,022	471,689	7,640	2,299,351
2031	229,783	1,145	0	230,928
Total	<u>\$ 4,582,645</u>	<u>\$ 1,643,334</u>	<u>\$ 25,270</u>	<u>\$ 6,251,249</u>

(1) Includes interest requirements on Qualified School Construction Bonds, Series 2010, before federal interest rate subsidy.

There is \$17,466,735 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,981, based on the 2010 federal census. Total debt per capita, including bonds, notes, other loans, and unamortized debt premiums, totaled \$2,167, based on the 2010 federal census.

Changes in Long-term Debt

Long-term debt activity for the primary government (excluding the Maury Regional Hospital) for the year ended June 30, 2020, was as follows:

Governmental Activities:	Bonds	Notes - Direct Placement
	Balance, July 1, 2019	\$ 169,140,000
Reductions	(8,785,000)	(210,926)
Balance, June 30, 2020	<u>\$ 160,355,000</u>	<u>\$ 120,000</u>
Balance Due Within One Year	<u>\$ 8,315,000</u>	<u>\$ 120,000</u>

	Other Loans - Direct Placement	Capital Leases - Direct Placement
Balance, July 1, 2019	\$ 5,063,628	\$ 553,025
Reductions	(480,983)	(553,025)
Balance, June 30, 2020	\$ 4,582,645	\$ 0
Balance Due Within One Year	\$ 501,960	\$ 0

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 165,057,645
Less: Balance Due Within One Year - Debt	(8,936,960)
Add: Unamortized Premium on Debt	<u>10,357,759</u>

Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 166,478,444</u>
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G. Long-term Obligations

Primary Government (Excluding Maury Regional Hospital)

Changes in Long-term Obligations

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

Governmental Activities:	<u>Compensated Absences</u>
Balance, July 1, 2019	\$ 1,412,327
Additions	1,328,315
Reductions	<u>(1,270,037)</u>
Balance, June 30, 2020	<u>\$ 1,470,605</u>
Balance Due Within One Year	<u>\$ 1,470,605</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 1,470,605
Less: Balance Due Within One Year - Other	<u>(1,470,605)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 0</u>

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

Solid Waste Disposal (Enterprise) Fund

Changes in Long-term Obligations

Long-term obligations activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2020, was as follows:

Business-type Activities:	Postclosure Care Costs	Compensated Absences
Balance, July 1, 2019	\$ 283,476	\$ 43,805
Additions	4,361	39,648
Reductions	<u>(41,171)</u>	<u>(36,031)</u>
Balance, June 30, 2020	<u>\$ 246,666</u>	<u>\$ 47,422</u>
Balance Due Within One Year	<u>\$ 52,886</u>	<u>\$ 47,422</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit D-1:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 294,088
Less: Balance Due Within One Year - Other	<u>(100,308)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit D-1	<u>\$ 193,780</u>

Discretely Presented Maury County School Department

Changes in Long-term Obligations

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

Governmental Activities:	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2019	\$ 3,785,022	\$ 28,809,530
Additions	1,371,065	2,850,686
Reductions	(1,149,975)	(4,793,249)
Balance, June 30, 2020	<u>\$ 4,006,112</u>	<u>\$ 26,866,967</u>
Balance Due Within One Year	<u>\$ 834,288</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 30,873,079
Less: Balance Due Within One Year - Other	<u>(834,288)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 30,038,791</u>

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

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Maury County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2020, were \$417,958. 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 (Excluding Maury Regional Hospital)

Maury 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.

Maury County participates in the Local Government Workers' Compensation Fund (LWCF), a public entity risk pool established by the Tennessee County Services Association, an association of member counties, to provide for liabilities arising under the workers' compensation law. In accordance with Sections 12-9-101 through 12-9-109, *Tennessee Code Annotated (TCA)*, inclusive, local governments are eligible to participate. The creation of the LWCF provides for it to be self-sustaining through member premiums. The LWCF reinsures through commercial insurance companies for claims exceeding \$500,000 for each insured event.

The county continues to carry commercial insurance for employees' health insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. The county does not allow pre-65 age retirees to stay in the health insurance program.

Discretely Presented Maury County School Department

The discretely presented Maury County School Department continues to carry commercial insurance for all other risks of loss, including general liability, property, and casualty, and workers' compensation. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The discretely presented Maury 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 estimates that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements.

C. Landfill Postclosure Care Costs

Maury County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill and a demolition 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. Maury County closed its sanitary landfill in 1997. The \$246,666 reported as postclosure care liability at 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.

D. Joint Ventures

The Maury County Regional Airport Authority is a joint venture in which the county and the cities of Columbia and Mount Pleasant participate. The authority is governed by a three-member board comprising one appointee from the county and one appointee from each city. During the year ended June 30, 2020, Maury County contributed \$51,000 to the authority.

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. Maury County did not contribute any funds to the DTF for the year ended June 30, 2020. The DTF Director is a full-time employee of the Maury County Sheriff's Department.

Maury County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Maury County Regional Airport Authority, and the Twenty-second Judicial District DTF can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Maury County Regional Airport Authority
1200 North Main Street
Mt. Pleasant, TN 38474

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

E. Jointly Governed Organization

The Tennessee Southern Railroad Authority (TSRA) was created by the county, in conjunction with Giles and Lawrence counties. The TSRA's board includes the county mayors and 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. Maury County made no appropriations to the TSRA during the year ended June 30, 2020.

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Maury County, non-certified employees of the discretely presented Maury County School Department, and employees of the discretely presented Maury County Board of Public Utilities Water System 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 60.92 percent, the non-certified employees of the discretely presented school department comprise 36.60 percent, and the employees of the discretely presented water system comprise 2.48 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:

<https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for non-service-related disability eligibility. The service-related and 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	405
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	872
Active Employees	996
Total	<hr/> <hr/> 2,273

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. Maury 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 Maury County

was \$1,283,051 based on a rate of 4.13 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Maury 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)

Maury 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 Maury 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	\$ 73,803,520	\$ 76,913,512	\$ (3,109,992)
Changes for the Year:			
Service Cost	\$ 2,578,148	\$ 0	\$ 2,578,148
Interest	5,438,996	0	5,438,996
Differences Between Expected and Actual Experience	(193,044)	0	(193,044)
Contributions-Employer	0	1,426,564	(1,426,564)
Contributions-Employees	0	1,543,896	(1,543,896)
Net Investment Income	0	5,732,929	(5,732,929)
Benefit Payments, Including Refunds of Employee Contributions	(2,722,055)	(2,722,055)	0
Administrative Expense	0	(87,907)	87,907
Net Changes	\$ 5,102,045	\$ 5,893,427	\$ (791,382)
Balance, June 30, 2019	\$ 78,905,565	\$ 82,806,939	\$ (3,901,374)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	60.92%	\$ 48,069,270	\$ 50,445,988	\$ (2,376,718)
School Department	36.60%	28,879,437	30,307,339	(1,427,902)
Water System	2.48%	1,956,858	2,053,612	(96,754)
Total		\$ 78,905,565	\$ 82,806,939	\$ (3,901,374)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Maury 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 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability (Asset)	\$ 6,566,804	\$ (3,901,374)	\$ (12,572,546)

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

Pension Expense. For the year ended June 30, 2020, Maury County recognized pension expense of \$1,578,476.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, Maury 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	\$ 435,366	\$ 426,143
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	943,306
Changes in Assumptions	650,652	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	1,283,051	N/A
Total	<u>\$ 2,369,069</u>	<u>\$ 1,369,449</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	\$ 1,452,960	\$ 834,269
School Department	859,726	501,218
Water System	56,383	33,962
Total	\$ 2,369,069	\$ 1,369,449

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	\$ 157,256
2022	(276,472)
2023	(95,430)
2024	(68,785)
2025	0
Thereafter	0

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

Discretely Presented Maury County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Maury County, non-certified employees of the discretely presented Maury County School Department, and employees of the discretely presented Maury County Board of Public Utilities Water System 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 60.92 percent, the non-certified employees of the discretely

presented school department comprise 36.60 percent, and the employees of the discretely presented water system comprise 2.48 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers employed by the Maury County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://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 \$297,411, which is 2.03 percent of covered payroll. In addition, employer contributions of \$288,621, which is 1.97 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$627,905) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019,

the school department's proportion was 1.112348 percent. The proportion as of June 30, 2018, was 1.118340 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$195,555.

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	\$ 26,035	\$ 109,614
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	26,547
Changes in Assumptions	21,817	0
Changes in Proportion of Net Pension Liability (Asset)	4,071	20,338
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	297,411	N/A
Total	<u>\$ 349,334</u>	<u>\$ 156,499</u>

The school department's employer contributions of \$297,411, 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	\$ (14,812)
2022	(18,874)
2023	(11,428)
2024	(7,631)
2025	(6,549)
Thereafter	(45,282)

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

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

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

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

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

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

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
School Department's Proportionate Share of the Net Pension Liability (Asset)	6.25%	7.25%	8.25%
	\$ 198,945	\$ (627,905)	\$ (1,239,101)

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 employed by the Maury 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 <https://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 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 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 Maury County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$4,107,721, which is 10.63 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$12,433,996) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019, the school department's proportion was 1.209321

percent. The proportion measured at June 30, 2018, was 1.199008 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$1,628,729.

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	\$ 605,380	\$ 7,594,931
Changes in Assumptions	1,675,545	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	3,552,632
Changes in Proportion of Net Pension Liability (Asset)	193,224	165,092
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	4,107,721	N/A
Total	<u>\$ 6,581,870</u>	<u>\$ 11,312,655</u>

The school department's employer contributions of \$4,107,721, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ (2,567,670)
2022	(3,568,014)
2023	(1,521,766)
2024	(1,181,056)
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 allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major class are summarized in the following table:

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

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

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

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

	1%	Current Discount	1%
School Department's Proportionate Share of the Net Pension Liability (Asset)	Decrease 6.25%	Rate 7.25%	Increase 8.25%
	\$ 25,423,929	\$ (12,433,996)	\$ (42,548,925)

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**

Maury County offers its employees one deferred compensation plan established pursuant to IRC Section 457. All costs of administering and funding this program are the responsibility of plan participants. The Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Section 457 establishes participation, contribution, and withdrawal provisions for the plan.

The discretely presented Maury County School Department offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other 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 \$761,658 to this deferred compensation pension plan.

G. Other Postemployment Benefits (OPEB)

Discretely Presented Maury County School Department

Maury County School Department provides OPEB benefits to its retirees through a state administered public entity risk pool. For reporting purposes, the plan is considered a single employer defined benefit OPEB plan based on criteria in Statement No. 75 of the Governmental Accounting Standards Board (GASB). This plan is 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 a State Administered Public Entity Risk Pool

Retirees of Maury County School Department are provided healthcare under the Local Education Plan (LEP) until they reach Medicare eligibility. The retirees of Maury County School Department may then join the Tennessee Plan (TNP), 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 TNP.

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

Actuarial Assumptions. 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 increase rates used in the June 30, 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 on the Bond Buyer 20-Year Municipal GO AA index closest to but not later than the measurement date.

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2019, valuations were the same as those employed in the June 30, 2019, 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 was 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. The 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.

Closed Local Education Plan (LEP)

Plan Description. Employees of the Maury 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 Maury 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 the retiree premiums. After age 55 or achieving at least 30 years of service in TCRS, with at least 10 years of service (if hired prior to July 1, 2012) or 15 years of service (if hired after June 30, 2012) with the Maury County School Department and three years of continuous participation in the LEP, retirees are eligible to receive a monthly direct subsidy toward the cost of their insurance premiums. The monthly subsidy is based on years of service and ranges from \$250 to \$510 for certified teachers and from \$456 to \$667 for support staff, based on the insurance plan selected by the retiree. 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:

Inactive Employees or Beneficiaries Currently Receiving Benefits	150
Inactive Employees Entitled to But Not Yet Receiving Benefits	1
Active Employees	1,078
Total	<u><u>1,229</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 \$1,576,981 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Maury County School Department 78.6829%</u>	<u>State of TN 21.3171%</u>	<u>Total OPEB Liability</u>
Balance July 1, 2018	\$ 28,809,530	\$ 6,772,946	\$ 35,582,476
Changes for the Year:			
Service Cost	\$ 1,802,755	\$ 488,410	\$ 2,291,165
Interest	1,047,931	283,910	1,331,841
Changes in Benefit Terms	(26,880)	(7,282)	(34,162)
Difference between Expected and Actual Experience	(270,982)	(73,416)	(344,398)
Changes in Assumptions	(1,964,488)	(532,227)	(2,496,715)
Change in Proportion	(812,206)	812,206	0
Benefit Payments	(1,718,693)	(465,635)	(2,184,328)
Net Changes	\$ (1,942,563)	\$ 505,966	\$ (1,436,597)
Balance June 30, 2019	\$ 26,866,967	\$ 7,278,912	\$ 34,145,879

The Maury 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 Maury 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 \$586,629 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Maury County School Department's proportionate share of the collective OPEB liability was 78.6829% and the State of Tennessee's share was 21.3171%.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

OPEB Expense. For the year ended June 30, 2020, the school department recognized OPEB expense of \$3,673,789, including the state's share of the expense.

Deferred Outflows of Resources and Deferred Inflows of Resources. At June 30, 2020, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 2,243,216	\$ 238,951
Changes of Assumptions/Inputs	1,044,277	2,418,712
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	2,076,239	599,150
Benefits Paid After the Measurement Date of June 30, 2019	1,576,981	N/A
Total	<u>\$ 6,940,713</u>	<u>\$ 3,256,813</u>

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

Year Ending June 30	School Department
2021	\$ 263,354
2022	263,354
2023	263,354
2024	263,354
2025	263,354
Thereafter	790,149

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%
Proportionate Share of the Collective Total OPEB Liability	\$ 28,719,448	\$ 26,866,967	\$ 25,104,423

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 Trend Rates 6.03 to 4.5%	1% Increase 7.03 to 5.5%
Proportionate Share of the Collective Total OPEB Liability	\$ 24,194,125	\$ 26,866,967	\$ 29,996,710

H. Offices of Central Accounting, Budgeting, and Purchasing and Human Resources

Office of Finance Director

Maury County operates under provisions of the Chapter 47, Private Acts of 2018. This act provides for a central system of accounting, budgeting, and purchasing for all county and school departments. This act provides for the creation of a finance department operated under the direction of the finance director.

Office of Human Resources

Maury County also operates under provisions of Chapter 91, Private Acts of 2004, which provide for an Office of Human Resources under the direction of the administrative committee of the county commission. The Office of Human Resources handles all human resource duties and responsibilities.

I. Purchasing Laws

Purchasing procedures for all departments (excluding Maury Regional Hospital) of Maury County, including the discretely presented Maury County School Department, are governed by provisions of Chapter 47, Private Acts of

2018. This act provides for the finance director or a deputy appointed by him to serve as the county purchasing agent. The finance director appointed a deputy to serve as the purchasing agent for Maury County. All purchase orders are issued by the purchasing department. Purchases exceeding \$25,000 are required to be competitively bid.

J. Subsequent Events

On June 30, 2020, Christopher Marczak left the Office of Director of Schools, and was succeeded by Michael Hickman effective July 1, 2020.

On October 7, 2020, the county's General Debt Service Fund issued a \$2,000,000 tax anticipation note to the General Purpose School Fund for temporary operating funds.

On December 10, 2020, Maury County issued \$1,073,096 in Energy Efficient Schools Initiative loan.

On December 18, 2020, Maury County issued \$2,770,000 in general obligation bonds for school renovations.

VI. OTHER NOTES – MAURY REGIONAL HOSPITAL FUND (ENTERPRISE FUND)

A. Organization

Maury Regional Hospital is operated and maintained by Maury County, Tennessee, under authority of and in compliance with the provisions of Chapter 125 of the Tennessee Private Acts of 1996. The federal, state, and local governments participated in the cost of constructing and equipping the hospital under the Hill-Burton Act. For financial reporting purposes, the hospital is considered an enterprise fund of Maury County, Tennessee.

The hospital's primary mission is to provide healthcare services to the residents of southern and middle Tennessee, including Giles, Hickman, Lawrence, Lewis, Marshall, Maury, Perry, Wayne, and Williamson counties. The financial statements present the hospital and its component units. The hospital is comprised of the following operating entities:

Maury Regional Medical Center (MRMC), located in Columbia, Tennessee, has been in operation since 1953 and presently has a 275-bed capacity with 20 beds designated for skilled nursing care, and also includes five medical office buildings in its service area.

Marshall Medical Center is an acute-care hospital located in Lewisburg, Tennessee, which was acquired by the hospital in 1995 and is designated a critical access hospital with 25 licensed beds.

Wayne Medical Center is an acute-care hospital with an 80-bed capacity located in Waynesboro, Tennessee, and has been leased by the hospital since 1995.

Additionally, the combined financial statements include the following blended component units that provide healthcare services that support the hospital's mission:

Maury Regional Medical Group (MRMG) is a nonprofit corporation which acquires, owns, operates, and manages physician practices in the hospital's service area. The hospital is the sole member of MRMG and funds its operating losses.

Maury Regional Healthcare Foundation (the Foundation) is a not-for-profit organization formed to coordinate the fundraising activities of the hospital. The hospital is the sole member of the foundation and appoints all board members. The hospital also funds all operating expenses of the foundation.

During 2018, the hospital entered into a joint venture agreement with another healthcare organization to form TriStar Maury Behavioral Healthcare, LLC (TriStar) to construct, own, and operate a behavioral health hospital in Maury County, Tennessee. TriStar is owned 49 percent by the hospital. During the construction period, the hospital was required to make quarterly capital contributions resulting in total capital contributions of approximately \$15,000,000. Additional capital contributions may be required upon approval by TriStar's management board. The hospital appoints three of the six members of the management board. TriStar began operations during the year ended June 30, 2020. Financial reports for TriStar may be obtained by contacting Controller, 1224 Trotwood Avenue, Columbia, TN 38401.

B. Summary of Significant Accounting Policies

Method of Accounting – The hospital utilizes the enterprise fund method of accounting. Revenues and expenses are recorded on the accrual basis using the economic resources measurement focus.

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

Cash and Cash Equivalents – Cash and cash equivalents include cash on hand, deposits in banks, and investments with a maturity of three months or less

when purchased, excluding any amounts whose use is limited by board designation.

Inventories – Inventories consist principally of medical and surgical supplies and are reported at the lower of cost or market, with cost determined by the first in, first out method.

Patient Accounts Receivable – Patient accounts receivable are reported net of both an estimated allowance for contractual adjustments and an estimated allowance for uncollectible accounts. The contractual allowance represents the difference between established billing rates and estimated reimbursement from Medicare, TennCare, and other third-party payer programs. The bad debt allowance is estimated based upon the age of the account, prior experience, and any unusual circumstances which affect the collectability. The hospital's policy does not require collateral or other security for patient accounts receivable, and the hospital routinely accepts assignment of, or is otherwise entitled to receive, patient benefits payable under health insurance programs, plans, or policies.

Investments and Assets Limited as to Use – Investments and assets limited as to use are reported at estimated fair value based on quoted market prices. Interest, dividends, and gains and losses (realized and unrealized) are included in investment income. The board has designated certain investments as assets limited as to use for future capital improvements and therefore, such amounts are reported as long-term assets in the accompanying financial statements.

Equity Interest in Joint Ventures – The hospital records its financial interest in joint ventures using the equity method of accounting. The equity interest is determined based on the terms of the joint venture agreements and the hospital's share of the joint ventures' earnings or losses are reported as nonoperating revenue or expenses in the accompanying combined financial statements.

Property, Plant, and Equipment – Property, plant, and equipment are reported at cost when purchased or fair value at the date of gift, if donated. The hospital has established a capitalization threshold of \$1,000. Depreciation is calculated by the straight-line method to allocate the cost of the assets (other than land) over their estimated useful lives, which range from three to 20 years for equipment and 10 to 40 years for buildings and land improvements. Equipment held under capital lease obligations is amortized using the straight-line method over the shorter of the estimated useful life or the lease term. This amortization is included with depreciation expense and as part of accumulated depreciation in the combined financial statements. Interest costs incurred on applicable borrowings outstanding during the construction period of capital assets is capitalized as part of the cost of acquiring the asset and is amortized on the same basis as the related capital asset. Costs of maintenance and repairs are charged to expense when incurred. The hospital periodically reviews property, plant, and equipment for indications of potential

impairment. Management does not believe any impairment existed as of June 30, 2020.

Intangible Assets – Intangible assets are amortized over their estimated useful life and included in other assets in the combined financial statements.

Compensated Absences – The hospital’s employees earn paid time off at varying rates depending on years of service. An accrual for paid time off is recorded in the period in which the employee earns the right to the compensation. Prior to July 1, 2015, employees also earned sick leave benefits based on varying rates depending on years of service and accumulated sick leave up to a specified maximum. Employees were not paid for accumulated sick leave if they left before retirement. However, employees who retired after the age of 60 could convert accumulated sick leave to termination payments. The hospital’s paid time off policy was amended effective July 1, 2015, to eliminate future sick pay accruals and freeze existing sick pay accrual amounts at their June 30, 2015, amounts. The estimated amount of sick leave, which will ultimately be payable as termination payments, totals approximately \$692,000 at June 30, 2020, and is reported as a noncurrent liability in the combined financial statements. Due to uncertainties in this estimate, it is at least reasonably possible that management’s estimate could change in 2021.

Pensions – Pension amounts (net pension liability, deferred outflows of resources and deferred inflows of resources related to the pension and pension expense, fiduciary net position of the hospital’s pension plan (the Plan) and additions to or deductions from the Plan’s fiduciary net position) have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position – Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted expendable net position consists of assets that must be used for a particular purpose that are either externally imposed by creditors, grantors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position is the remaining net assets that do not meet the definition of net investment in capital assets or restricted expendable.

Net Patient Service Revenue – Net patient service revenue is reported as services are rendered at estimated net realizable amounts, including estimated retroactive revenue adjustments under reimbursement agreements with third-party payers. Estimated settlements under third-party reimbursement agreements are accrued in the period the related services are rendered and adjusted in future periods as final settlements are determined. An estimated provision for bad debts is included in net patient service revenue.

Operating Activities – The hospital defines operating activities as reported on the Combined Statement of Revenues, Expenses, and Changes in Net Position as those that generally result from exchange transactions, such as payments for providing services and payments for goods and services received. Non-exchange transactions, including contributions and grants, as well as investment income and interest expense, are considered nonoperating revenue and expenses.

Contributions and Grants – Revenues from contributions and grants are recognized when all eligibility requirements are met. Contributions and grants may be restricted for specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenue. Amounts restricted to capital acquisitions, if any, are reported after nonoperating revenue and expenses.

Income Taxes – The hospital meets the Internal Revenue Service definition of a governmental unit and is exempt from federal income taxes. MRMG and the Foundation are exempt from federal income taxes as 501(c)(3) organizations. At June 30, 2020, management does not believe the hospital holds any uncertain tax positions that would require financial statement recognition or disclosure.

Recently Issued Accounting Pronouncements – In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*, which requires balance sheet recognition of a liability and right-to-use asset for substantially all leases with a maximum possible term exceeding twelve months. The lease liability is measured at the present value of payments made during the lease term. In later periods, the lessee should amortize the discount of the lease liability and report it as an outflow of resources (interest expense) for the period. The lease asset is measured as the sum of the amount of the initial measurement of the lease liability, lease payments made to the lessor at/before the beginning of the lease term, and any initial direct costs. A lease asset is amortized over the shorter of the lease term or the useful life of the underlying asset and reported as an amortization expense. The requirements of this statement are effective for reporting periods beginning after June 15, 2021; early adoption is permitted. Management is currently evaluating the impact of the adoption of the statement on the financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. This statement will eliminate the capitalization of interest expense during the construction periods. The statement is effective for periods beginning after December 15, 2020, and will be applied prospectively.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities and clarifies whether and how these activities should be reported in the basic financial statements. The requirements of this Statement are effective for

reporting periods beginning after December 15, 2019. Management is currently evaluating the impact of the adoption of the Statement on the combined financial statements.

Reclassifications – Certain 2019 amounts in the accompanying combined financial statements have been reclassified to conform with the 2020 presentation.

C. Patient Service Revenue and Accounts Receivable

The hospital has agreements with various third-party payers that provide for payments to the hospital at amounts different from established rates. The difference between the rates charged and the estimated payments from third-party payers is recorded as a reduction of gross patient service charges. Revenue for patient service charges has been adjusted to the amounts estimated to be receivable under third-party payer arrangements. Amounts recorded under these contractual arrangements are subject to review and final determination by various program intermediaries. Management believes that adequate provision has been made for any adjustments, which may result from such reviews. However, due to uncertainties in the estimates, it is at least reasonably possible that management's estimates will change in 2021. Net patient service revenue for the year ended June 30, 2020, was not significantly impacted due to adjustments of estimates or final settlements of prior periods.

A summary of the payment arrangements with significant third-party payers follows:

Medicare – Inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are paid primarily on a prospective basis. These rates vary according to a patient classification system that is based on clinical diagnosis, procedures utilized, and other factors. The Medicare program continues to reimburse certain other services based on a per diem or on a percentage of cost up to predetermined limits. The hospital also receives additional payments from the Medicare program for providing services to a disproportionate share of Medicaid (TennCare) and other low income patients and such amounts are not guaranteed in future periods. Approximately \$17,300,000 of net patient accounts receivable are due from the Medicare program at June 30, 2020.

TennCare – The State of Tennessee's Medicaid waiver program (TennCare) provides coverage through several managed care organizations. TennCare reimbursement for both inpatient and outpatient services is based upon prospectively determined rates and per-diem amounts. Approximately \$3,700,000 of net patient accounts receivable are from payers under the TennCare program at June 30, 2020. During 2020, the hospital received additional distributions under the TennCare Essential Access, federal matching, and other programs totaling approximately \$4,030,000. Future

distributions under these programs are not guaranteed. Such amounts are subject to potential recoupment.

Other Payers – The hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the hospital under these agreements includes prospectively determined rates, discounts from established charges, and prospectively determined per-diem amounts.

Charity Care – The hospital provides care without charge to patients who meet certain criteria under its charity care policy. Because the hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient revenue. The estimated direct and indirect costs of providing these services totaled approximately \$6,200,000 in 2020. Such costs are determined using a ratio of cost to charges analysis with indirect cost allocated under a reasonable and systematic approach.

A reconciliation of the hospital’s amount of services provided to patients at established rates to net patient service revenue is as follows for the year ended June 30, 2020:

Patient Service Charges	\$ 1,283,002,493
Less: Estimated Contractual Adjustments	(877,525,024)
Less: Provision for Bad Debts	(32,024,106)
Less: Charity Care	<u>(25,660,984)</u>
Total	<u>\$ 347,792,379</u>

D. Cash, Cash Equivalents, Certificates of Deposit, Investments, and Assets Limited as to Use

The carrying amount of deposits and investments included in the hospital’s combined statements of net position is as follows at June 30, 2020:

Bank Deposits	\$ 78,604,155
Investments	<u>51,041,287</u>
Total	<u>\$ 129,645,442</u>

These amounts are included in the combined financial statements as follows:

Cash and Cash Equivalents	\$ 74,641,845
Certificates of Deposit	332,917
Investments	2,757,905
Assets Limited As to Use	<u>51,912,775</u>
 Total	 <u><u>\$ 129,645,442</u></u>

The hospital holds deposits primarily in banks participating in the State of Tennessee Collateral Pool and in banks that provide collateral for all deposits, or banks that are members of the Federal Deposit Insurance Corporation (FDIC).

Additionally, the hospital's deposits in financial institutions are required by state statute to be secured and collateralized by the institutions. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool. 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 collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each individual 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.

At June 30, 2020, the hospital's bank balances for deposits totaled \$74,969,164, a majority of which was insured by the FDIC or by the bank's participation in the State of Tennessee's collateral pool. Deposits totaling \$583,103 are collateralized by securities held by the financial institution and pledged as collateral for the hospital's deposits, and deposits totaling \$1,456,340 are unsecured.

The estimated fair values and maturities for investments, all of which were held in the hospital's name by a custodial bank that is an agent of the hospital, are as follows at June 30, 2020:

Investment Type	Maturity	Amount
Mutual Funds - Fixed Income	N/A	\$ 18,326,820
Mutual Funds - Equity	N/A	20,462,552
U.S. Government Agency Bonds	Less than 1 year	251,763
U.S. Government Agency Bonds	1 to 5 years	753,435
U.S. Government Agency Bonds	6 to 10 years	2,094,705
Corporate and Municipal Bonds	Less than 1 year	610,742
Corporate and Municipal Bonds	1 to 5 years	3,957,754
Corporate and Municipal Bonds	6 to 10 years	<u>4,583,516</u>
 Total		 <u><u>\$ 51,041,287</u></u>

The hospital was formed under the provisions of the private acts. Therefore, available funds are invested in accordance with a formal investment policy that is approved by the board.

Interest Rate Risk – As a means to limiting its exposure to fair value losses by rising interest rates, the hospital’s investment policy limits investment in U.S. treasury securities, U.S. government agency bonds or notes, corporate bonds, and municipal bonds to those with maturities of less than ten years.

Credit Risk – The hospital’s investment policy restricts investments in corporate bonds to those with a credit rating of at least BBB and municipal bonds to those with a rating of at least AA. Mutual fund’s underlying investments must meet the same credit ratings as other investments. The hospital’s mutual fund investments are not rated. The credit rating of the hospital’s U.S. government agency, corporate, and municipal bonds is as follows at June 30, 2020:

Rating	Amount
AA	\$ 3,970,451
A	3,429,525
BBB	3,323,967
N/R	<u>1,527,972</u>
Total	<u>\$ 12,251,915</u>

Concentration of Credit Risk – The hospital’s investment policy limits investments in corporate bonds to 60 percent of total investments with no security issuer exceeding five percent of total investments and municipal bonds to 25 percent of total investments with no security issuer exceeding five percent of total investments. There is no limit on investments in U.S. treasury securities, U.S. government agency bonds, or notes. Mutual funds containing corporate bonds should not exceed 50 percent of total investments, and a single mutual fund should not exceed 25 percent of total investments. Equity investments cannot exceed 40 percent of total investments. An investment in a single equity mutual fund should not exceed five percent of total investments.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the hospital will not be able to recover the value of its investment or collateral. All investments are in the hospital’s name at a custodial bank.

E. Property, Plant, and Equipment

A summary of changes in property, plant, and equipment and related accumulated depreciation for the year ended June 30, 2020, is as follows:

	Balance 7-1-19	Additions/ Reclasses	Retirements/ Transfers	Balance 6-30-20
Capital Assets Depreciated:				
Land Improvements	\$ 6,119,458	\$ 0	\$ 0	\$ 6,119,458
Buildings	203,833,844	29,699	3,767,559	207,631,102
Equipment	257,559,606	6,725,079	1,807,147	266,091,832
Total Capital Assets Depreciated	<u>\$ 467,512,908</u>	<u>\$ 6,754,778</u>	<u>\$ 5,574,706</u>	<u>\$ 479,842,392</u>
Less Accumulated Depreciation For:				
Land Improvements	\$ 5,029,632	\$ 142,929	\$ 1,351	\$ 5,173,912
Buildings	146,485,157	7,698,099	974	154,184,230
Equipment	176,533,455	16,240,284	(2,201,623)	190,572,116
Total Accumulated Depreciation	<u>\$ 328,048,244</u>	<u>\$ 24,081,312</u>	<u>\$ (2,199,298)</u>	<u>\$ 349,930,258</u>
Total Capital Assets Depreciated, Net	<u>\$ 139,464,664</u>	<u>\$ (17,326,534)</u>	<u>\$ 7,774,004</u>	<u>\$ 129,912,134</u>
Capital Assets Not Depreciated:				
Land	\$ 7,709,395	\$ 0	\$ (50,223)	\$ 7,659,172
Construction in Progress	5,449,575	3,752,898	(7,608,071)	1,594,402
Total Capital Assets Not Depreciated	<u>\$ 13,158,970</u>	<u>\$ 3,752,898</u>	<u>\$ (7,658,294)</u>	<u>\$ 9,253,574</u>
Total Capital Assets, Net	<u>\$ 152,623,634</u>	<u>\$ (13,573,636)</u>	<u>\$ 115,710</u>	<u>\$ 139,165,708</u>

No interest expense was capitalized during the year ended June 30, 2020. Construction in progress at June 30, 2020, consists primarily of facility renovations and information system upgrades, and the total estimated costs required to complete these projects is approximately \$140,000.

F. Long-term Debt

Long-term debt consists of the following as of June 30, 2020:

Bonds Payable

Series 2015, Maury County General Obligation Refunding and Public Improvement Bonds issued on behalf of the hospital, with interest rates ranging from 3 to 5%, and the final payment due April 1, 2027.	\$ 16,235,000
Plus unamortized premiums	2,197,029
Total Bonds Payable, Net of Unamortized Premiums	<u>\$ 18,432,029</u>

Other Long-term Debt

Capital lease obligations - see Note VI.I.	\$ 2,558,871
Term Loan	14,167,186
Total Other Long-term Debt	<u>\$ 16,726,057</u>

Total debt	\$ 35,158,086
Less: current portion	<u>5,407,394</u>

Total long-term debt	<u><u>\$ 29,750,692</u></u>
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The hospital's bonds payable are general obligation bonds of Maury County, Tennessee. The bonds were issued for the purpose of acquiring property and equipment or the retirement of previously outstanding bonds and notes and to pay issuance costs. The bonds are secured by unlimited ad valorem taxes on all taxable property within the county.

The Series 2015 Bonds were issued to finance the constructing, repairing, renovating, and equipping of the hospital in addition to prepaying the hospital's outstanding notes payable and the remaining portion of the Series 2006 Bonds. The Series 2015 Bonds maturing on or after April 1, 2026, are subject to redemption prior to maturity at the option of the county on April 1, 2025, or thereafter, at a redemption price of par plus accrued interest.

During 2018, the hospital entered into a construction line of credit with a financial institution to finance capital contributions to a joint venture project for the construction of behavior health hospital. The total amount available under this construction loan was \$15,000,000 and the balance drawn will be repaid monthly over a period of ten years. During the year ended June 30, 2020, the line of credit converted to a term loan with monthly principal and interest payments and a maturity date of October 20, 2029. The outstanding balance bears interest at a rate of 3.7 percent. The term loan is secured by investment accounts held by the lender.

Additionally, during 2018, the hospital entered into a line of credit agreement with a financial institution to fund potential cash shortfalls during a system conversion. The total amount available on the line of credit is \$15,000,000 and

no amounts have been drawn as of June 30, 2020. The line of credit expires in 2021 and is secured by investment accounts held by the lender.

The hospital's scheduled principal maturities on bonds payable (excluding unamortized premiums) and the term loan as of June 30, 2020, follows:

Year Ending June 30	Bonds Payable		Direct Borrowings & Placements	
	Principal	Interest	Principal	Interest
2021	\$ 3,545,000	\$ 732,250	\$ 1,299,212	\$ 502,300
2022	2,105,000	555,000	1,348,106	453,406
2023	2,210,000	449,750	1,398,841	402,671
2024	2,230,000	339,250	1,451,485	350,027
2025	2,170,000	227,750	1,506,110	295,402
2026-2030	3,975,000	179,850	7,163,432	597,102
Total	<u>\$ 16,235,000</u>	<u>\$ 2,483,850</u>	<u>\$ 14,167,186</u>	<u>\$ 2,600,908</u>

A schedule of changes in long-term debt, including capital leases, for the year ended June 30, 2020, is as follows:

	Balance 7-1-19	Additions/ Amortization	Payments/ Maturities	Balance 6-30-20	Amounts Due Within One Year
Bonds payable	\$ 19,950,000	\$ 0	\$ (3,715,000)	\$ 16,235,000	\$ 3,545,000
Unamortized premiums	2,539,962	(342,933)	0	2,197,029	0
Other long-term debt	8,657,157	9,272,030	(1,203,130)	16,726,057	1,862,394
Total	<u>\$ 31,147,119</u>	<u>\$ 8,929,097</u>	<u>\$ (4,918,130)</u>	<u>\$ 35,158,086</u>	<u>\$ 5,407,394</u>

G. Pension Plan

Plan Description – The hospital sponsors and is the plan administrator of the Maury Regional Hospital Retirement Plan (the Plan), a single-employer public retirement system (PERS), accounted for as a separate entity from the hospital. The purpose of the plan is to provide retirement, death, and certain other benefits to employees as specified in the plan. Although it has not expressed any intention to do so, the hospital has the right under the plan to discontinue its contributions at any time and to terminate the plan subject to the provisions set forth in ERISA. The plan's financial report may be obtained by contacting Human Resources at (931) 381-1111, extension 1089.

The plan was amended effective May 1, 1997, to stop accrual of benefit service on April 30, 1997, for participants who made an irrevocable election to participate in the Maury Regional Healthcare System 403(b) plan on

May 1, 1997, 1998, or 2001. Employees hired after May 1, 1997, are not eligible to participate in the plan.

Benefits Provided – In addition to normal retirement benefits, the plan also provides for early retirement and death benefits. Retirement benefits are calculated as a percent of the employee’s highest average compensation during 60 consecutive months of the last 120 months of employment. Employees earn full retirement benefits once an employee has reached the age of 65. Early retirement benefits are available once an employee has reached age 55 and five years of service at a reduced rate based on age. Death benefits equal the actuarial equivalent value of the employee’s vested accrued benefit as of the date of death. An employee who terminates service for other reasons after five years of credited service will receive retirement benefits at the normal retirement date.

Employees Covered by Benefit Terms – At the measurement date of April 30, the following employees were included in the plan:

Active Employees - Accruing Benefits	33
Active Employees - Frozen Benefits	224
Inactive Employees with Deferred Benefits	250
Disabled	4
Inactive Employees Currently Receiving Benefits	<u>578</u>
Total	<u><u>1,089</u></u>

Contributions – The hospital funds the plan as contributions are approved by the Board of Trustees based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned during the year with an additional amount to finance any unfunded accrued liability.

Net Pension Liability – The hospital’s net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate net pension liability was determined by an actuarial valuation as of April 30, 2020. The total pension liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement as of April 30:

Inflation	2.5%
Salary Increases	4% to 7.5%
Investment Rate of Return	7.5%
Discount Rate	7.5%

Mortality rates were based on the IRS 2020 Static Mortality Table (based on RP-2014 Mortality Table with generational mortality improvement scale MP-2018). The actuarial valuation method used was entry age normal method.

The long-term expected rate of return on pension plan investments was determined using a method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows as of April 30:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Large Cap Equities	45 %	8.65 %
Small Cap Equities	6	10.30
International Equities	10	9.15
Emerging Market Equities	4	11.75
Real Estate	5	8.20
Fixed Income	30	4.00

The pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees assuming the actuarially determined contributions are made each year, although not required by the funding policy. Therefore, the discount rate for determining the total pension liability is equal to the long-term expected rate of return on pension plan investments.

Changes in the Net Pension Liability – Changes in the hospital's net pension liability are as follows for the year ended June 30, 2020:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, June 30, 2019	\$ 52,891,698	\$ 43,141,238	\$ 9,750,460
Changes for the year:			
Service Cost	\$ 321,598	\$ 0	\$ 321,598
Interest	3,851,612	0	3,851,612
Liability Gains or Losses	970,938	0	970,938
Assumption Changes	(119,934)	0	(119,934)
Benefit Payments	(3,716,933)	(3,716,933)	0
Administrative Expenses	0	(182,437)	182,437
Investment Income (Loss)	0	(1,750,001)	1,750,001
Employer Contributions	0	2,479,000	(2,479,000)
Balance, June 30, 2020	\$ 54,198,979	\$ 39,970,867	\$ 14,228,112

The plan's fiduciary net position as a percentage of the total pension liability was approximately 74 percent as of June 30, 2020, as measured at April 30, 2020.

The following presents the net pension liability of the hospital calculated using the current discount rate of 7.5 percent, as well as what the net pension liability would be if it was calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate:

	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
Net Pension Liability	\$ 19,193,362	\$ 14,228,112	\$ 9,915,777

Pension Expense and Deferred Outflows and Deferred Inflows of Resources – For the year ended June 30, 2020, the hospital recognized pension expense of \$3,920,865. At June 30, 2020, the hospital 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
Differences Between Expected and Actual Experience	\$ 323,646	\$ 0
Changes in Assumptions	0	39,975
Differences Between Projected and Actual Earnings	3,280,450	0
Total	<u>\$ 3,604,096</u>	<u>\$ 39,975</u>

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	\$ 669,364
2022	849,555
2023	1,069,130
2024	976,072

H. Other Retirement Plans

The hospital sponsors and administers a 403(b) savings plan and a 401(k) savings plan. These defined contribution plans cover substantially all hourly and salaried employees. Voluntary contributions may be made by the participants as a percentage of annual compensation not to exceed Internal Revenue Service limits. The hospital's contribution to the 403(b) plan consists of a matching contribution equal to 100 percent of the first three percent of annual compensation and an additional matching contribution of 125 percent of the employees' contribution from four to five percent of annual compensation if the employee had five or more years of service. The hospital's contribution to the 401(k) plan consists of a matching contribution equal to 100 percent of the first 4.4 percent of annual compensation. The hospital's total contribution for the year ended June 30, 2020, was approximately \$5,010,000. Hospital employees' total contributions for the year ended June 30, 2020, were approximately \$7,998,000.

I. Leases

Capital Leases – The hospital leases medical equipment under various capital lease agreements with interest rates ranging from 2.95 percent to 3.0 percent. A summary of the leased equipment, which is included in property, plant, and equipment at June 30, 2020, is as follows:

<u>Assets</u>	
Equipment acquired under capital leases	\$ 2,898,690
Less: accumulated amortization	<u>(577,605)</u>
Total Book Value	<u>\$ 2,321,085</u>

The following is a schedule of the future minimum lease payments required under capital leases as of June 30, 2020:

<u>Year Ending June 30</u>	<u>Amount</u>
2021	\$ 624,351
2022	624,531
2023	809,830
2024	516,351
2025	<u>129,086</u>
Total minimum lease payments	2,704,149
Amount representing interest	<u>(145,278)</u>
Present value of minimum lease payments	<u>\$ 2,558,871</u>

Operating Leases – The hospital also rents office space and equipment under various non-cancelable operating lease agreements with varying terms. Rent expense under operating lease agreements totaled approximately \$3,560,000 for the year ended June 30, 2020.

Future minimum lease commitments for all significant non-cancelable operating leases are as follows:

Year Ending June 30	Amount
2021	\$ 2,170,348
2022	1,488,091
2023	1,403,673
2024	1,423,213
2025	1,322,898
2026-2030	3,285,922
2031-2033	<u>1,577,500</u>
Total	<u>\$ 12,671,645</u>

Leases with Physicians – The hospital leases office space in its medical office buildings to physicians under non-cancelable operating leases with varying terms. Rental income under these lease agreements totaled approximately \$1,760,000 for the year ended June 30, 2020. Future minimum lease commitments to the hospital for all significant non-cancelable operating leases to physicians are as follows:

Year Ending June 30	Amount
2021	\$ 1,301,802
2022	1,271,821
2023	643,629
2024	308,378
2025	<u>317,448</u>
Total	<u>\$ 3,843,078</u>

Leased Healthcare Facilities - Effective July 1, 2014, the hospital entered into a five-year lease under a lease arrangement with Wayne County for the operation of several Wayne County healthcare facilities, including the county hospital, ambulance service, and medical office buildings. The lease also extends to all equipment, improvements, fixtures, and related personal property. The annual lease expense is \$50,000 each year and an annual capital improvement commitment of \$150,000. The lease provides for two five-year renewal options, which occur automatically unless the hospital provides notice of its intent to terminate the lease at least 180 days in advance. Management currently has no intention of terminating the lease.

J. Other Long-term Liabilities

Other long-term liabilities, and the related activity, consists of the following:

	Balance July 1, 2019	Compensation Earned	Payments/ Adjustments	Balance June 30, 2020
Employee benefits	\$ 911,000	\$ 0	\$ (184,504)	\$ 726,496
Deferred compensation	662,740	757,938	(915,155)	505,523
Reserve for claim audits	3,677,572	0	(238,165)	3,439,407
	<u>\$ 5,251,312</u>	<u>\$ 757,938</u>	<u>\$ (1,337,824)</u>	<u>\$ 4,671,426</u>

K. Commitments and Contingencies

General Liability Claims – The hospital is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The hospital maintains commercial insurance coverage for each of those risks of loss. Management believes such coverage is sufficient to preclude any significant losses to the hospital.

Malpractice Liability Claims – The hospital is subject to claims and suits arising in the ordinary course of business from services provided to patients. Losses against the hospital are limited by the Tennessee Governmental Tort Liability Act to \$300,000 for injury or death per person and \$700,000 per occurrence. However, claims against healthcare practitioners are not subject to these limits. The hospital maintains professional liability insurance on a claims-made basis with limits of \$1,000,000 per occurrence with a retention of \$250,000 per claim and a \$3,000,000 annual aggregate with a \$750,000 annual aggregate retention. The hospital has estimated and recorded a current liability for reported claims totaling approximately \$1,240,000 at June 30, 2020. In management’s opinion, the hospital is currently not a party to any proceeding, the ultimate resolution of which will have a material adverse effect on the hospital’s results of operations or financial condition. The hospital has not estimated any liability for incurred but not reported claims.

Workers’ Compensation Claims – The hospital is covered for workers’ compensation claims through an insurance policy with a per claim and policy limit of \$500,000. Management has recorded an accrual for the estimated liability related to claims reported as of June 30, 2020. The hospital has not estimated any liability for incurred but not reported claims.

Healthcare Benefits – The hospital maintains a partially self-insured healthcare plan to provide reimbursement for covered expenses incurred as a result of illness or injury to covered employees and dependents. Stop-loss insurance is purchased for annual claims per individual exceeding \$300,000 with an additional aggregating specific amount of \$100,000. The hospital has estimated and recorded a current liability for healthcare claims incurred but not yet reported totaling approximately \$2,340,000 at June 30, 2020.

Healthcare Industry – The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, Medicare fraud and abuse and under the provisions of the Health Insurance Portability and Accountability Act of 1996, patient records privacy and security. Government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers, such as the Medicare Recovery Audit Contractor Program. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Management believes that any amounts payable related to audits through the Medicare Recovery Audit Contractor program, or similar initiatives, have been estimated and recorded as a noncurrent liability in the combined financial statements; and therefore, any additional impact on the combined financial statements will not be significant. However, due to the uncertainties involved, management's estimate could change in the near future.

National Public Health Emergency – In March 2020, the outbreak of coronavirus 2019 (COVID-19) was declared a public health emergency (PHE). The COVID-19 PHE has severely restricted economic activity and resulted in volatility in financial markets. The healthcare industry has been impacted due to a general decrease in non-emergent patient volumes, cancellations and delays of elective medical procedures.

Government support, including the Coronavirus Aid, Relief, and Economic Security Acts (CARES Act) provided essential funding to hospitals, physicians and other healthcare providers. During the year ended June 30, 2020, the hospital received approximately \$24,900,000 of CARES Act Provider Relief Funds (PRF). A portion of this amount totaling approximately \$18,200,000 has been recognized as nonoperating revenue to offset lost revenue and COVID-19 related expenses incurred as of June 30, 2020. The remaining amount has been recorded as deferred revenue in the accompanying combined financial statements until expended for the intended purpose. Subsequent to June 30, 2020, the hospital received additional PRF funding of approximately \$10,090,000 that has not been reported in the accompanying combined financial statements.

Subsequent to June 30, 2020, the Department of Health and Human Services released two Post - Payment Notices of Reporting Requirements (notices) that significantly changed the guidelines on how providers should determine lost

revenue for reporting purposes in attesting to the appropriate use of PRF amounts. The notices are ambiguous with regard to certain considerations in calculating lost revenue. The ultimate resolution of the reporting and recognition requirements is uncertain as of the date of the Independent Auditor's Report.

Additionally, the hospital received approximately \$35,070,000 of payments issued under the Medicare Accelerated and Advanced Payment (AAP) Program which have been reported as a current liability in the accompanying combined financial statements. Such amounts are intended to fund short-term cash flow needs and will be recouped by the Center for Medicare and Medicaid Services (CMS) through an offset to future Medicare claims. Initially, the terms of the AAP Program provided for the recoupment to begin 120 days after receipt. Subsequent to June 30, 2020, the Continuing Appropriations Act, 2021 and Other Extensions Act revised the repayment terms delaying the recoupment start date until one year after the payments were issued and reducing the initial recoupment amount to 25% of claims approved for payment.

The ultimate impact of the COVID-19 PHE on the financial position of the hospital is uncertain and the status of future government funding is unknown at this time. The impact on operations and the financial statements cannot be reasonably predicted or estimated at this time.

L. Fair Value Measurement

The hospital categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the value inputs used to measure the fair value of the asset. *Level 1* inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets; *Level 2* inputs are other observable inputs; and *Level 3* inputs are unobservable. The hospital has the following recurring fair value measurements for investments at June 30, 2020:

Investments in:	Carrying Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)
Mutual Funds - Fixed Income	\$ 18,326,820	\$ 18,326,820	\$ 0
Mutual Funds - Equity	20,462,552	20,462,552	0
U.S. Governmental Agency Bonds	3,099,903	0	3,099,903
Corporate and Municipal Bonds	9,152,012	0	9,152,012
	<u>\$ 51,041,287</u>	<u>\$ 38,789,372</u>	<u>\$ 12,251,915</u>

The fair value of investments in U.S. government agency bonds and corporate and municipal bonds is estimated based on matrix pricing of similar assets or market corroborated pricing.

M. Blended Component Unit Information

Condensed financial information of the hospital's blended component units is as follows:

Statements of Net Position
For the Year Ended June 30, 2020

	Hospital	MRMG	Foundation
Assets			
Current assets	\$ 134,670,691	\$ 5,437,350	\$ 2,464,836
Due (to) from affiliates	(830,321)	1,201,445	0
Property, plant, and equipment	138,723,023	442,685	0
Other assets	77,251,381	212,551	0
Total Assets	\$ 349,814,774	\$ 7,294,031	\$ 2,464,836
Deferred Outflows of Resources			
Pension adjustments	\$ 3,604,096	\$ 0	\$ 0
Deferred amounts on refunding	34,251	0	0
Combined Assets and Deferred Outflows of Resources	\$ 353,453,121	\$ 7,294,031	\$ 2,464,836
Liabilities			
Current liabilities	\$ 88,211,585	\$ 6,672,707	\$ 0
Long-term debt	29,750,692	0	0
Other liabilities	18,899,538	0	0
Total Liabilities	\$ 136,861,815	\$ 6,672,707	\$ 0
Deferred Inflows of Resources			
Pension adjustments	\$ 39,975	\$ 0	\$ 0
Net Position			
Net investment in capital assets	\$ 103,564,937	\$ 442,685	\$ 0
Unrestricted	112,986,394	178,639	2,464,836
Total Net Position	\$ 216,551,331	\$ 621,324	\$ 2,464,836
Combined Liabilities, Deferred Inflows, and Net Position	\$ 353,453,121	\$ 7,294,031	\$ 2,464,836

Statements of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2020

	Hospital	MRMG	Foundation
Operating Revenue			
Net patient service revenue	\$ 318,564,026	\$ 29,228,353	\$ 0
Other operating revenue	17,908,710	6,536,053	0
Total Operating Revenue	\$ 336,472,736	\$ 35,764,406	\$ 0
Operating Expenses	(331,049,475)	(43,715,426)	(979,193)
Depreciation and Amortization	(24,142,357)	(633,278)	0
Operating Income (Loss)	\$ (18,719,096)	\$ (8,584,298)	\$ (979,193)
Nonoperating Revenue			
(Expenses)	22,772,410	682,852	983,816
Equity in affiliate losses	(10,284,914)	0	0
Interest expense	(1,172,066)	(736)	0
Excess of Revenue Over Expenses	\$ (7,403,666)	\$ (7,902,182)	\$ 4,623
Capital Contributions and Transfers	0	6,662,485	0
Change in Net Position	\$ (7,403,666)	\$ (1,239,697)	\$ 4,623
Net Position, 7-1-19	223,954,997	1,861,021	2,460,213
Net Position, 6-30-20	\$ 216,551,331	\$ 621,324	\$ 2,464,836

Statements of Cash Flows
For the Year Ended June 30, 2020

	Hospital	MRMG	Foundation
Cash Flows from Operating Activities	\$ 11,091,655	\$ 1,687,514	\$ (961,285)
Cash Flows from Noncapital Financing Activities	62,320,140	661,873	901,327
Cash Flows from Capital and Related Financing Activities	(7,088,299)	(492,534)	0
Cash Flows from Investing Activities	(6,594,471)	(340,000)	82,489
Increase in Cash and Cash Equivalents	\$ 59,729,025	\$ 1,516,853	\$ 22,531
Cash and Cash Equivalents, 7-1-19	13,354,135	(8,602)	27,903
Cash and Cash Equivalents, 6-30-20	\$ 73,083,160	\$ 1,508,251	\$ 50,434

N. Subsequent Events

Subsequent events have been evaluated through the date the financial statements were available to be issued. During this period, other than information disclosed in Note VI. K., management did not note any material recognizable subsequent events that require recognition or disclosure in the combined financial statements.

VII. **OTHER NOTES – DISCRETELY PRESENTED MAURY COUNTY BOARD OF PUBLIC UTILITIES WATER SYSTEM**

A. **Summary of Significant Accounting Policies**

1. **Organization**

The Maury County Board of Public Utilities Water System is a discrete component unit of Maury County, Tennessee. The system is governed by a board of directors appointed by the county mayor and ratified by commissioners of Maury County. In addition, the Maury County Commissioners approve the annual budget of the system. The system is operated as an enterprise fund with self-balancing accounting records. The system does not receive any operating revenues from Maury County.

2. **Basis of Accounting**

The system's financial statements have been presented using the economic resources approach and the accrual basis of accounting, except that revenue from water sales is recognized when billed.

3. **Change in Percentage used for Pension Accounting (Change in Estimate)**

The system is included in the Tennessee Consolidated Retirement System as part of the Maury County plan. The system is calculated as a percentage of the total Maury County plan. The percentage is provided by the auditors of the state of Tennessee. The percentage was 2.48 percent for the year ended June 30, 2020, which was a change in estimate from 2.26 percent for the year ended June 30, 2019. The change in accounting estimate is reported as an expense in the current year financial statements.

4. **Pension**

Plan Description:

Employees of the system are provided a defined benefit pension plan through the Public Employee Retirement Plan, a multiple-employer pension plan administered by the TCRS.

Benefits Provided:

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.

5. Net Pension Liability (Asset)

The system'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 4.25%
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 historical 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 investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS Investment policy target asset allocation for each major asset class are summarized in the following table:

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

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 the system 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 (asset).

6. Utility Plant, Property and Equipment

The utility plant, property and equipment are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the respective assets. Items costing over \$2,500 are depreciated. Maintenance and repairs are charged to expenses as incurred; major renewals and improvements are capitalized. When items of property or equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is included in income. Depreciation expense for the year ended June 30, 2020, was \$836,961.

7. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the system considers all investment instruments purchased with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2020. Restricted assets are not treated as part of the system's cash and cash equivalents.

8. Classification of Revenue

The system has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues – Operating revenues generally result from providing water for use or providing related support services to an individual or entity separate from the system.

Nonoperating revenues – Nonoperating revenues are those revenues that do not meet the definition of operating revenues. Nonoperating revenues include gifts, investment income, and insurance reimbursements.

9. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

10. Inventory

The system's inventory of supplies is stated at the lower of cost or market using the first-in, first-out method. The costs of inventory items are recognized as expenses in the enterprise fund when used.

11. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted assets are available, it is the system's policy to first apply restricted resources.

B. Accounts Receivable

Customer receivables are composed of the following aged categories:

	<u>Amount</u>
Current Billings	\$ 282,350
30 Days Past Due	3,468
60 Days Past Due	309
90 Days Past Due	<u>7</u>
Total	<u>\$ 286,134</u>

Bad debts are determined and written-off only by direct action of the system's board. For the year ended June 30, 2020, \$6,660 was written-off.

C. Deposits and Investments

Deposits

The system is subject to the Tennessee statute, which requires deposits in financial institutions be secured and collateralized by such institutions. The collateral must meet certain requirements and must have a total market value of 105 percent of the value of the deposits placed in the institutions, less the amount protected by federal depository insurance. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool.

Custodial credit risk is the risk that in the event of a bank failure, the system's deposits may not be returned to it. As of June 30, 2020, all deposits were insured or collateralized.

Investments

State statutes authorize the system to invest in certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, obligations guaranteed by the U.S. government or its agencies, repurchase agreements, and the state's investment pool. Investments consist of certificates of deposit with financial institutions with original maturities of over three months and not over one year. The system's policy is to hold these investments to maturity; therefore, there is no interest rate risk that will adversely affect the fair value of the investments.

D. Restricted Assets

The restricted assets represent investment of customer deposits. The customer deposits are not available for operation of the system and are held in trust. The deposits at June 30, 2020, included \$33,120 for meter deposits of current customers.

E. Utility Plant, Property, and Equipment

Major classifications of the utility plant, property, and equipment and their respective depreciable lives are summarized below:

<u>Assets</u>	<u>Years</u>
Water Grid and Improvements	50 - 100
Water Mains	40
Water Towers and Stations	40
Water Meters	10 - 40
Casting and Valves	20 - 50
Other	40
Trucks	5
Small Tools and Equipment	3 - 10
Office Furniture and Equipment	5 - 10

F. Capital Assets

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

	Balance 7-1-19	Additions	Retirements	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 589,205	\$ 0	\$ 0	\$ 589,205
Construction in Progress	405,833	910,730	(321,458)	995,105
Total Capital Assets Not Depreciated	<u>\$ 995,038</u>	<u>\$ 910,730</u>	<u>\$ (321,458)</u>	<u>\$ 1,584,310</u>
Capital Assets Depreciated:				
Building	\$ 1,993,600	\$ 0	\$ 0	\$ 1,993,600
Water Grid and Improvements	32,333,019	739,453	0	33,072,472
Equipment and Fixtures	1,250,976	124,615	0	1,375,591
Total Capital Assets Depreciated	<u>\$ 35,577,595</u>	<u>\$ 864,068</u>	<u>\$ 0</u>	<u>\$ 36,441,663</u>
Less Accumulated Depreciation For:				
Building	\$ 337,612	\$ 41,848	\$ 0	\$ 379,460
Water Grid and Improvements	10,212,693	711,417	0	10,924,110
Equipment and Fixtures	797,883	83,696	0	881,579
Total Accumulated Depreciation	<u>\$ 11,348,188</u>	<u>\$ 836,961</u>	<u>\$ 0</u>	<u>\$ 12,185,149</u>
Total Capital Assets Depreciated, Net	<u>\$ 24,229,407</u>	<u>\$ 27,107</u>	<u>\$ 0</u>	<u>\$ 24,256,514</u>
Total Capital Assets, Net	<u>\$ 25,224,445</u>	<u>\$ 937,837</u>	<u>\$ (321,458)</u>	<u>\$ 25,840,824</u>

G. Accrued Leave

Accumulated annual leave at June 30, 2020, totaled \$23,337. It is the system's policy to accrue vacation annually for full-time personnel and charge employee benefits. The policy provides two weeks annual leave for personnel with one to five years continuous service, three weeks for six to 11 years of service, and increasing amounts up to five weeks for service up to 25 years.

H. Risk Management

The system is exposed to losses that could arise from torts; asset theft, damage, or destruction; business interruption; errors or omissions; job-related illnesses or injuries to employees; acts of nature; accident, health, dental, and other medical benefits to employees. Potential losses are covered by commercial insurance.

The system was sued for erosion by a resident of Maury County. The original lawsuit sought \$25,000 in damages from the system. As a result of mediation, the resident was then seeking \$85,000. In response, the system's legal counsel originated a counter lawsuit against the resident. The amount of the counter-lawsuit is unknown at this time, pending the findings of an independent land survey. Most recently, the resident has offered to resolve both lawsuits for \$50,000. The system's legal counsel deems the likelihood of an unfavorable outcome minimal.

The system has not been involved in any other significant litigation during the last five fiscal years.

I. Long-term Debt

The system's bonds payable are liabilities derived from various system water line upgrades, extensions, and improvements.

Bonds payable consist of the following at June 30, 2020:

Bonds Payable

Series 2006, State Revolving Loan Fund: DWSRF 2005-065: The principal will be amortized over 20 years with monthly payments of \$21,623 and an interest rate of 2.42%.	\$ 1,723,729
Series 2008, State Revolving Loan Fund: DWSRF 2007-072: The principal will be amortized over 20 years with monthly payments of \$8,679 and an interest rate of 2.42%.	771,108
Series 2006, USDA Rural Development Loan: The principal will be amortized over 38 years with monthly payments of \$12,615 and an interest rate of 4.125%.	<u>2,412,625</u>
Total Bonds Payable	<u>\$ 4,907,462</u>
Less current portion	<u>(359,528)</u>
Total Long-term Bonds Payable	<u><u>\$ 4,547,934</u></u>

Bonds Payable

Balance 7-1-19	Reductions	Balance 6-30-20	Due Within One Year
<u>\$ 5,257,480</u>	<u>\$ (350,018)</u>	<u>\$ 4,907,462</u>	<u>\$ 359,528</u>

The principal and interest requirements for outstanding bonds as of June 30, 2020, are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 359,528	\$ 155,476	\$ 515,004
2022	369,251	145,753	515,004
2023	379,248	135,757	515,005
2024	389,546	125,459	515,005
2025	400,125	114,879	515,004
2026-2029	1,161,565	357,606	1,519,171
2030-2034	416,664	340,236	756,900
2035-2039	511,906	244,994	756,900
2040-2044	628,920	127,980	756,900
2045-2046	290,709	12,628	303,337
Total	<u>\$ 4,907,462</u>	<u>\$ 1,760,768</u>	<u>\$ 6,668,230</u>

J. Pension

The system participates in the Tennessee Consolidated Retirement System, under the Maury County, Tennessee plan. Benefits are determined by a

formula using the member’s high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service.

Employees contribute five percent of earnable compensation to the plan. The system is required to contribute at an actuarially determined rate; the rate of the fiscal year ended June 30, 2020, was 4.13 percent of annual covered payroll. Pension expense was \$39,146 for the year ended June 30, 2020.

K. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2020, the system reported a pension asset of \$96,754 for its proportionate share of the net pension asset. The net pension asset was measured at June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial value as of that date. The system’s proportion of the net pension asset was based on the system’s share of contributions to the pension plan relative to the contributions of all participants. At the measurement date of June 30, 2020, the system’s proportion was 2.48 percent. The proportion measured as of June 30, 2019 was 2.26 percent.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the system 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
Differences Between Expected and Actual Experience	\$ 10,797	\$ 10,568
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	23,394
Changes in Assumptions	16,136	0
Contributions Subsequent to the Measurement Date of June 30, 2019	29,450	N/A
Total	<u>\$ 56,383</u>	<u>\$ 33,962</u>

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	\$ 3,900
2022	(6,857)
2023	(2,367)
2024	(1,706)
2025	0
Thereafter	0

Payable to the Pension Plan. The system did not have a payable relating to required contribution to the plan at June 30, 2020.

Pension Expense. The system reported pension expense of \$39,146 for the year ended June 30, 2020.

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	\$ 1,830,327	\$ 1,907,455	\$ (77,128)
Changes for the year:			
Service Cost	\$ 63,938	\$ 0	\$ 63,938
Interest	134,887	0	134,887
Differences Between Expected and Actual Experience	(4,786)	0	(4,786)
Contributions-Employer	0	35,379	(35,379)
Contributions-Employees	0	38,289	(38,289)
Net Investment Income	0	142,177	(142,177)
Benefit Payments, Including Refunds of Employee Contributions	(67,507)	(67,507)	0
Administrative Expense	0	(2,180)	2,180
Net Changes	\$ 126,532	\$ 146,158	\$ (19,626)
Balance, June 30, 2019	\$ 1,956,859	\$ 2,053,613	\$ (96,754)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of the system calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it was 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)	\$ 162,857	\$ (96,754)	\$ (311,799)
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L. Deferred Inflows of Resources

Deferred inflows of resources are an acquisition of net assets that is applicable to a future reporting period. Deferred inflows of resources consist of the following at June 30, 2020:

Deferred Inflows - Pensions	\$ 33,962
	\$ 33,962

M. Direct Borrowings

The system has bonds with the state and a loan from the U.S. Department of Agriculture (USDA). In the event of default on the state bonds and/or USDA loan, state-shared taxes will be withheld to pay the amount necessary to liquidate the delinquency.

N. Subsequent Events

Subsequent events have been evaluated through the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit F-1

Maury 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	\$ 2,144,201	\$ 2,089,934	\$ 2,204,144	\$ 2,280,667	\$ 2,474,350	\$ 2,578,148
Interest	3,882,590	4,154,887	4,501,605	4,739,903	5,036,844	5,438,996
Changes in Benefit Terms	0	0	0	72,922	0	0
Differences Between Actual and Expected Experience	(517,136)	408,227	(1,172,245)	(93,146)	612,215	(193,044)
Changes in Assumptions	0	0	0	1,626,633	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,773,430)	(1,876,071)	(2,412,635)	(2,452,805)	(2,638,510)	(2,722,055)
Net Change in Total Pension Liability	\$ 3,736,225	\$ 4,776,977	\$ 3,120,869	\$ 6,174,174	\$ 5,484,899	\$ 5,102,045
Total Pension Liability, Beginning	50,510,376	54,246,601	59,023,578	62,144,447	68,318,621	73,803,520
Total Pension Liability, Ending (a)	\$ 54,246,601	\$ 59,023,578	\$ 62,144,447	\$ 68,318,621	\$ 73,803,520	\$ 78,905,565
Plan Fiduciary Net Position						
Contributions - Employer	\$ 1,619,633	\$ 1,188,886	\$ 1,214,772	\$ 1,262,731	\$ 1,382,195	\$ 1,426,564
Contributions - Employee	1,251,509	1,288,204	1,314,713	1,366,601	1,492,878	1,543,896
Net Investment Income	8,403,420	1,840,671	1,642,233	7,210,480	5,889,629	5,732,929
Benefit Payments, Including Refunds of Employee Contributions	(1,773,430)	(1,876,071)	(2,412,635)	(2,452,805)	(2,638,510)	(2,722,055)
Administrative Expense	(34,737)	(46,288)	(66,377)	(81,177)	(94,711)	(87,907)
Other	0	0	0	5,794	(2,782)	0
Net Change in Plan Fiduciary Net Position	\$ 9,466,395	\$ 2,395,402	\$ 1,692,706	\$ 7,311,624	\$ 6,028,699	\$ 5,893,427
Plan Fiduciary Net Position, Beginning	50,018,686	59,485,081	61,880,483	63,573,189	70,884,813	76,913,512
Plan Fiduciary Net Position, Ending (b)	\$ 59,485,081	\$ 61,880,483	\$ 63,573,189	\$ 70,884,813	\$ 76,913,512	\$ 82,806,939
Net Pension Liability (Asset), Ending (a - b)	\$ (5,238,480)	\$ (2,856,905)	\$ (1,428,742)	\$ (2,566,192)	\$ (3,109,992)	\$ (3,901,374)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	109.66%	104.84%	102.30%	103.76%	104.21%	104.94%
Covered Payroll	\$ 25,033,043	\$ 25,736,255	\$ 26,294,779	\$ 27,331,770	\$ 29,886,214	\$ 30,880,368
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(20.93)%	(11.1)%	(5.43)%	(9.39)%	(10.41)%	(12.63)%

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

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

Note: Changes of assumptions. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, salary growth, and mortality improvements.

Exhibit F-2

Maury 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	\$ 1,619,633	\$ 1,188,886	\$ 1,214,772	\$ 1,214,822	\$ 1,240,278	\$ 1,281,437	\$ 1,283,051
Less Contributions in Relation to the Actuarially Determined Contribution	(1,619,633)	(1,188,886)	(1,214,772)	(1,214,822)	(1,382,195)	(1,426,564)	(1,283,051)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (141,917)	\$ (145,127)	\$ 0
Covered Payroll	\$ 25,033,043	\$ 25,736,255	\$ 26,294,779	\$ 27,331,770	\$ 29,886,214	\$ 30,880,368	\$ 31,066,599
Contributions as a Percentage of Covered Payroll	6.47%	4.62%	4.62%	4.62%	4.62%	4.62%	4.13%

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

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

Exhibit F-3

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

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 90,615	\$ 175,025	\$ 275,722	\$ 159,372	\$ 228,356	\$ 297,411
Less Contributions in Relation to the Contractually Required Contribution	(90,615)	(175,025)	(275,722)	(390,918)	(228,356)	(297,411)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (231,546)	\$ 0	\$ 0
Covered Payroll	\$ 2,265,347	\$ 4,375,630	\$ 6,855,637	\$ 9,560,381	\$ 11,669,765	\$ 14,650,812
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.09%	1.96%	2.03%

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

Exhibit F-4

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

	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 4,049,189	\$ 3,965,792	\$ 3,838,582	\$ 3,584,491	\$ 3,812,269	\$ 4,241,558	\$ 4,107,721
Less Contributions in Relation to the Contractually Required Contribution	(4,049,189)	(3,965,792)	(3,838,582)	(3,584,491)	(3,812,269)	(4,241,558)	(4,107,721)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 45,598,978	\$ 43,870,096	\$ 42,462,443	\$ 39,688,827	\$ 42,055,947	\$ 40,575,443	\$ 38,642,719
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.06%	10.45%	10.63%

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

Exhibit F-5

Maury County, Tennessee
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Retirement Plan of TCRS
Discretely Presented Maury 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)	1.090316%	0.994448%	1.050226%	1.118340%	1.112348%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (43,863)	\$ (103,525)	\$ (277,088)	\$ (507,198)	\$ (627,905)
Covered Payroll	\$ 2,265,347	\$ 4,375,630	\$ 6,855,637	\$ 9,560,381	\$ 11,669,765
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.04)%	(5.31)%	(5.38)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%	126.97%	123.07%

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

Exhibit F-6

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

	2014	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability (Asset)	1.161760%	1.171881%	1.176304%	1.121697%	1.199008%	1.209321%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (188,781)	\$ 480,042	\$ 7,351,246	\$ (367,001)	\$ (4,219,207)	\$ (12,433,996)
Covered Payroll	\$ 45,598,978	\$ 43,870,096	\$ 42,462,443	\$ 39,688,827	\$ 42,055,947	\$ 40,575,443
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.41)%	1.09%	17.31%	(.92)%	(10.03)%	(30.64)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%

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

Exhibit F-7

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

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 1,770,520	\$ 1,661,402	\$ 2,291,165
Interest	918,741	1,099,129	1,331,841
Changes in Benefit Terms	0	(705,696)	(34,162)
Differences Between Actual and Expected Experience	0	3,611,214	(344,398)
Changes in Assumptions or Other Inputs	(1,281,343)	1,681,114	(2,496,715)
Benefit Payments	(1,820,895)	(1,955,367)	(2,184,328)
Net Change in Total OPEB Liability	\$ (412,977)	\$ 5,391,796	\$ (1,436,597)
Total OPEB Liability, Beginning	30,603,657	30,190,680	35,582,476
Total OPEB Liability, Ending	\$ 30,190,680	\$ 35,582,476	\$ 34,145,879
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 8,306,785	\$ 6,772,946	\$ 7,278,912
Employer Proportionate Share of the Total OPEB Liability	21,883,895	28,809,530	26,866,967
Covered Employee Payroll	\$ 63,921,086	\$ 63,751,719	\$ 60,907,773
Employer Proportionate Share of the Total OPEB Liability as a Percentage of Covered Employee Payroll	34.24%	45.19%	44.11%

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:

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

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

MAURY 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 3.0 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 the 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.

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

Adequate Facilities/Development Tax Fund – The Adequate Facilities/Development Tax Fund is used to account for the fee assessed on square footage on all new residential and commercial buildings.

Archives and Records Management Fee Fund – The Archives and Records Management Fee Fund is used to account for the fee assessed on public records filed.

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

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

Capital Projects Funds

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

General Capital Projects Fund – The General Capital Projects Fund is used to account for the acquisition or construction of capital facilities for the general government and debt issued by the county that is subsequently contributed to the discretely presented Maury County School Department for general capital expenditures.

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

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

Exhibit G-1

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

	Special Revenue Funds					Capital Projects Funds
	Drug Control	Adequate Facilities/ Development Tax	Archives and Records Management Fee	Highway / Public Works	Total	General Capital Projects
<u>ASSETS</u>						
Equity in Pooled Cash and Investments	\$ 361,454	\$ 5,151,085	\$ 138,626	\$ 4,669,975	\$ 10,321,140	\$ 97,605
Accounts Receivable	5,391	38,185	23,001	32,089	98,666	0
Due from Other Governments	0	0	0	552,264	552,264	0
Property Taxes Receivable	0	0	0	3,065,477	3,065,477	0
Allowance for Uncollectible Property Taxes	0	0	0	(47,178)	(47,178)	0
Total Assets	\$ 366,845	\$ 5,189,270	\$ 161,627	\$ 8,272,627	\$ 13,990,369	\$ 97,605
<u>LIABILITIES</u>						
Accounts Payable	\$ 413	\$ 56,349	\$ 0	\$ 111,200	\$ 167,962	\$ 0
Payroll Deductions Payable	0	0	0	110,698	110,698	0
Total Liabilities	\$ 413	\$ 56,349	\$ 0	\$ 221,898	\$ 278,660	\$ 0
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 0	\$ 0	\$ 2,964,681	\$ 2,964,681	\$ 0
Deferred Delinquent Property Taxes	0	0	0	41,819	41,819	0
Other Deferred/Unavailable Revenue	0	0	0	252,900	252,900	0
Total Deferred Inflows of Resources	\$ 0	\$ 0	\$ 0	\$ 3,259,400	\$ 3,259,400	\$ 0
<u>FUND BALANCES</u>						
Restricted:						
Restricted for General Government	\$ 0	\$ 5,132,921	\$ 161,627	\$ 0	\$ 5,294,548	\$ 0

(Continued)

Exhibit G-1

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

	Special Revenue Funds					Capital Projects Funds
	Drug Control	Adequate Facilities/ Development Tax	Archives and Records Management Fee	Highway / Public Works	Total	General Capital Projects
<u>FUND BALANCES (Cont.)</u>						
Restricted (Cont.):						
Restricted for Public Safety	\$ 366,432	\$ 0	\$ 0	\$ 0	\$ 366,432	\$ 0
Restricted for Highways/Public Works	0	0	0	4,791,329	4,791,329	0
Restricted for Capital Outlay	0	0	0	0	0	97,605
Total Fund Balances	\$ 366,432	\$ 5,132,921	\$ 161,627	\$ 4,791,329	\$ 10,452,309	\$ 97,605
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 366,845	\$ 5,189,270	\$ 161,627	\$ 8,272,627	\$ 13,990,369	\$ 97,605

(Continued)

Exhibit G-1

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

	<u>Capital Projects Funds (Cont.)</u>			Total Nonmajor Governmental Funds
	Highway Capital Projects	Other Capital Projects	Total	
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$ 1,633,175	\$ 1,812,442	\$ 3,543,222	\$ 13,864,362
Accounts Receivable	124,764	24,810	149,574	248,240
Due from Other Governments	0	0	0	552,264
Property Taxes Receivable	0	2,175,343	2,175,343	5,240,820
Allowance for Uncollectible Property Taxes	0	(33,479)	(33,479)	(80,657)
Total Assets	<u>\$ 1,757,939</u>	<u>\$ 3,979,116</u>	<u>\$ 5,834,660</u>	<u>\$ 19,825,029</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 8,401	\$ 0	\$ 8,401	\$ 176,363
Payroll Deductions Payable	0	0	0	110,698
Total Liabilities	<u>\$ 8,401</u>	<u>\$ 0</u>	<u>\$ 8,401</u>	<u>\$ 287,061</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 0	\$ 2,103,815	\$ 2,103,815	\$ 5,068,496
Deferred Delinquent Property Taxes	0	27,308	27,308	69,127
Other Deferred/Unavailable Revenue	0	0	0	252,900
Total Deferred Inflows of Resources	<u>\$ 0</u>	<u>\$ 2,131,123</u>	<u>\$ 2,131,123</u>	<u>\$ 5,390,523</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for General Government	\$ 0	\$ 0	\$ 0	\$ 5,294,548

(Continued)

Exhibit G-1

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

FUND BALANCES (Cont.)

Restricted (Cont.):

 Restricted for Public Safety
 Restricted for Highways/Public Works
 Restricted for Capital Outlay
Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

<u>Capital Projects Funds (Cont.)</u>			Total Nonmajor Governmental Funds
<u>Highway Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>	
\$ 0	\$ 0	\$ 0	\$ 366,432
1,749,538	0	1,749,538	6,540,867
0	1,847,993	1,945,598	1,945,598
<u>\$ 1,749,538</u>	<u>\$ 1,847,993</u>	<u>\$ 3,695,136</u>	<u>\$ 14,147,445</u>
<u>\$ 1,757,939</u>	<u>\$ 3,979,116</u>	<u>\$ 5,834,660</u>	<u>\$ 19,825,029</u>

Exhibit G-2

Maury 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					Total
	Drug Control	Adequate Facilities/ Development Tax	Archives and Records Management Fee	Constitutional Officers - Fees	Highway / Public Works	
<u>Revenues</u>						
Local Taxes	\$ 0	\$ 2,136,081	\$ 0	\$ 0	\$ 3,413,853	\$ 5,549,934
Fines, Forfeitures, and Penalties	75,045	0	0	0	0	75,045
Charges for Current Services	0	0	182,487	58,384	0	240,871
Other Local Revenues	0	0	0	0	95,368	95,368
State of Tennessee	0	0	0	0	3,472,080	3,472,080
Other Governments and Citizens Groups	2,505	0	0	0	0	2,505
Total Revenues	\$ 77,550	\$ 2,136,081	\$ 182,487	\$ 58,384	\$ 6,981,301	\$ 9,435,803
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 9,648	\$ 20,860	\$ 0	\$ 0	\$ 30,508
Administration of Justice	0	0	0	58,138	0	58,138
Public Safety	93,495	0	0	246	0	93,741
Public Health and Welfare	0	0	0	0	0	0
Social, Cultural, and Recreational Services	0	0	0	0	0	0
Other Operations	0	0	0	0	0	0
Highways	0	0	0	0	5,341,073	5,341,073
Capital Projects	0	1,269,352	0	0	1,617,305	2,886,657
Capital Projects - Donated	0	0	0	0	0	0
Total Expenditures	\$ 93,495	\$ 1,279,000	\$ 20,860	\$ 58,384	\$ 6,958,378	\$ 8,410,117
Excess (Deficiency) of Revenues						
Over Expenditures	\$ (15,945)	\$ 857,081	\$ 161,627	\$ 0	\$ 22,923	\$ 1,025,686

(Continued)

Exhibit G-2

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

	Special Revenue Funds					Total
	Drug Control	Adequate Facilities/ Development Tax	Archives and Records Management Fee	Constitutional Officers - Fees	Highway / Public Works	
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 0	\$ 0	\$ 0	\$ 0	52,881	\$ 52,881
Transfers In	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 0	52,881	\$ 52,881
Net Change in Fund Balances	\$ (15,945)	\$ 857,081	\$ 161,627	\$ 0	75,804	\$ 1,078,567
Fund Balance, July 1, 2019	382,377	4,275,840	0	0	4,715,525	9,373,742
Fund Balance, June 30, 2020	\$ 366,432	\$ 5,132,921	\$ 161,627	\$ 0	4,791,329	\$ 10,452,309

(Continued)

Exhibit G-2

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

	Capital Projects Funds				Total Nonmajor Governmental Funds
	General Capital Projects	Highway Capital Projects	Other Capital Projects	Total	
<u>Revenues</u>					
Local Taxes	\$ 0	\$ 1,185,254	\$ 2,314,123	\$ 3,499,377	\$ 9,049,311
Fines, Forfeitures, and Penalties	0	0	0	0	75,045
Charges for Current Services	0	0	0	0	240,871
Other Local Revenues	0	0	750	750	96,118
State of Tennessee	0	0	0	0	3,472,080
Other Governments and Citizens Groups	0	0	0	0	2,505
Total Revenues	\$ 0	\$ 1,185,254	\$ 2,314,873	\$ 3,500,127	\$ 12,935,930
<u>Expenditures</u>					
Current:					
General Government	\$ 0	\$ 0	\$ 57,206	\$ 57,206	\$ 87,714
Administration of Justice	0	0	0	0	58,138
Public Safety	0	0	681,057	681,057	774,798
Public Health and Welfare	0	0	33,131	33,131	33,131
Social, Cultural, and Recreational Services	0	0	305,170	305,170	305,170
Other Operations	0	11,550	46,107	57,657	57,657
Highways	0	0	0	0	5,341,073
Capital Projects	901,826	583,866	0	1,485,692	4,372,349
Capital Projects - Donated	0	0	1,010,989	1,010,989	1,010,989
Total Expenditures	\$ 901,826	\$ 595,416	\$ 2,133,660	\$ 3,630,902	\$ 12,041,019
Excess (Deficiency) of Revenues Over Expenditures	\$ (901,826)	\$ 589,838	\$ 181,213	\$ (130,775)	\$ 894,911

(Continued)

Exhibit G-2

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

	Capital Projects Funds				Total Nonmajor Governmental Funds
	General Capital Projects	Highway Capital Projects	Other Capital Projects	Total	
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 0	\$ 0	\$ 29,652	\$ 29,652	\$ 82,533
Transfers In	0	0	108,500	108,500	108,500
Transfers Out	(115,601)	0	0	(115,601)	(115,601)
Total Other Financing Sources (Uses)	\$ (115,601)	\$ 0	\$ 138,152	\$ 22,551	\$ 75,432
Net Change in Fund Balances	\$ (1,017,427)	\$ 589,838	\$ 319,365	\$ (108,224)	\$ 970,343
Fund Balance, July 1, 2019	1,115,032	1,159,700	1,528,628	3,803,360	13,177,102
Fund Balance, June 30, 2020	\$ 97,605	\$ 1,749,538	\$ 1,847,993	\$ 3,695,136	\$ 14,147,445

Exhibit G-3

Maury 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	\$ 75,045	\$ 71,000	\$ 71,000	\$ 4,045
Other Governments and Citizens Groups	2,505	0	0	2,505
Total Revenues	\$ 77,550	\$ 71,000	\$ 71,000	\$ 6,550
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 93,495	\$ 136,377	\$ 136,377	\$ 42,882
Total Expenditures	\$ 93,495	\$ 136,377	\$ 136,377	\$ 42,882
Excess (Deficiency) of Revenues Over Expenditures	\$ (15,945)	\$ (65,377)	\$ (65,377)	\$ 49,432
Net Change in Fund Balance	\$ (15,945)	\$ (65,377)	\$ (65,377)	\$ 49,432
Fund Balance, July 1, 2019	382,377	382,281	382,377	0
Fund Balance, June 30, 2020	\$ 366,432	\$ 316,904	\$ 317,000	\$ 49,432

Exhibit G-4

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Adequate Facilities/Development Tax Fund
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,136,081	\$ 1,300,000	\$ 1,300,000	\$ 836,081
Total Revenues	\$ 2,136,081	\$ 1,300,000	\$ 1,300,000	\$ 836,081
<u>Expenditures</u>				
<u>General Government</u>				
Development	\$ 9,648	\$ 15,000	\$ 15,000	\$ 5,352
<u>Capital Projects</u>				
General Administration Projects	1,072,769	250,000	1,533,936	461,167
Public Safety Projects	0	1,000,000	0	0
Highway and Street Capital Projects	196,583	380,000	1,965,076	1,768,493
Total Expenditures	\$ 1,279,000	\$ 1,645,000	\$ 3,514,012	\$ 2,235,012
Excess (Deficiency) of Revenues Over Expenditures	\$ 857,081	\$ (345,000)	\$ (2,214,012)	\$ 3,071,093
Net Change in Fund Balance	\$ 857,081	\$ (345,000)	\$ (2,214,012)	\$ 3,071,093
Fund Balance, July 1, 2019	4,275,840	4,265,701	4,275,840	0
Fund Balance, June 30, 2020	\$ 5,132,921	\$ 3,920,701	\$ 2,061,828	\$ 3,071,093

Exhibit G-5

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Archives and Records Management Fee 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	\$ 182,487	\$ 0	\$ 20,860	\$ 161,627
Total Revenues	\$ 182,487	\$ 0	\$ 20,860	\$ 161,627
<u>Expenditures</u>				
<u>General Government</u>				
Preservation of Records	\$ 20,860	\$ 0	\$ 20,860	\$ 0
Total Expenditures	\$ 20,860	\$ 0	\$ 20,860	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ 161,627	\$ 0	\$ 0	\$ 161,627
Net Change in Fund Balance	\$ 161,627	\$ 0	\$ 0	\$ 161,627
Fund Balance, July 1, 2019	0	0	0	0
Fund Balance, June 30, 2020	\$ 161,627	\$ 0	\$ 0	\$ 161,627

Exhibit G-6

Maury County, Tennessee
Schedule 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	\$ 3,413,853	\$ 3,237,613	\$ 3,237,613	\$ 176,240
Other Local Revenues	95,368	0	80,173	15,195
State of Tennessee	3,472,080	3,896,490	4,551,479	(1,079,399)
Total Revenues	<u>\$ 6,981,301</u>	<u>\$ 7,134,103</u>	<u>\$ 7,869,265</u>	<u>\$ (887,964)</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 261,385	\$ 271,716	\$ 271,716	\$ 10,331
Highway and Bridge Maintenance	3,142,860	3,886,689	3,911,103	768,243
Operation and Maintenance of Equipment	705,980	975,290	980,316	274,336
Other Charges	472,708	452,746	532,210	59,502
Capital Outlay	758,140	716,251	1,498,107	739,967
<u>Capital Projects</u>				
Highway and Street Capital Projects	1,617,305	600,000	2,217,494	600,189
Total Expenditures	<u>\$ 6,958,378</u>	<u>\$ 6,902,692</u>	<u>\$ 9,410,946</u>	<u>\$ 2,452,568</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 22,923</u>	<u>\$ 231,411</u>	<u>\$ (1,541,681)</u>	<u>\$ 1,564,604</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 52,881	\$ 0	\$ 17,021	\$ 35,860
Total Other Financing Sources	<u>\$ 52,881</u>	<u>\$ 0</u>	<u>\$ 17,021</u>	<u>\$ 35,860</u>
Net Change in Fund Balance	\$ 75,804	\$ 231,411	\$ (1,524,660)	\$ 1,600,464
Fund Balance, July 1, 2019	4,715,525	4,395,764	4,715,525	0
Fund Balance, June 30, 2020	<u>\$ 4,791,329</u>	<u>\$ 4,627,175</u>	<u>\$ 3,190,865</u>	<u>\$ 1,600,464</u>

Exhibit G-7

Maury 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	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
<u>Capital Projects</u>				
Administration of Justice Projects	\$ 901,826	\$ 0	\$ 901,826	\$ 0
Total Expenditures	\$ 901,826	\$ 0	\$ 901,826	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ (901,826)	\$ 0	\$ (901,826)	\$ 0
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (115,601)	\$ 0	\$ (115,601)	\$ 0
Total Other Financing Sources	\$ (115,601)	\$ 0	\$ (115,601)	\$ 0
Net Change in Fund Balance	\$ (1,017,427)	\$ 0	\$ (1,017,427)	\$ 0
Fund Balance, July 1, 2019	1,115,032	0	1,115,032	0
Fund Balance, June 30, 2020	\$ 97,605	\$ 0	\$ 97,605	\$ 0

Exhibit G-8

Maury 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	
<u>Revenues</u>				
Local Taxes	\$ 1,185,254	\$ 1,050,000	\$ 1,050,000	\$ 135,254
Total Revenues	\$ 1,185,254	\$ 1,050,000	\$ 1,050,000	\$ 135,254
<u>Expenditures</u>				
<u>Other Operations</u>				
Miscellaneous	\$ 11,550	\$ 11,000	\$ 11,550	\$ 0
<u>Capital Projects</u>				
Highway and Street Capital Projects	583,866	990,000	1,084,560	500,694
Total Expenditures	\$ 595,416	\$ 1,001,000	\$ 1,096,110	\$ 500,694
Excess (Deficiency) of Revenues Over Expenditures	\$ 589,838	\$ 49,000	\$ (46,110)	\$ 635,948
Net Change in Fund Balance	\$ 589,838	\$ 49,000	\$ (46,110)	\$ 635,948
Fund Balance, July 1, 2019	1,159,700	1,094,864	1,159,700	0
Fund Balance, June 30, 2020	\$ 1,749,538	\$ 1,143,864	\$ 1,113,590	\$ 635,948

Exhibit G-9

Maury 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>				
Local Taxes	\$ 2,314,123	\$ 2,178,236	\$ 2,178,236	\$ 135,887
Other Local Revenues	750	0	0	750
Total Revenues	<u>\$ 2,314,873</u>	<u>\$ 2,178,236</u>	<u>\$ 2,178,236</u>	<u>\$ 136,637</u>
<u>Expenditures</u>				
<u>General Government</u>				
Development	\$ 26,411	\$ 30,000	\$ 30,000	\$ 3,589
County Buildings	0	320,000	320,000	320,000
Other General Administration	30,795	35,000	35,000	4,205
<u>Public Safety</u>				
Sheriff's Department	579,460	485,000	944,000	364,540
Jail	0	0	88,250	88,250
Civil Defense	0	50,000	427,000	427,000
Other Emergency Management	101,597	124,000	124,000	22,403
<u>Public Health and Welfare</u>				
Rabies and Animal Control	33,131	35,000	35,000	1,869
<u>Social, Cultural, and Recreational Services</u>				
Libraries	227,224	0	365,390	138,166
Parks and Fair Boards	77,946	52,000	124,997	47,051
<u>Other Operations</u>				
Miscellaneous	46,107	47,000	47,000	893
<u>Capital Projects</u>				
Other General Government Projects	0	0	161,000	161,000
<u>Capital Projects - Donated</u>				
Capital Projects Donated to School Department	1,010,989	1,000,000	1,011,108	119
Total Expenditures	<u>\$ 2,133,660</u>	<u>\$ 2,178,000</u>	<u>\$ 3,712,745</u>	<u>\$ 1,579,085</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 181,213</u>	<u>\$ 236</u>	<u>\$ (1,534,509)</u>	<u>\$ 1,715,722</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 29,652	\$ 0	\$ 6,147	\$ 23,505
Transfers In	108,500	0	108,500	0
Total Other Financing Sources	<u>\$ 138,152</u>	<u>\$ 0</u>	<u>\$ 114,647</u>	<u>\$ 23,505</u>
Net Change in Fund Balance	\$ 319,365	\$ 236	\$ (1,419,862)	\$ 1,739,227
Fund Balance, July 1, 2019	1,528,628	1,561,922	1,528,628	0
Fund Balance, June 30, 2020	<u>\$ 1,847,993</u>	<u>\$ 1,562,158</u>	<u>\$ 108,766</u>	<u>\$ 1,739,227</u>

Major Governmental Fund

General Debt Service Fund

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

Exhibit H

Maury 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	\$ 9,633,455	\$ 8,552,220	\$ 8,622,220	\$ 1,011,235
Fines, Forfeitures, and Penalties	0	70,000	0	0
Other Local Revenues	1,674,543	1,100,000	1,437,481	237,062
State of Tennessee	1,291,126	990,000	990,000	301,126
Federal Government	415	0	0	415
Other Governments and Citizens Groups	1,218,416	721,374	1,197,424	20,992
Total Revenues	\$ 13,817,955	\$ 11,433,594	\$ 12,247,125	\$ 1,570,830
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 753,325	\$ 1,450,668	\$ 753,325	\$ 0
Education	9,276,609	8,155,427	9,295,360	18,751
<u>Interest on Debt</u>				
General Government	148,322	352,464	150,257	1,935
Education	6,605,181	6,371,830	6,607,497	2,316
<u>Other Debt Service</u>				
General Government	580,634	356,000	733,155	152,521
Total Expenditures	\$ 17,364,071	\$ 16,686,389	\$ 17,539,594	\$ 175,523
Excess (Deficiency) of Revenues Over Expenditures	\$ (3,546,116)	\$ (5,252,795)	\$ (5,292,469)	\$ 1,746,353
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 316,555	0	\$ 316,555	0
Total Other Financing Sources	\$ 316,555	0	\$ 316,555	0
Net Change in Fund Balance	\$ (3,229,561)	\$ (5,252,795)	\$ (4,975,914)	\$ 1,746,353
Fund Balance, July 1, 2019	20,696,296	20,335,210	20,696,296	0
Fund Balance, June 30, 2020	\$ 17,466,735	\$ 15,082,415	\$ 15,720,382	\$ 1,746,353

Fiduciary Funds

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

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

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

Exhibit I-1

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

	<u>Agency Funds</u>		
	Cities - Sales Tax	Constitu- tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 2,994,530	\$ 2,994,530
Accounts Receivable	0	64,098	64,098
Due from Other Governments	3,558,884	0	3,558,884
Total Assets	<u>\$ 3,558,884</u>	<u>\$ 3,058,628</u>	<u>\$ 6,617,512</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 3,558,884	\$ 0	\$ 3,558,884
Due to Litigants, Heirs, and Others	0	3,058,628	3,058,628
Total Liabilities	<u>\$ 3,558,884</u>	<u>\$ 3,058,628</u>	<u>\$ 6,617,512</u>

Exhibit I-2

Maury 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	\$ 15,461,056	\$ 15,461,056	\$ 0
Due from Other Governments	2,559,000	3,558,884	2,559,000	3,558,884
Total Assets	\$ 2,559,000	\$ 19,019,940	\$ 18,020,056	\$ 3,558,884
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,559,000	\$ 19,019,940	\$ 18,020,056	\$ 3,558,884
Total Liabilities	\$ 2,559,000	\$ 19,019,940	\$ 18,020,056	\$ 3,558,884
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 3,592,979	\$ 29,231,186	\$ 29,829,635	\$ 2,994,530
Accounts Receivable	88,667	64,098	88,667	64,098
Total Assets	\$ 3,681,646	\$ 29,295,284	\$ 29,918,302	\$ 3,058,628
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 3,681,646	\$ 29,295,284	\$ 29,918,302	\$ 3,058,628
Total Liabilities	\$ 3,681,646	\$ 29,295,284	\$ 29,918,302	\$ 3,058,628
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 3,592,979	\$ 29,231,186	\$ 29,829,635	\$ 2,994,530
Equity in Pooled Cash and Investments	0	15,461,056	15,461,056	0
Accounts Receivable	88,667	64,098	88,667	64,098
Due from Other Governments	2,559,000	3,558,884	2,559,000	3,558,884
Total Assets	\$ 6,240,646	\$ 48,315,224	\$ 47,938,358	\$ 6,617,512
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 2,559,000	\$ 19,019,940	\$ 18,020,056	\$ 3,558,884
Due to Litigants, Heirs, and Others	3,681,646	29,295,284	29,918,302	3,058,628
Total Liabilities	\$ 6,240,646	\$ 48,315,224	\$ 47,938,358	\$ 6,617,512

Maury County School Department

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

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

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

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

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

Exhibit J-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:					
Instruction	\$ 83,696,908	\$ 257,478	\$ 8,268,532	\$ 0	\$ (75,170,898)
Support Services	42,419,082	277,276	520,463	1,248,523	(40,372,820)
Operation of Non-instructional Services	8,619,869	1,550,312	5,176,154	0	(1,893,403)
Total Governmental Activities	<u>\$ 134,735,859</u>	<u>\$ 2,085,066</u>	<u>\$ 13,965,149</u>	<u>\$ 1,248,523</u>	<u>\$ (117,437,121)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 26,326,774
Local Option Sales Tax					18,578,751
Mixed Drink Tax					179,124
Grants and Contributions Not Restricted to Specific Programs					59,574,521
Unrestricted Investment Earnings					31,880
Miscellaneous					127,719
Total General Revenues					<u>\$ 104,818,769</u>
Change in Net Position					\$ (12,618,352)
Net Position, July 1, 2019					<u>243,121,033</u>
Net Position, June 30, 2020					<u>\$ 230,502,681</u>

Exhibit J-2

Maury County, Tennessee
Balance Sheet - Governmental Funds
Discretely Presented Maury 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>Funds</u>	<u>Funds</u>
<u>ASSETS</u>				
Cash	\$ 275,659	\$ 0	\$ 6,870	\$ 282,529
Equity in Pooled Cash and Investments	16,358,205	3,674,471	3,008,529	23,041,205
Inventories	0	0	275,333	275,333
Accounts Receivable	102,273	0	444	102,717
Due from Other Governments	3,718,661	0	643,206	4,361,867
Property Taxes Receivable	24,993,504	0	0	24,993,504
Allowance for Uncollectible Property Taxes	(316,076)	0	0	(316,076)
Restricted Assets	554,269	0	0	554,269
Total Assets	\$ 45,686,495	\$ 3,674,471	\$ 3,934,382	\$ 53,295,348
<u>LIABILITIES</u>				
Accounts Payable	\$ 514,841	\$ 0	\$ 6,250	\$ 521,091
Accrued Payroll	4,758,939	0	214,689	4,973,628
Payroll Deductions Payable	1,742,031	0	293,304	2,035,335
Contracts Payable	0	284,953	0	284,953
Due to State of Tennessee	0	0	4,571	4,571
Total Liabilities	\$ 7,015,811	\$ 284,953	\$ 518,814	\$ 7,819,578
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 24,145,442	\$ 0	\$ 0	\$ 24,145,442
Deferred Delinquent Property Taxes	436,632	0	0	436,632
Other Deferred/Unavailable Revenue	1,877,409	0	0	1,877,409
Total Deferred Inflows of Resources	\$ 26,459,483	\$ 0	\$ 0	\$ 26,459,483

(Continued)

Exhibit J-2

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>FUND BALANCES</u>				
Nonspendable:				
Inventory	\$ 0	\$ 0	\$ 275,333	\$ 275,333
Restricted:				
Restricted for Education	0	3,389,518	2,678,308	6,067,826
Restricted for Hybrid Retirement Stabilization Funds	554,269	0	0	554,269
Committed:				
Committed for Education	387,294	0	461,927	849,221
Unassigned	11,269,638	0	0	11,269,638
Total Fund Balances	<u>\$ 12,211,201</u>	<u>\$ 3,389,518</u>	<u>\$ 3,415,568</u>	<u>\$ 19,016,287</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 45,686,495</u>	<u>\$ 3,674,471</u>	<u>\$ 3,934,382</u>	<u>\$ 53,295,348</u>

Exhibit J-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$	19,016,287
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	5,846,313	
Add: construction in progress		67,530,205	
Add: building and improvements net of accumulated depreciation		148,679,797	
Add: other capital assets net of accumulated depreciation		<u>3,994,856</u>	226,051,171
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: other postemployment benefits liability	\$	(26,866,967)	
Less: compensated absences payable		<u>(4,006,112)</u>	(30,873,079)
(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 pensions and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	7,790,930	
Less: deferred inflows of resources related to pensions		(11,970,372)	
Add: deferred outflows of resources related to OPEB		6,940,713	
Less: deferred inflows of resources related to OPEB		<u>(3,256,813)</u>	(495,542)
(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.			14,489,803
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>2,314,041</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>230,502,681</u></u>

Exhibit J-4

Maury County, Tennessee
Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Governmental Funds
Discretely Presented Maury 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	\$ 45,032,114	\$ 0	\$ 0	\$ 45,032,114
Licenses and Permits	5,434	0	0	5,434
Charges for Current Services	217,543	0	1,553,943	1,771,486
Other Local Revenues	333,771	0	48,378	382,149
State of Tennessee	61,684,942	0	61,432	61,746,374
Federal Government	209,791	0	11,558,455	11,768,246
Other Governments and Citizens Groups	237,534	0	0	237,534
Total Revenues	<u>\$ 107,721,129</u>	<u>\$ 0</u>	<u>\$ 13,222,208</u>	<u>\$ 120,943,337</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 64,437,857	\$ 0	\$ 3,614,137	\$ 68,051,994
Support Services	38,060,863	0	2,753,191	40,814,054
Operation of Non-Instructional Services	1,459,506	0	7,270,485	8,729,991
Capital Outlay	119,174	0	0	119,174
Debt Service:				
Other Debt Service	1,218,416	0	0	1,218,416
Capital Projects	0	13,917,551	0	13,917,551
Total Expenditures	<u>\$ 105,295,816</u>	<u>\$ 13,917,551</u>	<u>\$ 13,637,813</u>	<u>\$ 132,851,180</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>\$ 2,425,313</u>	<u>\$ (13,917,551)</u>	<u>\$ (415,605)</u>	<u>\$ (11,907,843)</u>

(Continued)

Exhibit J-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 63,055	\$ 0	\$ 0	\$ 63,055
Transfers In	202,225	0	0	202,225
Transfers Out	0	0	(202,225)	(202,225)
Total Other Financing Sources (Uses)	<u>\$ 265,280</u>	<u>\$ 0</u>	<u>\$ (202,225)</u>	<u>\$ 63,055</u>
Net Change in Fund Balances	\$ 2,690,593	\$ (13,917,551)	\$ (617,830)	\$ (11,844,788)
Fund Balance, July 1, 2019	<u>9,520,608</u>	<u>17,307,069</u>	<u>4,033,398</u>	<u>30,861,075</u>
Fund Balance, June 30, 2020	<u>\$ 12,211,201</u>	<u>\$ 3,389,518</u>	<u>\$ 3,415,568</u>	<u>\$ 19,016,287</u>

Exhibit J-5

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

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$ (11,844,788)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 4,880,081	
Less: current-year depreciation expense	<u>(8,235,987)</u>	(3,355,906)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.		
Add: assets donated and capitalized		1,010,989
(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	\$ (2,150,860)	
Add: deferred delinquent property taxes and other deferred June 30, 2020	<u>2,314,041</u>	163,181
(4) The contributions of long-term debt (e.g., notes, bonds, leases) by the primary government provide current financial resources to governmental funds, while the contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal contributions on leases to primary government		553,025
(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 net pension asset - agent plan	\$ 202,410	
Change in net pension asset - teacher retirement plan	120,707	
Change in net pension asset - teacher legacy pension plan	8,214,789	
Change in deferred outflows related to pensions	(1,278,914)	
Change in deferred inflows related to pensions	(4,672,578)	
Change in compensated absences payable	(221,090)	
Change in deferred outflows related to OPEB	(1,012,640)	
Change in deferred inflows related to OPEB	(2,440,100)	
Change in other postemployment benefits liability	<u>1,942,563</u>	<u>855,147</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ (12,618,352)</u>

Exhibit J-6

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

	<u>Special Revenue Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	
<u>ASSETS</u>			
Cash	\$ 0	\$ 6,870	\$ 6,870
Equity in Pooled Cash and Investments	355,221	2,653,308	3,008,529
Inventories	0	275,333	275,333
Accounts Receivable	404	40	444
Due from Other Governments	476,418	166,788	643,206
Total Assets	<u>\$ 832,043</u>	<u>\$ 3,102,339</u>	<u>\$ 3,934,382</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 5,760	\$ 490	\$ 6,250
Accrued Payroll	214,689	0	214,689
Payroll Deductions Payable	149,667	143,637	293,304
Due to State of Tennessee	0	4,571	4,571
Total Liabilities	<u>\$ 370,116</u>	<u>\$ 148,698</u>	<u>\$ 518,814</u>
<u>FUND BALANCES</u>			
Nonspendable:			
Inventory	\$ 0	\$ 275,333	\$ 275,333
Restricted:			
Restricted for Education	0	2,678,308	2,678,308
Committed:			
Committed for Education	461,927	0	461,927
Total Fund Balances	<u>\$ 461,927</u>	<u>\$ 2,953,641</u>	<u>\$ 3,415,568</u>
Total Liabilities and Fund Balances	<u>\$ 832,043</u>	<u>\$ 3,102,339</u>	<u>\$ 3,934,382</u>

Exhibit J-7

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

	<u>Special Revenue Funds</u>		Total
	School Federal Projects	Central Cafeteria	Nonmajor Governmental Funds
<u>Revenues</u>			
Charges for Current Services	\$ 0	\$ 1,553,943	\$ 1,553,943
Other Local Revenues	0	48,378	48,378
State of Tennessee	0	61,432	61,432
Federal Government	6,663,430	4,895,025	11,558,455
Total Revenues	<u>\$ 6,663,430</u>	<u>\$ 6,558,778</u>	<u>\$ 13,222,208</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 3,614,137	\$ 0	\$ 3,614,137
Support Services	2,753,191	0	2,753,191
Operation of Non-Instructional Services	132,488	7,137,997	7,270,485
Total Expenditures	<u>\$ 6,499,816</u>	<u>\$ 7,137,997</u>	<u>\$ 13,637,813</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 163,614</u>	<u>\$ (579,219)</u>	<u>\$ (415,605)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers Out	\$ (163,510)	\$ (38,715)	\$ (202,225)
Total Other Financing Sources (Uses)	<u>\$ (163,510)</u>	<u>\$ (38,715)</u>	<u>\$ (202,225)</u>
Net Change in Fund Balances	\$ 104	\$ (617,934)	\$ (617,830)
Fund Balance, July 1, 2019	461,823	3,571,575	4,033,398
Fund Balance, June 30, 2020	<u>\$ 461,927</u>	<u>\$ 2,953,641</u>	<u>\$ 3,415,568</u>

Exhibit J-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 45,032,114	\$ 42,210,995	\$ 43,216,332	\$ 1,815,782
Licenses and Permits	5,434	4,000	4,836	598
Charges for Current Services	217,543	335,300	258,387	(40,844)
Other Local Revenues	333,771	147,800	355,139	(21,368)
State of Tennessee	61,684,942	60,697,856	61,754,872	(69,930)
Federal Government	209,791	271,870	180,349	29,442
Other Governments and Citizens Groups	237,534	0	237,534	0
Total Revenues	\$ 107,721,129	\$ 103,667,821	\$ 106,007,449	\$ 1,713,680
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 49,121,099	\$ 48,540,818	\$ 49,602,537	\$ 481,438
Alternative Instruction Program	1,097,292	1,112,350	1,130,254	32,962
Special Education Program	10,072,898	10,212,654	10,398,242	325,344
Career and Technical Education Program	4,146,568	4,180,828	4,319,094	172,526
<u>Support Services</u>				
Attendance	1,447,511	1,351,179	1,485,077	37,566
Health Services	1,070,994	1,033,441	1,175,545	104,551
Other Student Support	2,207,571	1,963,842	2,129,251	(78,320)
Regular Instruction Program	2,797,698	3,091,581	3,099,231	301,533
Alternative Instruction Program	210,571	211,098	229,347	18,776
Special Education Program	1,263,106	1,343,262	1,343,251	80,145
Career and Technical Education Program	197,467	191,750	194,747	(2,720)
Technology	1,985,796	2,055,546	2,102,140	116,344
Other Programs	417,958	0	417,958	0
Board of Education	2,776,914	2,381,983	2,975,469	198,555
Director of Schools	369,811	398,795	405,142	35,331
Office of the Principal	8,013,486	7,821,864	8,184,898	171,412
Human Services/Personnel	513,593	445,473	589,718	76,125
Operation of Plant	6,276,096	6,952,437	7,048,582	772,486
Maintenance of Plant	2,359,200	2,661,069	2,761,029	401,829
Transportation	5,577,383	5,674,165	6,117,786	540,403
Central and Other	575,708	0	811,450	235,742
<u>Operation of Non-Instructional Services</u>				
Community Services	206,979	130,873	224,833	17,854
Early Childhood Education	1,252,527	1,065,321	1,293,657	41,130
<u>Capital Outlay</u>				
Regular Capital Outlay	119,174	131,732	353,092	233,918
<u>Other Debt Service</u>				
Education	1,218,416	715,759	1,218,424	8
Total Expenditures	\$ 105,295,816	\$ 103,667,820	\$ 109,610,754	\$ 4,314,938
Excess (Deficiency) of Revenues Over Expenditures	\$ 2,425,313	\$ 1	\$ (3,603,305)	\$ 6,028,618
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 63,055	\$ 0	\$ 63,055	\$ 0

(Continued)

Exhibit J-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Other Financing Sources (Uses) (Cont.)</u>				
Transfers In	\$ 202,225	\$ 0	\$ 202,226	\$ (1)
Total Other Financing Sources	\$ 265,280	\$ 0	\$ 265,281	\$ (1)
Net Change in Fund Balance	\$ 2,690,593	\$ 1	\$ (3,338,024)	\$ 6,028,617
Fund Balance, July 1, 2019	9,520,608	5,468,464	9,520,608	0
Fund Balance, June 30, 2020	\$ 12,211,201	\$ 5,468,465	\$ 6,182,584	\$ 6,028,617

Exhibit J-9

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 6,663,430	\$ 6,569,725	\$ 10,328,346	\$ (3,664,916)
Total Revenues	\$ 6,663,430	\$ 6,569,725	\$ 10,328,346	\$ (3,664,916)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,900,357	\$ 1,870,679	\$ 2,217,357	\$ 317,000
Special Education Program	1,510,693	1,356,907	3,094,836	1,584,143
Career and Technical Education Program	203,087	153,741	203,326	239
<u>Support Services</u>				
Other Student Support	508,681	532,831	960,330	451,649
Regular Instruction Program	1,103,114	980,112	1,667,040	563,926
Special Education Program	640,930	899,462	1,050,134	409,204
Career and Technical Education Program	645	10,885	645	0
Transportation	499,821	608,108	768,680	268,859
<u>Operation of Non-Instructional Services</u>				
Community Services	132,488	0	178,000	45,512
Total Expenditures	\$ 6,499,816	\$ 6,412,725	\$ 10,140,348	\$ 3,640,532
Excess (Deficiency) of Revenues Over Expenditures	\$ 163,614	\$ 157,000	\$ 187,998	\$ (24,384)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (163,510)	\$ (157,000)	\$ (188,000)	\$ 24,490
Total Other Financing Sources	\$ (163,510)	\$ (157,000)	\$ (188,000)	\$ 24,490
Net Change in Fund Balance	\$ 104	\$ 0	\$ (2)	\$ 106
Fund Balance, July 1, 2019	461,823	461,823	461,823	0
Fund Balance, June 30, 2020	\$ 461,927	\$ 461,823	\$ 461,821	\$ 106

Exhibit J-10

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Discretely Presented Maury 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	\$ 1,553,943	\$ 2,090,000	\$ 2,090,000	\$ (536,057)
Other Local Revenues	48,378	46,000	46,000	2,378
State of Tennessee	61,432	59,000	59,000	2,432
Federal Government	4,895,025	5,147,732	5,147,732	(252,707)
Total Revenues	<u>\$ 6,558,778</u>	<u>\$ 7,342,732</u>	<u>\$ 7,342,732</u>	<u>\$ (783,954)</u>
<u>Expenditures</u>				
<u>Support Services</u>				
Board of Education	\$ 0	\$ 50,000	\$ 13,488	\$ 13,488
<u>Operation of Non-Instructional Services</u>				
Food Service	7,137,997	7,397,532	8,974,429	1,836,432
Total Expenditures	<u>\$ 7,137,997</u>	<u>\$ 7,447,532</u>	<u>\$ 8,987,917</u>	<u>\$ 1,849,920</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (579,219)</u>	<u>\$ (104,800)</u>	<u>\$ (1,645,185)</u>	<u>\$ 1,065,966</u>
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (38,715)	\$ 0	\$ (38,717)	\$ 2
Total Other Financing Sources	<u>\$ (38,715)</u>	<u>\$ 0</u>	<u>\$ (38,717)</u>	<u>\$ 2</u>
Net Change in Fund Balance	\$ (617,934)	\$ (104,800)	\$ (1,683,902)	\$ 1,065,968
Fund Balance, July 1, 2019	3,571,575	3,731,788	3,571,575	0
Fund Balance, June 30, 2020	<u>\$ 2,953,641</u>	<u>\$ 3,626,988</u>	<u>\$ 1,887,673</u>	<u>\$ 1,065,968</u>

Exhibit J-11

Maury County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Maury County School Department
Education Capital 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	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>						
<u>Capital Projects</u>						
Education Capital Projects	\$ 13,917,551	\$ (8,019,365)	\$ 5,898,186	\$ 0	\$ 6,147,747	\$ 249,561
Total Expenditures	\$ 13,917,551	\$ (8,019,365)	\$ 5,898,186	\$ 0	\$ 6,147,747	\$ 249,561
Excess (Deficiency) of Revenues Over Expenditures	\$ (13,917,551)	\$ 8,019,365	\$ (5,898,186)	\$ 0	\$ (6,147,747)	\$ 249,561
Net Change in Fund Balance	\$ (13,917,551)	\$ 8,019,365	\$ (5,898,186)	\$ 0	\$ (6,147,747)	\$ 249,561
Fund Balance, July 1, 2019	17,307,069	(8,019,365)	9,287,704	0	9,287,704	0
Fund Balance, June 30, 2020	\$ 3,389,518	\$ 0	\$ 3,389,518	\$ 0	\$ 3,139,957	\$ 249,561

MISCELLANEOUS SCHEDULES

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Paid and/or Matured During Period	Outstanding 6-30-20
NOTES PAYABLE							
<u>Payable through General Debt Service Fund</u>							
General Obligation School	\$ 355,993	1.5 %	4-20-16	3-31-20	\$ 90,926	\$ 90,926	\$ 0
General Obligation Jail	360,000	1.687	2-6-18	2-1-21	240,000	120,000	120,000
Total Notes Payable					<u>\$ 330,926</u>	<u>\$ 210,926</u>	<u>\$ 120,000</u>
OTHER LOANS PAYABLE							
<u>Payable through General Debt Service Fund</u>							
Qualified School Construction Bond (QSCB)	4,408,000	(1)	10-1-10	9-15-27	\$ 2,253,426	\$ 275,052	\$ 1,978,374
Energy Efficient Schools Initiative	2,847,543	1.0	1-30-18	5-1-31	2,810,202	205,931	2,604,271
Total Other Loans Payable					<u>\$ 5,063,628</u>	<u>\$ 480,983</u>	<u>\$ 4,582,645</u>
BONDS PAYABLE							
<u>Payable through General Debt Service Fund</u>							
General Obligation Refunding School and Public Improvement	18,320,000	1 to 4	5-23-12	2-28-20	\$ 2,915,000	\$ 2,915,000	\$ 0
School Improvement	12,250,000	2 to 5	10-14-14	10-14-30	8,475,000	1,005,000	7,470,000
General Obligation Refunding	43,965,000	2 to 5	6-1-15	4-1-36	43,565,000	350,000	43,215,000
General Obligation School	20,150,000	2.05	12-22-15	4-1-28	18,190,000	1,975,000	16,215,000
General Obligation School	21,300,000	2.13	9-8-16	4-1-36	19,590,000	1,015,000	18,575,000
General Obligation School	62,050,000	3.03	10-19-17	4-1-42	61,950,000	1,000,000	60,950,000
General Obligation School	15,290,000	3.20	9-27-18	4-1-38	14,455,000	525,000	13,930,000
Total Bonds Payable					<u>\$ 169,140,000</u>	<u>\$ 8,785,000</u>	<u>\$ 160,355,000</u>
CAPITAL LEASES							
<u>Contributions Due by the School Department from the General Purpose School fund to the General Debt Service Fund</u>							
#1 Schools Computer Lease	309,653	5.258	2-3-17	1-29-20	\$ 52,521	\$ 52,521	\$ 0
#2 Schools Computer Lease	309,653	5.342	3-1-17	1-29-20	52,477	52,477	0
#3 Schools Computer Lease	200,655	5.342	3-1-17	1-29-20	34,005	34,005	0
#4 Schools Computer Lease	1,476,262	5.342	3-13-17	1-29-20	250,184	250,184	0
#5 Schools Computer Lease	369,065	5.279	6-6-17	1-29-20	163,838	163,838	0
Total Capital Leases					<u>\$ 553,025</u>	<u>\$ 553,025</u>	<u>\$ 0</u>

(1) Interest rate of approximately 4.85 percent is offset by a federal interest subsidy.

Note: This schedule for the primary government excludes Maury Regional Hospital.

Exhibit K-2

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

Year Ending June 30	Notes		Total
	Principal	Interest	
2021	\$ 120,000	\$ 1,855	\$ 121,855
Total	\$ 120,000	\$ 1,855	\$ 121,855

Year Ending June 30	Other Loans				Total
	Principal	Interest	(1) Other Fees		
2021	\$ 501,960	\$ 238,708	\$ 3,526	\$	744,194
2022	504,240	236,428	3,526		744,194
2023	506,544	234,124	3,526		744,194
2024	508,872	231,796	3,526		744,194
2025	511,224	229,444	3,526		744,194
2026	513,588	227,080	3,526		744,194
2027	543,064	224,680	3,526		771,270
2028	269,294	10,173	588		280,055
2029	245,808	6,108	0		251,916
2030	248,268	3,648	0		251,916
2031	229,783	1,145	0		230,928
Total	\$ 4,582,645	\$ 1,643,334	\$ 25,270	\$	6,251,249

(Continued)

Exhibit K-2

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

Year Ending June 30	Bonds		Total
	Principal	Interest	
2021	\$ 8,315,000	\$ 6,053,411	\$ 14,368,411
2022	8,555,000	5,637,660	14,192,660
2023	8,865,000	5,209,911	14,074,911
2024	9,170,000	4,778,660	13,948,660
2025	9,490,000	4,332,412	13,822,412
2026	8,800,000	3,915,048	12,715,048
2027	9,020,000	3,595,198	12,615,198
2028	9,245,000	3,275,448	12,520,448
2029	7,525,000	2,934,699	10,459,699
2030	7,820,000	2,642,298	10,462,298
2031	7,710,000	2,390,419	10,100,419
2032	7,960,000	2,138,248	10,098,248
2033	8,205,000	1,890,884	10,095,884
2034	10,350,000	1,634,881	11,984,881
2035	9,865,000	1,347,313	11,212,313
2036	8,070,000	1,062,500	9,132,500
2037	3,295,000	766,663	4,061,663
2038	3,395,000	623,693	4,018,693
2039	3,500,000	476,000	3,976,000
2040	3,615,000	364,000	3,979,000
2041	3,730,000	246,513	3,976,513
2042	3,855,000	125,287	3,980,287
Total	\$ 160,355,000	\$ 55,441,146	\$ 215,796,146

(1) Includes interest requirements on Qualified School Construction Bonds, Series 2010, before federal interest rate subsidy.

Note: This schedule for the primary government excludes Maury Regional Hospital.

Exhibit K-3

Maury County, Tennessee
Schedule of Transfers
Primary Government and Discretely Presented Maury 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	General Debt Service	Debt Retirement	\$ 200,954
"	Other Capital Projects	Capital Outlay	108,500
General Capital Projects	General Debt Service	Debt Retirement	<u>115,601</u>
Total Transfers Primary Government			<u>\$ 425,055</u>
<u>DISCRETELY PRESENTED MAURY COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect Costs	\$ 163,510
Central Cafeteria	"	"	<u>38,715</u>
Total Transfers Discretely Presented Maury County School Department			<u>\$ 202,225</u>

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 108,498	\$ 400,000	Local Government Property and Casualty Fund
Road Superintendent	Section 8-24-102, <i>TCA</i>	100,302	100,000	RLI Insurance Company
Director of Schools	State Board of Education and Local Board of Education	181,000 (1)	400,000	Netherlands Insurance Company
Trustee	Section 8-24-102, <i>TCA</i>	91,182	4,360,000	RLI Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	91,182	50,000	"
County Clerk	Section 8-24-102, <i>TCA</i>	91,182	400,000	Local Government Property and Casualty Fund
Circuit and General Sessions Courts Clerk and Master	Section 8-24-102, <i>TCA</i>	91,182	400,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	91,182 (2)	125,000	RLI Insurance Company
Sheriff	Section 8-24-102, <i>TCA</i> , and County Commission	91,182	400,000	Local Government Property and Casualty Fund
Finance Director	Chapter 47, Private Acts of 2018	100,302 (3)	400,000	"
Director of Human Resources	Chapter 91, Private Acts of 2004	123,601	400,000	"
Purchasing Agent	County Commission	80,166 (4)	400,000	"
		74,984 (5)	400,000	"
Employee Blanket Bonds:				
	Employee Fidelity - County Departments		400,000	Local Government Property and Casualty Fund
	Employee Fidelity - School Department		400,000	Netherlands Insurance Company

- (1) Includes a chief executive officer training supplement of \$1,000. Does not include 100 percent of the premiums for family health and dental insurance (\$27,647) or 100 percent of the premiums for \$100,000 life insurance policy (\$159).
- (2) Does not include special commissioner fees of \$37,834.
- (3) Does not include \$3,029 for serving as workhouse superintendent or a law enforcement training supplement of \$800.
- (4) Does not include longevity pay of \$900.
- (5) Does not include longevity pay of \$950.

Exhibit K-5

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

	Special Revenue Funds					
	General	Drug Control	Adequate Facilities/Development Tax	Archives and Records Management Fee	Constitutional Officers - Fees	Highway / Public Works
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 14,646,462	\$ 0	\$ 0	\$ 0	\$ 0	3,141,057
Current Property Tax - Tax Increment Financing	27,533	0	0	0	0	0
Trustee's Collections - Prior Year	212,282	0	0	0	0	67,981
Trustee's Collections - Bankruptcy	1,994	0	0	0	0	628
Circuit Clerk/Clerk and Master Collections - Prior Years	106,004	0	0	0	0	24,598
Interest and Penalty	49,572	0	0	0	0	13,396
Pickup Taxes	47,164	0	0	0	0	10,256
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	3,460,195	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	913,054	0	0	0	0	0
Hotel/Motel Tax	709,191	0	0	0	0	0
Wheel Tax	1,185,254	0	0	0	0	0
Litigation Tax - General	482,159	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	0
Business Tax	1,547,901	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	155,937
Adequate Facilities/Development Tax	0	0	2,136,081	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	0
Wholesale Beer Tax	367,391	0	0	0	0	0
Total Local Taxes	\$ 23,756,156	\$ 0	\$ 2,136,081	\$ 0	\$ 0	3,413,853

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Drug Control	Adequate Facilities/ Development Tax	Archives and Records Management Fee	Constitutional Officers - Fees	Highway / Public Works
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 207,698	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Permits</u>						
Beer Permits	1,235	0	0	0	0	0
Building Permits	297,380	0	0	0	0	0
Other Permits	10,088	0	0	0	0	0
Total Licenses and Permits	<u>\$ 516,401</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 25,687	\$ 0	\$ 0	\$ 0	\$ 0	0
Officers Costs	14,068	0	0	0	0	0
Drug Control Fines	0	15,046	0	0	0	0
Drug Court Fees	1,026	0	0	0	0	0
Jail Fees	6,416	0	0	0	0	0
DUI Treatment Fines	6,697	0	0	0	0	0
Data Entry Fee - Circuit Court	2,749	0	0	0	0	0
Courtroom Security Fee	30	0	0	0	0	0
Victims Assistance Assessments	13,537	0	0	0	0	0
<u>Criminal Court</u>						
DUI Treatment Fines	3,705	0	0	0	0	0
Victims Assistance Assessments	13,537	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	46,721	0	0	0	0	0
Fines for Littering	48	0	0	0	0	0
Officers Costs	64,302	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Drug Control	Adequate Facilities/ Development Tax	Archives and Records Management Fee	Constitutional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Game and Fish Fines	\$ 719	\$ 0	\$ 0	\$ 0	\$ 0	0
Drug Control Fines	0	11,049	0	0	0	0
Drug Court Fees	10,408	0	0	0	0	0
Jail Fees	35,751	0	0	0	0	0
DUI Treatment Fines	18,353	0	0	0	0	0
Data Entry Fee - General Sessions Court	39,292	0	0	0	0	0
Courtroom Security Fee	59	0	0	0	0	0
Victims Assistance Assessments	13,536	0	0	0	0	0
<u>Juvenile Court</u>						
Data Entry Fee - Juvenile Court	2,516	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	6,111	0	0	0	0	0
Data Entry Fee - Chancery Court	20,771	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	48,950	0	0	0	0
Other Fines, Forfeitures, and Penalties	5,700	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 351,739	\$ 75,045	\$ 0	\$ 0	\$ 0	0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Other Employee Benefit Charges/Contributions	\$ 240	\$ 0	\$ 0	\$ 0	\$ 0	0
Work Release Charges for Board	18,615	0	0	0	0	0
Service Charges	560	0	0	0	0	0
<u>Fees</u>						
Subdivision Lot Fees	60,050	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Drug Control	Adequate Facilities/ Development Tax	Archives and Records Management Fee	Constitutional Officers - Fees	Highway / Public Works
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Recreation Fees	\$ 24,110	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Copy Fees	1,309	0	0	0	0	0
Library Fees	9,671	0	0	0	0	0
Archives and Records Management Fee	0	0	0	182,487	0	0
Greenbelt Late Application Fee	950	0	0	0	0	0
Telephone Commissions	162,171	0	0	0	0	0
Vending Machine Collections	130	0	0	0	0	0
Tourism Fees	6,343	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	58,384	0
Data Processing Fee - Register	44,452	0	0	0	0	0
Data Processing Fee - Sheriff	5,718	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	9,300	0	0	0	0	0
Data Processing Fee - County Clerk	11,919	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	5,635	0	0	0	0	0
Total Charges for Current Services	\$ 361,173	\$ 0	\$ 0	\$ 182,487	\$ 58,384	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	133,608	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	0	7,988
Commissary Sales	57,542	0	0	0	0	0
Sale of Gasoline	0	0	0	0	0	226
Sale of Recycled Materials	0	0	0	0	0	2,895
Sale of Animals/Livestock	34,503	0	0	0	0	0
Miscellaneous Refunds	112	0	0	0	0	28,163

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Drug Control	Adequate Facilities/ Development Tax	Archives and Records Management Fee	Constitutional Officers - Fees	Highway / Public Works
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items</u>						
Revenue from Joint Ventures	\$ 200,000	\$ 0	\$ 0	\$ 0	\$ 0	0
Sale of Equipment	6,018	0	0	0	0	56,096
Sale of Property	23,308	0	0	0	0	0
Contributions and Gifts	47,197	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	273,744	0	0	0	0	0
Total Other Local Revenues	\$ 776,032	\$ 0	\$ 0	\$ 0	\$ 0	95,368
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 1,081,743	\$ 0	\$ 0	\$ 0	\$ 0	0
Circuit Court Clerk	173,887	0	0	0	0	0
General Sessions Court Clerk	650,381	0	0	0	0	0
Clerk and Master	270,830	0	0	0	0	0
Juvenile Court Clerk	58,990	0	0	0	0	0
Register	785,267	0	0	0	0	0
Sheriff	50,354	0	0	0	0	0
Trustee	1,813,350	0	0	0	0	0
Total Fees Received From County Officials	\$ 4,884,802	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	61,600	0	0	0	0	0
Other Public Safety Grants	83,387	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Drug Control	Adequate Facilities/ Development Tax	Archives and Records Management Fee	Constitutional Officers - Fees	Highway / Public Works
<u>State of Tennessee (Cont.)</u>						
<u>Health and Welfare Grants</u>						
Other Health and Welfare Grants	\$ 490,054	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	239,919
<u>Other State Revenues</u>						
Income Tax	79,608	0	0	0	0	0
Beer Tax	18,175	0	0	0	0	0
Vehicle Certificate of Title Fees	17,317	0	0	0	0	0
Alcoholic Beverage Tax	166,384	0	0	0	0	0
State Revenue Sharing - T.V.A.	0	0	0	0	0	0
State Revenue Sharing - Telecommunications	141,064	0	0	0	0	0
Prisoner Transportation	1,000	0	0	0	0	0
Contracted Prisoner Boarding	1,291,992	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	3,173,748
Petroleum Special Tax	0	0	0	0	0	58,413
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	5,000	0	0	0	0	0
Other State Revenues	73,936	0	0	0	0	0
Total State of Tennessee	\$ 2,453,681	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,472,080
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 244,415	\$ 0	\$ 0	\$ 0	\$ 0	0
Homeland Security Grants	68,410	0	0	0	0	0
Law Enforcement Grants	76,748	0	0	0	0	0
Other Federal through State	368,660	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Drug Control	Adequate Facilities/ Development Tax	Archives and Records Management Fee	Constitutional Officers - Fees	Highway / Public Works
<u>Federal Government (Cont.)</u>						
<u>Direct Federal Revenue</u>						
Tax Credit Bond Rebate	\$ 201,138	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Direct Federal Revenue	11,758	0	0	0	0	0
Total Federal Government	<u>\$ 971,129</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 4,863	\$ 609	\$ 0	\$ 0	\$ 0	0
<u>Citizens Groups</u>						
Donations	30,881	0	0	0	0	0
<u>Other</u>						
Other	66,080	1,896	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 101,824</u>	<u>\$ 2,505</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Total	<u>\$ 34,172,937</u>	<u>\$ 77,550</u>	<u>\$ 2,136,081</u>	<u>\$ 182,487</u>	<u>\$ 58,384</u>	<u>\$ 6,981,301</u>

(Continued)

Exhibit K-5

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

	Debt Service		Capital Projects Funds		Total	
	General	Debt	Highway	Other		
	Fund	Service	Projects	Projects		
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$	7,462,209	\$	0	\$ 2,235,187	\$ 27,484,915
Current Property Tax - Tax Increment Financing		0		0	0	27,533
Trustee's Collections - Prior Year		316,551		0	44,431	641,245
Trustee's Collections - Bankruptcy		3,181		0	385	6,188
Circuit Clerk/Clerk and Master Collections - Prior Years		70,211		0	17,456	218,269
Interest and Penalty		49,195		0	9,386	121,549
Pickup Taxes		25,250		0	7,278	89,948
Payments in-Lieu-of Taxes - T.V.A.		12,757		0	0	12,757
Payments in-Lieu-of Taxes - Local Utilities		379,475		0	0	379,475
Payments in-Lieu-of Taxes - Other		189,989		0	0	3,650,184
<u>County Local Option Taxes</u>						
Local Option Sales Tax		376,592		0	0	1,289,646
Hotel/Motel Tax		0		0	0	709,191
Wheel Tax		0		1,185,254	0	2,370,508
Litigation Tax - General		0		0	0	482,159
Litigation Tax - Jail, Workhouse, or Courthouse		550,167		0	0	550,167
Business Tax		0		0	0	1,547,901
Mineral Severance Tax		0		0	0	155,937
Adequate Facilities/Development Tax		0		0	0	2,136,081
<u>Statutory Local Taxes</u>						
Bank Excise Tax		197,878		0	0	197,878
Wholesale Beer Tax		0		0	0	367,391
Total Local Taxes	\$	9,633,455	\$	1,185,254	\$ 2,314,123	\$ 42,438,922

(Continued)

Exhibit K-5

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

	Debt Service Fund		Capital Projects Funds		
	General	Highway	Other		Total
	Debt	Capital	Capital		
	Service	Projects	Projects		
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 0	\$ 0	\$ 0	\$	207,698
<u>Permits</u>					
Beer Permits	0	0	0		1,235
Building Permits	0	0	0		297,380
Other Permits	0	0	0		10,088
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$</u>	<u>516,401</u>
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$	25,687
Officers Costs	0	0	0		14,068
Drug Control Fines	0	0	0		15,046
Drug Court Fees	0	0	0		1,026
Jail Fees	0	0	0		6,416
DUI Treatment Fines	0	0	0		6,697
Data Entry Fee - Circuit Court	0	0	0		2,749
Courtroom Security Fee	0	0	0		30
Victims Assistance Assessments	0	0	0		13,537
<u>Criminal Court</u>					
DUI Treatment Fines	0	0	0		3,705
Victims Assistance Assessments	0	0	0		13,537
<u>General Sessions Court</u>					
Fines	0	0	0		46,721
Fines for Littering	0	0	0		48
Officers Costs	0	0	0		64,302

(Continued)

Exhibit K-5

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

	Debt Service		Capital Projects Funds		Total
	General	Debt	Highway	Other	
	Fund	Service	Capital	Capital	
			Projects	Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
Game and Fish Fines	\$	0	\$	0	\$ 719
Drug Control Fines		0		0	11,049
Drug Court Fees		0		0	10,408
Jail Fees		0		0	35,751
DUI Treatment Fines		0		0	18,353
Data Entry Fee - General Sessions Court		0		0	39,292
Courtroom Security Fee		0		0	59
Victims Assistance Assessments		0		0	13,536
<u>Juvenile Court</u>					
Data Entry Fee - Juvenile Court		0		0	2,516
<u>Chancery Court</u>					
Officers Costs		0		0	6,111
Data Entry Fee - Chancery Court		0		0	20,771
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property		0		0	48,950
Other Fines, Forfeitures, and Penalties		0		0	5,700
Total Fines, Forfeitures, and Penalties	\$	0	\$	0	\$ 426,784
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Other Employee Benefit Charges/Contributions	\$	0	\$	0	\$ 240
Work Release Charges for Board		0		0	18,615
Service Charges		0		0	560
<u>Fees</u>					
Subdivision Lot Fees		0		0	60,050

(Continued)

Exhibit K-5

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

	Debt Service Fund		Capital Projects Funds					
	General	Debt	Highway	Capital	Other			
	Service	Projects	Projects	Projects	Projects			
					Total			
<u>Charges for Current Services (Cont.)</u>								
<u>Fees (Cont.)</u>								
Recreation Fees	\$	0	\$	0	\$	0	\$	24,110
Copy Fees		0		0		0		1,309
Library Fees		0		0		0		9,671
Archives and Records Management Fee		0		0		0		182,487
Greenbelt Late Application Fee		0		0		0		950
Telephone Commissions		0		0		0		162,171
Vending Machine Collections		0		0		0		130
Tourism Fees		0		0		0		6,343
Constitutional Officers' Fees and Commissions		0		0		0		58,384
Data Processing Fee - Register		0		0		0		44,452
Data Processing Fee - Sheriff		0		0		0		5,718
Sexual Offender Registration Fee - Sheriff		0		0		0		9,300
Data Processing Fee - County Clerk		0		0		0		11,919
Vehicle Insurance Coverage and Reinstatement Fees		0		0		0		5,635
Total Charges for Current Services	\$	0	\$	0	\$	0	\$	602,044
<u>Other Local Revenues</u>								
<u>Recurring Items</u>								
Investment Income	\$	1,337,062	\$	0	\$	0	\$	1,337,062
Lease/Rentals		0		0		0		133,608
Sale of Materials and Supplies		0		0		0		7,988
Commissary Sales		0		0		0		57,542
Sale of Gasoline		0		0		0		226
Sale of Recycled Materials		0		0		0		2,895
Sale of Animals/Livestock		0		0		0		34,503
Miscellaneous Refunds		0		0		750		29,025

(Continued)

Exhibit K-5

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

	Debt Service Fund		Capital Projects Funds		
	General	Highway	Other		Total
	Debt	Capital	Capital		
	Service	Projects	Projects		
<u>Other Local Revenues (Cont.)</u>					
<u>Nonrecurring Items</u>					
Revenue from Joint Ventures	\$ 0	\$ 0	\$ 0	\$ 0	200,000
Sale of Equipment	0	0	0	0	62,114
Sale of Property	337,481	0	0	0	360,789
Contributions and Gifts	0	0	0	0	47,197
<u>Other Local Revenues</u>					
Other Local Revenues	0	0	0	0	273,744
Total Other Local Revenues	\$ 1,674,543	\$ 0	\$ 750	\$ 0	2,546,693
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	1,081,743
Circuit Court Clerk	0	0	0	0	173,887
General Sessions Court Clerk	0	0	0	0	650,381
Clerk and Master	0	0	0	0	270,830
Juvenile Court Clerk	0	0	0	0	58,990
Register	0	0	0	0	785,267
Sheriff	0	0	0	0	50,354
Trustee	0	0	0	0	1,813,350
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	4,884,802
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	9,000
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	0	0	0	0	61,600
Other Public Safety Grants	0	0	0	0	83,387

(Continued)

Exhibit K-5

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

	Debt Service		Capital Projects Funds		Total
	General	Debt	Highway	Other	
	Service	Projects	Capital	Projects	
<u>State of Tennessee (Cont.)</u>					
<u>Health and Welfare Grants</u>					
Other Health and Welfare Grants	\$	0	\$	0	\$ 490,054
<u>Public Works Grants</u>					
State Aid Program		0		0	239,919
<u>Other State Revenues</u>					
Income Tax		0		0	79,608
Beer Tax		0		0	18,175
Vehicle Certificate of Title Fees		0		0	17,317
Alcoholic Beverage Tax		0		0	166,384
State Revenue Sharing - T.V.A.	1,291,126		0	0	1,291,126
State Revenue Sharing - Telecommunications		0		0	141,064
Prisoner Transportation		0		0	1,000
Contracted Prisoner Boarding		0		0	1,291,992
Gasoline and Motor Fuel Tax		0		0	3,173,748
Petroleum Special Tax		0		0	58,413
Registrar's Salary Supplement		0		0	15,164
Other State Grants		0		0	5,000
Other State Revenues		0		0	73,936
Total State of Tennessee	\$	1,291,126	\$	0	\$ 7,216,887
<u>Federal Government</u>					
<u>Federal Through State</u>					
Community Development	\$	0	\$	0	\$ 244,415
Homeland Security Grants		0		0	68,410
Law Enforcement Grants		0		0	76,748
Other Federal through State		0		0	368,660

(Continued)

Exhibit K-5

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

	Debt Service Fund		Capital Projects Funds					
	General	Debt	Highway	Capital	Other			
	Service		Projects	Projects	Projects			
						Total		
<u>Federal Government (Cont.)</u>								
<u>Direct Federal Revenue</u>								
Tax Credit Bond Rebate	\$	0	\$	0	\$	0	\$	201,138
Other Direct Federal Revenue		415		0		0		12,173
Total Federal Government	\$	415	\$	0	\$	0	\$	971,544
<u>Other Governments and Citizens Groups</u>								
<u>Other Governments</u>								
Contributions	\$	1,218,416	\$	0	\$	0	\$	1,223,888
<u>Citizens Groups</u>								
Donations		0		0		0		30,881
<u>Other</u>								
Other		0		0		0		67,976
Total Other Governments and Citizens Groups	\$	1,218,416	\$	0	\$	0	\$	1,322,745
Total	\$	13,817,955	\$	1,185,254	\$	2,314,873	\$	60,926,822

Exhibit K-6

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

	General Purpose School	Special Revenue Funds		Total
		School Federal Projects	Central Cafeteria	
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 25,555,461	\$ 0	\$ 0	\$ 25,555,461
Current Property Tax - Tax Increment Financing	47,477	0	0	47,477
Trustee's Collections - Prior Year	518,585	0	0	518,585
Trustee's Collections - Bankruptcy	4,548	0	0	4,548
Circuit Clerk/Clerk and Master Collections - Prior Years	197,042	0	0	197,042
Interest and Penalty	104,341	0	0	104,341
Pickup Taxes	83,206	0	0	83,206
<u>County Local Option Taxes</u>				
Local Option Sales Tax	18,337,937	0	0	18,337,937
Mixed Drink Tax	183,517	0	0	183,517
Total Local Taxes	<u>\$ 45,032,114</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 45,032,114</u>
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 5,434	\$ 0	\$ 0	\$ 5,434
Total Licenses and Permits	<u>\$ 5,434</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,434</u>
<u>Charges for Current Services</u>				
<u>Fees</u>				
Vending Machine Collections	\$ 204	\$ 0	\$ 0	\$ 204
<u>Education Charges</u>				
Tuition - Regular Day Students	11,330	0	0	11,330
Lunch Payments - Children	0	0	904,136	904,136
Lunch Payments - Adults	0	0	126,315	126,315

(Continued)

Exhibit K-6

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

	General Purpose School	Special Revenue Funds		Total
		School Federal Projects	Central Cafeteria	
<u>Charges for Current Services (Cont.)</u>				
<u>Education Charges (Cont.)</u>				
Income from Breakfast	\$ 0	\$ 0	\$ 132,382	\$ 132,382
A la Carte Sales	0	0	387,275	387,275
Receipts from Individual Schools	160,835	0	0	160,835
TBI Criminal Background Fee	2,487	0	0	2,487
Other Charges for Services	42,687	0	3,835	46,522
Total Charges for Current Services	\$ 217,543	\$ 0	\$ 1,553,943	\$ 1,771,486
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 17,039	\$ 0	\$ 14,841	\$ 31,880
Lease/Rentals	112,756	0	0	112,756
Sale of Materials and Supplies	1,198	0	0	1,198
Rebates	44,505	0	0	44,505
Miscellaneous Refunds	17,489	0	32,223	49,712
<u>Nonrecurring Items</u>				
Sale of Equipment	25,435	0	1,314	26,749
Damages Recovered from Individuals	2,975	0	0	2,975
Contributions and Gifts	24,651	0	0	24,651
<u>Other Local Revenues</u>				
Other Local Revenues	87,723	0	0	87,723
Total Other Local Revenues	\$ 333,771	\$ 0	\$ 48,378	\$ 382,149

(Continued)

Exhibit K-6

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

	General Purpose School	Special Revenue Funds		Total
		School Federal Projects	Central Cafeteria	
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
On-behalf Contributions for OPEB	\$ 417,958	\$ 0	\$ 0	\$ 417,958
<u>State Education Funds</u>				
Basic Education Program	59,541,461	0	0	59,541,461
Early Childhood Education	1,050,559	0	0	1,050,559
School Food Service	0	0	61,432	61,432
Other State Education Funds	78,787	0	0	78,787
Coordinated School Health	134,737	0	0	134,737
Family Resource Centers	89,083	0	0	89,083
Career Ladder Program	154,501	0	0	154,501
<u>Other State Revenues</u>				
Other State Grants	24,808	0	0	24,808
Safe Schools	193,048	0	0	193,048
Total State of Tennessee	\$ 61,684,942	\$ 0	\$ 61,432	\$ 61,746,374
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,632,191	\$ 2,632,191
USDA - Commodities	0	0	456,838	456,838
Breakfast	0	0	902,783	902,783
Vocational Education - Basic Grants to States	0	275,208	0	275,208
Title I Grants to Local Education Agencies	0	2,863,958	0	2,863,958
Special Education - Grants to States	10,165	2,710,472	0	2,720,637
Special Education Preschool Grants	0	87,118	0	87,118
English Language Acquisition Grants	0	49,672	0	49,672

(Continued)

Exhibit K-6

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

	General Purpose School	Special Revenue Funds		Total
		School Federal Projects	Central Cafeteria	
<u>Federal Government (Cont.)</u>				
<u>Federal Through State (Cont.)</u>				
Safe and Drug-free Schools - State Grants	\$ 0	\$ 132,488	\$ 0	\$ 132,488
Eisenhower Professional Development State Grants	0	356,450	0	356,450
COVID-19 Grant #1	0	0	903,213	903,213
Other Federal through State	0	188,064	0	188,064
<u>Direct Federal Revenue</u>				
ROTC Reimbursement	199,626	0	0	199,626
Total Federal Government	\$ 209,791	\$ 6,663,430	\$ 4,895,025	\$ 11,768,246
<u>Other Governments and Citizens Groups</u>				
<u>Other Governments</u>				
Contributions	\$ 237,534	\$ 0	\$ 0	\$ 237,534
Total Other Governments and Citizens Groups	\$ 237,534	\$ 0	\$ 0	\$ 237,534
Total	\$ 107,721,129	\$ 6,663,430	\$ 6,558,778	\$ 120,943,337

Exhibit K-7

Maury 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	\$	108,499	
Social Security		6,727	
Pensions		2,570	
Employer Medicare		1,573	
Dues and Memberships		2,100	
Legal Notices, Recording, and Court Costs		2,497	
Other Supplies and Materials		958	
Total County Commission	\$		124,924

Board of Equalization

Board and Committee Members Fees	\$	830	
Social Security		51	
Employer Medicare		12	
Legal Notices, Recording, and Court Costs		78	
Total Board of Equalization			971

Other Boards and Committees

Legal Notices, Recording, and Court Costs	\$	940	
Postal Charges		177	
Office Supplies		193	
Other Supplies and Materials		4,034	
Total Other Boards and Committees			5,344

County Mayor/Executive

County Official/Administrative Officer	\$	108,498	
Assistant(s)		51,145	
Clerical Personnel		42,790	
Longevity Pay		1,150	
Overtime Pay		4,794	
Social Security		12,060	
Pensions		8,606	
Life Insurance		177	
Medical Insurance		25,278	
Dental Insurance		767	
Disability Insurance		439	
Unemployment Compensation		42	
Employer Medicare		2,821	
Communication		1,869	
Dues and Memberships		2,275	
Maintenance Agreements		2,037	
Postal Charges		193	
Printing, Stationery, and Forms		110	
Travel		1,616	
Office Supplies		2,697	
Periodicals		590	
In Service/Staff Development		1,007	
Furniture and Fixtures		7,244	
Total County Mayor/Executive			278,205

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Personnel Office

County Official/Administrative Officer	\$	80,166	
Clerical Personnel		118,703	
Longevity Pay		1,600	
Overtime Pay		689	
Social Security		12,300	
Pensions		8,308	
Life Insurance		237	
Medical Insurance		20,754	
Dental Insurance		1,024	
Disability Insurance		435	
Unemployment Compensation		88	
Employer Medicare		2,877	
Communication		417	
Consultants		18,972	
Dues and Memberships		794	
Legal Notices, Recording, and Court Costs		1,230	
Maintenance Agreements		1,159	
Postal Charges		364	
Printing, Stationery, and Forms		140	
Other Contracted Services		318	
Office Supplies		1,306	
In Service/Staff Development		646	
Furniture and Fixtures		63	
Total Personnel Office			\$ 272,590

County Attorney

County Official/Administrative Officer	\$	88,795	
Longevity Pay		550	
Social Security		5,497	
Pensions		3,690	
Life Insurance		58	
Medical Insurance		6,779	
Dental Insurance		254	
Disability Insurance		195	
Unemployment Compensation		21	
Employer Medicare		1,286	
Dues and Memberships		250	
Electricity		750	
Office Supplies		3,000	
Other Supplies and Materials		1,251	
Indirect Cost		4,119	
Total County Attorney			116,495

Election Commission

County Official/Administrative Officer	\$	82,068	
Clerical Personnel		88,828	
Longevity Pay		1,200	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Overtime Pay	\$	1,026	
Election Commission		4,140	
Election Workers		36,084	
Social Security		10,951	
Pensions		7,159	
Life Insurance		237	
Medical Insurance		29,819	
Dental Insurance		1,024	
Disability Insurance		375	
Unemployment Compensation		96	
Employer Medicare		2,561	
Contracts with Public Carriers		2,813	
Data Processing Services		5,545	
Dues and Memberships		550	
Legal Notices, Recording, and Court Costs		3,554	
Maintenance Agreements		13,520	
Maintenance and Repair Services - Buildings		144	
Maintenance and Repair Services - Equipment		7,389	
Pest Control		229	
Postal Charges		8,366	
Printing, Stationery, and Forms		8,523	
Rentals		1,000	
Travel		304	
Data Processing Supplies		1,914	
Electricity		4,555	
Natural Gas		2,704	
Office Supplies		2,027	
Periodicals		167	
In Service/Staff Development		15	
Other Charges		3,813	
Total Election Commission			\$ 332,700

Register of Deeds

County Official/Administrative Officer	\$	91,182
Clerical Personnel		159,432
Temporary Personnel		2,584
Longevity Pay		2,950
Overtime Pay		3
Social Security		15,786
Pensions		10,269
Life Insurance		268
Medical Insurance		26,376
Dental Insurance		1,260
Disability Insurance		538
Unemployment Compensation		89
Employer Medicare		3,692
Data Processing Services		12,485

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Dues and Memberships	\$	874	
Maintenance Agreements		528	
Postal Charges		708	
Data Processing Supplies		41	
Office Supplies		2,837	
Data Processing Equipment		13,420	
Office Equipment		600	
Total Register of Deeds	\$		345,922

Development

County Official/Administrative Officer	\$	61,800	
Assistant(s)		50,975	
Secretary(ies)		45,971	
Clerical Personnel		39,064	
Longevity Pay		3,200	
Other Salaries and Wages		121,851	
Social Security		19,272	
Pensions		13,300	
Life Insurance		407	
Medical Insurance		49,755	
Dental Insurance		1,764	
Disability Insurance		695	
Unemployment Compensation		147	
Employer Medicare		4,507	
Communication		1,875	
Consultants		60,576	
Legal Notices, Recording, and Court Costs		5,274	
Maintenance Agreements		3,195	
Maintenance and Repair Services - Vehicles		2,280	
Postal Charges		1,565	
Printing, Stationery, and Forms		1,294	
Travel		56	
Other Contracted Services		5,865	
Gasoline		4,554	
Office Supplies		1,215	
Periodicals		421	
Refunds		1,238	
In Service/Staff Development		1,102	
Other Charges		99	
Office Equipment		400	
Total Development			503,717

County Buildings

Supervisor/Director	\$	57,060	
Custodial Personnel		82,905	
Longevity Pay		4,700	
Overtime Pay		7,461	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Other Salaries and Wages	\$	208,169	
Social Security		21,926	
Pensions		14,202	
Life Insurance		500	
Medical Insurance		57,395	
Dental Insurance		2,221	
Disability Insurance		716	
Unemployment Compensation		230	
Employer Medicare		5,128	
Communication		10,125	
Laundry Service		4,404	
Licenses		1,475	
Maintenance Agreements		21,097	
Maintenance and Repair Services - Buildings		91,098	
Maintenance and Repair Services - Vehicles		2,355	
Pest Control		3,471	
Rentals		611	
Travel		174	
Disposal Fees		9,587	
Other Contracted Services		3,799	
Custodial Supplies		8,496	
Electricity		137,683	
Equipment and Machinery Parts		1,116	
Fertilizer, Lime, and Seed		230	
Gasoline		5,257	
Natural Gas		15,677	
Office Supplies		307	
Other Supplies and Materials		20,063	
Boiler Insurance		11,447	
Building and Contents Insurance		102,292	
Other Charges		279	
Building Improvements		23,450	
Total County Buildings			\$ 937,106

Other General Administration

Audit Services	\$	30,763
Consultants		2,200
Data Processing Services		135,723
Dues and Memberships		23,834
Engineering Services		7,500
Maintenance Agreements		7,892
Maintenance and Repair Services - Vehicles		28
Other Contracted Services		14,058
Gasoline		1,524
Judgments		25,252
Liability Insurance		247,693
Vehicle and Equipment Insurance		103,751

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration (Cont.)

Workers' Compensation Insurance	\$	617,290	
Other Charges		5,649	
Total Other General Administration			\$ 1,223,157

Preservation of Records

County Official/Administrative Officer	\$	53,628	
Assistant(s)		69,373	
Longevity Pay		850	
Social Security		7,615	
Pensions		5,115	
Life Insurance		177	
Medical Insurance		13,766	
Dental Insurance		510	
Disability Insurance		266	
Unemployment Compensation		63	
Employer Medicare		1,781	
Dues and Memberships		30	
Janitorial Services		2,350	
Maintenance Agreements		900	
Other Contracted Services		3,625	
Custodial Supplies		295	
Library Books/Media		835	
Office Supplies		4,474	
Periodicals		206	
In Service/Staff Development		85	
Other Charges		166	
Furniture and Fixtures		4,369	
Total Preservation of Records			170,479

Finance

Accounting and Budgeting

County Official/Administrative Officer	\$	123,601	
Assistant(s)		164,430	
Accountants/Bookkeepers		408,141	
Clerical Personnel		209,561	
Longevity Pay		4,800	
Overtime Pay		3,497	
In-service Training		5,686	
Social Security		54,991	
Pensions		36,637	
Life Insurance		891	
Medical Insurance		103,577	
Dental Insurance		3,787	
Disability Insurance		1,912	
Unemployment Compensation		436	
Employer Medicare		12,861	
Accounting Services		10,122	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

Communication	\$	1,051	
Data Processing Services		192,681	
Legal Notices, Recording, and Court Costs		1,079	
Licenses		518	
Maintenance Agreements		1,735	
Postal Charges		6,681	
Printing, Stationery, and Forms		4,881	
Travel		730	
Other Contracted Services		318	
Custodial Supplies		297	
Drugs and Medical Supplies		11	
Office Supplies		2,962	
In Service/Staff Development		4,384	
Furniture and Fixtures		468	
Total Accounting and Budgeting			\$ 1,362,726

Purchasing

County Official/Administrative Officer	\$	74,984	
Accountants/Bookkeepers		156,513	
Longevity Pay		3,150	
Social Security		14,477	
Pensions		9,691	
Life Insurance		237	
Medical Insurance		26,376	
Dental Insurance		1,025	
Disability Insurance		460	
Unemployment Compensation		84	
Employer Medicare		3,386	
Communication		387	
Data Processing Services		548	
Dues and Memberships		609	
Legal Notices, Recording, and Court Costs		4,141	
Maintenance Agreements		756	
Travel		150	
Office Supplies		629	
In Service/Staff Development		226	
Total Purchasing			297,829

Property Assessor's Office

County Official/Administrative Officer	\$	91,182	
Clerical Personnel		160,284	
Temporary Personnel		2,484	
Longevity Pay		3,650	
Other Salaries and Wages		200,608	
In-service Training		1,000	
Social Security		26,942	
Pensions		18,630	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Life Insurance	\$	605	
Medical Insurance		64,122	
Dental Insurance		2,583	
Disability Insurance		726	
Unemployment Compensation		221	
Employer Medicare		6,301	
Audit Services		8,099	
Communication		1,157	
Data Processing Services		37,934	
Dues and Memberships		2,735	
Legal Services		679	
Maintenance Agreements		3,514	
Maintenance and Repair Services - Vehicles		901	
Postal Charges		6,154	
Printing, Stationery, and Forms		436	
Travel		811	
Data Processing Supplies		1,112	
Gasoline		3,652	
Office Supplies		1,186	
Periodicals		167	
In Service/Staff Development		280	
Other Charges		200	
Office Equipment		76	
Total Property Assessor's Office			\$ 648,431

Reappraisal Program

Clerical Personnel	\$	40,518	
Longevity Pay		2,050	
Other Salaries and Wages		126,256	
In-service Training		750	
Social Security		10,363	
Pensions		6,973	
Life Insurance		239	
Medical Insurance		25,177	
Dental Insurance		1,099	
Disability Insurance		607	
Unemployment Compensation		84	
Employer Medicare		2,424	
Communication		5	
Maintenance and Repair Services - Vehicles		435	
Postal Charges		10,751	
Gasoline		964	
Office Supplies		86	
In Service/Staff Development		275	
Motor Vehicles		26,522	
Other Equipment		73	
Total Reappraisal Program			255,651

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

County Official/Administrative Officer	\$	91,182	
Clerical Personnel		146,552	
Temporary Personnel		12,293	
Longevity Pay		2,450	
Overtime Pay		45	
Social Security		14,804	
Pensions		9,922	
Life Insurance		297	
Medical Insurance		39,044	
Dental Insurance		1,281	
Disability Insurance		523	
Unemployment Compensation		119	
Employer Medicare		3,462	
Data Processing Services		4,400	
Dues and Memberships		724	
Legal Notices, Recording, and Court Costs		87	
Maintenance Agreements		540	
Postal Charges		3,034	
Travel		746	
Other Contracted Services		15,748	
Office Supplies		1,852	
In Service/Staff Development		465	
Furniture and Fixtures		1,082	
Total County Trustee's Office	\$		350,652

County Clerk's Office

County Official/Administrative Officer	\$	91,182
Longevity Pay		8,550
Overtime Pay		132
Other Salaries and Wages		557,204
Social Security		39,201
Pensions		26,845
Life Insurance		840
Medical Insurance		87,698
Dental Insurance		3,625
Disability Insurance		1,385
Unemployment Compensation		336
Employer Medicare		9,168
Data Processing Services		22,357
Dues and Memberships		924
Maintenance Agreements		6,150
Postal Charges		32,020
Printing, Stationery, and Forms		380
Travel		1,244
Data Processing Supplies		17,300
Office Supplies		5,948
Periodicals		225

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

In Service/Staff Development	\$	470	
Data Processing Equipment		4,856	
Office Equipment		695	
Total County Clerk's Office			\$ 918,735

Data Processing

County Official/Administrative Officer	\$	92,851	
Data Processing Personnel		140,027	
Longevity Pay		2,550	
Social Security		14,442	
Pensions		9,723	
Life Insurance		172	
Medical Insurance		20,336	
Dental Insurance		761	
Disability Insurance		512	
Unemployment Compensation		63	
Employer Medicare		3,378	
Communication		30,030	
Data Processing Services		7,665	
Dues and Memberships		13	
Internet Connectivity		47,162	
Travel		18	
Data Processing Supplies		916	
Software		62,176	
Other Supplies and Materials		5	
In Service/Staff Development		13	
Other Charges		32	
Data Processing Equipment		73,144	
Total Data Processing			505,989

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	91,182	
Clerical Personnel		701,559	
Part-time Personnel		48	
Longevity Pay		7,350	
Jury and Witness Expense		15,600	
Other Per Diem and Fees		7,825	
Social Security		49,620	
Pensions		32,047	
Life Insurance		1,037	
Medical Insurance		95,997	
Dental Insurance		4,080	
Disability Insurance		1,663	
Unemployment Compensation		484	
Employer Medicare		11,605	
Data Processing Services		84,127	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Dues and Memberships	\$	844	
Legal Notices, Recording, and Court Costs		522	
Postal Charges		14,214	
Printing, Stationery, and Forms		10,285	
Rentals		120	
Travel		327	
Office Supplies		9,844	
Periodicals		525	
In Service/Staff Development		385	
Other Charges		6,861	
Furniture and Fixtures		2,245	
Total Circuit Court			\$ 1,150,396

General Sessions Court

Judge(s)	\$	513,274	
Clerical Personnel		129,397	
Temporary Personnel		24,269	
Part-time Personnel		123,133	
Longevity Pay		1,850	
Overtime Pay		1,556	
Other Salaries and Wages		110,750	
Social Security		49,103	
Pensions		31,175	
Life Insurance		520	
Medical Insurance		60,772	
Dental Insurance		2,091	
Disability Insurance		1,585	
Unemployment Compensation		296	
Employer Medicare		12,888	
Communication		9,126	
Data Processing Services		600	
Dues and Memberships		760	
Licenses		1,200	
Maintenance Agreements		3,498	
Pest Control		391	
Printing, Stationery, and Forms		159	
Internet Connectivity		3,313	
Travel		2,174	
Other Contracted Services		150	
Electricity		24,795	
Office Supplies		6,720	
Periodicals		464	
In Service/Staff Development		859	
Other Charges		29,429	
Furniture and Fixtures		94	
Office Equipment		399	
Total General Sessions Court			1,146,790

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court

County Official/Administrative Officer	\$	91,182	
Longevity Pay		3,100	
Overtime Pay		1,091	
Other Salaries and Wages		238,095	
Social Security		20,212	
Pensions		13,680	
Life Insurance		389	
Medical Insurance		40,351	
Dental Insurance		1,750	
Disability Insurance		712	
Unemployment Compensation		146	
Employer Medicare		4,727	
Accounting Services		80	
Data Processing Services		22,793	
Dues and Memberships		1,534	
Maintenance Agreements		3,029	
Postal Charges		5,261	
Printing, Stationery, and Forms		958	
Travel		140	
Office Supplies		3,295	
Periodicals		1,136	
In Service/Staff Development		600	
Other Charges		575	
Data Processing Equipment		1,116	
Furniture and Fixtures		1,730	
Office Equipment		1,181	
Total Chancery Court			\$ 458,863

Courtroom Security

In Service/Staff Development	\$	3,945	
Building Improvements		34,908	
Data Processing Equipment		44,186	
Total Courtroom Security			83,039

Victim Assistance Programs

Other Salaries and Wages	\$	49,658	
Social Security		3,068	
Pensions		2,051	
Life Insurance		87	
Medical Insurance		6,987	
Dental Insurance		173	
Disability Insurance		82	
Unemployment Compensation		21	
Employer Medicare		717	
Contributions		31,338	
Travel		1,242	
In Service/Staff Development		125	
Total Victim Assistance Programs			95,549

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	100,302
Deputy(ies)		2,468,708
Investigator(s)		647,058
Captain(s)		165,930
Lieutenant(s)		293,265
Sergeant(s)		562,333
Dispatchers/Radio Operators		274,542
Clerical Personnel		204,112
Temporary Personnel		4,217
Part-time Personnel		20,375
Longevity Pay		50,650
Overtime Pay		190,597
In-service Training		59,200
Social Security		300,842
Pensions		200,251
Life Insurance		5,606
Medical Insurance		665,730
Dental Insurance		24,025
Disability Insurance		9,663
Unemployment Compensation		2,171
Employer Medicare		70,358
Communication		56,985
Data Processing Services		76,696
Dues and Memberships		2,540
Maintenance Agreements		24,877
Maintenance and Repair Services - Equipment		450
Maintenance and Repair Services - Vehicles		37,319
Postal Charges		2,046
Printing, Stationery, and Forms		4,516
Travel		3,976
Veterinary Services		720
Other Contracted Services		1,885
Animal Food and Supplies		337
Data Processing Supplies		4,946
Diesel Fuel		22
Gasoline		159,606
Law Enforcement Supplies		28,232
Lubricants		4,162
Office Supplies		14,490
Tires and Tubes		15,395
Uniforms		49,196
Vehicle Parts		74,414
Workers' Compensation Insurance		9,791
In Service/Staff Development		27,260
Other Charges		476
Communication Equipment		12,880
Data Processing Equipment		5,654

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Furniture and Fixtures	\$	3,514	
Law Enforcement Equipment		60,479	
Motor Vehicles		35,000	
Office Equipment		1,437	
Total Sheriff's Department			\$ 7,039,236

Administration of the Sexual Offender Registry

Contracts with Government Agencies	\$	3,300	
Total Administration of the Sexual Offender Registry			3,300

Jail

County Official/Administrative Officer	\$	3,029	
Sergeant(s)		248,585	
Maintenance Personnel		47,628	
Longevity Pay		17,150	
Overtime Pay		155,881	
Other Salaries and Wages		2,281,236	
In-service Training		2,400	
Social Security		166,779	
Pensions		111,134	
Life Insurance		3,689	
Medical Insurance		413,952	
Dental Insurance		15,615	
Disability Insurance		5,195	
Unemployment Compensation		1,818	
Employer Medicare		39,005	
Communication		5,624	
Maintenance Agreements		27,386	
Maintenance and Repair Services - Buildings		45,044	
Maintenance and Repair Services - Equipment		1,202	
Maintenance and Repair Services - Vehicles		4,983	
Medical and Dental Services		1,008,378	
Pest Control		2,397	
Postal Charges		2,450	
Printing, Stationery, and Forms		3,727	
Rentals		851	
Transportation - Other than Students		11,642	
Travel		2,408	
Disposal Fees		13,585	
Other Contracted Services		7,696	
Custodial Supplies		49,833	
Diesel Fuel		1,741	
Drugs and Medical Supplies		26,392	
Electricity		191,071	
Equipment Parts - Light		176	
Food Preparation Supplies		249	
Food Supplies		386,070	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Gasoline	\$	19,616	
Law Enforcement Supplies		5,405	
Lubricants		712	
Natural Gas		38,371	
Office Supplies		690	
Prisoners Clothing		20,571	
Tires and Tubes		3,175	
Uniforms		18,260	
Vehicle Parts		11,730	
Other Supplies and Materials		80,114	
In Service/Staff Development		1,125	
Other Charges		76	
Communication Equipment		2,600	
Data Processing Equipment		760	
Furniture and Fixtures		17,549	
Heating and Air Conditioning Equipment		16,027	
Law Enforcement Equipment		7,256	
Office Equipment		803	
Total Jail			\$ 5,550,841

Juvenile Services

Assistant(s)	\$	57,508	
Probation Officer(s)		71,580	
Youth Service Officer(s)		55,782	
Longevity Pay		550	
Overtime Pay		151	
Social Security		10,967	
Pensions		6,700	
Life Insurance		239	
Medical Insurance		31,638	
Dental Insurance		1,027	
Disability Insurance		318	
Unemployment Compensation		115	
Employer Medicare		2,565	
Communication		2,251	
Consultants		3,500	
Dues and Memberships		310	
Travel		1,887	
Other Contracted Services		4,363	
Drugs and Medical Supplies		784	
Instructional Supplies and Materials		225	
Office Supplies		1,013	
Software		4,600	
In Service/Staff Development		740	
Office Equipment		2,492	
Total Juvenile Services			261,305

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense

Bank Charges	\$	30	
Contributions		347,933	
Maintenance and Repair Services - Vehicles		9,732	
Building and Contents Insurance		1,087	
Vehicle and Equipment Insurance		29,226	
Total Civil Defense			\$ 388,008

Other Emergency Management

County Official/Administrative Officer	\$	68,034	
Clerical Personnel		64,499	
Longevity Pay		800	
Social Security		8,094	
Pensions		5,507	
Life Insurance		145	
Medical Insurance		9,481	
Dental Insurance		362	
Disability Insurance		241	
Unemployment Compensation		82	
Employer Medicare		1,893	
Communication		4,603	
Dues and Memberships		165	
Maintenance Agreements		3,151	
Maintenance and Repair Services - Equipment		2,011	
Maintenance and Repair Services - Vehicles		3,455	
Postal Charges		133	
Printing, Stationery, and Forms		373	
Travel		653	
Disposal Fees		467	
Other Contracted Services		38,412	
Diesel Fuel		696	
Electricity		13,982	
Gasoline		7,781	
Natural Gas		266	
Office Supplies		1,604	
Small Tools		835	
Tires and Tubes		1,706	
Uniforms		2,301	
Vehicle Parts		1,995	
Other Supplies and Materials		35,230	
Vehicle and Equipment Insurance		16,805	
In Service/Staff Development		470	
Other Charges		30,146	
Office Equipment		899	
Other Equipment		36,564	
Total Other Emergency Management			363,841

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Public Safety Grants Program

Uniforms	\$ 11,545	
Total Public Safety Grants Program		\$ 11,545

Public Health and Welfare

Local Health Center

Medical Personnel	\$ 481,155	
Clerical Personnel	147,288	
Part-time Personnel	38,813	
Longevity Pay	750	
Overtime Pay	326	
Social Security	40,598	
Pensions	23,077	
Life Insurance	929	
Medical Insurance	84,727	
Dental Insurance	3,509	
Disability Insurance	1,083	
Unemployment Compensation	621	
Employer Medicare	9,495	
Advertising	330	
Communication	10,118	
Dues and Memberships	410	
Evaluation and Testing	2,228	
Janitorial Services	51,271	
Maintenance Agreements	7,790	
Maintenance and Repair Services - Buildings	15,245	
Maintenance and Repair Services - Equipment	4,845	
Pest Control	561	
Travel	9,152	
Electricity	46,816	
Instructional Supplies and Materials	1,515	
Natural Gas	12,114	
Office Supplies	5,123	
Periodicals	232	
Other Supplies and Materials	660	
Liability Insurance	4,140	
Workers' Compensation Insurance	7,089	
Other Charges	101	
Building Improvements	36,433	
Food Service Equipment	337	
Furniture and Fixtures	5,338	
Health Equipment	19,453	
Total Local Health Center		1,073,672

Rabies and Animal Control

County Official/Administrative Officer	\$ 61,500
Part-time Personnel	26,736
Longevity Pay	1,350

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Overtime Pay	\$	2,936	
Other Salaries and Wages		295,355	
Social Security		23,124	
Pensions		14,915	
Life Insurance		618	
Medical Insurance		74,659	
Dental Insurance		2,564	
Disability Insurance		757	
Unemployment Compensation		315	
Employer Medicare		5,408	
Communication		3,582	
Data Processing Services		340	
Dues and Memberships		440	
Licenses		650	
Maintenance Agreements		3,575	
Maintenance and Repair Services - Buildings		7,451	
Maintenance and Repair Services - Equipment		60	
Maintenance and Repair Services - Vehicles		3,713	
Printing, Stationery, and Forms		667	
Internet Connectivity		2,400	
Travel		419	
Veterinary Services		13,617	
Disposal Fees		3,895	
Other Contracted Services		150	
Animal Food and Supplies		1,012	
Custodial Supplies		20,901	
Drugs and Medical Supplies		41,237	
Electricity		34,409	
Gasoline		5,373	
Natural Gas		6,912	
Office Supplies		2,326	
Uniforms		4,574	
Other Supplies and Materials		8,539	
Building and Contents Insurance		544	
In Service/Staff Development		3,156	
Other Charges		22	
Building Improvements		38,369	
Furniture and Fixtures		500	
Office Equipment		400	
Other Equipment		16,965	
Total Rabies and Animal Control			\$ 736,435
<u>Appropriation to State</u>			
Contracts with Government Agencies	\$	46,246	
Total Appropriation to State			46,246

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Other Public Health and Welfare

Other Contracted Services	\$ 69,327	
Total Other Public Health and Welfare		\$ 69,327

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$ 34,000	
Total Senior Citizens Assistance		34,000

Libraries

County Official/Administrative Officer	\$ 64,212	
Librarians	210,111	
Part-time Personnel	82,278	
Longevity Pay	2,500	
Overtime Pay	194	
Other Salaries and Wages	2,391	
Social Security	21,162	
Pensions	11,385	
Life Insurance	432	
Medical Insurance	52,281	
Dental Insurance	1,960	
Disability Insurance	535	
Unemployment Compensation	318	
Employer Medicare	4,949	
Communication	1,571	
Dues and Memberships	210	
Janitorial Services	28,886	
Licenses	1,049	
Maintenance Agreements	11,420	
Maintenance and Repair Services - Buildings	1,314	
Pest Control	1,074	
Postal Charges	165	
Internet Connectivity	3,625	
Travel	209	
Other Contracted Services	519	
Custodial Supplies	978	
Electricity	25,715	
Library Books/Media	49,633	
Natural Gas	3,608	
Office Supplies	7,433	
Periodicals	5,798	
In Service/Staff Development	291	
Other Charges	3,250	
Furniture and Fixtures	6,853	
Office Equipment	900	
Total Libraries		609,209

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards

County Official/Administrative Officer	\$	81,724	
Assistant(s)		82,287	
Laborers		245,873	
Clerical Personnel		31,162	
Temporary Personnel		26,916	
Longevity Pay		5,500	
Overtime Pay		220	
Social Security		28,892	
Pensions		17,928	
Life Insurance		626	
Medical Insurance		66,894	
Dental Insurance		2,692	
Disability Insurance		916	
Unemployment Compensation		336	
Employer Medicare		6,757	
Communication		2,671	
Dues and Memberships		550	
Laundry Service		2,992	
Legal Notices, Recording, and Court Costs		104	
Maintenance Agreements		588	
Maintenance and Repair Services - Equipment		7,388	
Maintenance and Repair Services - Vehicles		72	
Pest Control		646	
Rentals		775	
Other Contracted Services		25,937	
Custodial Supplies		9,870	
Diesel Fuel		5,030	
Electricity		55,292	
Equipment Parts - Light		1,248	
Fertilizer, Lime, and Seed		9,479	
Gasoline		10,163	
Lubricants		1,000	
Natural Gas		6,774	
Office Supplies		1,254	
Uniforms		1,720	
Other Supplies and Materials		60,588	
In Service/Staff Development		628	
Other Charges		6,372	
Building Improvements		1,003	
Furniture and Fixtures		1,523	
Site Development		1,726	
Total Parks and Fair Boards			\$ 814,116

Agriculture and Natural Resources

Agricultural Extension Service

Board and Committee Members Fees	\$	150	
Social Security		9	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Agricultural Extension Service (Cont.)

Employer Medicare	\$	2	
Contracts with Government Agencies		143,973	
Dues and Memberships		305	
Maintenance Agreements		8,138	
Internet Connectivity		1,480	
Travel		2,500	
Office Supplies		2,500	
Data Processing Equipment		7,176	
Total Agricultural Extension Service			\$ 166,233

Forest Service

Contributions	\$	2,000	
Total Forest Service			2,000

Soil Conservation

Other Salaries and Wages	\$	32,442	
Social Security		1,999	
Pensions		1,340	
Life Insurance		60	
Medical Insurance		6,987	
Dental Insurance		257	
Disability Insurance		71	
Unemployment Compensation		21	
Employer Medicare		467	
Total Soil Conservation			43,644

Other Operations

Tourism

County Official/Administrative Officer	\$	54,330	
Part-time Personnel		22,856	
Longevity Pay		950	
Overtime Pay		265	
Other Salaries and Wages		61,370	
Social Security		8,357	
Pensions		4,828	
Life Insurance		177	
Medical Insurance		20,287	
Dental Insurance		731	
Disability Insurance		274	
Unemployment Compensation		117	
Employer Medicare		1,954	
Advertising		115,855	
Dues and Memberships		3,481	
Maintenance Agreements		806	
Maintenance and Repair Services - Buildings		152	
Postal Charges		17	
Printing, Stationery, and Forms		550	

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations (Cont.)

Tourism (Cont.)

Rentals	\$	185	
Travel		1,675	
Other Contracted Services		44,674	
Electricity		1,864	
Gasoline		43	
Office Supplies		2,170	
Periodicals		195	
Other Supplies and Materials		16,097	
In Service/Staff Development		670	
Other Charges		1,294	
Total Tourism			\$ 366,224

Industrial Development

Contributions	\$	225,000	
Electricity		881	
Total Industrial Development			225,881

Other Economic and Community Development

Other Contracted Services	\$	118	
Total Other Economic and Community Development			118

Airport

Contributions	\$	51,000	
Total Airport			51,000

Veterans' Services

County Official/Administrative Officer	\$	63,880	
Clerical Personnel		218	
Overtime Pay		3	
Social Security		3,938	
Pensions		2,583	
Life Insurance		80	
Medical Insurance		3,330	
Dental Insurance		377	
Disability Insurance		105	
Unemployment Compensation		53	
Employer Medicare		921	
Communication		1,975	
Dues and Memberships		898	
Postal Charges		81	
Printing, Stationery, and Forms		513	
Travel		1,413	
Data Processing Supplies		390	
Office Supplies		1,163	
Other Supplies and Materials		1,042	
Total Veterans' Services			82,963

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations (Cont.)

Other Charges

Land	\$	5,377	
Total Other Charges			\$ 5,377

Contributions to Other Agencies

Contributions	\$	91,000	
Total Contributions to Other Agencies			91,000

Employee Benefits

Medical and Dental Services	\$	24,193	
Other Supplies and Materials		6,652	
Total Employee Benefits			30,845

Payments to Cities

Contracts with Government Agencies	\$	250,000	
Total Payments to Cities			250,000

Miscellaneous

Medical and Dental Services	\$	217,225	
Other Contracted Services		55,678	
Trustee's Commission		400,058	
Tax Relief Program		132,456	
Total Miscellaneous			805,417

Total General Fund			\$ 30,708,043
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Drug Control Fund

Public Safety

Drug Enforcement

Communication	\$	7,813	
Data Processing Services		2,297	
Confidential Drug Enforcement Payments		16,000	
Maintenance Agreements		9,601	
Maintenance and Repair Services - Vehicles		1,586	
Pest Control		357	
Printing, Stationery, and Forms		1,059	
Travel		3,604	
Electricity		2,469	
Gasoline		10,442	
Law Enforcement Supplies		737	
Lubricants		274	
Office Supplies		21	
Tires and Tubes		1,100	
Uniforms		1,883	
Vehicle Parts		2,350	
Trustee's Commission		602	
In Service/Staff Development		8,285	
Other Charges		3,000	
Law Enforcement Equipment		20,015	
Total Drug Enforcement			\$ 93,495

Total Drug Control Fund			93,495
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(Continued)

Exhibit K-7

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

<u>Adequate Facilities/ Development Tax Fund</u>			
<u>General Government</u>			
<u>Development</u>			
Refunds	\$	9,648	
Total Development			\$ 9,648
<u>Capital Projects</u>			
<u>General Administration Projects</u>			
Site Development	\$	29,503	
Other Construction		1,043,266	
Total General Administration Projects			1,072,769
<u>Highway and Street Capital Projects</u>			
Engineering Services	\$	196,583	
Total Highway and Street Capital Projects			196,583
Total Adequate Facilities/ Development Tax Fund			\$ 1,279,000
<u>Archives and Records Management Fee Fund</u>			
<u>General Government</u>			
<u>Preservation of Records</u>			
Furniture and Fixtures	\$	20,860	
Total Preservation of Records			\$ 20,860
Total Archives and Records Management Fee Fund			20,860
<u>Constitutional Officers - Fees Fund</u>			
<u>Administration of Justice</u>			
<u>Circuit Court</u>			
Constitutional Officers' Operating Expenses	\$	9	
Total Circuit Court			\$ 9
<u>General Sessions Court</u>			
Constitutional Officers' Operating Expenses	\$	142	
Total General Sessions Court			142
<u>Chancery Court</u>			
Special Commissioner Fees/Special Master Fees	\$	37,834	
Constitutional Officers' Operating Expenses		20,153	
Total Chancery Court			57,987
<u>Public Safety</u>			
<u>Sheriff's Department</u>			
Constitutional Officers' Operating Expenses	\$	246	
Total Sheriff's Department			246
Total Constitutional Officers - Fees Fund			58,384

(Continued)

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

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	100,302	
Purchasing Personnel		46,133	
Longevity Pay		1,650	
Other Salaries and Wages		61,233	
Social Security		12,633	
Pensions		8,645	
Life Insurance		103	
Medical Insurance		15,616	
Dental Insurance		767	
Disability Insurance		454	
Unemployment Compensation		42	
Employer Medicare		2,954	
Communication		2,493	
Dues and Memberships		5,105	
Maintenance Agreements		1,100	
Postal Charges		165	
Printing, Stationery, and Forms		152	
Travel		841	
Office Supplies		975	
Other Charges		22	
Total Administration			\$ 261,385

Highway and Bridge Maintenance

Foremen	\$	75,157
Mechanic(s)		202,935
Equipment Operators - Heavy		366,330
Equipment Operators - Light		422,583
Truck Drivers		354,504
Laborers		87,512
Guards		69,173
Temporary Personnel		25,179
Longevity Pay		18,450
Overtime Pay		40,737
Other Salaries and Wages		152,150
Social Security		108,985
Pensions		73,908
Life Insurance		2,748
Medical Insurance		302,314
Dental Insurance		10,713
Disability Insurance		3,880
Unemployment Compensation		1,165
Employer Medicare		25,488
Rentals		1,032
Asphalt		396,498
Concrete		27,760
Crushed Stone		232,980
Fertilizer, Lime, and Seed		424

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

Other Road Materials	\$	34,434	
Pipe		65,063	
Road Signs		28,250	
Wood Products		3,986	
Other Supplies and Materials		7,527	
In Service/Staff Development		995	
Total Highway and Bridge Maintenance			\$ 3,142,860

Operation and Maintenance of Equipment

Communication	\$	6,085	
Freight Expenses		2,346	
Maintenance and Repair Services - Buildings		2,577	
Maintenance and Repair Services - Equipment		6,975	
Maintenance and Repair Services - Vehicles		17,397	
Custodial Supplies		1,994	
Diesel Fuel		200,063	
Drugs and Medical Supplies		2,062	
Equipment and Machinery Parts		117,976	
Garage Supplies		5,466	
Gasoline		39,868	
Lubricants		32,977	
Road Signs		230	
Small Tools		15,504	
Tires and Tubes		87,464	
Vehicle Parts		143,923	
Other Supplies and Materials		20,847	
Highway Construction		2,226	
Total Operation and Maintenance of Equipment			705,980

Other Charges

Laundry Service	\$	23,367	
Maintenance Agreements		23,877	
Pest Control		459	
Disposal Fees		953	
Electricity		12,883	
Natural Gas		2,098	
Building and Contents Insurance		3,262	
Judgments		2,441	
Liability Insurance		46,154	
Trustee's Commission		99,126	
Vehicle and Equipment Insurance		40,185	
Workers' Compensation Insurance		217,856	
Other Charges		47	
Total Other Charges			472,708

Capital Outlay

Bridge Construction	\$	322,491	
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(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Capital Outlay (Cont.)

Highway Construction	\$	259,120	
Motor Vehicles		<u>176,529</u>	
Total Capital Outlay	\$		758,140

Capital Projects

Highway and Street Capital Projects

Engineering Services	\$	129,008	
Rentals		10,000	
Crushed Stone		348,341	
Other Road Materials		1,680	
Highway Equipment		586,714	
Motor Vehicles		273,520	
Other Capital Outlay		<u>268,042</u>	
Total Highway and Street Capital Projects			<u>1,617,305</u>

Total Highway/Public Works Fund \$ 6,958,378

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	633,325	
Principal on Notes		<u>120,000</u>	
Total General Government	\$		753,325

Education

Principal on Bonds	\$	8,151,675	
Principal on Notes		90,926	
Principal on Capital Leases		553,025	
Principal on Other Loans		<u>480,983</u>	
Total Education			9,276,609

Interest on Debt

General Government

Interest on Bonds	\$	144,273	
Interest on Notes		<u>4,049</u>	
Total General Government			148,322

Education

Interest on Bonds	\$	6,308,737	
Interest on Notes		1,364	
Interest on Capital Leases		33,488	
Interest on Other Loans		238,692	
Other Debt Service		<u>22,900</u>	
Total Education			6,605,181

(Continued)

Exhibit K-7

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

General Debt Service Fund (Cont.)

Other Debt Service

General Government

Bank Charges	\$	3,380	
Contributions		377,155	
Trustee's Commission		200,099	
Total General Government			\$ 580,634

Total General Debt Service Fund \$ 17,364,071

General Capital Projects Fund

Capital Projects

Administration of Justice Projects

Building Construction	\$	901,826	
Total Administration of Justice Projects			\$ 901,826

Total General Capital Projects Fund 901,826

Highway Capital Projects Fund

Other Operations

Miscellaneous

Trustee's Commission	\$	11,550	
Total Miscellaneous			\$ 11,550

Capital Projects

Highway and Street Capital Projects

Asphalt	\$	331,532	
Crushed Stone		252,334	
Total Highway and Street Capital Projects			583,866

Total Highway Capital Projects Fund 595,416

Other Capital Projects Fund

General Government

Development

Motor Vehicles	\$	26,411	
Total Development			\$ 26,411

Other General Administration

Motor Vehicles	\$	30,795	
Total Other General Administration			30,795

Public Safety

Sheriff's Department

Motor Vehicles	\$	579,460	
Total Sheriff's Department			579,460

Other Emergency Management

Motor Vehicles	\$	92,268	
Other Equipment		9,329	
Total Other Emergency Management			101,597

(Continued)

Exhibit K-7

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

<u>Other Capital Projects Fund (Cont.)</u>		
<u>Public Health and Welfare</u>		
<u>Rabies and Animal Control</u>		
Motor Vehicles	\$ 33,131	
Total Rabies and Animal Control		\$ 33,131
<u>Social, Cultural, and Recreational Services</u>		
<u>Libraries</u>		
Building Purchases	\$ 119,915	
Other Capital Outlay	107,309	
Total Libraries		227,224
<u>Parks and Fair Boards</u>		
Consultants	\$ 28,300	
Maintenance Equipment	10,741	
Motor Vehicles	38,905	
Total Parks and Fair Boards		77,946
<u>Other Operations</u>		
<u>Miscellaneous</u>		
Trustee's Commission	\$ 46,107	
Total Miscellaneous		46,107
<u>Capital Projects - Donated</u>		
<u>Capital Projects Donated to School Department</u>		
Motor Vehicles	\$ 999,991	
Other Construction	10,998	
Total Capital Projects Donated to School Department		1,010,989
Total Other Capital Projects Fund		<u>\$ 2,133,660</u>
Total Governmental Funds - Primary Government		<u>\$ 60,113,133</u>

Exhibit K-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 33,353,509	
Career Ladder Program	147,190	
Homebound Teachers	54,768	
Educational Assistants	939,814	
Longevity Pay	11,850	
Bonus Payments	263,584	
Other Salaries and Wages	20,128	
Certified Substitute Teachers	114,318	
Non-certified Substitute Teachers	415,136	
Social Security	2,026,960	
Pensions	3,053,362	
Life Insurance	43,436	
Medical Insurance	6,378,216	
Dental Insurance	183,374	
Employer Medicare	475,188	
Other Fringe Benefits	10,590	
Other Contracted Services	166,961	
Instructional Supplies and Materials	664,436	
Textbooks - Bound	670,413	
Other Supplies and Materials	24,350	
Judgments	1,064	
Liability Claims	2,500	
Fee Waivers	59,000	
Other Charges	1,907	
Regular Instruction Equipment	39,045	
Total Regular Instruction Program		\$ 49,121,099

Alternative Instruction Program

Teachers	\$ 651,254	
Educational Assistants	66,556	
Longevity Pay	2,150	
Other Salaries and Wages	68,861	
Non-certified Substitute Teachers	14,127	
Social Security	45,952	
Pensions	76,182	
Life Insurance	1,070	
Medical Insurance	153,020	
Dental Insurance	4,598	
Employer Medicare	10,747	
Other Fringe Benefits	558	
Instructional Supplies and Materials	2,118	
Other Supplies and Materials	99	
Total Alternative Instruction Program		1,097,292

Special Education Program

Teachers	\$ 4,783,176	
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(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Homebound Teachers	\$	47,237	
Educational Assistants		1,241,192	
Speech Pathologist		687,588	
Longevity Pay		13,100	
Other Salaries and Wages		46,963	
Certified Substitute Teachers		4,252	
Non-certified Substitute Teachers		15,233	
Social Security		385,817	
Pensions		595,904	
Life Insurance		11,168	
Medical Insurance		1,645,784	
Dental Insurance		47,243	
Employer Medicare		90,641	
Other Fringe Benefits		837	
Contracts with Private Agencies		216,041	
Maintenance and Repair Services - Equipment		297	
Other Contracted Services		46,857	
Instructional Supplies and Materials		117,272	
Other Supplies and Materials		35,925	
Other Charges		12,087	
Special Education Equipment		28,284	
Total Special Education Program			\$ 10,072,898

Career and Technical Education Program

Teachers	\$	2,643,894	
Other Salaries and Wages		54,500	
Certified Substitute Teachers		706	
Non-certified Substitute Teachers		10,394	
Social Security		155,327	
Pensions		264,992	
Life Insurance		3,090	
Medical Insurance		459,854	
Dental Insurance		13,156	
Employer Medicare		36,327	
Other Fringe Benefits		1,946	
Maintenance and Repair Services - Equipment		5,104	
Other Contracted Services		124,242	
Instructional Supplies and Materials		64,378	
T&I Construction Materials		1,924	
Textbooks - Bound		7,500	
Other Supplies and Materials		5,200	
In Service/Staff Development		5,665	
Other Charges		67,879	
Vocational Instruction Equipment		220,490	
Total Career and Technical Education Program			4,146,568

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services

Attendance

Supervisor/Director	\$	89,188	
Social Workers		37,574	
Clerical Personnel		69,518	
Longevity Pay		3,050	
Bonus Payments		849,238	
Other Salaries and Wages		135,513	
Social Security		60,283	
Pensions		92,073	
Life Insurance		360	
Medical Insurance		52,413	
Dental Insurance		1,702	
Employer Medicare		14,186	
Advertising		14,674	
Communication		4,225	
Postal Charges		1,616	
Travel		3,866	
Other Contracted Services		6,290	
Other Supplies and Materials		4,845	
In Service/Staff Development		794	
Other Charges		3,579	
Attendance Equipment		2,524	
Total Attendance			\$ 1,447,511

Health Services

Medical Personnel	\$	588,801	
Longevity Pay		800	
Other Salaries and Wages		113,928	
Social Security		40,725	
Pensions		34,835	
Life Insurance		895	
Medical Insurance		130,545	
Dental Insurance		3,795	
Employer Medicare		9,525	
Communication		602	
Maintenance and Repair Services - Equipment		315	
Travel		8,210	
Other Contracted Services		1,054	
Drugs and Medical Supplies		8,909	
Food Supplies		31,059	
Instructional Supplies and Materials		7,119	
Other Supplies and Materials		11,982	
Other Charges		5,650	
Health Equipment		395	
Other Capital Outlay		71,850	
Total Health Services			1,070,994

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support

Guidance Personnel	\$	1,488,777	
Other Salaries and Wages		151,712	
Social Security		93,401	
Pensions		163,254	
Life Insurance		1,767	
Medical Insurance		273,050	
Dental Insurance		7,844	
Employer Medicare		21,966	
Other Supplies and Materials		5,800	
Total Other Student Support			\$ 2,207,571

Regular Instruction Program

Supervisor/Director	\$	303,703	
Librarians		1,161,349	
Secretary(ies)		37,505	
Clerical Personnel		37,505	
Longevity Pay		2,000	
Other Salaries and Wages		85,526	
Social Security		93,235	
Pensions		161,423	
Life Insurance		1,651	
Medical Insurance		245,756	
Dental Insurance		6,896	
Employer Medicare		21,717	
Other Fringe Benefits		1,372	
Communication		6,753	
Operating Lease Payments		17,391	
Postal Charges		81	
Travel		14,800	
Other Contracted Services		488,256	
Library Books/Media		37,148	
Periodicals		30,072	
Other Supplies and Materials		3,822	
In Service/Staff Development		22,815	
Other Charges		13,548	
Other Equipment		3,374	
Total Regular Instruction Program			2,797,698

Alternative Instruction Program

Supervisor/Director	\$	90,093	
Social Workers		31,260	
Clerical Personnel		29,351	
Longevity Pay		1,750	
Social Security		9,140	
Pensions		12,152	
Life Insurance		180	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program (Cont.)

Medical Insurance	\$	22,572	
Dental Insurance		816	
Employer Medicare		2,138	
Other Contracted Services		780	
Instructional Supplies and Materials		2,164	
Other Supplies and Materials		2,465	
In Service/Staff Development		2,081	
Other Equipment		3,629	
Total Alternative Instruction Program			\$ 210,571

Special Education Program

Supervisor/Director	\$	91,208	
Psychological Personnel		442,636	
Medical Personnel		30,919	
Assessment Personnel		188,806	
Secretary(ies)		34,184	
Clerical Personnel		64,465	
Longevity Pay		2,350	
Other Salaries and Wages		58,780	
Social Security		52,905	
Pensions		85,373	
Life Insurance		949	
Medical Insurance		138,461	
Dental Insurance		4,164	
Employer Medicare		12,373	
Other Fringe Benefits		391	
Communication		7,407	
Postal Charges		304	
Travel		30,931	
Other Supplies and Materials		9,152	
In Service/Staff Development		3,777	
Other Charges		2,593	
Other Equipment		978	
Total Special Education Program			1,263,106

Career and Technical Education Program

Supervisor/Director	\$	94,278	
Clerical Personnel		39,178	
Longevity Pay		650	
Social Security		7,648	
Pensions		11,667	
Life Insurance		120	
Medical Insurance		20,464	
Dental Insurance		544	
Employer Medicare		1,789	
Other Fringe Benefits		558	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

Communication	\$	601	
Postal Charges		147	
Travel		7,746	
Other Supplies and Materials		1,800	
In Service/Staff Development		5,500	
Other Charges		1,310	
Other Equipment		3,467	
Total Career and Technical Education Program			\$ 197,467

Technology

Supervisor/Director	\$	86,024	
Longevity Pay		5,100	
Other Salaries and Wages		760,984	
Social Security		50,239	
Pensions		36,148	
Life Insurance		880	
Medical Insurance		121,183	
Dental Insurance		3,952	
Employer Medicare		11,749	
Other Fringe Benefits		888	
Communication		138,535	
Maintenance and Repair Services - Equipment		61,871	
Postal Charges		73	
Internet Connectivity		257,174	
Travel		3,954	
Other Contracted Services		164,863	
Office Supplies		452	
Other Supplies and Materials		48,218	
In Service/Staff Development		3,144	
Other Equipment		230,365	
Total Technology			1,985,796

Other Programs

On-behalf Payments to OPEB	\$	417,958	
Total Other Programs			417,958

Board of Education

Secretary to Board	\$	4,123	
Longevity Pay		100	
Board and Committee Members Fees		53,336	
Social Security		262,216	
Pensions		15,460	
Life Insurance		6	
Medical Insurance		704	
Dental Insurance		17	
Unemployment Compensation		41,066	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Employer Medicare	\$	61,335	
Other Fringe Benefits		1,065,163	
Advertising		11,620	
Audit Services		20,000	
Dues and Memberships		10,999	
Legal Services		46,388	
Travel		5,690	
Other Contracted Services		450	
Liability Insurance		16,971	
Trustee's Commission		824,142	
Workers' Compensation Insurance		325,446	
In Service/Staff Development		8,245	
Other Charges		3,437	
Total Board of Education			\$ 2,776,914

Director of Schools

County Official/Administrative Officer	\$	181,000	
Secretary(ies)		37,111	
Longevity Pay		1,350	
Other Salaries and Wages		56,162	
Social Security		14,219	
Pensions		23,156	
Life Insurance		159	
Medical Insurance		26,261	
Dental Insurance		1,393	
Employer Medicare		4,023	
Communication		7,322	
Dues and Memberships		4,490	
Postal Charges		96	
Travel		6,492	
Other Contracted Services		2,000	
Other Supplies and Materials		94	
In Service/Staff Development		2,085	
Other Charges		2,358	
Administration Equipment		40	
Total Director of Schools			369,811

Office of the Principal

Principals	\$	2,120,658	
Assistant Principals		2,035,630	
Secretary(ies)		696,711	
Clerical Personnel		1,028,347	
Longevity Pay		28,850	
Social Security		342,990	
Pensions		510,420	
Life Insurance		7,283	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Medical Insurance	\$	1,016,383	
Dental Insurance		30,387	
Employer Medicare		80,216	
Other Fringe Benefits		2,974	
Communication		11,787	
Other Contracted Services		82,151	
Office Supplies		18,699	
Total Office of the Principal			\$ 8,013,486

Human Services/Personnel

Supervisor/Director	\$	79,386	
Clerical Personnel		165,062	
Longevity Pay		2,400	
Social Security		13,270	
Pensions		9,058	
Life Insurance		270	
Medical Insurance		42,405	
Dental Insurance		1,242	
Employer Medicare		3,355	
Advertising		234	
Communication		1,158	
Data Processing Services		106,136	
Operating Lease Payments		3,065	
Postal Charges		4,089	
Travel		35	
Other Contracted Services		74,813	
Office Supplies		4,359	
In Service/Staff Development		696	
Other Charges		2,560	
Total Human Services/Personnel			513,593

Operation of Plant

Supervisor/Director	\$	194,518	
Longevity Pay		650	
Other Salaries and Wages		83,575	
Social Security		15,925	
Pensions		16,478	
Life Insurance		230	
Medical Insurance		31,539	
Dental Insurance		974	
Employer Medicare		3,724	
Janitorial Services		2,481,122	
Payments to Schools - Other		33,830	
Travel		430	
Disposal Fees		102,397	
Other Contracted Services		373,096	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Operation of Plant (Cont.)

Electricity	\$	2,106,537	
Natural Gas		200,365	
Water and Sewer		239,771	
Other Supplies and Materials		4,977	
Building and Contents Insurance		380,584	
In Service/Staff Development		2,795	
Other Charges		2,579	
Total Operation of Plant			\$ 6,276,096

Maintenance of Plant

Supervisor/Director	\$	62,410	
Secretary(ies)		34,185	
Maintenance Personnel		1,143,130	
Longevity Pay		14,900	
Social Security		73,546	
Pensions		51,438	
Life Insurance		2,074	
Medical Insurance		284,516	
Dental Insurance		9,124	
Employer Medicare		17,201	
Other Fringe Benefits		4,780	
Communication		10,891	
Laundry Service		11,911	
Maintenance and Repair Services - Buildings		194,930	
Maintenance and Repair Services - Equipment		115,473	
Maintenance and Repair Services - Vehicles		2,103	
Travel		641	
Other Contracted Services		20,635	
Other Supplies and Materials		280,201	
Other Charges		6,480	
Maintenance Equipment		18,631	
Total Maintenance of Plant			2,359,200

Transportation

Supervisor/Director	\$	76,585	
Bus Drivers		2,099,472	
Clerical Personnel		180,690	
Longevity Pay		51,450	
Other Salaries and Wages		41,250	
Social Security		144,745	
Pensions		94,269	
Life Insurance		7,894	
Medical Insurance		1,082,336	
Dental Insurance		38,634	
Employer Medicare		33,854	
Communication		2,284	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Operating Lease Payments	\$	2,631	
Maintenance and Repair Services - Vehicles		314,612	
Postal Charges		10	
Travel		3,388	
Other Contracted Services		60,673	
Diesel Fuel		454,712	
Tires and Tubes		149,281	
Vehicle Parts		416,336	
Other Supplies and Materials		726	
Vehicle and Equipment Insurance		127,014	
In Service/Staff Development		23,806	
Other Charges		43,215	
Administration Equipment		113,516	
Transportation Equipment		14,000	
Total Transportation			\$ 5,577,383

Central and Other

Data Processing Services	\$	37,200	
Data Processing Equipment		190,210	
Other Capital Outlay		348,298	
Total Central and Other			575,708

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	81,596	
Clerical Personnel		58,009	
Longevity Pay		2,550	
Social Security		8,182	
Pensions		5,937	
Life Insurance		345	
Medical Insurance		46,347	
Dental Insurance		1,501	
Employer Medicare		1,914	
Other Supplies and Materials		598	
Total Community Services			206,979

Early Childhood Education

Teachers	\$	683,168	
Educational Assistants		189,684	
Longevity Pay		3,400	
Social Security		48,884	
Pensions		76,057	
Life Insurance		1,434	
Medical Insurance		207,879	
Dental Insurance		5,588	
Employer Medicare		11,767	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Other Fringe Benefits	\$	301	
Travel		1,576	
Instructional Supplies and Materials		19,538	
In Service/Staff Development		1,754	
Other Equipment		1,497	
Total Early Childhood Education			\$ 1,252,527

Capital Outlay

Regular Capital Outlay

Building Improvements	\$	85,134	
Other Equipment		34,040	
Total Regular Capital Outlay			119,174

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	1,218,416	
Total Education			1,218,416

Total General Purpose School Fund \$ 105,295,816

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	34,098	
Educational Assistants		196,243	
Other Salaries and Wages		940,880	
Certified Substitute Teachers		4,125	
Non-certified Substitute Teachers		14,772	
Social Security		64,985	
Pensions		79,129	
Life Insurance		974	
Medical Insurance		138,659	
Dental Insurance		4,066	
Employer Medicare		16,470	
Other Fringe Benefits		26	
Instructional Supplies and Materials		159,760	
Other Supplies and Materials		14,859	
Regular Instruction Equipment		231,311	
Total Regular Instruction Program			\$ 1,900,357

Special Education Program

Teachers	\$	92,312	
Educational Assistants		738,682	
Longevity Pay		13,300	
Social Security		46,156	
Pensions		40,708	

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Life Insurance	\$	2,883	
Medical Insurance		406,785	
Dental Insurance		12,597	
Employer Medicare		10,794	
Other Contracted Services		50,102	
Instructional Supplies and Materials		74,606	
Special Education Equipment		21,768	
Total Special Education Program			\$ 1,510,693

Career and Technical Education Program

Other Salaries and Wages	\$	6,500	
Social Security		362	
Pensions		642	
Employer Medicare		85	
Vocational Instruction Equipment		195,498	
Total Career and Technical Education Program			203,087

Support Services

Other Student Support

Other Salaries and Wages	\$	333,036	
Social Security		17,528	
Pensions		23,947	
Life Insurance		204	
Medical Insurance		25,398	
Dental Insurance		916	
Employer Medicare		4,607	
Travel		1,296	
Other Contracted Services		48,828	
Other Supplies and Materials		24,529	
In Service/Staff Development		28,392	
Total Other Student Support			508,681

Regular Instruction Program

Supervisor/Director	\$	105,823	
Secretary(ies)		14,805	
Longevity Pay		150	
Other Salaries and Wages		478,602	
In-service Training		21,491	
Social Security		36,227	
Pensions		57,713	
Life Insurance		504	
Medical Insurance		76,631	
Dental Insurance		2,314	
Employer Medicare		8,472	
Other Fringe Benefits		26	
Operating Lease Payments		5,206	

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Travel	\$	2,072	
Other Contracted Services		5,500	
Library Books/Media		16,460	
Other Supplies and Materials		4,576	
In Service/Staff Development		266,542	
Total Regular Instruction Program			\$ 1,103,114

Special Education Program

Medical Personnel	\$	190,637	
Assessment Personnel		129,513	
Clerical Personnel		25,105	
Longevity Pay		1,650	
Other Salaries and Wages		80,789	
Social Security		24,631	
Pensions		30,186	
Life Insurance		459	
Medical Insurance		72,007	
Dental Insurance		1,729	
Employer Medicare		5,761	
Travel		7,410	
Other Supplies and Materials		9,992	
In Service/Staff Development		61,061	
Total Special Education Program			640,930

Career and Technical Education Program

Travel	\$	100	
In Service/Staff Development		545	
Total Career and Technical Education Program			645

Transportation

Other Salaries and Wages	\$	289,997	
Social Security		17,228	
Pensions		10,793	
Life Insurance		1,142	
Medical Insurance		159,755	
Dental Insurance		6,022	
Employer Medicare		4,029	
Other Contracted Services		10,855	
Total Transportation			499,821

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	12,068	
Teachers		54,662	
Educational Assistants		23,445	
Other Salaries and Wages		5,190	

(Continued)

Exhibit K-8

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

<u>School Federal Projects Fund (Cont.)</u>		
<u>Operation of Non-Instructional Services (Cont.)</u>		
<u>Community Services (Cont.)</u>		
Social Security	\$	5,375
Pensions		8,398
Employer Medicare		1,257
Instructional Supplies and Materials		802
Other Charges		21,291
Total Community Services		<u>\$ 132,488</u>
Total School Federal Projects Fund		\$ 6,499,816
<u>Central Cafeteria Fund</u>		
<u>Operation of Non-Instructional Services</u>		
<u>Food Service</u>		
Supervisor/Director	\$	136,472
Accountants/Bookkeepers		73,753
Cafeteria Personnel		1,225,120
Longevity Pay		31,100
Other Salaries and Wages		1,029,496
Social Security		153,357
Pensions		71,625
Life Insurance		4,051
Medical Insurance		585,149
Dental Insurance		19,963
Unemployment Compensation		2,613
Employer Medicare		35,866
Maintenance and Repair Services - Equipment		41,886
Postal Charges		1,833
Travel		15,693
Other Contracted Services		78,626
Food Preparation Supplies		325,775
Food Supplies		2,487,294
Office Supplies		11,661
USDA - Commodities		456,838
In Service/Staff Development		1,091
Food Service Equipment		348,735
Total Food Service		<u>\$ 7,137,997</u>
Total Central Cafeteria Fund		7,137,997
<u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Architects	\$	143,814
Building Construction		6,318,821
Building Improvements		7,190,997
Furniture and Fixtures		193,371
Other Capital Outlay		70,548
Total Education Capital Projects		<u>\$ 13,917,551</u>
Total Education Capital Projects Fund		<u>13,917,551</u>
Total Governmental Funds - Maury County School Department		<u>\$ 132,851,180</u>

Exhibit K-9

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2020

	Governmental Activities - Internal Service Fund
	<u>Central Maintenance/ Garage Fund</u>
<u>Revenues</u>	
<u>Charges for Current Services</u>	
<u>General Service Charges</u>	
Other General Service Charges	\$ 1,820,075
Total Charges for Current Services	<u>\$ 1,820,075</u>
<u>Other Local Revenues</u>	
<u>Recurring Items</u>	
Sale of Materials and Supplies	\$ 13,341
<u>Nonrecurring Items</u>	
Sale of Equipment	2,589
Total Other Local Revenues	<u>\$ 15,930</u>
<u>Other Governments and Citizens Groups</u>	
<u>Other Governments</u>	
Contributions	\$ 30,795
Total Other Governments and Citizens Groups	<u>\$ 30,795</u>
Total Revenues	<u>\$ 1,866,800</u>
<u>Expenses</u>	
<u>General Government</u>	
<u>Other General Administration</u>	
County Official/Administrative Office	\$ 60,293
Mechanic(s)	214,588
Clerical Personnel	37,966
Longevity Pay	4,750
Overtime Pay	4,061
Social Security	19,713
Pensions	17,367
Life Insurance	380
Medical Insurance	43,701
Dental Insurance	1,671
Disability Insurance	641
Unemployment Compensation	187
Employer Medicare	4,610
Communication	405

(Continued)

Exhibit K-9

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Governmental Activities - Internal Service Fund
	<u>Central Maintenance/ Garage Fund</u>
<u>Expenses (Cont.)</u>	
<u>General Government (Cont.)</u>	
<u>Other General Administration (Cont.)</u>	
Laundry Service	\$ 6,868
Maintenance Agreements	1,976
Maintenance and Repair Services - Building	1,284
Maintenance and Repair Services - Equipment	1,007
Postal Charges	293
Printing, Stationery, and Forms	173
Travel	57
Disposal Fees	2,009
Other Contracted Services	158,920
Custodial Supplies	20
Diesel Fuel	271,401
Drugs and Medical Supplies	466
Electricity	19,762
Equipment and Machinery Parts	320,185
Garage Supplies	885
Gasoline	294,200
Lubricants	30,760
Natural Gas	6,628
Office Supplies	646
Small Tools	353
Tires and Tubes	120,891
Software	6,269
Depreciation	20,591
In Service/Staff Development	364
Other Charges	85
Furniture and Fixtures	293
Motor Vehicles	1,772
Office Equipment	277
Other Capital Outlay	22,615
	<hr/>
Total Expenses	<u>\$ 1,701,383</u>

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund
For the Year Ended June 30, 2020

	Business-type Activities - Enterprise Fund <hr/> Solid Waste Disposal Fund
<u>Revenues</u>	
<u>Operating Revenues</u>	
<u>Charges for Current Services</u>	
Tipping Fees	\$ 1,623,312
Service Charges	18,554
Total Charges for Current Services	<u>\$ 1,641,866</u>
<u>Other Local Revenues</u>	
Sale of Recycled Materials	\$ 137,052
Total Other Local Revenues	<u>\$ 137,052</u>
Total Operating Revenues	<u>\$ 1,778,918</u>
<u>Nonoperating Revenues</u>	
<u>Local Taxes</u>	
Current Property Tax	\$ 2,851,183
Trustee's Collections - Prior Year	61,674
Trustee's Collections - Bankruptcy	435
Circuit/Clerk and Master Collections - Prior Years	22,328
Interest and Penalty	12,066
Pick-up Taxes	9,309
Total Local Taxes	<u>\$ 2,956,995</u>
<u>State of Tennessee</u>	
Litter Program Grant	\$ 64,869
Other State Revenues	52,268
Total State of Tennessee	<u>\$ 117,137</u>
Total Nonoperating Revenues	<u>\$ 3,074,132</u>
Total Revenues	<u>\$ 4,853,050</u>

(Continued)

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Business-type Activities - Enterprise Fund <hr/> Solid Waste <hr/> Disposal Fund
<u>Expenses</u>	
<u>Operating Expenses</u>	
<u>Waste Pickup</u>	
Foremen	\$ 30,355
Overtime Pay	14
Social Security	1,835
Pensions	1,963
Life Insurance	60
Medical Insurance	6,987
Dental Insurance	257
Disability Insurance	66
Unemployment Compensation	21
Employer Medicare	429
Contributions	9,000
Other Supplies and Materials	18,024
Total Waste Pickup	<hr/> \$ 69,011 <hr/>
<u>Convenience Centers</u>	
Equipment Operators	\$ 171,913
Laborers	585,928
Longevity Pay	3,500
Overtime Pay	5,292
Social Security	47,464
Pensions	12,790
Life Insurance	271
Medical Insurance	24,395
Dental Insurance	1,190
Disability Insurance	481
Unemployment Compensation	1,132
Employer Medicare	11,101
Communication	5,687
Maintenance and Repair Services - Equipment	6,761
Maintenance and Repair Services - Vehicles	467
Pest Control	1,377
Postal Charges	220
Rentals	4,526
Other Contracted Services	2,715
Diesel Fuel	51,509
Electricity	17,292

(Continued)

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Business-type Activities - Enterprise Fund
	Solid Waste Disposal Fund
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Convenience Centers (Cont.)</u>	
Equipment and Machinery Parts	\$ 39,458
Gasoline	1,844
Lubricants	3,143
Tires and Tubes	13,643
Vehicle Parts	683
Other Supplies and Materials	61,406
Depreciation	5,088
In Service/Staff Development	300
Furniture and Fixtures	633
Total Convenience Centers	<u>\$ 1,082,209</u>
<u>Landfill Operation and Maintenance</u>	
County Official/Administrative Officer	\$ 76,415
Equipment Operators	67,435
Laborers	116,918
Clerical Personnel	115,524
Longevity Pay	4,850
Overtime Pay	17,671
Social Security	23,954
Pensions	23,592
Life Insurance	447
Medical Insurance	38,303
Dental Insurance	2,025
Disability Insurance	628
Unemployment Compensation	238
Employer Medicare	5,602
Communication	3,493
Dues and Memberships	446
Engineering Services	150,807
Laundry Service	5,660
Licenses	75
Maintenance Agreements	1,359
Maintenance and Repair Services - Buildings	3,451
Maintenance and Repair Services - Equipment	10,031
Maintenance and Repair Services - Vehicles	1,628
Pest Control	255
Postal Charges	440
Rentals	318

(Continued)

Maury County, Tennessee
Schedule of Detailed Revenues and Expenses
Proprietary Fund (Cont.)

	Business-type Activities - Enterprise Fund <hr/> Solid Waste Disposal Fund
<u>Expenses (Cont.)</u>	
<u>Operating Expenses (Cont.)</u>	
<u>Landfill Operation and Maintenance (Cont.)</u>	
Travel	\$ 665
Disposal Fees	1,713,727
Permits	10,650
Other Contracted Services	14,822
Crushed Stone	9,477
Data Processing Supplies	1,213
Diesel Fuel	22,544
Electricity	23,607
Equipment and Machinery Parts	44,945
Gasoline	2,662
Lubricants	2,848
Natural Gas	13,582
Office Supplies	1,469
Tires and Tubes	1,495
Vehicle Parts	920
Other Supplies and Materials	53,348
Building and Contents Insurance	5,437
Judgments	2,000
Liability Insurance	13,475
Trustee's Commission	75,628
Vehicle and Equipment Insurance	16,074
Workers' Compensation Insurance	113,908
Depreciation	269,833
In Service/Staff Development	385
Other Charges	194
Building Improvements	891
Other Capital Outlay	110,134
Total Landfill Operation and Maintenance	<u>\$ 3,197,498</u>
Total Operating Expenses	<u>\$ 4,348,718</u>
Total Expenses	<u><u>\$ 4,348,718</u></u>

Exhibit K-11

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

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 15,461,056
Total Cash Receipts	<u>\$ 15,461,056</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 15,306,445
Trustee's Commission	154,611
Total Cash Disbursements	<u>\$ 15,461,056</u>
 Excess of Cash Receipts Over (Under) Cash Disbursements	 \$ 0
Cash Balance, July 1, 2019	<u>0</u>
 Cash Balance, June 30, 2020	 <u><u>\$ 0</u></u>

SINGLE AUDIT SECTION



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Maury County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 9, 2021. Our report includes a reference to other auditors who audited the financial statements of Maury Regional Hospital (major proprietary fund) and the discretely presented Maury County Board of Public Utilities Water System, as described in our report on Maury County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Maury County's internal control over financial reporting (internal control) as a basis for designing audit procedures 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 Maury County's internal control. Accordingly, we do not express an opinion on the effectiveness of Maury County's internal control.

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

combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Maury County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2020-001, 2020-002 (B), and 2020-003.

Maury County's Responses to the Findings

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

Purpose of this Report

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

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 9, 2021

JEM/yu



JASON E. MUMPOWER
Comptroller

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

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

Maury County's basic financial statements include the operations of the Maury Regional Hospital Fund, which expended federal awards, which are not included in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2020. Our audit, described below, did not include the Maury Regional Hospital Fund, because this entity engaged other auditors to perform an audit in accordance with the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Management's Responsibility

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

Auditor's Responsibility

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

Opinion on Each Major Federal Program

In our opinion, Maury 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 Maury 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 Maury 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 Maury 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Maury County's basic financial statements. We issued our report thereon dated February 9, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower
Comptroller of the Treasury
Nashville, Tennessee

February 9, 2021

JEM/yu

Maury County, Tennessee, and the Maury County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6)
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 Education:				
Child Nutrition Cluster: (4)				
School Breakfast Program	10.553	(3)	\$ 0	\$ 902,783 (5)
COVID-19 - School Breakfast Program	10.553	(3)	0	348,201 (5)
National School Lunch Program	10.555	(3)	0	2,632,191 (5)
COVID-19 - National School Lunch Program	10.555	(3)	0	555,012 (5)
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (4)				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(3)	0	456,838 (5)
Passed-through State Department of Health:				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	34360-18820	0	<u>167,492</u>
Total U.S. Department of Agriculture				<u>\$ 5,062,517</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)	244,415	<u>\$ 244,415 (7)</u>
Total U.S. Department of Housing and Urban Development				<u>\$ 244,415</u>
U.S. Department of Justice:				
Direct Program:				
Bulletproof Vest Partnership Program	16.607	N/A	0	\$ 5,058
Passed-through State Commission on Children and Youth:				
Juvenile Justice and Delinquency Prevention	16.540	31601-2021	0	4,000
Passed-through State Department of Finance and Administration:				
Crime Victim Assistance	16.575	(3)	0	<u>62,651</u>
Total U.S. Department of Justice				<u>\$ 71,709</u>
U.S. Department of Transportation:				
Passed-through State Department of Transportation:				
Alcohol Open Container Requirements	20.607	(3)	0	<u>\$ 26,495</u>
Total U.S. Department of Transportation				<u>\$ 26,495</u>

(Continued)

Maury County, Tennessee, and the Maury County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6) (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. Department of Education:				
Passed-through State Department of Education:				
Title I Grants to Local Educational Agencies	84.010	(3)	0	\$ 2,863,925
Special Education Cluster: (4)				
Special Education Grants to States	84.027	(3)	0	2,720,635
Special Education Preschool Grants	84.173	(3)	0	87,118
Career and Technical Education - Basis Grants to States	84.048	(3)	0	275,104
Twenty-first Century Community Learning Centers	84.287	(3)	0	132,488
English Language Acquisition State Grants	84.365	(3)	0	49,672
Supporting Effective Instruction State Grants	84.367	(3)	0	349,944 (5)
Student Support and Academic Enrichment Program	84.424	(3)	0	188,064
Passed-through Warren County Board of Education:				
Supporting Effective Instruction State Grants	84.367	(3)	0	6,507 (5)
Total U.S. Department of Education				<u>\$ 6,673,457</u>
National Archives and Records Administration:				
Passed-through Tennessee State Library and Archives:				
National Historical Publications and Records Grants	89.003	30501-01720-09	0	\$ 3,625
Total National Archives and Records Administration				<u>\$ 3,625</u>
U.S. Election Assistance Commission:				
Passed-through Tennessee Secretary of State:				
2020 HAVA Election Security Grants	90.404	30501-01919-60	0	\$ 951 (5)
COVID 19 - Election Security Grants (Noncash Assistance)	90.404	(3)	0	38,654 (5)
Total U.S. Election Assistance Commission				<u>\$ 39,605</u>
U.S. Department of Health and Human Services:				
Passed-through State Department of Health:				
Family Planning Services	93.217	34360-18820	\$ 0	\$ 22,021
Maternal and Child Health Services Block Grant to the States	93.994	34360-18820	0	107,920
Passed-through State Department of Human Services:				
Child Support Enforcement	93.563	(3)	0	50,253
Total U.S. Department of Health and Human Services				<u>\$ 180,194</u>

(Continued)

Maury County, Tennessee, and the Maury County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6) (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. Department of Homeland Security:				
Passed-through State Department of Military:				
Emergency Management Performance Grants	97.042	34101-05220	0	\$ 44,350
Homeland Security Grant Program	97.067	34101-15618	0	24,060
Total U.S. Department of Homeland Security				<u>\$ 68,410</u>
Total Expenditures of Federal Awards				<u>\$ 12,370,427</u>
<u>State Grants</u>				
		<u>Contract Number</u>		
Project Diabetes Initiative Services - State Department of Health		34347-54820		\$ 21,737
Juvenile Justice State Supplement - State Commission on Children and Youth		35910-03595		9,000
Coordinated School Health - State Department of Education		(3)		100,000
Healthy Students, Stronger Learners Tennessee - State Department of Education		(3)		13,000
Early Childhood Education - State Department of Education		(3)		1,050,559
Family Resource Center - State Department of Education		(3)		89,083
School Safety Grant - State Department of Education		(3)		193,048
Work Based Learning Grant - State Department of Economic and Community Development		(3)		24,808
Middle School CTE Start-Up Grant - State Department of Education		(3)		10,000
Early Postsecondary Expansion Grant - State Department of Education		(3)		30,000
Arts 360 - Tennessee Arts Commission		(3)		16,000
Court Security Grant - State Administrative Office of the Courts		(3)		83,387
Tourism Cooperative Marketing Grants - State Department of Tourist Development		32601-62361		5,000
Local Health Services Grant - State Department of Health		34360-18820		490,054
Litter Program - State Department of Transportation		(3)		<u>64,869</u>
Total State Grants				<u>\$ 2,200,545</u>

(Continued)

Maury County, Tennessee, and the Maury County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (6) (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) Maury 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 \$4,895,025; Special Education Cluster total \$2,807,753.
- (5) Total for CFDA No. 10.553 is \$1,250,984; Total for CFDA No. 10.555 is \$3,644,041; Total for CFDA No. 84.367 is \$356,451; Total for CFDA No. 90.404 is \$39,605.
- (6) For the year ended June 30, 2020, Maury County received donated PPE valued at \$53,646 (\$40,235 federal and \$13,411 state) from the Tennessee Department of Military. These donations were unaudited.
- (7) SUBRECIPIENT

Program Title	Federal CFDA Number	Amount Provided to Subrecipient	Subrecipient
Community Development Block Grants/ State's program and Non-Entitlement Grants in Hawaii	14.228	\$244,415	City of Mount Pleasant

Maury 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 of Maury County, Tennessee, for the year ended June 30, 2020.

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	Current Status
<u>OFFICES OF COUNTY MAYOR AND FINANCE DIRECTOR</u>					
2019	266	2019-001	Competitive bids were not solicited for the purchase of a roll off truck.	N/A	Corrected
2019	267	2019-002	The office did not implement adequate controls to protect its information resources.	N/A	Corrected
<u>OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR</u>					
2019	267	2019-003	The school department paid \$50,000 to terminate a technology lease agreement.	N/A	Corrected
2019	268	2019-004	The school department fell victim to various phishing schemes resulting in a net loss of \$13,756.	N/A	Corrected
2019	269	2019-005	Access to the accounting software was not properly restricted.	N/A	Corrected

Prior-year Federal Awards Findings

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

MAURY 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 Maury County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **YES**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs: **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * CFDA Number: 84.010 Title I Grants to Local Educational Agencies
 - * 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? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR

FINDING 2020-001 **THE OFFICES HAD DEFICIENCIES IN THE ADMINISTRATION OF PAYROLL**
(Noncompliance Under *Government Auditing Standards*)

During the 2019 calendar year, the finance office failed to withhold and remit Social Security and Medicare taxes related to certain payroll deductions of approximately 1,800 school department employees. Finance department personnel identified the error and paid \$301,746 to the Internal Revenue Service (IRS) for unremitted employee taxes. The finance department recovered \$289,586 from payroll deductions of current employees through June 30, 2020. As a result, Maury County paid \$12,160 (\$301,746 - \$289,586) in unrecovered payroll taxes, \$11,633 for interest and penalty assessed by the IRS, and \$10,255 to a local accounting firm for a technical review of the calculations. This deficiency is the result of a lack of management oversight.

RECOMMENDATION

Officials should ensure federal employment taxes are properly withheld and remitted as required by law.

MANAGEMENT'S RESPONSE – FINANCE DIRECTOR

I concur with this finding, and I would like to report that the interest assessment from the IRS is currently involved in the abatement process. I am hopeful we will receive a refund for the \$11,633.

OFFICE OF CLERK AND MASTER

FINDING 2020-002 **THE OFFICE HAD ACCOUNTING DEFICIENCIES**
(A. – Internal Control – Significant Deficiency Under *Government Auditing Standards*; B. – Noncompliance Under *Government Auditing Standards*)

The following deficiencies were noted during our examination of the office's accounting records. These deficiencies can be attributed to a lack of understanding of internal controls, sound business practices, and generally accepted accounting principles.

- A. Bank statements were not reconciled properly with the general ledger monthly. Sound business practices require the monthly reconciliation of bank statements with general ledger accounts to ensure all collections and disbursements are recorded in the accounting records accurately. The failure to reconcile bank statements with the general ledger monthly allows errors to remain undiscovered and uncorrected.
- B. During the year, the office overpaid its fees and commissions to the General Fund by \$63,325. To correct the office's accounting records at June 30, 2020, auditors reflected a receivable on the clerk and master's general ledger, and a corresponding payable was reflected in the General Fund.

RECOMMENDATION

Bank statements should be reconciled with the general ledger monthly, and any discrepancies discovered should be investigated and corrected promptly. The official should ensure the amount of fees and commissions are correct before the monthly remittance.

MANAGEMENT'S RESPONSE – CLERK AND MASTER

I concur.

OTHER FINDINGS AND RECOMMENDATIONS

FINDING 2020-003

AN INVESTIGATION OF THE MAURY REGIONAL MEDICAL CENTER DISCLOSED A THEFT OF AT LEAST \$798,265
(Material Noncompliance Under *Government Auditing Standards*)

On October 19, 2020, the Comptroller's Division of Investigations issued an investigative report on the Maury Regional Medical Center (reflected as a major proprietary fund in the financial statements of this report). The investigative report disclosed that a former system coordinator in the hospital's Supply Chain Department stole at least \$798,265 in medical supplies. On March 11, 2020, the Maury County Grand Jury indicted the former employee on one count of Theft over \$250,000 and on 54 counts of Money Laundering. This report is available at <http://www.comptroller.tn.gov/ia/>.

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.

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

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR

2020-001	The office had deficiencies in the administration of payroll.	266
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OFFICE OF CLERK AND MASTER

2020-002	The office had accounting deficiencies.	267
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Maury County Government
Office of Financial Management
Douglas D. Lukonen, Finance Director

One Public Square, Suite 200 • Columbia, TN 38401

P: (931) 375-2301 • F: (931) 375-2319

Maury County Board of Education Corrective Action Plan

FINDING 2020-001 THE OFFICE HAD DEFICIENCIES IN THE ADMINISTRATION OF PAYROLL

Response and Corrective Action Plan Prepared by:
Douglas D. Lukonen, Finance Director

Person Responsible for Implementing the Corrective Action:
Michael Hickman, Superintendent/Douglas D. Lukonen, Finance Director

Anticipated Completion Date of Corrective Action:
07/31/2020

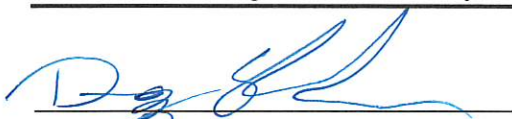
Repeat Finding:
No

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

Planned Corrective Action:

Our office filed correcting employment tax returns for calendar year 2019. Our office has taken steps to abate the interest penalty from the IRS. We are hopeful we will be able to recover the \$11,633. The IRS codification Section 31.6205-1(b) – 31.6205-1 (c) (7) identifies that “an employer that has underreported and underpaid FICA tax with respect to any payment of wages can correct the error as an interest-free adjustment if the error is ascertained after the return reporting such tax has been filed.” Our abatement request is still being reviewed by the IRS.

The plan moving forward is to prevent this type of error from occurring in the future. Upon discovery in January of 2020, we immediately started correcting all of the deduction codes to have the correct Social Security and Medicare treatment according to IRS guidelines and the Section 125 Cafeteria Plan. We have been closely reviewing all of our deduction codes to make sure they are being treated properly when it comes to their subjectivity to Federal Income Tax Withholding, Social Security, and Medicare.



Signature

Finance Director

Title

Larry M. Roe, Jr.
CLERK AND MASTER
Maury County Courthouse
Web Address: www.maurycounty-tn.gov
Email: larry.roe@tncourts.gov

41 Public Square
Third Floor, Room 302
Columbia, Tennessee 38401
Phone: (931) 375-1307
Facsimile: (931) 375-1319


February 4, 2021

RE: CORRECTIVE ACTION PLAN RE: Finding 2020-002, Maury County Clerk and Master.

I have reviewed the Finding statement 2020-002 and agree with the recommendation. Detailed below is my corrective action plan.

1. Name and title of person preparing corrective action plan: Larry M. Roe, Jr., Clerk and Master, Maury County Chancery Court.
2. Name and title of person responsible for implementing the corrective action plan: Larry M. Roe, Jr., Clerk and Master, Maury County Chancery Court.
3. Corrective Action Plan: Review bank statements and resolve any conflict within a reasonable amount of time relative to the degree of complexity and certainty as the facts of any issue may dictate. Review in greater detail the amount of fees after expenses that should be turned over on a monthly basis that exceed expenses for the Office of the Clerk and Master.
4. Anticipated completion date of the corrective action: The corrective action is contemporaneous with the daily operation of the Office of the Clerk and Master.
5. This is not a repeat finding from a prior year.

Respectfully submitted,



Larry Roe
Clerk and Master