



## ANNUAL FINANCIAL REPORT

### Sumner County, Tennessee

*For the Year Ended June 30, 2020*

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



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

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

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

***DIVISION OF LOCAL GOVERNMENT AUDIT***  
***JAMES R. ARNETTE***  
***Director***

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***Audit Manager***

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***Senior Auditor***

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***LAUREN SHARPE***  
***DELANEY OLDHAM***  
***MEGAN UHLS***  
***CHRISVONTA SMITH***  
***State Auditors***

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

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## SUMNER COUNTY, TENNESSEE

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

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

### ***Scope***

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

### ***Results***

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

Our audit resulted in no findings.

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# INTRODUCTORY SECTION

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## Sumner County Officials

June 30, 2020

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### Officials

Anthony Holt, County Mayor  
Judy Hardin, Superintendent of Roads  
Del R. Phillips, III, Director of Schools  
Cindy Williams, Trustee  
John Isbell, Assessor of Property  
Bill Kemp, County Clerk  
Kathryn Strong, Circuit, General Sessions, and Juvenile Courts Clerk  
Mark Smith, Clerk and Master  
Cindy Briley, Register of Deeds  
Sonny Weatherford, Sheriff  
David Lawing, Director of Finance  
Leah Dennen, Law Director

### Board of County Commissioners

|                          |                  |
|--------------------------|------------------|
| Scott Langford, Chairman | Moe Taylor       |
| Billy Geminden           | Larry Hinton     |
| Alan Driver              | Steve Graves     |
| Jerry Foster             | Leslie Schell    |
| Danny Sullivan           | Baker Ring       |
| Terry Wright             | Gene Rhodes      |
| Loren Echols             | Shellie Tucker   |
| Luke Tinsley             | Merrol Hyde      |
| Jerry Becker             | Chris Taylor     |
| Paul Goode               | Caroline Krueger |
| Deanne Dewitt            | Jeremy Mansfield |
| Michael Guthrie          | Justin Nipper    |

### Board of Education

|                      |                 |
|----------------------|-----------------|
| Tim Brewer, Chairman | David Wilkerson |
| Alice Bachman        | Sarah Andrews   |
| Andy Daniels         | Glen Gregory    |
| Jeff Duncan          | Patricia Brown  |
| Betsey Hawkins       | Ted Wise        |
| Tammy Hayes          |                 |

(Continued)



## Sumner County Officials (Cont.)

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### **Financial Management Committee**

Jerry Becker, Chairman  
Anthony Holt, County Mayor  
Judy Hardin, Superintendent of Roads  
Del R. Phillips, III, Director of Schools

Justin Nipper  
Scott Langford  
Jeremy Mansfield

### **Audit Committee**

Scott Langford, Chairman  
Paul Goode  
Chris Taylor

Jerry Becker  
Steve Graves

### **Highway Commission**

Larry Hinton, Chairman  
Anthony Holt, County Mayor  
Judy Hardin, Superintendent of Roads  
Steve Graves

Gene Rhodes  
Luke Tinsley  
Terry Wright  
Tom Neal, Citizen

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## FINANCIAL SECTION

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JASON E. MUMPOWER  
*Comptroller*

## Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

### **Report on the Financial Statements**

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

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

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

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

### ***Other Matters***

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

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

#### ***Supplementary and Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2021, on our consideration of Sumner 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 Sumner 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 Sumner County's internal control over financial reporting and compliance.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 26, 2021

JEM/sl



## **Management's Discussion and Analysis**

### **For Sumner County, Tennessee**

The following section is the management's discussion and analysis of the Sumner County Government's financial performance for the fiscal year ended June 30, 2020. The Sumner County School Department did not issue a separate set of financial statements. Therefore, this document includes a limited overview of the discretely presented component unit (DPCU), the Sumner County School Department.

The Sumner County Regional Airport Authority, the Sumner County Emergency Communications District, the Sumner County Convention and Visitors Bureau, and the Resource Authority in Sumner County are also discretely presented component units of the county. These component units' financial statements, which require a discrete presentation, were excluded from this report. The effect of these exclusions is not material to the financial statements. Readers should review the separately issued financial statements and management's discussions and analyses, if any are available, for these discretely presented component units.

### **FINANCIAL HIGHLIGHTS**

- ❖ As of June 30, 2020, Sumner County Government's net position is approximately \$74.5 million. Of this amount, the unrestricted net position, which the county may use to meet Sumner County's obligations to citizens and creditors, is an approximate negative \$153.8 million. This negative unrestricted fund balance results from the Sumner County Government's financial statements, including debt of approximately \$192.7 million attributable to the Sumner County Board of Education. The discretely presented Sumner County School Department's net position (net investment in capital assets) includes the assets related to this debt. The discretely presented Sumner County School Department's net position is approximately \$312.8 million.
- ❖ During the fiscal year, the primary government's total net position improved by approximately \$23 million. The discretely presented Sumner County School Department's net position improved by about \$3.2 million, including an approximate (\$14.7 million) prior period adjustment.

- ❖ As of the close of the fiscal year, Sumner County's governmental funds reported combined fund balances of approximately \$171.9 million, which is an approximate decrease of \$8.4 million from the previous fiscal year. The discretely presented Sumner County School Department's governmental funds reported approximately \$64.2 million of total fund balances, an approximate increase of \$10.4 million from the previous fiscal year.
- ❖ At the end of the current fiscal year, the unrestricted fund balance (the total of committed, assigned, and unassigned) of the General Fund was approximately \$35.2 million, or roughly 54.5 percent, of the General Fund's annual budgetary expenditures (including other uses).
- ❖ The General Fund's balance improved by approximately \$3.4 million.

## OVERVIEW OF FINANCIAL STATEMENTS

Sumner County Government provides this discussion and analysis to introduce Sumner County Government's and the discretely presented Sumner County School Department's basic financial statements. The government-wide financial statements, the fund financial statements, and the financial statements' notes comprise the basic financial statements. This annual financial report also contains other supplementary information in addition to the basic financial statements.

**Government-wide Financial Statements.** The government-wide financial statements provide readers with a broad overview of the Sumner County Government's and the discretely presented Sumner County School Department's finances in a manner similar to a private-sector business.

The Statement of Net Position presents financial information on all of the Sumner County Government's and the discretely presented Sumner County School Department's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the Sumner County Government's and the discretely presented Sumner County School Department's financial positions are improving or deteriorating.

The Statement of Activities presents how the Sumner County Government's and the discretely presented Sumner County School Department's net positions changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Sumner County Government and of the discretely presented Sumner County School Department that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (business-type activities). The Sumner County Government's governmental activities include general government; finance; administration of justice;



public safety; public health and welfare; social, cultural, and recreational services; agriculture and natural resources; highways/public works; and education. The Sumner County Government and the discretely presented Sumner County School Department have no business-type functions.

The government-wide financial statements include the Sumner County Government (known as the primary government) and a legally separate school system for which the Sumner County Government is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found in Exhibits A and B.

**Fund Financial Statements.** A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The Sumner County Government and the discretely presented Sumner County School Department, like other state and local governments, use fund accounting to ensure and to demonstrate compliance with finance-related legal requirements. Sumner County Government and the discretely presented Sumner County School Department have three broad categories of funds: governmental, proprietary, and fiduciary.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and balances of spendable resources available at the end of the fiscal year. Such information may be useful in the evaluation of a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Sumner County Government maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances for the General, Highway/Public Works, General Debt Service, and General Capital Projects Funds, which are considered to be major funds. Data from the other three governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report. The discretely presented Sumner County School Department maintains two individual governmental funds: the General Purpose School Fund and the School Federal Projects Fund.

The Sumner County Government adopts an annual budget for the General Fund, all special revenue funds (except the constitutional officers' fees fund), the General Capital Projects Fund, and the General Debt Service Fund. With the county's approval, the discretely presented Sumner County School Department adopts an annual budget for the General Purpose School Fund and the School Federal Projects Fund. Budgetary comparisons have been provided for these funds to demonstrate budgetary compliance.

Governmental fund financial statements can be found in the table of contents.

***Proprietary Funds.*** The Sumner County Government maintains one type of proprietary fund, an internal service fund. An internal service fund is an accounting device used to accumulate and allocate costs internally among the Sumner County Government's various functions. The Sumner County Government uses an internal service fund to account for the county's self-insured insurance funds (occupational compensation insurance, employee health insurance, employee dental insurance, and liability insurance). Because these services predominantly benefit governmental rather than business-type functions, they are included within governmental activities in the government-wide financial statements.

The discretely presented Sumner County School Department maintains one type of proprietary fund, an internal service fund. The discretely presented Sumner County School Department uses an internal service fund to account for its self-insured insurance funds (employee health insurance).

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements for the Sumner County Government can be found in Exhibits D-1 through D-3 and, for the discretely presented Sumner County School Department, in Exhibits J-8 through J-10.

***Fiduciary Funds.*** Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because those funds' resources are not available to support the Sumner County Government's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Sumner County Government maintains one type of fiduciary fund, an agency fund. An agency fund reports resources held by the Sumner County Government in a custodial capacity for individuals, private organizations, or other governments. The basic fiduciary fund financial statement can be found in Exhibit E.

**Notes to the Financial Statements.** The notes provide additional information necessary to understand the government-wide and fund financial statements' data fully. The notes to the financial statements are located in the table of contents.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the Sumner County Government's progress in funding its obligations to provide pension and other post-employment benefits (OPEB) to its employees. Required supplementary information can be

found immediately after the notes to the financial statements and are located in the table of contents.

The combining statements referred to earlier, in connection with non-major governmental funds, are presented immediately following the required supplementary information's notes. Combining and individual fund statements and schedules are located in the table of contents.

## FINANCIAL ANALYSIS OF SUMNER COUNTY AS A WHOLE

### Net Position

Table 1. Sumner County Government's Net Position

|                                      | Governmental Activities |                       |
|--------------------------------------|-------------------------|-----------------------|
|                                      | June 30, 2020           | June 30, 2019         |
| Assets:                              |                         |                       |
| Current and Other Assets             | \$ 269,027,021          | \$ 265,975,021        |
| Capital Assets                       | 105,301,816             | 95,177,133            |
| Total Assets                         | <u>\$ 374,328,837</u>   | <u>\$ 361,152,154</u> |
| Total Deferred Outflows of Resources | \$ 10,454,711           | \$ 8,217,372          |
| Liabilities:                         |                         |                       |
| Long-term Liabilities Outstanding    | \$ 212,872,038          | \$ 231,012,258        |
| Other Liabilities                    | 35,191,979              | 27,156,921            |
| Total Liabilities                    | <u>\$ 248,064,017</u>   | <u>\$ 258,169,179</u> |
| Total Deferred Inflows of Resources  | \$ 62,208,872           | \$ 59,865,348         |
| Net Position:                        |                         |                       |
| Net Investment in Capital Assets     | \$ 94,160,475           | \$ 79,862,690         |
| Restricted                           | 134,164,437             | 147,627,485           |
| Unrestricted                         | (153,814,253)           | (176,155,176)         |
| Total Net Position                   | <u>\$ 74,510,659</u>    | <u>\$ 51,334,999</u>  |

Current and other assets increased by approximately \$3 million from the prior fiscal year. The increase is primarily the result of a \$2.2 million increase in property taxes receivable and an increase of approximately \$600 thousand in the county's net pension assets. Of the approximate \$2.2 million increase in property taxes receivable, roughly \$1.9 million was deferred—related to the tax levy to fund the subsequent fiscal year. The \$600 thousand growth in the net pension assets is primarily the result of the county funding a retirement rate above the actuarially determined rate. The goal of the excess funding is to dampen the future increases in the retirement rate above the currently funded level.

The increase in the deferred outflow of resources results from other post-employment benefits experience differing from the last measurement date's expectations.

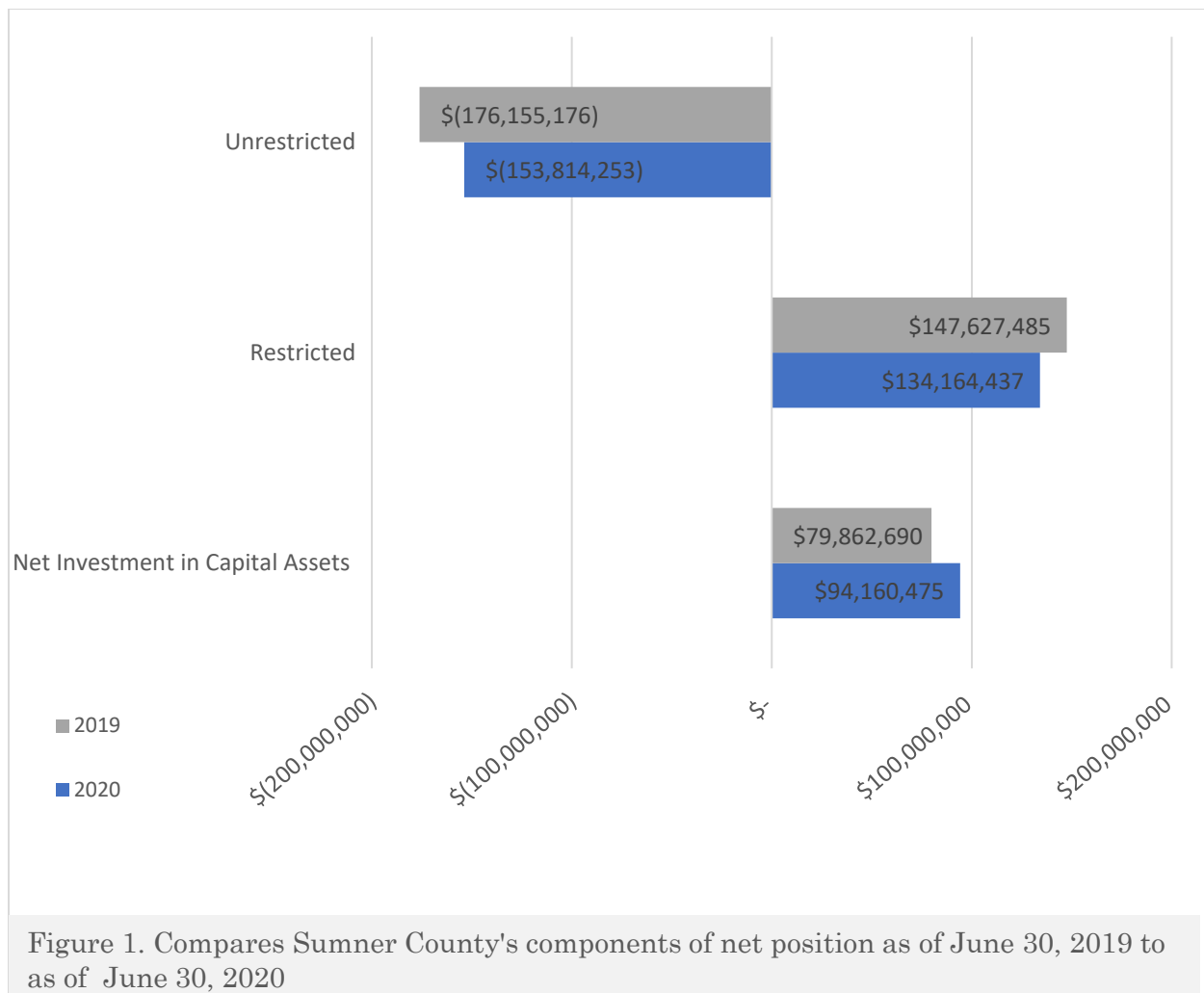
The decrease in the long-term liabilities is predominately related to long-term debt, discussed later in the letter.

Other liabilities increased by approximately \$8 million from the previous year, primarily due to a \$5.4 million increase in payables related to major construction and renovation projects. The majority of the remaining difference—approximately \$2.1 million—is related to a greater proportion of the county's debt being due within one year. This increase results from the county's equal amortization of debt between the fiscal years—an increasing amount of principal paid and a decreasing amount of interest.

Total deferred inflows of resources increased by approximately \$2.3 million, primarily due to a roughly \$1.9 million increase in deferred property taxes.

By far, the most considerable portion of the Sumner County Government's net position, \$94,160,475, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure) less any related outstanding debt that was used to acquire those assets. The Sumner County Government uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the Sumner County Government's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Sumner County Government's net position, \$134,164,437, represents resources subject to external restrictions on how they may be used. The remaining balance for the Sumner County Government of \$153,814,253 is an unrestricted deficit. This unrestricted deficit does not mean that the county does not have the resources available to pay its bills next year. Rather, it is the result of having long-term commitments that are greater than currently available resources. The aforementioned unrestricted net position deficit is attributable to the State of Tennessee constitution, allowing only the local legislative body to issue debt for the Sumner County Board of Education. Therefore, whenever the Sumner County Board of Education requires the issuance of debt to fund major capital projects or equipment purchases, the related debt must be issued by the Sumner County Government. At the end of the current fiscal year, the Sumner County Government had outstanding debt related to the Sumner County Board of Education of \$192,658,650. The related assets for this debt are reported in the Statement of Net Position under component units in the column "Sumner County School Department."



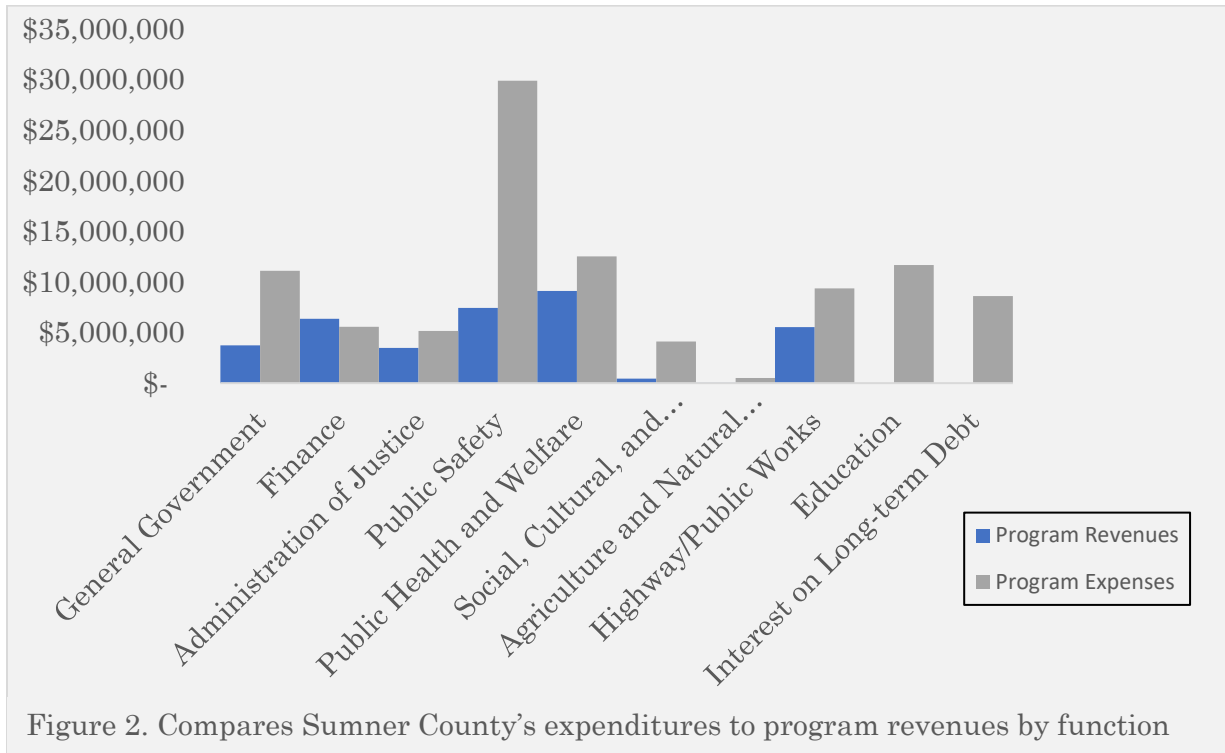
**Governmental Activities.** The Sumner County Government's total net position improved by \$23,175,660, or 45%, between fiscal years 2019 and 2020. The primary reasons for this overall increase are enumerated below.

- Sumner County Primary Government's long-term debt decreased \$17,725,000 due to the payments of maturing long-term bonds.
- Capital assets increased by \$10,124,683, which is discussed in detail later in this letter.
- As discussed in detail later in this letter, Sumner County's governmental funds decreased by \$8,440,710 from the previous fiscal year.
- An increase in the deferred outflow of resources results from other post-employment benefits experience differing from the last measurement date's expectations by \$2,688,953.

Table 2. Sumner County Government's Activities

|   | Governmental Activities            |                                    |
|---|------------------------------------|------------------------------------|
|   | Fiscal Year Ended<br>June 30, 2020 | Fiscal Year Ended<br>June 30, 2019 |
| Revenues:   |                                    |                                    |
| Program Revenues:   |                                    |                                    |
| Charges for Services  | \$ 26,716,416                      | \$ 26,437,363                      |
| Operating Grants and Contributions                              | 7,997,528                          | 6,715,467                          |
| Capital Grants and Contributions                                | 1,403,195                          | 1,233,647                          |
| General Revenues:   |                                    |                                    |
| Property Tax  | 56,975,807                         | 46,878,368                         |
| Local Option Sales Tax  | 10,500,644                         | 9,707,781                          |
| Wheel Tax   | 2,246,518                          | 2,173,926                          |
| Interstate Telecommunications Tax                               | -                                  | 410                                |
| Business Tax  | 2,346,218                          | 2,410,875                          |
| Adequate Facilities/Development Tax                             | 2,582,347                          | 2,843,436                          |
| Hotel/Motel Tax   | 758,814                            | 937,692                            |
| Wholesale Beer Tax  | 494,561                            | 442,792                            |
| Litigation Tax  | 1,040,760                          | 1,211,726                          |
| Mineral Severance Tax   | 210,476                            | 224,966                            |
| Beer Privilege Tax  | 2,526                              | 2,636                              |
| Local Amusement Tax   | 1,043                              | 1,719                              |
| Grants and Contributions Not Restricted<br>to Specific Programs | 4,494,660                          | 3,612,100                          |
| Unrestricted Investment Income                                  | 3,679,212                          | 3,945,211                          |
| Miscellaneous   | 81,874                             | 67,452                             |
| Gain from Sale of Capital Assets                                | 166,962                            | 0                                  |
| Total Revenues  | <u>\$ 121,699,561</u>              | <u>\$ 108,847,567</u>              |
| Expenses:   |                                    |                                    |
| General Government  | \$ 11,101,151                      | \$ 10,803,948                      |
| Finance   | 5,577,176                          | 4,897,420                          |
| Administration of Justice                                       | 5,157,069                          | 5,617,177                          |
| Public Safety   | 29,906,631                         | 27,497,284                         |
| Public Health and Welfare                                       | 12,530,096                         | 11,371,502                         |
| Social, Cultural, and Recreational Services                     | 4,103,041                          | 2,898,312                          |
| Agriculture and Natural Resources                               | 501,933                            | 439,817                            |
| Highways  | 9,353,252                          | 8,390,809                          |
| Education   | 11,682,080                         | 13,520,338                         |
| Interest on Long-term Debt                                      | 8,611,472                          | 5,087,595                          |
| Total Expenses  | <u>\$ 98,523,901</u>               | <u>\$ 90,524,202</u>               |
| Increase (Decrease) in Net Position                             | \$ 23,175,660                      | \$ 18,323,365                      |
| Net Position - Beginning  | 51,334,999                         | 33,011,634                         |
| Net Position - Ending   | <u>\$ 74,510,659</u>               | <u>\$ 51,334,999</u>               |

Program revenues derive directly from the program itself or parties outside the reporting government's taxpayers or citizenry, as a whole; they reduce the net cost of the function to be financed from the government's general revenues. Figure 2 presents program revenues in juxtaposition to program expenditures—the difference is the amount funded by the county's general revenues.



## Discretely Presented Sumner County School Department

The discretely presented Sumner County School Department's net position improved by approximately \$3,154,655 — which includes a (\$14,663,858) prior period adjustment between fiscal years 2019 and 2020 (see Table 4).

Table 3. Discretely Presented Sumner County School Department's Net Position

|                                      | Governmental Activities      |                              |
|--------------------------------------|------------------------------|------------------------------|
|                                      | June 30, 2020                | June 30, 2019                |
| Assets:                              |                              |                              |
| Current and Other Assets             | \$ 227,851,159               | \$ 186,040,124               |
| Capital Assets                       | <u>244,977,030</u>           | <u>250,291,642</u>           |
| Total Assets                         | <u>\$ 472,828,189</u>        | <u>\$ 436,331,766</u>        |
| Total Deferred Outflows of Resources | \$ 43,754,891                | \$ 30,627,041                |
| Liabilities:                         |                              |                              |
| Long-term Liabilities Outstanding    | \$ 68,908,831                | \$ 51,552,405                |
| Other Liabilities                    | <u>7,531,012</u>             | <u>6,187,335</u>             |
| Total Liabilities                    | <u>\$ 76,439,843</u>         | <u>\$ 57,739,740</u>         |
| Total Deferred Inflows of Resources  | \$ 127,356,212               | \$ 99,586,697                |
| Net Position:                        |                              |                              |
| Net Investment in Capital Assets     | \$ 239,448,294               | \$ 258,907,289               |
| Restricted                           | 40,773,201                   | 20,687,600                   |
| Unrestricted                         | <u>32,565,530</u>            | <u>30,037,481</u>            |
| Total Net Position                   | <u><u>\$ 312,787,025</u></u> | <u><u>\$ 309,632,370</u></u> |



Table 4. The Discretely Presented Sumner County School Department's Activities

|   | Governmental Activities            |                                    |
|---|------------------------------------|------------------------------------|
|   | Fiscal Year Ended<br>June 30, 2020 | Fiscal Year Ended<br>June 30, 2019 |
| Revenues:   |                                    |                                    |
| Program Revenues:   |                                    |                                    |
| Charges for Services  | \$ 7,065,255                       | \$ 8,922,278                       |
| Operating Grants and Contributions                              | 18,108,761                         | 18,925,759                         |
| Capital Grants and Contributions                                | 10,695,307                         | 10,980,371                         |
| General Revenues:   |                                    |                                    |
| Property Tax  | 80,570,872                         | 65,140,084                         |
| Local Option Sales Tax  | 21,004,419                         | 19,418,462                         |
| Wheel Tax   | 5,240,511                          | 5,071,463                          |
| Mixed Drink Tax   | 346,866                            | 330,904                            |
| Grants and Contributions Not<br>Restricted to Specific Programs | 159,727,813                        | 154,669,104                        |
| Unrestricted Investment Earnings                                | 115,425                            | 113,954                            |
| Miscellaneous   | 80,688                             | 257,893                            |
| Total Revenues  | <u>\$ 302,955,917</u>              | <u>\$ 283,830,272</u>              |
| Expenses:   |                                    |                                    |
| Education   | <u>\$ 285,137,404</u>              | <u>\$ 263,798,965</u>              |
| Total Expenses  | <u>\$ 285,137,404</u>              | <u>\$ 263,798,965</u>              |
| Increase (Decrease) in Net Position                             | \$ 17,818,513                      | \$ 20,031,307                      |
| Prior Period Adjustment   | (14,663,858)                       | 16,349,359                         |
| Net Position - Beginning  | <u>309,632,370</u>                 | <u>273,251,704</u>                 |
| Net Position - Ending   | <u>\$ 312,787,025</u>              | <u>\$ 309,632,370</u>              |

## FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

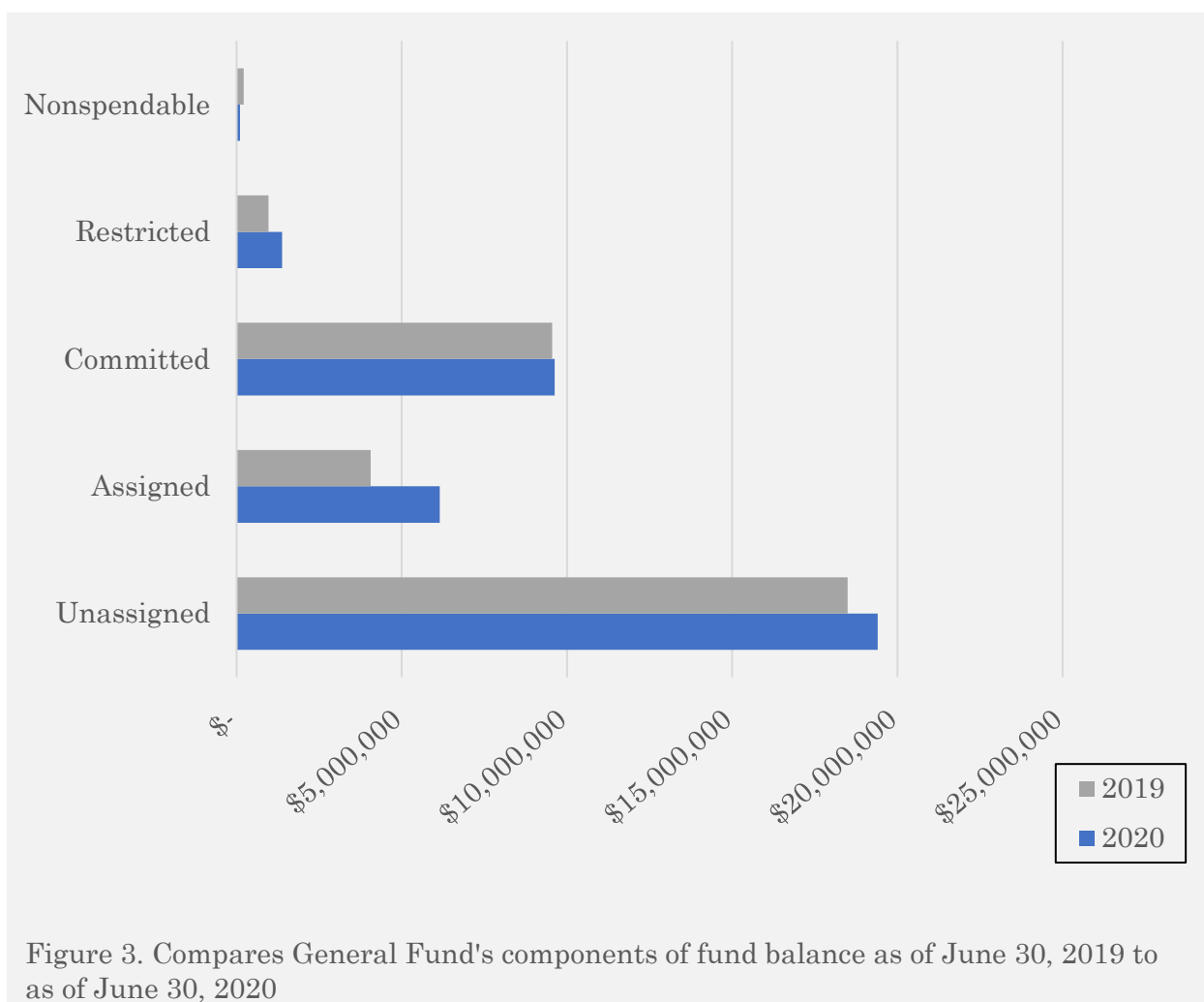
As noted earlier, the Sumner County Government and the discretely presented Sumner County School Department use fund accounting to ensure and to demonstrate compliance with finance-related requirements.

**Governmental Funds.** The focus of the Sumner County Government's and the discretely presented Sumner County School Department's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Sumner County Government's and the discretely presented Sumner County School Department's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance that has not yet been limited for a particular purpose by either an external party, the Sumner County Government, the discretely presented Sumner County School Department, or a group of individuals that has been delegated the authority to assign resources for particular purposes by the Sumner County Commission.

On June 30, 2020, Sumner County's governmental funds reported combined fund balances of \$171,877,004, a decrease of \$8,440,710 compared to the prior year. Approximately eleven percent of this amount, \$19,400,549, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either unspendable, restricted, committed, or assigned to indicate that it is: 1) not in spendable form (\$98,744); 2) restricted for particular purposes (\$130,708,955); 3) committed for particular purposes (\$15,522,348); or 4) assigned for particular purposes (\$6,146,408).

### *Analysis of Individual Funds*

The General Fund is the chief operating fund of the Sumner County Government. Figure 3 presents the individual components of the General Fund's fund balance. At the end of the current fiscal year, the unassigned fund balance was \$19,400,549, while the total fund balance was \$36,653,201. The unassigned fund balance is net of \$5,786,220, assigned (approved) for use in the budget for the fiscal year ending June 30, 2021. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 30 percent of the total General Fund's budgetary expenditures, while total fund balance represents roughly 57 percent of that same amount.



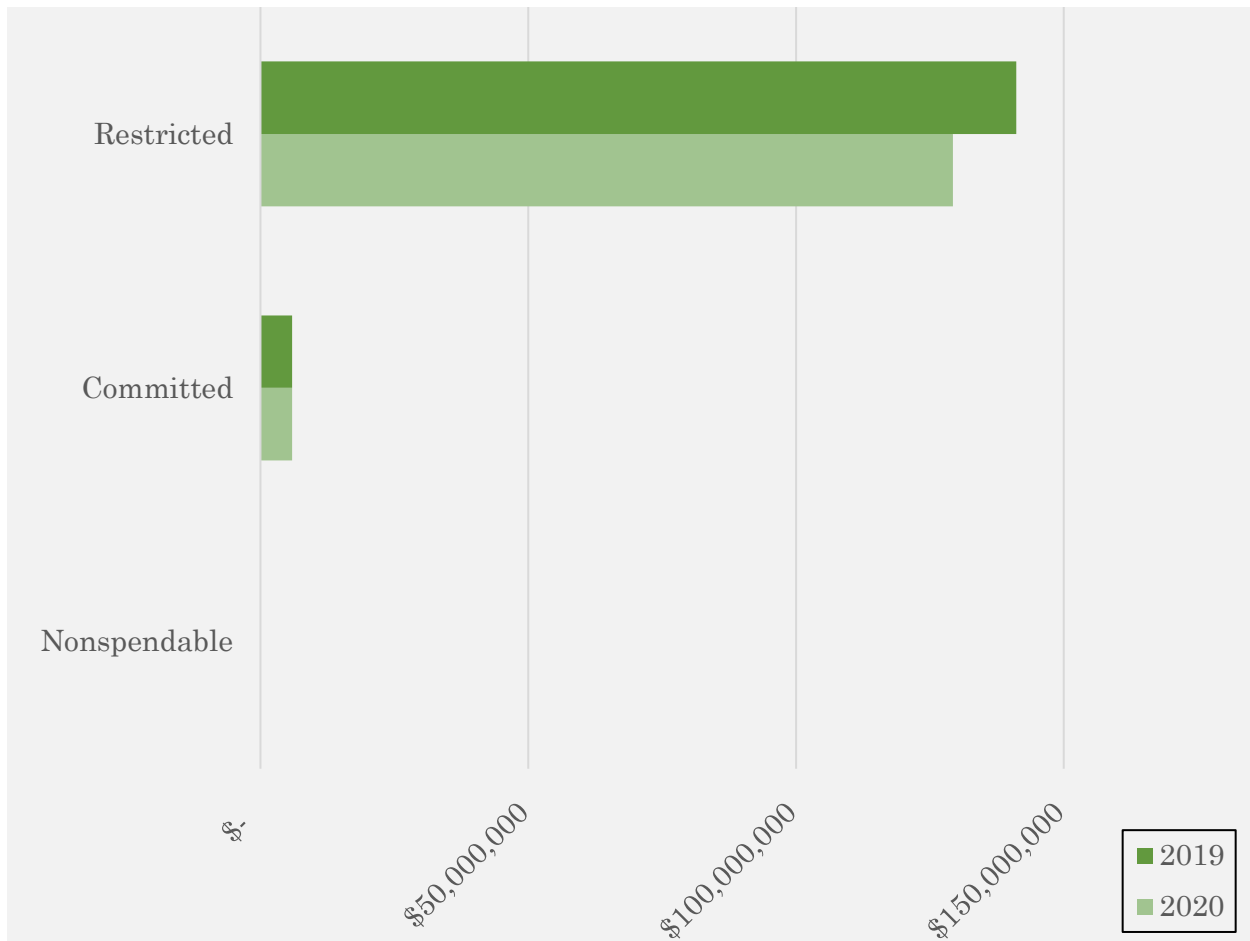


Figure 4. Compares other Governmental Fund's components of fund balance as of June 30, 2019 to as of June 30, 2020

The General Fund's balance improved by \$3,372,957 as the result of appropriations exceeding expenditures.

The General Debt Service Fund's, a major fund, balance improved by \$1,225,419, resulting from revenues exceeding the budgeted amount by \$424,425 and a budgeted increase in fund balance.

The Highway/Public Works Fund's balance deteriorated by \$224,557, resulting from a budgeted decrease in fund balance.

The General Capital Projects Fund, the remaining major governmental fund, had a \$12,688,170 decrease in fund balance—the county expended \$4,678,005 of accumulated local revenues and \$8,010,165 of unspent bond proceeds on major construction and renovation projects.

## General Fund Budgetary Highlights

**Original budget compared to the final budget.** As presented in Table 5, the difference in the original budget's and the final budget's appropriations increased by \$3,650,528 compared to the original budget of \$70,898,814. Of this amount, \$825,366 was from fund balances.

Table 5. County General Fund's budget

|  | Governmental Activities     |                             |
|--|-----------------------------|-----------------------------|
|  | Original                    | Final                       |
| Budgeted Operations                        |                             |                             |
| Budgeted Revenues                          | \$ 65,455,051               | \$ 68,273,791               |
| Appropriations                             | <u>70,898,814</u>           | <u>74,549,342</u>           |
| Operating Excess (Deficiency)              | <u>\$ (5,443,763)</u>       | <u>\$ (6,275,551)</u>       |
| Budgeted Other Financing Sources (Uses)    |                             |                             |
| Budgeted Other Financing Sources           | \$ 0                        | \$ 6,422                    |
| Budgeted Other Financing Uses              | <u>0</u>                    | <u>0</u>                    |
| Total Other Financing Sources (Uses)       | <u>\$ 0</u>                 | <u>\$ 6,422</u>             |
| Budgeted Net Change in Fund Balance        | <u>\$ (5,443,763)</u>       | <u>\$ (6,269,129)</u>       |
| Budgeted Fund Balance, Beginning of Period | <u>32,597,480</u>           | <u>32,597,480</u>           |
| Budgeted Fund Balance, End of Period       | <u><u>\$ 27,153,717</u></u> | <u><u>\$ 26,328,351</u></u> |

The following items are the main components of the amendments.

- \$1,174,388 supplemental appropriation to the sheriff's office for 16 new school resource officer positions funded from an estimated increase in property tax revenue
- \$1,071,376 supplemental appropriation to the sheriff's office for inmate medical services funded by an estimated increase in state revenue of \$771,376 and from the unassigned fund balance of \$300,000
- \$155,000 supplemental appropriation for quarantine sites for COVID-19 work-related exposures funded from the unassigned fund balance
- \$151,139 supplemental appropriation to the emergency medical services for COVID-19 related expenses funded by an estimated increase in federal grant revenue
- \$124,087 supplemental appropriation to the emergency management agency for homeland security grants funded from an estimated increase in federal revenues
- \$118,650 supplemental appropriation to the emergency medical services and the emergency management agency for overtime pay due to the COVID-19 pandemic funded from the unassigned fund balance

- \$105,500 supplemental appropriation to the drug (recovery) court funded from an estimated increase in state grant revenues
- \$92,000 supplemental appropriation to the election commission for COVID-19 related expenses funded by the unassigned fund balance
- \$79,369 supplemental appropriation to the emergency management agency for COVID-19 related expenses funded from the unassigned fund balance
- \$70,000 supplemental appropriation to the sheriff's office for inmate food supplies funded from the unassigned fund balance
- \$50,000 supplemental appropriation to the county mayor's office for a three-star grant funded from an estimated increase in state grant revenue
- \$35,411 supplemental appropriation to the sheriff's office for the state criminal alien assistance program funded from an estimated increase in federal revenue
- \$34,283 supplemental appropriation to the county buildings budget for flooring replacement at the emergency response complex funded from the unassigned fund balance
- \$27,949 supplemental appropriation to the sheriff's office for an Impaired Driving Enforcement Grant from the Tennessee Highway Safety Office funded by an estimated increase in federal grant revenues
- \$24,786 supplemental appropriation to the county commission budget as matching funds for improvements to SR 52 and US 31W (exit 117 from I65) funded from the unassigned fund balance
- \$21,994 supplemental appropriation for Bridal House improvements financed by the committed fund balance for the Bridal House
- \$21,000 supplemental appropriation to the sheriff's office for the officers' training supplement funded from an estimated increase in state revenue
- \$20,000 supplemental appropriation to the health department for a Healthy Built Environment grant funded from an estimated increase in state grant revenue
- \$15,000 supplemental appropriation to the sheriff's office for law enforcement equipment funded from a contribution from Students Against Destructive Decisions (SADD)
- \$11,250 supplemental appropriation to the Millersville Library for management of the Millersville Community Center funded from an estimated increase in revenue from the City of Millersville
- \$10,858 supplemental appropriation to the sheriff's office animal control program funded from an estimated increase in donations
- Various other minor supplemental appropriations funded by increases in estimated revenues or uses of fund balances

### ***Final budget compared to actual results***

The most significant differences between the final budgeted revenues and actual revenues in the General Fund are presented in Table 6.

Table 6. Budgeted compared to actual results

|                                       | Revenues             |                      | Difference          |
|---------------------------------------|----------------------|----------------------|---------------------|
|                                       | Budgeted             | Actual               |                     |
| Local Taxes                           | \$ 33,834,862        | \$ 34,432,849        | \$ 597,987          |
| Licenses and Permits                  | 1,219,716            | 1,144,305            | (75,411)            |
| Fines, Forfeitures, and Penalties     | 597,906              | 558,934              | (38,972)            |
| Charges for Current Services          | 9,309,944            | 8,297,348            | (1,012,596)         |
| Other Local Revenues                  | 3,503,275            | 3,225,770            | (277,505)           |
| Fees Received From County Officials   | 10,037,775           | 10,374,242           | 336,467             |
| State of Tennessee                    | 8,100,351            | 8,865,374            | 765,023             |
| Federal Government                    | 746,941              | 692,190              | (54,751)            |
| Other Governments and Citizens Groups | 923,021              | 332,792              | (590,229)           |
| Total Revenues                        | <u>\$ 68,273,791</u> | <u>\$ 67,923,804</u> | <u>\$ (349,987)</u> |

The budgetary excess in local taxes resulted from the bank excise taxes received in March 2020, pre-COVID-19, which were \$599,827 more than anticipated due to the pre-pandemic economy performing better than anticipated. The budgetary shortfall in licenses and permits resulted predominately from building permit collections being less than expected due to the COVID-19 pandemic resulting in lower than expected revenues. The revenue shortfall in fines, forfeitures, and penalties was primarily due to officers' costs collections being less than expected due to the COVID-19 pandemic. The shortfall in charges for current services was the result of the COVID-19 pandemic. The most notable shortfalls in this category are the emergency medical services' patient charges (\$829,835), library fees (\$24,327), and probation fees (\$26,052). The budgetary shortfall in other local revenues resulted from other entities' contributions for the operations of the Sumner County Emergency Communications Center (ECC), a joint venture, being less than budgeted. This shortfall resulted from the costs of operating the center being less than anticipated, resulting in smaller corresponding reimbursements. The budgetary excess in fees received from county officials resulted from trustee commissions and the register of deeds collections exceeding budgets. The budgetary surpluses in trustee's commissions resulted from the robust pre-pandemic economy, and the county received most property tax revenues before the pandemic had any material impact. The excess collection in the register of deeds' fees resulted from the robust pre-pandemic economy and the low-interest rates, which have continued to impact the office's collections positively. The budgetary excess in the State of Tennessee category was primarily the result of a higher than anticipated state inmate population, which resulted in the corresponding additional revenues and an un-budgeted \$250,000 grant to restore the Comer Barn. The federal government category's budgetary shortfall resulted from grants and other pass-through (reimbursement) programs anticipated but not spent or reimbursed in the current fiscal year. The budgetary shortfall in other governments and citizens groups resulted from

reimbursements anticipated but not received due to amounts that were not spent on various reimbursement-based programs. This category's most considerable shortfall was a \$500,000 donation budgeted but not received for a county park. It should be noted that, in totality, collections in the General Fund were approximately 99.5% of the budgeted amount.

This year's \$9,969,499 of unspent appropriations were primarily the result of the following factors.

- Approximately \$5,328,790 of unspent appropriations for various unfilled or under-filled positions (including benefits)
- \$531,252 of unspent appropriations for Capps Gap Landfill closure
- \$500,000 of unspent appropriations for county park construction
- \$157,434 of unspent appropriations for utilities (electricity, water, sewer, and natural gas)
- \$135,788 of unspent appropriations for housing incarcerated juveniles
- \$135,969 of unspent appropriations for gasoline
- \$121,485 of unspent appropriations for a Civil War Grant and \$50,000 for a Three-Star grant
- \$119,540, \$59,954, and \$20,787 of unspent appropriations for inmate medical treatment costs, inmate food supplies, and other inmate supplies, respectively
- \$88,473 of unspent appropriations for the drug task force and district attorney general's office
- \$57,748 of unspent appropriations for travel from the Health Department's Direct Grant Access (DGA)
- \$57,016 of unspent appropriations for Emergency Medical Service's COVID-19 Grant
- \$55,600 of unspent appropriations for COVID-19 quarantine sites
- \$47,169 of unspent appropriations for Portland Airport grant matches

#### **Discretely Presented Sumner County School Department – General Purpose School Fund Budgetary Highlights**

The differences in the original budget's and the final budget's appropriations, including other uses, increased by \$13,375,022 compared to the original budget of \$284,512,088. Of this increase, \$10,276,204 was funded by an estimated increase in revenues and other sources; the remainder was funded from fund balances.



## Capital Assets and Debt Administration

### Primary Government

The Sumner County Government's investment in capital assets, net of accumulated depreciation, as of June 30, 2020, was \$105,301,816. This investment in net assets includes land, construction in progress, intangibles, buildings, building improvements, machinery and equipment, roads, and bridges. The total increase in the Sumner County Government's investment in capital assets for the fiscal year was \$10,124,683.

Table 7. Change in Sumner County's Capital Assets (net of depreciation)

|                            | Fiscal Year Ended     |                      | Change               |
|----------------------------|-----------------------|----------------------|----------------------|
|                            | June 30, 2020         | June 30, 2019        |                      |
| Land                       | \$ 7,163,643          | \$ 4,708,116         | \$ 2,455,527         |
| Construction in Progress   | 10,279,749            | 6,753,541            | 3,526,208            |
| Buildings and Improvements | 41,918,017            | 39,664,548           | 2,253,469            |
| Roads and Bridges          | 33,535,947            | 34,052,387           | (516,440)            |
| Intangibles (depreciated)  | 418,252               | 459,876              | (41,624)             |
| Other Capital Assets       | 11,986,208            | 9,538,665            | 2,447,543            |
| Total                      | <u>\$ 105,301,816</u> | <u>\$ 95,177,133</u> | <u>\$ 10,124,683</u> |

Major capital asset events during the fiscal year included the following.

- Work-in-progress increases totaled \$8,071,572, which consists of \$304,117 for the Sumner County Administration Building roof and fire panel repairs and the parking lot construction behind the county administration building; \$3,728 for the finance department enterprise resource planning project for Kronos and Munis; \$2,362,867 for the new courthouse project and new parking garage; \$1,862,638 for replacing locks at the jail, a training center classroom addition, and the jail pod addition; \$2,207 for repairing/replacing doors at the emergency communications center; \$3,520,491 for the county-wide communications system; \$9,936 for the emergency response complex parking lot construction; and \$5,588 for Liberty Creek Park. Decreases to work-in-progress totaled \$4,545,364, which was for the completion of the Sumner County Administration Building roof and fire panel repairs, repairing/replacing doors at the emergency communications center, and the Station Camp Greenway.
- Land increases totaled \$2,521,027. Increases included \$437,027 for land on Tulip Poplar behind the county administration building, \$2,000,000 for land for the new courthouse, and \$84,000 for the Millersville Library property and the Cottontown Community Club property. Decreases totaled \$65,500 for the property formerly occupied by General Sessions II.
- Buildings and building improvements increases totaled \$5,529,525. Increases included \$717,214 for replacing the roof, boiler flue, and fire panel at the county administration building; \$15,139 for replacement of the HVAC system at the county clerk's Hendersonville office; \$179,941 for replacing doors and locks, installing a padded cell, sealing/stripping the parking lot, replacing an HVAC unit, and replacing lights at the jail;

\$7,707 to repair/replace doors at the emergency communications center; \$34,283 for flooring replacement at the emergency response complex; \$21,289 for installation of a security system at the Hendersonville Library; \$624,900 for Millersville Library; and \$3,929,052 for completion of the Station Camp Greenway. A meeting room build-out totaling \$7,560 was donated to the Gallatin Library. Building and building improvements decrease included \$140,000 for the General Sessions II building and \$310,100 for the county administration building roof that was replaced. Building improvement depreciation expenses totaled \$1,191,399 for the fiscal year.

- Depreciable equipment increases totaled \$4,641,170. Disposals of depreciable equipment totaled \$1,769,480, with associated accumulated depreciation of \$1,650,369. Depreciation for equipment totaled \$2,074,516.
- The infrastructure's gross increase consists of \$3,282,611 of road and bridge improvements less reductions of \$2,187,638 and road surfacing completely depreciated of \$2,187,567. Infrastructure's depreciation totaled \$3,798,980.
- There were no increases in intangible assets. Amortization for the intangible assets totaled \$41,624.

### **Discretely Presented Sumner County School Department**

The discretely presented Sumner County School Department's investment in capital assets, net of accumulated depreciation, as of June 30, 2020, was \$244,977,030. This investment in capital assets includes land, buildings, building improvements, machinery, and equipment. The total decrease in the Sumner County School Department's investment in capital assets for the fiscal year was \$5,314,612.

Table 8. Change in Sumner County School Department's Capital Assets (net of depreciation)

|                            | Fiscal Year Ended     |                       | Change                |
|----------------------------|-----------------------|-----------------------|-----------------------|
|                            | June 30, 2020         | June 30, 2019         |                       |
| Land                       | \$ 12,748,208         | \$ 11,726,831         | \$ 1,021,377          |
| Construction in Progress   | 14,510,020            | 34,677,211            | (20,167,191)          |
| Buildings and Improvements | 204,267,837           | 190,039,407           | 14,228,430            |
| Other Capital Assets       | 13,450,965            | 13,848,193            | (397,228)             |
| Total                      | <u>\$ 244,977,030</u> | <u>\$ 250,291,642</u> | <u>\$ (5,314,612)</u> |

The notes to the financial statements contain additional details about the Sumner County Government's and the discretely presented Sumner County School Department's capital assets. The table of contents provides the specific page numbers for the notes to the financial statements.

### **Long-term Debt**

At the end of the current fiscal year, the Sumner County Government had long-term debt totaling \$205,925,000, which is to be paid by the General Debt Service Fund. This was a

decrease in long-term debt of \$17,725,000 from the previous fiscal year. The entire decrease was attributable to the payment of matured bonds. The full faith and credit of the county backs all debt. Sumner County's most recent bonds were rated AA+/Stable by Standard and Poor's Financial Services. The notes to the financial statements contain additional information about Sumner County Government's long-term debt. The table of contents provides the specific page numbers for the notes to the financial statements.

Table 9. Sumner County's Outstanding Long-term Debt

| Issued For                     | Board of<br>Education | Primary<br>Government | Total Debt            |
|--------------------------------|-----------------------|-----------------------|-----------------------|
| Bond - Refunding               | \$ 37,040,000         | \$ 0                  | \$ 37,040,000         |
| General Obligation Series 2013 | 13,919,100            | 2,850,900             | 16,770,000            |
| General Obligation Series 2015 | 50,912,400            | 7,607,600             | 58,520,000            |
| General Obligation Series 2019 | 90,787,150            | 2,807,850             | 93,595,000            |
| Total                          | <u>\$ 192,658,650</u> | <u>\$ 13,266,350</u>  | <u>\$ 205,925,000</u> |

## Economic Factors and Next Year's Budgets and Rates

When Sumner County adopted its budget on June 29, 2020, the following factors were considered.

- With the onset of the COVID-19 pandemic, due to its harmful but not entirely determined economic impact, the budget committee and county commission minimized expenditures in the 2021 fiscal year budget—limiting capital and other improvements and not funding cost of living raises to employees.
- As of June 30, 2020, Sumner County's unemployment rate was 9.2 percent (not seasonally adjusted), which was considerably higher than the June 30, 2019 rate of 3.1 percent (not seasonally adjusted).
- Overall inflation levels were low—the consumer price index for all urban consumers was .65%.
- Earnings in Sumner County continue to increase year over year, indicated by increases in average annual pay, median household income, and per capita income.
- Population growth in the county has been steadily increasing, with the most recent annual rate reported at approximately 2%.

## Requests for Information

This financial report is designed to provide a general overview of the county's finances. For questions concerning any of the information provided in this report, please contact the Sumner County Finance Department at 355 North Belvedere Drive, Room 302, Gallatin, Tennessee 37066.

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

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

|   | Primary<br>Government<br>Governmental<br>Activities | Component Unit<br>Sumner<br>County<br>School<br>Department |
|---|---|--|
| <u>ASSETS</u>                                   |   |  |
| Cash  | \$ 6,885  | \$ 7,685   |
| Equity in Pooled Cash and Investments           | 195,416,493   | 97,885,188   |
| Accounts Receivable                             | 10,776,003  | 127,182  |
| Allowance for Uncollectibles                    | (9,819,186)   | 0  |
| Due from Other Governments                      | 6,725,501   | 9,175,727  |
| Due from Other Funds - Agency                   | 43,483  | 0  |
| Notes Receivable - Long-term                    | 800,000   | 0  |
| Property Taxes Receivable                       | 61,337,096  | 86,736,021   |
| Allowance for Uncollectible Property Taxes      | (882,127)   | (1,247,404)  |
| Prepaid Items                                   | 99,645  | 23,195   |
| Accrued Interest Receivable                     | 47,945  | 0  |
| Net Pension Asset - Agent Plan                  | 4,475,283   | 4,155,927  |
| Net Pension Asset - Teacher Retirement Plan     | 0   | 1,291,211  |
| Net Pension Asset - Teacher Legacy Pension Plan | 0   | 28,575,564   |
| Restricted Assets:                              |   |  |
| Amounts Accumulated for Pension Benefits        | 0   | 1,120,863  |
| Capital Assets:                                 |   |  |
| Assets Not Depreciated:                         |   |  |
| Land  | 7,163,643   | 12,748,208   |
| Construction in Progress                        | 10,279,749  | 14,510,020   |
| Assets Net of Accumulated Depreciation:         |   |  |
| Buildings and Improvements                      | 41,918,017  | 204,267,837  |
| Other Capital Assets                            | 11,986,208  | 13,450,965   |
| Infrastructure                                  | 33,535,947  | 0  |
| Intangibles                                     | 418,252   | 0  |
| Total Assets                                    | <u>\$ 374,328,837</u>                               | <u>\$ 472,828,189</u>                                      |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u>           |   |  |
| Deferred Amount on Refunding                    | \$ 960,628  | \$ 0   |
| Pension Changes in Experience                   | 1,503,065   | 2,840,617  |
| Pension Changes in Assumptions                  | 1,042,612   | 4,863,779  |
| Pension Changes in Proportion                   | 0   | 354,412  |
| Pension Contributions After Measurement Date    | 3,666,760   | 14,306,220   |
| OPEB Changes in Experience                      | 2,688,953   | 12,620,910   |
| OPEB Changes in Assumptions                     | 574,059   | 5,870,472  |
| OPEB Changes in Proportion                      | 0   | 2,719,777  |
| OPEB Benefits Paid After Measurement Date       | 18,634  | 178,704  |
| Total Deferred Outflows of Resources            | <u>\$ 10,454,711</u>                                | <u>\$ 43,754,891</u>                                       |

(Continued)

Exhibit A

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

|   | Primary<br>Government<br>Governmental<br>Activities | Component Unit<br>Sumner<br>County<br>School<br>Department |
|---|---|--|
| <u>LIABILITIES</u>                                  |   |  |
| Accounts Payable                                    | \$ 4,429,405  | \$ 2,949,001   |
| Accrued Payroll                                     | 861,590   | 0  |
| Payroll Deductions Payable                          | 301,173   | 3,799,649  |
| Contracts Payable                                   | 5,262,826   | 0  |
| Retainage Payable                                   | 181,249   | 0  |
| Due to State of Tennessee                           | 22,053  | 0  |
| Other Current Liabilities                           | 3,766   | 0  |
| Due to Litigants, Heirs, and Others                 | 6,080   | 0  |
| Current Liabilities Payable from Restricted Assets: |   |  |
| Customer Deposits Payable                           | 0   | 362,957  |
| Accrued Interest Payable                            | 678,671   | 0  |
| Noncurrent Liabilities:                             |   |  |
| Due Within One Year - Debt                          | 19,840,000  | 0  |
| Due Within One Year - Other                         | 3,605,166   | 419,405  |
| Due in More Than One Year - Debt                    | 201,862,818   | 0  |
| Due in More Than One Year - Other                   | 11,009,220  | 68,908,831   |
| Total Liabilities                                   | <u>\$ 248,064,017</u>                               | <u>\$ 76,439,843</u>                                       |
| <u>DEFERRED INFLOWS OF RESOURCES</u>                |   |  |
| Deferred Current Property Taxes                     | \$ 59,606,801                                       | \$ 84,289,233  |
| Pension Changes in Experience                       | 575,478   | 18,214,343   |
| Pension Changes in Investment Earnings              | 1,274,273   | 9,402,520  |
| Pension Changes in Proportion                       | 0   | 276,901  |
| OPEB Changes in Experience                          | 574,675   | 1,408,013  |
| OPEB Changes in Assumptions                         | 177,645   | 786,845  |
| OPEB Changes in Proportion                          | 0   | 12,978,357   |
| Total Deferred Inflows of Resources                 | <u>\$ 62,208,872</u>                                | <u>\$ 127,356,212</u>                                      |
| <u>NET POSITION</u>                                 |   |  |
| Net Investment in Capital Assets                    | \$ 94,160,475                                       | \$ 239,448,294   |
| Restricted for:                                     |   |  |
| General Government                                  | 419,595   | 0  |
| Finance   | 119,677   | 0  |
| Administration of Justice                           | 666,284   | 0  |
| Public Safety                                       | 163,146   | 0  |
| Social, Cultural, and Recreational Services         | 274,854   | 0  |
| Highway/Public Works                                | 1,256,168   | 0  |
| Capital Projects                                    | 109,788,283   | 0  |
| Debt Service  | 17,001,147  | 0  |
| Education   | 0   | 5,629,636  |
| Pensions  | 4,475,283   | 35,143,565   |
| Unrestricted  | <u>(153,814,253)</u>                                | <u>32,565,530</u>  |
| Total Net Position                                  | <u>\$ 74,510,659</u>                                | <u>\$ 312,787,025</u>                                      |

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

Exhibit B

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

| Functions/Programs                          | Expenses       | Program Revenues           |   |   | Net (Expense) Revenue and Changes<br>in Net Position |  |
|---|----------------|----------------------------|---|---|--|--|
|   |                | Charges<br>for<br>Services | Operating<br>Grants<br>and<br>Contributions | Capital<br>Grants<br>and<br>Contributions | Primary<br>Government                                | Component Unit                           |
|   |                |                            |   |   | Total<br>Governmental<br>Activities                  | Sumner<br>County<br>School<br>Department |
| Primary Government:                         |                |                            |   |   |  |  |
| General Government                          | \$ 11,101,151  | \$ 3,191,944               | \$ 547,391                                  | \$ 0                                      | \$ (7,361,816)                                       | \$ 0                                     |
| Finance                                     | 5,577,176      | 6,350,303                  | 0   | 0   | 773,127  | 0  |
| Administration of Justice                   | 5,157,069      | 3,427,702                  | 68,196                                      | 0   | (1,661,171)  | 0  |
| Public Safety                               | 29,906,631     | 6,003,038                  | 1,284,558                                   | 138,128                                   | (22,480,907)   | 0  |
| Public Health and Welfare                   | 12,530,096     | 7,441,891                  | 1,522,571                                   | 146,675                                   | (3,418,959)  | 0  |
| Social, Cultural, and Recreational Services | 4,103,041      | 36,772                     | 393,143                                     | 7,560                                     | (3,665,566)  | 0  |
| Agriculture and Natural Resources           | 501,933        | 6,900                      | 0   | 0   | (495,033)  | 0  |
| Highway/Public Works                        | 9,353,252      | 257,866                    | 4,181,669                                   | 1,110,832                                 | (3,802,885)  | 0  |
| Education                                   | 11,682,080     | 0                          | 0   | 0   | (11,682,080)   | 0  |
| Interest on Long-term Debt                  | 8,611,472      | 0                          | 0   | 0   | (8,611,472)  | 0  |
| Total Primary Government                    | \$ 98,523,901  | \$ 26,716,416              | \$ 7,997,528                                | \$ 1,403,195                              | \$ (62,406,762)                                      | \$ 0                                     |
| Component Unit:                             |                |                            |   |   |  |  |
| Sumner County School Department             | \$ 285,137,404 | \$ 7,065,255               | \$ 18,108,761                               | \$ 10,695,307                             | \$ 0   | \$ (249,268,081)                         |
| Total Component Unit                        | \$ 285,137,404 | \$ 7,065,255               | \$ 18,108,761                               | \$ 10,695,307                             | \$ 0   | \$ (249,268,081)                         |

(Continued)

Exhibit B

Sumner County, Tennessee  
Statement of Activities (Cont.)

| Functions/Programs   | Expenses | Program Revenues           |   |   | Net (Expense) Revenue and Changes<br>in Net Position |                                |
|--|----------|----------------------------|---|---|--|--------------------------------|
|  |          | Charges<br>for<br>Services | Operating<br>Grants<br>and<br>Contributions | Capital<br>Grants<br>and<br>Contributions | Primary  | Component Unit                 |
|  |          |                            |   |   | Government   | Sumner                         |
|  |          |                            |   |   | Total<br>Governmental<br>Activities                  | County<br>School<br>Department |
| General Revenues:  |          |                            |   |   |  |                                |
| Taxes:   |          |                            |   |   |  |                                |
| Property Taxes Levied for General Purposes                   |          |                            |   |   | \$ 40,167,068  | \$ 80,570,872                  |
| Property Taxes Levied for Debt Service                       |          |                            |   |   | 16,808,739   | 0                              |
| Local Option Sales Tax                                       |          |                            |   |   | 10,500,644   | 21,004,419                     |
| Wheel Tax  |          |                            |   |   | 2,246,518  | 5,240,511                      |
| Mixed Drink Tax  |          |                            |   |   | 0  | 346,866                        |
| Business Tax   |          |                            |   |   | 2,346,218  | 0                              |
| Adequate Facilities/Development Tax                          |          |                            |   |   | 2,582,347  | 0                              |
| Hotel/Motel Tax  |          |                            |   |   | 758,814  | 0                              |
| Wholesale Beer Tax   |          |                            |   |   | 494,561  | 0                              |
| Litigation Tax   |          |                            |   |   | 1,040,760  | 0                              |
| Mineral Severance Tax  |          |                            |   |   | 210,476  | 0                              |
| Beer Privilege Tax   |          |                            |   |   | 2,526  | 0                              |
| Local Amusement Tax  |          |                            |   |   | 1,043  | 0                              |
| Grants and Contributions Not Restricted to Specific Programs |          |                            |   |   | 4,494,660  | 159,727,813                    |
| Unrestricted Investment Earnings                             |          |                            |   |   | 3,679,212  | 115,425                        |
| Miscellaneous  |          |                            |   |   | 81,874   | 80,688                         |
| Gain from Sale of Capital Assets                             |          |                            |   |   | 166,962  | 0                              |
| Total General Revenues                                       |          |                            |   |   | <u>\$ 85,582,422</u>                                 | <u>\$ 267,086,594</u>          |
| Change in Net Position                                       |          |                            |   |   |  |                                |
| Net Position, July 1, 2019                                   |          |                            |   |   | \$ 23,175,660  | \$ 17,818,513                  |
| Prior-period Adjustment - See Note I.D.11.                   |          |                            |   |   | 51,334,999   | 309,632,370                    |
| Net Position, June 30, 2020                                  |          |                            |   |   | 0  | (14,663,858)                   |
|  |          |                            |   |   | <u>\$ 74,510,659</u>                                 | <u>\$ 312,787,025</u>          |

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



Exhibit C-1

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

|  | Major Funds   |                              |                            |                                | Nonmajor<br>Funds<br>Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------|------------------------------|----------------------------|--------------------------------|--|--------------------------------|
|  | General       | Highway /<br>Public<br>Works | General<br>Debt<br>Service | General<br>Capital<br>Projects |  |                                |
| <u>ASSETS</u>                              |               |                              |                            |                                |  |                                |
| Cash                                       | \$ 885        | \$ 0                         | \$ 0                       | \$ 0                           | \$ 6,000   | \$ 6,885                       |
| Equity in Pooled Cash and Investments      | 34,330,325    | 544,001                      | 20,389,351                 | 120,605,312                    | 262,144  | 176,131,133                    |
| Accounts Receivable                        | 10,686,394    | 1,725                        | 32,227                     | 0                              | 55,657   | 10,776,003                     |
| Allowance for Uncollectibles               | (9,819,186)   | 0                            | 0                          | 0                              | 0  | (9,819,186)                    |
| Due from Other Governments                 | 3,809,231     | 965,627                      | 1,894,923                  | 55,658                         | 62   | 6,725,501                      |
| Due from Other Funds                       | 44,333        | 834                          | 0                          | 0                              | 0  | 45,167                         |
| Property Taxes Receivable                  | 31,336,252    | 805,172                      | 21,762,597                 | 7,433,075                      | 0  | 61,337,096                     |
| Allowance for Uncollectible Property Taxes | (450,666)     | (11,580)                     | (288,607)                  | (131,274)                      | 0  | (882,127)                      |
| Prepaid Items                              | 98,744        | 0                            | 0                          | 0                              | 0  | 98,744                         |
| Accrued Interest Receivable                | 676           | 0                            | 46,477                     | 0                              | 0  | 47,153                         |
| Notes Receivable - Long-term               | 800,000       | 0                            | 0                          | 0                              | 0  | 800,000                        |
| Total Assets                               | \$ 70,836,988 | \$ 2,305,779                 | \$ 43,836,968              | \$ 127,962,771                 | \$ 323,863   | \$ 245,266,369                 |
| <u>LIABILITIES</u>                         |               |                              |                            |                                |  |                                |
| Accounts Payable                           | \$ 1,132,119  | \$ 84,908                    | \$ 0                       | \$ 2,772,291                   | \$ 24,246  | \$ 4,013,564                   |
| Accrued Payroll                            | 790,940       | 70,650                       | 0                          | 0                              | 0  | 861,590                        |
| Payroll Deductions Payable                 | 282,329       | 18,844                       | 0                          | 0                              | 0  | 301,173                        |
| Contracts Payable                          | 0             | 0                            | 0                          | 5,262,826                      | 0  | 5,262,826                      |
| Retainage Payable                          | 0             | 0                            | 0                          | 181,249                        | 0  | 181,249                        |
| Due to Other Funds                         | 704           | 0                            | 0                          | 0                              | 130  | 834                            |
| Due to State of Tennessee                  | 22,053        | 0                            | 0                          | 0                              | 0  | 22,053                         |
| Due to Litigants, Heirs, and Others        | 0             | 0                            | 0                          | 0                              | 6,080  | 6,080                          |
| Other Current Liabilities                  | 0             | 0                            | 0                          | 0                              | 3,766  | 3,766                          |
| Total Liabilities                          | \$ 2,228,145  | \$ 174,402                   | \$ 0                       | \$ 8,216,366                   | \$ 34,222  | \$ 10,653,135                  |

(Continued)

Exhibit C-1

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

|  | Major Funds          |                              |                            |                                | Nonmajor<br>Funds                   |                                |
|--|----------------------|------------------------------|----------------------------|--------------------------------|-------------------------------------|--------------------------------|
|  | General              | Highway /<br>Public<br>Works | General<br>Debt<br>Service | General<br>Capital<br>Projects | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <u>DEFERRED INFLOWS OF RESOURCES</u>                       |                      |                              |                            |                                |                                     |                                |
| Deferred Current Property Taxes                            | \$ 30,452,269        | \$ 782,458                   | \$ 21,221,802              | \$ 7,150,272                   | \$ 0                                | \$ 59,606,801                  |
| Deferred Delinquent Property Taxes                         | 401,262              | 10,310                       | 233,532                    | 140,319                        | 0                                   | 785,423                        |
| Other Deferred/Unavailable Revenue                         | 1,102,111            | 299,237                      | 915,445                    | 0                              | 27,213                              | 2,344,006                      |
| Total Deferred Inflows of Resources                        | <u>\$ 31,955,642</u> | <u>\$ 1,092,005</u>          | <u>\$ 22,370,779</u>       | <u>\$ 7,290,591</u>            | <u>\$ 27,213</u>                    | <u>\$ 62,736,230</u>           |
| <u>FUND BALANCES</u>                                       |                      |                              |                            |                                |                                     |                                |
| Nonspendable:  |                      |                              |                            |                                |                                     |                                |
| Prepaid Items  | \$ 98,744            | \$ 0                         | \$ 0                       | \$ 0                           | \$ 0                                | \$ 98,744                      |
| Restricted:  |                      |                              |                            |                                |                                     |                                |
| Restricted for General Government                          | 281,633              | 0                            | 0                          | 0                              | 137,962                             | 419,595                        |
| Restricted for Finance                                     | 119,677              | 0                            | 0                          | 0                              | 0                                   | 119,677                        |
| Restricted for Administration of Justice                   | 666,284              | 0                            | 0                          | 0                              | 0                                   | 666,284                        |
| Restricted for Public Safety                               | 38,680               | 0                            | 0                          | 0                              | 124,466                             | 163,146                        |
| Restricted for Social, Cultural, and Recreational Services | 274,854              | 0                            | 0                          | 0                              | 0                                   | 274,854                        |
| Restricted for Highways/Public Works                       | 0                    | 1,039,372                    | 0                          | 0                              | 0                                   | 1,039,372                      |
| Restricted for Debt Service                                | 0                    | 0                            | 15,570,213                 | 0                              | 0                                   | 15,570,213                     |
| Restricted for Capital Projects                            | 0                    | 0                            | 0                          | 112,455,814                    | 0                                   | 112,455,814                    |
| Committed:   |                      |                              |                            |                                |                                     |                                |
| Committed for General Government                           | 9,626,372            | 0                            | 0                          | 0                              | 0                                   | 9,626,372                      |
| Committed for Debt Service                                 | 0                    | 0                            | 5,895,976                  | 0                              | 0                                   | 5,895,976                      |
| Assigned:  |                      |                              |                            |                                |                                     |                                |
| Assigned for General Government                            | 5,856,162            | 0                            | 0                          | 0                              | 0                                   | 5,856,162                      |
| Assigned for Finance                                       | 33,000               | 0                            | 0                          | 0                              | 0                                   | 33,000                         |
| Assigned for Public Safety                                 | 209,917              | 0                            | 0                          | 0                              | 0                                   | 209,917                        |
| Assigned for Public Health and Welfare                     | 8,972                | 0                            | 0                          | 0                              | 0                                   | 8,972                          |

(Continued)

Exhibit C-1

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

|   | Major Funds          |                              |                            |                                | Nonmajor<br>Funds                   |                                |
|---|----------------------|------------------------------|----------------------------|--------------------------------|-------------------------------------|--------------------------------|
|   | General              | Highway /<br>Public<br>Works | General<br>Debt<br>Service | General<br>Capital<br>Projects | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <u>FUND BALANCES (Cont.)</u>  |                      |                              |                            |                                |                                     |                                |
| Assigned (Cont.):   |                      |                              |                            |                                |                                     |                                |
| Assigned for Other Purposes   | \$ 38,357            | \$ 0                         | \$ 0                       | \$ 0                           | \$ 0                                | \$ 38,357                      |
| Unassigned  | 19,400,549           | 0                            | 0                          | 0                              | 0                                   | 19,400,549                     |
| Total Fund Balances   | <u>\$ 36,653,201</u> | <u>\$ 1,039,372</u>          | <u>\$ 21,466,189</u>       | <u>\$ 112,455,814</u>          | <u>\$ 262,428</u>                   | <u>\$ 171,877,004</u>          |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 70,836,988</u> | <u>\$ 2,305,779</u>          | <u>\$ 43,836,968</u>       | <u>\$ 127,962,771</u>          | <u>\$ 323,863</u>                   | <u>\$ 245,266,369</u>          |

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

Exhibit C-2

Sumner 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)   |                  | \$ 171,877,004       |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.   |                  |                      |
| Add: land  | \$ 7,163,643     |                      |
| Add: construction in progress  | 10,279,749       |                      |
| Add: buildings and improvements net of accumulated depreciation  | 41,918,017       |                      |
| Add: other capital assets net of accumulated depreciation  | 11,986,208       |                      |
| Add: infrastructure net of accumulated depreciation  | 33,535,947       |                      |
| Add: intangibles net of accumulated depreciation   | <u>418,252</u>   | 105,301,816          |
| (2) An internal service fund is used by management to charge the cost of liability and workers' compensation insurance and employee health and dental benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net position. |                  | 16,549,897           |
| (3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.  |                  |                      |
| Less: bonds payable  | \$ (205,925,000) |                      |
| Less: other deferred revenue - premium on debt   | (15,777,818)     |                      |
| Less: accrued interest on bonds  | (678,671)        |                      |
| Less: compensated absences payable   | (1,638,872)      |                      |
| Add: compensated absences payable in the internal service fund   | 7,178            |                      |
| Less: OPEB liability - county insurance plan   | (8,696,544)      |                      |
| Less: OPEB liability - Medicare supplement plan  | (1,965,683)      |                      |
| Add: deferred amount on refunding debt   | <u>960,628</u>   | (233,714,782)        |
| (4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.  |                  |                      |
| Add: deferred outflows of resources related to pensions  | \$ 6,212,437     |                      |
| Less: deferred inflows of resources related to pensions  | (1,849,751)      |                      |
| Add: deferred outflows of resources related to OPEB  | 3,281,646        |                      |
| Less: deferred inflows of resources related to OPEB  | <u>(752,320)</u> | 6,892,012            |
| (5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.   |                  | 4,475,283            |
| (6) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.  |                  | <u>3,129,429</u>     |
| Net position of governmental activities (Exhibit A)  |                  | <u>\$ 74,510,659</u> |

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

Exhibit C-3

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

|   | Major Funds   |                              |                            |                                | Nonmajor<br>Funds                   |                                |
|---|---------------|------------------------------|----------------------------|--------------------------------|-------------------------------------|--------------------------------|
|   | General       | Highway /<br>Public<br>Works | General<br>Debt<br>Service | General<br>Capital<br>Projects | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <u>Revenues</u>                             |               |                              |                            |                                |                                     |                                |
| Local Taxes                                 | \$ 34,432,849 | \$ 3,206,585                 | \$ 29,712,226              | \$ 10,538,739                  | \$ 267,568                          | \$ 78,157,967                  |
| Licenses and Permits                        | 1,144,305     | 29,100                       | 0                          | 0                              | 0                                   | 1,173,405                      |
| Fines, Forfeitures, and Penalties           | 558,934       | 0                            | 0                          | 0                              | 16,655                              | 575,589                        |
| Charges for Current Services                | 8,297,348     | 0                            | 0                          | 0                              | 408,516                             | 8,705,864                      |
| Other Local Revenues                        | 3,225,770     | 147,481                      | 0                          | 3,422,080                      | 10,477                              | 6,805,808                      |
| Fees Received From County Officials         | 10,374,242    | 0                            | 0                          | 0                              | 0                                   | 10,374,242                     |
| State of Tennessee                          | 8,865,374     | 4,685,084                    | 37,022                     | 17,176                         | 0                                   | 13,604,656                     |
| Federal Government                          | 692,190       | 2,221                        | 0                          | 119,477                        | 0                                   | 813,888                        |
| Other Governments and Citizens Groups       | 332,792       | 284,100                      | 0                          | 0                              | 0                                   | 616,892                        |
| Total Revenues                              | \$ 67,923,804 | \$ 8,354,571                 | \$ 29,749,248              | \$ 14,097,472                  | \$ 703,216                          | \$ 120,828,311                 |
| <u>Expenditures</u>                         |               |                              |                            |                                |                                     |                                |
| Current:                                    |               |                              |                            |                                |                                     |                                |
| General Government                          | \$ 7,560,276  | \$ 0                         | \$ 0                       | \$ 0                           | \$ 774,584                          | \$ 8,334,860                   |
| Finance                                     | 5,539,830     | 0                            | 0                          | 0                              | 0                                   | 5,539,830                      |
| Administration of Justice                   | 5,730,772     | 0                            | 0                          | 0                              | 11,350                              | 5,742,122                      |
| Public Safety                               | 28,074,376    | 0                            | 0                          | 0                              | 43,641                              | 28,118,017                     |
| Public Health and Welfare                   | 12,120,097    | 0                            | 0                          | 0                              | 0                                   | 12,120,097                     |
| Social, Cultural, and Recreational Services | 2,603,692     | 0                            | 0                          | 0                              | 0                                   | 2,603,692                      |
| Agriculture and Natural Resources           | 522,694       | 0                            | 0                          | 0                              | 0                                   | 522,694                        |
| Other Operations                            | 2,379,598     | 0                            | 0                          | 0                              | 0                                   | 2,379,598                      |
| Highways                                    | 25,935        | 8,582,128                    | 0                          | 0                              | 0                                   | 8,608,063                      |
| Debt Service:                               |               |                              |                            |                                |                                     |                                |
| Principal on Debt                           | 0             | 0                            | 17,725,000                 | 0                              | 0                                   | 17,725,000                     |
| Interest on Debt                            | 0             | 0                            | 10,304,266                 | 0                              | 0                                   | 10,304,266                     |
| Other Debt Service                          | 0             | 0                            | 494,563                    | 0                              | 0                                   | 494,563                        |

(Continued)

Exhibit C-3

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

|  | Major Funds                 |                              |                             |                                | Nonmajor<br>Funds                   |                                |
|--|-----------------------------|------------------------------|-----------------------------|--------------------------------|-------------------------------------|--------------------------------|
|  | General                     | Highway /<br>Public<br>Works | General<br>Debt<br>Service  | General<br>Capital<br>Projects | Other<br>Govern-<br>mental<br>Funds | Total<br>Governmental<br>Funds |
| <u>Expenditures (Cont.)</u>                          |                             |                              |                             |                                |                                     |                                |
| Capital Projects                                     | \$ 0                        | \$ 0                         | \$ 0                        | \$ 15,106,142                  | \$ 0                                | \$ 15,106,142                  |
| Capital Projects - Donated                           | 0                           | 0                            | 0                           | 11,679,500                     | 0                                   | 11,679,500                     |
| Total Expenditures                                   | <u>\$ 64,557,270</u>        | <u>\$ 8,582,128</u>          | <u>\$ 28,523,829</u>        | <u>\$ 26,785,642</u>           | <u>\$ 829,575</u>                   | <u>\$ 129,278,444</u>          |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 3,366,534</u>         | <u>\$ (227,557)</u>          | <u>\$ 1,225,419</u>         | <u>\$ (12,688,170)</u>         | <u>\$ (126,359)</u>                 | <u>\$ (8,450,133)</u>          |
| <u>Other Financing Sources (Uses)</u>                |                             |                              |                             |                                |                                     |                                |
| Insurance Recovery                                   | \$ 6,423                    | \$ 3,000                     | \$ 0                        | \$ 0                           | \$ 0                                | \$ 9,423                       |
| Total Other Financing Sources (Uses)                 | <u>\$ 6,423</u>             | <u>\$ 3,000</u>              | <u>\$ 0</u>                 | <u>\$ 0</u>                    | <u>\$ 0</u>                         | <u>\$ 9,423</u>                |
| Net Change in Fund Balances                          | \$ 3,372,957                | \$ (224,557)                 | \$ 1,225,419                | \$ (12,688,170)                | \$ (126,359)                        | \$ (8,440,710)                 |
| Fund Balance, July 1, 2019                           | <u>33,280,244</u>           | <u>1,263,929</u>             | <u>20,240,770</u>           | <u>125,143,984</u>             | <u>388,787</u>                      | <u>180,317,714</u>             |
| Fund Balance, June 30, 2020                          | <u><u>\$ 36,653,201</u></u> | <u><u>\$ 1,039,372</u></u>   | <u><u>\$ 21,466,189</u></u> | <u><u>\$ 112,455,814</u></u>   | <u><u>\$ 262,428</u></u>            | <u><u>\$ 171,877,004</u></u>   |

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

Exhibit C-4

Sumner 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) \$ (8,440,710)

|   |                   |                  |
|---|-------------------|------------------|
| (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   | \$ 19,014,522     |                  |
| Less: current-year depreciation expense   | (9,130,683)       |                  |
| Add: current-year depreciation expense of the internal service fund that is also included in item (6) below   | <u>2,526</u>      | 9,886,365        |
| (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   | \$ 493,579        |                  |
| Less: book value of capital assets disposed   | <u>(252,735)</u>  | 240,844          |
| (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   | \$ (2,770,085)    |                  |
| Add: deferred delinquent property taxes and other deferred June 30, 2020  | <u>3,129,429</u>  | 359,344          |
| (4) The issuance of long-term debt (e.g., bonds, 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 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. |                   |                  |
| Less: change in deferred amount on refunding debt   | \$ (587,884)      |                  |
| Add: change in premium on debt issuances  | 2,100,660         |                  |
| Add: principal payments on bonds  | <u>17,725,000</u> | 19,237,776       |
| (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  | \$ 180,018        |                  |
| Change in compensated absences payable  | (314,951)         |                  |
| Change in compensated absences payable in internal service fund   | 901               |                  |
| Change in OPEB liability - county insurance plan  | (3,729,626)       |                  |
| Change in OPEB liability - Medicare supplement plan   | (83,353)          |                  |
| Change in deferred outflows of resources related to pensions  | (183,287)         |                  |
| Change in deferred inflows of resources related to pensions   | (497,642)         |                  |
| Change in deferred outflows of resources related to OPEB  | 3,008,510         |                  |
| Change in deferred inflows of resources related to OPEB   | 23,653            |                  |
| Change in net pension liability/asset   | <u>593,995</u>    | (1,001,782)      |
| (6) An internal service fund is used by management to charge the cost of liability and workers' compensation insurance and employee health and dental benefits to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities in the statement of activities.   |                   |                  |
|   |                   | <u>2,893,823</u> |

Change in net position of governmental activities (Exhibit B) \$ 23,175,660

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

Exhibit C-5

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

|                                       | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2019 | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |               | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|---------------------------------------|---------------------------|-----------------------------------|-----------------------------------|---|------------------|---------------|--|
|                                       |                           |                                   |                                   |   | Original         | Final         |  |
| <u>Revenues</u>                       |                           |                                   |                                   |   |                  |               |  |
| Local Taxes                           | \$ 34,432,849             | \$ 0                              | \$ 0                              | \$ 34,432,849   | \$ 32,660,474    | \$ 33,834,862 | \$ 597,987   |
| Licenses and Permits                  | 1,144,305                 | 0                                 | 0                                 | 1,144,305   | 1,219,716        | 1,219,716     | (75,411)   |
| Fines, Forfeitures, and Penalties     | 558,934                   | 0                                 | 0                                 | 558,934   | 597,906          | 597,906       | (38,972)   |
| Charges for Current Services          | 8,297,348                 | 0                                 | 0                                 | 8,297,348   | 9,240,339        | 9,309,944     | (1,012,596)  |
| Other Local Revenues                  | 3,225,770                 | 0                                 | 0                                 | 3,225,770   | 3,470,394        | 3,503,275     | (277,505)  |
| Fees Received From County Officials   | 10,374,242                | 0                                 | 0                                 | 10,374,242  | 10,037,775       | 10,037,775    | 336,467  |
| State of Tennessee                    | 8,865,374                 | 0                                 | 0                                 | 8,865,374   | 7,132,382        | 8,100,351     | 765,023  |
| Federal Government                    | 692,190                   | 0                                 | 0                                 | 692,190   | 342,137          | 746,941       | (54,751)   |
| Other Governments and Citizens Groups | 332,792                   | 0                                 | 0                                 | 332,792   | 753,928          | 923,021       | (590,229)  |
| Total Revenues                        | \$ 67,923,804             | \$ 0                              | \$ 0                              | \$ 67,923,804   | \$ 65,455,051    | \$ 68,273,791 | \$ (349,987)   |
| <u>Expenditures</u>                   |                           |                                   |                                   |   |                  |               |  |
| <u>General Government</u>             |                           |                                   |                                   |   |                  |               |  |
| County Commission                     | \$ 287,760                | \$ 0                              | \$ 0                              | \$ 287,760  | \$ 346,037       | \$ 349,537    | \$ 61,777  |
| Board of Equalization                 | 10,017                    | 0                                 | 0                                 | 10,017  | 3,750            | 10,017        | 0  |
| Other Boards and Committees           | 12,508                    | 0                                 | 0                                 | 12,508  | 16,000           | 16,000        | 3,492  |
| County Mayor/Executive                | 398,694                   | 0                                 | 0                                 | 398,694   | 421,072          | 478,872       | 80,178   |
| County Attorney                       | 521,476                   | 0                                 | 0                                 | 521,476   | 546,529          | 546,529       | 25,053   |
| Election Commission                   | 846,672                   | 0                                 | 0                                 | 846,672   | 951,249          | 1,052,199     | 205,527  |
| Register of Deeds                     | 747,246                   | 0                                 | 0                                 | 747,246   | 867,846          | 867,846       | 120,600  |
| Planning                              | 604,845                   | (23,455)                          | 23,455                            | 604,845   | 843,568          | 843,568       | 238,723  |
| Building                              | 533,552                   | 0                                 | 0                                 | 533,552   | 581,849          | 581,849       | 48,297   |
| County Buildings                      | 1,980,197                 | (134,995)                         | 46,486                            | 1,891,688   | 2,718,149        | 2,752,432     | 860,744  |
| Preservation of Records               | 94,696                    | 0                                 | 0                                 | 94,696  | 96,418           | 96,629        | 1,933  |
| Risk Management                       | 1,522,613                 | 0                                 | 0                                 | 1,522,613   | 1,567,469        | 1,567,469     | 44,856   |
| <u>Finance</u>                        |                           |                                   |                                   |   |                  |               |  |
| Accounting and Budgeting              | 878,311                   | (550)                             | 0                                 | 877,761   | 932,998          | 933,998       | 56,237   |
| Property Assessor's Office            | 764,667                   | 0                                 | 0                                 | 764,667   | 780,873          | 780,873       | 16,206   |
| Reappraisal Program                   | 647,883                   | 0                                 | 0                                 | 647,883   | 695,881          | 695,881       | 47,998   |
| County Trustee's Office               | 498,423                   | 0                                 | 0                                 | 498,423   | 645,913          | 645,913       | 147,490  |

(Continued)



Exhibit C-5

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2019 | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |              | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|--------------|--|
|  |                           |                                   |                                   |   | Original         | Final        |  |
| <u>Expenditures (Cont.)</u>                    |                           |                                   |                                   |   |                  |              |  |
| <u>Finance (Cont.)</u>                         |                           |                                   |                                   |   |                  |              |  |
| County Clerk's Office                          | \$ 1,771,695              | \$ 0                              | \$ 0                              | \$ 1,771,695  | \$ 1,825,151     | \$ 1,825,151 | \$ 53,456  |
| Data Processing                                | 978,851                   | 0                                 | 20,000                            | 998,851   | 1,208,397        | 1,209,787    | 210,936  |
| <u>Administration of Justice</u>               |                           |                                   |                                   |   |                  |              |  |
| Circuit Court Clerk                            | 1,848,453                 | 0                                 | 0                                 | 1,848,453   | 1,970,031        | 1,970,031    | 121,578  |
| General Sessions Court                         | 330,088                   | 0                                 | 0                                 | 330,088   | 347,994          | 347,995      | 17,907   |
| General Sessions Judge                         | 305,909                   | 0                                 | 0                                 | 305,909   | 312,384          | 312,383      | 6,474  |
| Drug Court                                     | 283,628                   | 0                                 | 0                                 | 283,628   | 251,119          | 356,619      | 72,991   |
| Chancery Court                                 | 734,654                   | 0                                 | 0                                 | 734,654   | 795,219          | 795,219      | 60,565   |
| Juvenile Court                                 | 650,604                   | 0                                 | 0                                 | 650,604   | 668,680          | 668,680      | 18,076   |
| District Attorney General                      | 75,512                    | 0                                 | 0                                 | 75,512  | 96,787           | 96,787       | 21,275   |
| Office of Public Defender                      | 0                         | 0                                 | 0                                 | 0   | 93,187           | 93,187       | 93,187   |
| Judicial Commissioners                         | 670,887                   | (2,238)                           | 0                                 | 668,649   | 687,612          | 687,612      | 18,963   |
| Other Administration of Justice                | 393,480                   | 0                                 | 0                                 | 393,480   | 535,145          | 543,392      | 149,912  |
| Probation Services                             | 437,557                   | 0                                 | 0                                 | 437,557   | 458,482          | 458,482      | 20,925   |
| <u>Public Safety</u>                           |                           |                                   |                                   |   |                  |              |  |
| Sheriff's Department                           | 12,177,460                | (23,829)                          | 33,695                            | 12,187,326  | 13,573,280       | 14,869,314   | 2,681,988  |
| Administration of the Sexual Offender Registry | 18,547                    | 0                                 | 0                                 | 18,547  | 18,805           | 24,668       | 6,121  |
| Jail   | 11,216,324                | (780)                             | 5,412                             | 11,220,956  | 11,797,439       | 12,956,901   | 1,735,945  |
| Juvenile Services                              | 717,904                   | 0                                 | 0                                 | 717,904   | 752,138          | 752,138      | 34,234   |
| Fire Prevention and Control                    | 2,000                     | 0                                 | 0                                 | 2,000   | 2,000            | 2,000        | 0  |
| Rural Fire Protection                          | 437,721                   | 0                                 | 0                                 | 437,721   | 450,000          | 450,000      | 12,279   |
| Other Emergency Management                     | 436,657                   | 0                                 | 1,588                             | 438,245   | 341,960          | 606,242      | 167,997  |
| County Coroner/Medical Examiner                | 123,834                   | 0                                 | 0                                 | 123,834   | 123,071          | 123,834      | 0  |
| Other Public Safety                            | 2,943,929                 | 0                                 | 39,736                            | 2,983,665   | 3,778,904        | 3,778,904    | 795,239  |
| <u>Public Health and Welfare</u>               |                           |                                   |                                   |   |                  |              |  |
| Local Health Center                            | 1,628,508                 | 0                                 | 0                                 | 1,628,508   | 1,882,426        | 1,902,426    | 273,918  |
| Ambulance/Emergency Medical Services           | 10,171,316                | (6,890)                           | 8,972                             | 10,173,398  | 10,306,513       | 10,380,770   | 207,372  |
| Appropriation to State                         | 213,181                   | 0                                 | 0                                 | 213,181   | 215,225          | 215,225      | 2,044  |
| General Welfare Assistance                     | 7,692                     | 0                                 | 0                                 | 7,692   | 11,000           | 11,000       | 3,308  |

(Continued)

Exhibit C-5

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2019 | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |                | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|----------------|--|
|  |                           |                                   |                                   |   | Original         | Final          |  |
| <u>Expenditures (Cont.)</u>                          |                           |                                   |                                   |   |                  |                |  |
| <u>Public Health and Welfare (Cont.)</u>             |                           |                                   |                                   |   |                  |                |  |
| Other Public Health and Welfare                      | \$ 99,400                 | \$ 0                              | \$ 0                              | \$ 99,400   | \$ 0             | \$ 155,000     | \$ 55,600  |
| <u>Social, Cultural, and Recreational Services</u>   |                           |                                   |                                   |   |                  |                |  |
| Senior Citizens Assistance                           | 293,782                   | 0                                 | 0                                 | 293,782   | 290,500          | 293,782        | 0  |
| Libraries  | 2,309,910                 | (2,391)                           | 0                                 | 2,307,519   | 2,391,557        | 2,411,114      | 103,595  |
| Other Social, Cultural, and Recreational             | 0                         | 0                                 | 0                                 | 0   | 621,485          | 621,485        | 621,485  |
| <u>Agriculture and Natural Resources</u>             |                           |                                   |                                   |   |                  |                |  |
| Agricultural Extension Service                       | 461,079                   | 0                                 | 0                                 | 461,079   | 503,978          | 503,978        | 42,899   |
| Soil Conservation                                    | 61,615                    | 0                                 | 0                                 | 61,615  | 63,194           | 63,194         | 1,579  |
| <u>Other Operations</u>                              |                           |                                   |                                   |   |                  |                |  |
| Tourism  | 739,744                   | 0                                 | 0                                 | 739,744   | 739,744          | 739,744        | 0  |
| Industrial Development                               | 100,000                   | 0                                 | 0                                 | 100,000   | 100,000          | 100,000        | 0  |
| Veterans' Services                                   | 115,231                   | 0                                 | 0                                 | 115,231   | 111,434          | 125,040        | 9,809  |
| Other Charges  | 948,104                   | 0                                 | 0                                 | 948,104   | 974,611          | 998,099        | 49,995   |
| Contributions to Other Agencies                      | 250,032                   | 0                                 | 0                                 | 250,032   | 288,268          | 297,201        | 47,169   |
| Employee Benefits                                    | 90,200                    | 0                                 | 0                                 | 90,200  | 118,500          | 104,894        | 14,694   |
| COVID-19 Grant #1                                    | 55,766                    | 0                                 | 38,357                            | 94,123  | 0                | 253,678        | 159,555  |
| Miscellaneous  | 80,521                    | 0                                 | 0                                 | 80,521  | 168,993          | 168,993        | 88,472   |
| <u>Highways</u>                                      |                           |                                   |                                   |   |                  |                |  |
| Traffic Control                                      | 25,935                    | 0                                 | 0                                 | 25,935  | 8,000            | 32,786         | 6,851  |
| <u>Capital Projects</u>                              |                           |                                   |                                   |   |                  |                |  |
| Social, Cultural, and Recreation Projects            | 0                         | 0                                 | 0                                 | 0   | 0                | 21,995         | 21,995   |
| Total Expenditures                                   | \$ 64,557,270             | \$ (195,128)                      | \$ 217,701                        | \$ 64,579,843   | \$ 70,898,814    | \$ 74,549,342  | \$ 9,969,499   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 3,366,534              | \$ 195,128                        | \$ (217,701)                      | \$ 3,343,961  | \$ (5,443,763)   | \$ (6,275,551) | \$ 9,619,512   |
| <u>Other Financing Sources (Uses)</u>                |                           |                                   |                                   |   |                  |                |  |
| Insurance Recovery                                   | \$ 6,423                  | \$ 0                              | \$ 0                              | \$ 6,423  | \$ 0             | \$ 6,422       | \$ 1   |
| Total Other Financing Sources                        | \$ 6,423                  | \$ 0                              | \$ 0                              | \$ 6,423  | \$ 0             | \$ 6,422       | \$ 1   |

(Continued)

Exhibit C-5

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

|                             | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2019 | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts     |                      | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|-----------------------------|---------------------------|-----------------------------------|-----------------------------------|---|----------------------|----------------------|--|
|                             |                           |                                   |                                   |   | Original             | Final                |  |
| Net Change in Fund Balance  | \$ 3,372,957              | \$ 195,128                        | \$ (217,701)                      | \$ 3,350,384  | \$ (5,443,763)       | \$ (6,269,129)       | \$ 9,619,513   |
| Fund Balance, July 1, 2019  | 33,280,244                | (195,128)                         | 0                                 | 33,085,116  | 32,597,480           | 32,597,480           | 487,636  |
| Fund Balance, June 30, 2020 | <u>\$ 36,653,201</u>      | <u>\$ 0</u>                       | <u>\$ (217,701)</u>               | <u>\$ 36,435,500</u>  | <u>\$ 27,153,717</u> | <u>\$ 26,328,351</u> | <u>\$ 10,107,149</u>   |

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

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

|  | Actual                     | Budgeted Amounts         |                          | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|----------------------------|--------------------------|--------------------------|--|
|  |                            | Original                 | Final                    |  |
| <u>Revenues</u>                                      |                            |                          |                          |  |
| Local Taxes  | \$ 3,206,585               | \$ 3,157,623             | \$ 3,153,718             | \$ 52,867  |
| Licenses and Permits                                 | 29,100                     | 2,000                    | 25,000                   | 4,100  |
| Other Local Revenues                                 | 147,481                    | 113,000                  | 158,169                  | (10,688)   |
| State of Tennessee                                   | 4,685,084                  | 5,241,342                | 4,548,432                | 136,652  |
| Federal Government                                   | 2,221                      | 0                        | 0                        | 2,221  |
| Other Governments and Citizens Groups                | 284,100                    | 125,000                  | 284,000                  | 100  |
| Total Revenues                                       | <u>\$ 8,354,571</u>        | <u>\$ 8,638,965</u>      | <u>\$ 8,169,319</u>      | <u>\$ 185,252</u>  |
| <u>Expenditures</u>                                  |                            |                          |                          |  |
| <u>Highways</u>                                      |                            |                          |                          |  |
| Administration                                       | \$ 301,899                 | \$ 325,763               | \$ 309,437               | \$ 7,538   |
| Highway and Bridge Maintenance                       | 4,991,076                  | 5,659,407                | 5,212,237                | 221,161  |
| Operation and Maintenance of Equipment               | 886,446                    | 1,075,975                | 973,025                  | 86,579   |
| Quarry Operations                                    | 21,169                     | 38,320                   | 21,539                   | 370  |
| Litter and Trash Collection                          | 76,858                     | 83,900                   | 84,000                   | 7,142  |
| Other Charges  | 535,236                    | 491,146                  | 541,605                  | 6,369  |
| Employee Benefits                                    | 1,245,410                  | 1,275,723                | 1,275,942                | 30,532   |
| Capital Outlay                                       | 524,034                    | 732,500                  | 526,047                  | 2,013  |
| Total Expenditures                                   | <u>\$ 8,582,128</u>        | <u>\$ 9,682,734</u>      | <u>\$ 8,943,832</u>      | <u>\$ 361,704</u>  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (227,557)</u>        | <u>\$ (1,043,769)</u>    | <u>\$ (774,513)</u>      | <u>\$ 546,956</u>  |
| <u>Other Financing Sources (Uses)</u>                |                            |                          |                          |  |
| Insurance Recovery                                   | \$ 3,000                   | \$ 0                     | \$ 0                     | \$ 3,000   |
| Total Other Financing Sources                        | <u>\$ 3,000</u>            | <u>\$ 0</u>              | <u>\$ 0</u>              | <u>\$ 3,000</u>  |
| Net Change in Fund Balance                           | \$ (224,557)               | \$ (1,043,769)           | \$ (774,513)             | \$ 549,956   |
| Fund Balance, July 1, 2019                           | <u>1,263,929</u>           | <u>1,263,898</u>         | <u>1,263,898</u>         | <u>31</u>  |
| Fund Balance, June 30, 2020                          | <u><u>\$ 1,039,372</u></u> | <u><u>\$ 220,129</u></u> | <u><u>\$ 489,385</u></u> | <u><u>\$ 549,987</u></u>                                     |

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

Exhibit D-1

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

|                                       |  |
|---------------------------------------|--|
|                                       | Governmental<br>Activities -<br>Internal<br>Service Fund |
|                                       | <u>Self-<br/>Insurance<br/>Fund</u>                      |
| <br><u>ASSETS</u>                     |  |
| Current Assets:                       |  |
| Equity in Pooled Cash and Investments | \$ 19,285,360  |
| Prepaid Items                         | 901  |
| Accrued Interest Receivable           | 792  |
| Total Current Assets                  | <u>\$ 19,287,053</u>                                     |
| <br><u>LIABILITIES</u>                |  |
| Current Liabilities:                  |  |
| Accounts Payable                      | \$ 415,841   |
| Accrued Leave - Current               | 7,178  |
| Claims and Judgments Payable          | 1,966,294  |
| Due to Other Funds                    | 850  |
| Total Current Liabilities             | <u>\$ 2,390,163</u>                                      |
| Noncurrent Liabilities:               |  |
| Claims and Judgments Payable          | <u>\$ 346,993</u>  |
| Total Noncurrent Liabilities          | <u>\$ 346,993</u>  |
| Total Liabilities                     | <u>\$ 2,737,156</u>                                      |
| <br><u>NET POSITION</u>               |  |
| Unrestricted                          | <u>\$ 16,549,897</u>                                     |
| Total Net Position                    | <u><u>\$ 16,549,897</u></u>                              |

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

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

|   | Governmental<br>Activities -<br>Internal<br>Service Fund |
|---|--|
|   | <u>Self-<br/>Insurance<br/>Fund</u>                      |
| <u>Operating Revenues</u>                 |  |
| Charges for Current Services:             |  |
| Self-Insurance Premiums/Contributions     | \$ 13,624,524  |
| Other Local Revenues                      | 69,366   |
| Total Operating Revenues                  | <u>\$ 13,693,890</u>                                     |
| <u>Operating Expenses</u>                 |  |
| <u>Risk Management:</u>                   |  |
| Supervisor/Director                       | \$ 64,902  |
| Clerical Personnel                        | 29,539   |
| Longevity Pay                             | 2,475  |
| Social Security                           | 5,491  |
| Pensions                                  | 10,577   |
| Life Insurance                            | 183  |
| Medical Insurance                         | 22,557   |
| Dental Insurance                          | 708  |
| Employer Medicare                         | 1,275  |
| Communication                             | 1,195  |
| Consultants                               | 19,200   |
| Data Processing Services                  | 301  |
| Dues and Memberships                      | 515  |
| Maintenance Agreements                    | 850  |
| Postal Charges                            | 580  |
| Printing, Stationery, and Forms           | 300  |
| Travel                                    | 472  |
| Maintenance and Repair Services - Records | 180  |
| Other Contracted Services                 | 360  |
| Data Processing Supplies                  | 615  |
| Drugs and Medical Supplies                | 260  |
| Food Supplies                             | 290  |
| Office Supplies                           | 411  |
| Excess Risk Insurance                     | 2,161  |
| Liability Claims                          | 1,762,905  |
| Other Self-insured Claims                 | 939,233  |
| In Service/Staff Development              | 165  |
| Furniture and Fixtures                    | 150  |
| <u>Other Operations:</u>                  |  |
| Handling Charges and Administrative Costs | 307,217  |
| Consultants                               | 27,900   |
| Medical Claims                            | 6,966,919  |
| Depreciation                              | 2,526  |
| Other Self-insured Claims                 | 269,436  |

Sumner County, Tennessee  
Statement of Revenues, Expenses, and Changes  
in Net Position (Cont.)

|   | Governmental<br>Activities -<br>Internal<br>Service Fund<br><hr/> Self-<br>Insurance<br>Fund |
|---|--|
| <u>Operating Expenses (Cont.)</u>           |  |
| <u>Other Operations (Cont.)</u>             |  |
| Fines, Assessments, and Penalties           | \$ 3,615   |
| Specialized Medical Treatment               | 454,248  |
| Total Operating Expenses                    | <u>\$ 10,899,711</u>   |
| Operating Income (Loss)                     | <u>\$ 2,794,179</u>  |
| <br><u>Nonoperating Revenues (Expenses)</u> |  |
| Investment Income                           | \$ 51,507  |
| Insurance Recovery                          | 48,137   |
| Total Nonoperating Revenues (Expenses)      | <u>\$ 99,644</u>   |
| <br>Change in Net Position                  | <br>\$ 2,893,823   |
| Net Position, July 1, 2019                  | <u>13,656,074</u>  |
| <br>Net Position, June 30, 2020             | <br><u><u>\$ 16,549,897</u></u>  |

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

Exhibit D-3

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

|   | Governmental<br>Activities -<br>Internal<br>Service Fund<br>Self<br>Insurance<br>Fund |
|---|---|
| <u>Cash Flows from Operating Activities</u>   |   |
| Receipts from Customers and Users   | \$ 13,696,825   |
| Payments to Suppliers   | (119,583)   |
| Claims Paid   | (10,476,331)  |
| Payments of Taxes, Duties, Fines, Fees, and Penalties   | (3,615)   |
| Net Cash Provided By (Used In) Operating Activities   | <u>\$ 3,097,296</u>   |
| <u>Cash Flows from Investing Activities</u>   |   |
| Investment Income   | \$ 51,507   |
| Net Cash Provided By (Used In) Investing Activities   | <u>\$ 51,507</u>  |
| <u>Cash Flows from Noncapital Financing Activities</u>  |   |
| Insurance Recovery  | \$ 48,137   |
| Net Cash Provided By (Used For) Noncapital Financing Activities   | <u>\$ 48,137</u>  |
| Net Increase (Decrease) In Cash   | \$ 3,196,940  |
| Cash, July 1, 2019  | <u>16,088,420</u>   |
| Cash, June 30, 2020   | <u><u>\$ 19,285,360</u></u>   |
| <u>Reconciliation of Net Operating Income (Loss)</u><br><u>to Net Cash Provided By (Used In) Operating Activities</u> |   |
| Operating Income (Loss)   | \$ 2,794,179  |
| Adjustments to Reconcile Net Operating Income (Loss) to<br>Net Cash Provided By (Used In) Operating Activities:       |   |
| Depreciation Expense  | 2,526   |
| Change in Assets and Liabilities:   |   |
| (Increase) Decrease in Prepaids   | (901)   |
| (Increase) Decrease in Accrued Interest Receivable  | 3,836   |
| Increase (Decrease) in Accounts Payable   | 379,495   |
| Increase (Decrease) in Accrued Leave  | 901   |
| Increase (Decrease) in Due to Other Funds   | 850   |
| Increase (Decrease) in Claims and Judgments Payable   | <u>(83,590)</u>   |
| Net Cash Provided By (Used In) Operating Activities   | <u><u>\$ 3,097,296</u></u>  |

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



Exhibit E

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

|                                       | <u>Agency<br/>Funds</u>     |
|---------------------------------------|-----------------------------|
| <u>ASSETS</u>                         |                             |
| Cash                                  | \$ 15,020,283               |
| Equity in Pooled Cash and Investments | 233,397                     |
| Accounts Receivable                   | 154,653                     |
| Due from Other Governments            | <u>5,059,826</u>            |
| Total Assets                          | <u><u>\$ 20,468,159</u></u> |
| <u>LIABILITIES</u>                    |                             |
| Accounts Payable                      | \$ 134,567                  |
| Due to Other Funds                    | 43,483                      |
| Due to State of Tennessee             | 2,286                       |
| Due to Other Taxing Units             | 5,054,409                   |
| Due to Litigants, Heirs, and Others   | 15,048,868                  |
| Due to Joint Ventures                 | <u>184,546</u>              |
| Total Liabilities                     | <u><u>\$ 20,468,159</u></u> |

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

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

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**SUMNER COUNTY, TENNESSEE**  
**Index of Notes to the Financial Statements (Cont.)**

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

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Sumner 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 Sumner County:

**A. Reporting Entity**

Sumner County is a public municipal corporation governed by an elected 24-member board. As required by GAAP, these financial statements present Sumner County (the primary government) and its component units. The financial statements of the Sumner County Emergency Communications District, Music City Executive Airport Authority (formerly the Sumner County Regional Airport Authority), and the Resource Authority in Sumner County, Tennessee, 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 Sumner County School Department operates the public school system in the county, and the voters of Sumner 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 Sumner County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Sumner County, and the Sumner 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 Sumner County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Music City Executive Airport Authority operates the county's airport facility. The authority is funded primarily through federal and state grants and leasing fees. Before the issuance of most debt instruments, the authority must obtain the county commission's approval. The financial statements of the Music City Executive Airport Authority were not material to the component units' opinion unit and therefore have been omitted from this report.

The Resource Authority in Sumner County, Tennessee, provides a solid waste energy recovery plant on behalf of the residents of the county and the cities of Gallatin and Hendersonville. The authority is funded primarily through tipping fees and contributions from the county. Based on GASB Statement No. 61, the authority does not qualify as a discretely presented component unit of the county; however, management has determined it would be misleading to exclude the authority. The financial statements of the Resource Authority in Sumner County, Tennessee, were not material to the component units' opinion unit and therefore have been omitted from this report.

The Sumner County Convention and Visitors Bureau was established to advance economic, civic, and general interests related to tourism in Sumner County. The operations of the Sumner County Convention and Visitors Bureau are not considered material to the component units' opinion unit and Sumner County has not required the Sumner County Convention and Visitors Bureau to have audited financial statements.

The Sumner 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. Although required by GAAP, the financial statements of the Music City Executive Airport Authority and the Sumner County Convention and Visitors Bureau were not available for inclusion, as previously mentioned. Complete financial statements of the Sumner County Emergency Communications District, the Music City Executive Airport Authority, The Resource Authority in Sumner County, Tennessee, and the Sumner County Convention and Visitors Bureau can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Sumner County Emergency Communications District  
255 Airport Road  
Gallatin, TN 37066

Music City Executive Airport Authority  
1475 Airport Road  
Gallatin, TN 37066

The Resource Authority in Sumner County, Tennessee  
625 Rappahannock Wire Road  
Gallatin, TN 37066

Sumner County Convention and Visitors Bureau  
2310 Nashville Pike  
Gallatin, TN 37066

**Related Organizations** – The Industrial Development Board of Sumner County, the Health Board of Sumner County, the Health and Educational Facilities Board of Sumner County, and the Health and Safety Standards Board of Sumner County are related organizations of Sumner County. The Sumner County Commission’s Committee on Committees nominates, and the Sumner County Commission confirms the board members, but the county’s accountability for these organizations does not extend beyond making the appointments.

**B. Government-wide and Fund Financial Statements**

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

Sumner County issues all debt for the discretely presented Sumner 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, the proprietary fund (internal service), and fiduciary funds. The internal service fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 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. Sumner 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 fund 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.

Sumner County reports the following major governmental funds:

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

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

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

**General Capital Projects Fund** – This fund accounts for general capital expenditures of the county and the Sumner County School Department.

Additionally, Sumner County reports the following fund types:

**Internal Service Fund** – The Self-Insurance Fund is used to account for the county’s self-insured liability insurance, health, dental, and workers’ compensation programs. Premiums charged to the various county funds and employee payroll deductions are placed in this fund for the payment of claims.

**Agency Funds** – These funds account for amounts collected in an agency capacity by the constitutional officers, local sales taxes



received by the state to be forwarded to the various cities in Sumner County, state grants and other restricted revenues held for the benefit of the judicial district drug task force, and restricted revenues held for the benefit of the Office of District Attorney General. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

The discretely presented Sumner County School Department reports the following major governmental fund:

**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.

Additionally, the Sumner County School Department reports the following fund types:

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

**Internal Service Fund** – The Employee Insurance Fund is used to account for the discretely presented Sumner County School Department's self-insured health and prescription drug plans. Premiums charged to the various school funds and employee payroll deductions are placed in this fund for the payment of claims.

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 government has two proprietary funds, internal service funds, used to account for the county's self-insured liability, health, dental, and occupational compensation programs and the school department's self-insured health and prescription drug plans. Operating revenues and expenses generally result from providing services in connection with the funds' principal ongoing operations. The principal operating revenues of the proprietary funds are charges for services. Operating expenses for the internal service funds include administrative expenses and employee benefits.

**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, cash consists of cash on deposit with the county trustee.

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Sumner 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 and General Capital Projects funds. Sumner County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

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

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United States of America. Sumner County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

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

## **2. Receivables and Payables**

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

All ambulance and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowance for uncollectibles is based on historical collection data. The allowance for uncollectible property taxes is equal to 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 the discretely presented school department for cafeteria deposits for students (\$362,957). Claims and judgments payable in the primary government's Self-Insurance Fund and the discretely presented school department's Employee Insurance Fund are discussed in Note V.A. Risk Management.

Retainage payable in the General Capital Projects Fund represents amounts withheld from payments made on construction contracts pending completion of the projects.

### **3. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased. 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 Sumner 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 Sumner County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Sumner County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the

funds are not subject to the claims of general creditors of the school department.

**5. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$7,500 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

| <u>Assets</u>              | <u>Years</u> |
|----------------------------|--------------|
| Buildings and Improvements | 10 - 30      |
| Other Capital Assets       | 5 - 10       |
| Intangible Assets          | 4 - 20       |
| Infrastructure             | 10 - 40      |

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

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

proportionate share of contributions, employer contributions made to the pension plan after the measurement date, OPEB changes in experience, OPEB changes in assumptions, OPEB changes in proportion, and OPEB benefits paid after the measurement date.

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

It is the primary government and the discretely presented school department's policies to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the primary government and the school department do 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 primary government and the school department. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

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

In the government-wide financial statements 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 claims and judgments are recognized to the extent that the liabilities have matured (come due for payment) each period.

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

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

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

As of June 30, 2020, Sumner County had \$192,658,650 in outstanding debt for capital purposes for the discretely presented Sumner County School Department. This debt is a liability of Sumner County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Sumner 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. Committed for fund balance in the General Purpose School Fund includes fund balance approved for use in the budget for fiscal year ending June 30, 2021, totaling \$21,795,013.

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. Assigned fund balance in the General Fund includes fund balance approved for use in the budget for fiscal year ending June 30, 2021, totaling \$5,856,162.

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification



represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds.

**10. Minimum Fund Balance Policy**

To provide management with appropriate guidelines and direction to assist in making sound decisions related to managing the fund balance of certain governmental funds, the following minimum fund balance policy exists:

The General Fund's unassigned budgetary fund balances shall, at a minimum, be 16.67 percent of the General Fund's appropriations (approximately two months of operating costs).

**11. Prior-period Adjustment**

Other postemployment benefits (OPEB) of the Tennessee Plan – Medicare (TNM) Plan for the discretely presented Sumner County School Department were restated \$14,663,858 from the prior year. The actuary was provided incorrect information related to the school department's direct subsidy for retirees' premiums in the prior year.

**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 Sumner County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Sumner 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 Sumner County School Department**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement Plan and the Teacher Legacy Pension Plan in the Tennessee Consolidated Retirement System, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee

contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Retirement Plan and the Teacher Legacy Pension Plan. Investments are reported at fair value.

**F. Other Postemployment Benefit (OPEB) Plans**

**Primary Government**

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

**Discretely Presented Sumner 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 Sumner 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 government-wide Statement of Net Position.

**Discretely Presented Sumner 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 Sumner 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**

**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.

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

| <u>Funds</u>                    | <u>Amount</u> |
|---------------------------------|---------------|
| Primary Government:             |               |
| Major Funds:                    |               |
| General                         | \$ 217,701    |
| General Debt Service            | 2,500         |
| General Capital Projects        | 100,001,458   |
| Nonmajor Funds:                 |               |
| Courthouse and Jail Maintenance | 140           |
| Drug Control                    | 33,522        |
| School Department:              |               |
| Major Fund:                     |               |
| General Purpose School          | 1,281,919     |
| Nonmajor Fund:                  |               |
| School Federal Projects         | 33,709        |

#### **IV. DETAILED NOTES ON ALL FUNDS**

##### **A. Deposits and Investments**

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

##### **Deposits**

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

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

### **Investments**

**Legal Provisions.** Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool, the State Treasurer's Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer's Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

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

| Investment                        | Weighted<br>Average<br>Maturity (days) | Maturities | Amortized<br>Cost |
|-----------------------------------|--|------------|-------------------|
| State Treasurer's Investment Pool | 1 to 105 days                          | N/A        | \$ 2,794,172      |

**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. Sumner 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. Sumner County has no investment policy that would further limit its investment choices. As of June 30, 2020, Sumner 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 Sumner 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 Sumner County School Department may not impose any restrictions on investments placed by the trust on their behalf.

**Investment Balances.** Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined

daily based on the fair value of the pool's underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares.

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

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

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

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

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

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

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

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

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

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

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

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



| Investment                                 | Weighted<br>Average<br>Maturity<br>(days) | Maturities | Fair<br>Value       |
|--|---|------------|---------------------|
| Investments at Fair Value:                 |   |            |                     |
| U.S. Equity                                | N/A                                       | N/A        | \$ 347,466          |
| Developed Market International Equity      | N/A                                       | N/A        | 156,921             |
| Emerging Market International Equity       | N/A                                       | N/A        | 44,835              |
| U.S. Fixed Income                          | N/A                                       | N/A        | 224,173             |
| Real Estate                                | N/A                                       | N/A        | 112,086             |
| Short-term Securities                      | N/A                                       | N/A        | 11,209              |
| NAV - Private Equity and Strategic Lending | N/A                                       | N/A        | 224,173             |
| Total                                      |   |            | <u>\$ 1,120,863</u> |

| Fair Value Measurements Using            |                       |  |                   |  |                   |
|--|-----------------------|--|-------------------|--|-------------------|
| Investment by Fair Value Level           | Fair Value<br>6-30-20 | Quoted<br>Prices in<br>Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) |                   |  | NAV               |
|  |                       | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2)                        |                   | Significant<br>Unobservable<br>Inputs<br>(Level 3) |                   |
| U.S. Equity                              | \$ 347,466            | \$ 347,466   | \$ 0              | \$ 0   | 0                 |
| Developed Market<br>International Equity | 156,921               | 156,921  | 0                 | 0  | 0                 |
| Emerging Market<br>International Equity  | 44,835                | 44,835   | 0                 | 0  | 0                 |
| U.S. Fixed Income                        | 224,173               | 0  | 224,173           | 0  | 0                 |
| Real Estate                              | 112,086               | 0  | 0                 | 112,086  | 0                 |
| Short-term Securities                    | 11,209                | 0  | 11,209            | 0  | 0                 |
| Private Equity and<br>Strategic Lending  | 224,173               | 0  | 0                 | 0  | 224,173           |
| Total                                    | <u>\$ 1,120,863</u>   | <u>\$ 549,222</u>  | <u>\$ 235,382</u> | <u>\$ 112,086</u>                                  | <u>\$ 224,173</u> |

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

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

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

**B. Notes Receivable**

The General Fund had a long-term note receivable of \$800,000 on June 30, 2020, from financing airport construction projects for the discretely presented Music City Executive Airport Authority (formerly Sumner County Regional Airport Authority), and this note is included in the committed fund balance account.

**C. Capital Assets**

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

**Primary Government (includes Internal Service Fund)**

**Governmental Activities:**

|   | Balance<br>7-1-19     | Increases            | Decreases             | Balance<br>6-30-20    |
|---|-----------------------|----------------------|-----------------------|-----------------------|
| Capital Assets Not Depreciated:             |                       |                      |                       |                       |
| Land  | \$ 4,708,116          | \$ 2,521,027         | \$ (65,500)           | \$ 7,163,643          |
| Construction in Progress                    | 6,753,541             | 8,071,572            | (4,545,364)           | 10,279,749            |
| Total Capital Assets Not Depreciated        | <u>\$ 11,461,657</u>  | <u>\$ 10,592,599</u> | <u>\$ (4,610,864)</u> | <u>\$ 17,443,392</u>  |
| Capital Assets Depreciated:                 |                       |                      |                       |                       |
| Buildings and Improvements                  | \$ 76,102,423         | \$ 5,537,085         | \$ (450,100)          | \$ 81,189,408         |
| Other Capital Assets                        | 25,983,844            | 4,641,170            | (1,769,480)           | 28,855,534            |
| Infrastructure                              | 74,977,226            | 3,282,611            | (2,187,638)           | 76,072,199            |
| Intangibles                                 | 1,171,250             | 0                    | 0                     | 1,171,250             |
| Total Capital Assets Depreciated            | <u>\$ 178,234,743</u> | <u>\$ 13,460,866</u> | <u>\$ (4,407,218)</u> | <u>\$ 187,288,391</u> |
| Less Accumulated Depreciation For:          |                       |                      |                       |                       |
| Buildings and Improvements                  | \$ 36,437,875         | \$ 3,215,563         | \$ (382,047)          | \$ 39,271,391         |
| Other Capital Assets                        | 16,445,179            | 2,074,516            | (1,650,369)           | 16,869,326            |
| Infrastructure                              | 40,924,839            | 3,798,980            | (2,187,567)           | 42,536,252            |
| Intangibles                                 | 711,374               | 41,624               | 0                     | 752,998               |
| Total Accumulated Depreciation              | <u>\$ 94,519,267</u>  | <u>\$ 9,130,683</u>  | <u>\$ (4,219,983)</u> | <u>\$ 99,429,967</u>  |
| Total Capital Assets Depreciated, Net       | <u>\$ 83,715,476</u>  | <u>\$ 4,330,183</u>  | <u>\$ (187,235)</u>   | <u>\$ 87,858,424</u>  |
| Governmental Activities Capital Assets, Net | <u>\$ 95,177,133</u>  | <u>\$ 14,922,782</u> | <u>\$ (4,798,099)</u> | <u>\$ 105,301,816</u> |

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

**Governmental Activities:**

|   |    |                         |
|---|----|-------------------------|
| General Government                                      | \$ | 335,342                 |
| Finance   |    | 169,797                 |
| Administration of Justice                               |    | 229,229                 |
| Public Safety   |    | 2,409,615               |
| Public Health and Welfare                               |    | 929,560                 |
| Social, Cultural, and Recreational Services             |    | 781,543                 |
| Agriculture and Natural Resources                       |    | 3,009                   |
| Highway/Public Works                                    |    | <u>4,272,588</u>        |
| Total Depreciation Expense -<br>Governmental Activities | \$ | <u><u>9,130,683</u></u> |

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

|  | Balance<br>7-1-19 |                           | Increases |                          | Decreases |                            | Balance<br>6-30-20           |
|--|-------------------|---------------------------|-----------|--------------------------|-----------|----------------------------|------------------------------|
| Capital Assets Not<br>Depreciated:             |                   |                           |           |                          |           |                            |                              |
| Land   | \$                | 11,726,831                | \$        | 1,021,377                | \$        | 0                          | \$ 12,748,208                |
| Construction in Progress                       |                   | <u>34,677,211</u>         |           | <u>8,881,286</u>         |           | <u>(29,048,477)</u>        | <u>14,510,020</u>            |
| Total Capital Assets<br>Not Depreciated        | \$                | <u>46,404,042</u>         | \$        | <u>9,902,663</u>         | \$        | <u>(29,048,477)</u>        | <u>\$ 27,258,228</u>         |
| Capital Assets<br>Depreciated:                 |                   |                           |           |                          |           |                            |                              |
| Buildings and<br>Improvements                  | \$                | 444,673,134               | \$        | 31,120,027               | \$        | (74,114)                   | \$ 475,719,047               |
| Other Capital Assets                           |                   | <u>39,316,929</u>         |           | <u>2,671,591</u>         |           | <u>(336,669)</u>           | <u>41,651,851</u>            |
| Total Capital Assets<br>Depreciated            | \$                | <u>483,990,063</u>        | \$        | <u>33,791,618</u>        | \$        | <u>(410,783)</u>           | <u>\$ 517,370,898</u>        |
| Less Accumulated<br>Depreciated For:           |                   |                           |           |                          |           |                            |                              |
| Buildings and<br>Improvements                  | \$                | 254,633,727               | \$        | 16,891,597               | \$        | (74,114)                   | \$ 271,451,210               |
| Other Capital Assets                           |                   | <u>25,468,736</u>         |           | <u>3,058,105</u>         |           | <u>(325,955)</u>           | <u>28,200,886</u>            |
| Total Accumulated<br>Depreciation              | \$                | <u>280,102,463</u>        | \$        | <u>19,949,702</u>        | \$        | <u>(400,069)</u>           | <u>\$ 299,652,096</u>        |
| Total Capital Assets<br>Depreciated, Net       | \$                | <u>203,887,600</u>        | \$        | <u>13,841,916</u>        | \$        | <u>(10,714)</u>            | <u>\$ 217,718,802</u>        |
| Governmental Activities<br>Capital Assets, Net | \$                | <u><u>250,291,642</u></u> | \$        | <u><u>23,744,579</u></u> | \$        | <u><u>(29,059,191)</u></u> | <u><u>\$ 244,977,030</u></u> |

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

**Governmental Activities:**

|   |                             |
|---|-----------------------------|
| Support Services  | \$ 19,949,290               |
| Operation of Non-instructional Services                 | <u>412</u>                  |
| Total Depreciation Expense -<br>Governmental Activities | <u><u>\$ 19,949,702</u></u> |

**D. Construction Commitments**

At June 30, 2020, the General Capital Projects Fund had uncompleted construction contracts of \$90,077,987 for multiple school renovations and additions. Funding has been received for these future expenditures.

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

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

**Due to/from Other Funds:**

| Receivable Fund                         | Payable Fund          | Amount    |
|---|-----------------------|-----------|
| Primary Government:                     |                       |           |
| General                                 | Agency                | \$ 43,483 |
| "                                       | Internal Service      | 850       |
| Highway/Public Works                    | General               | 704       |
| "                                       | Nonmajor governmental | 130       |
| Discretely Presented School Department: |                       |           |
| General Purpose School                  | Nonmajor governmental | 12,707    |

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

**Interfund Transfers:**

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

## Discretely Presented Sumner County School Department

| Transfers Out              | Transfers In           |                |
|----------------------------|------------------------|----------------|
|                            | General Purpose School | Purpose        |
| Nonmajor governmental fund | \$ 141,691             | Indirect costs |
| Total                      | \$ 141,691             |                |

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.

### F. Long-term Debt

#### Primary Government

##### General Obligation Bonds

General Obligation Bonds - Sumner 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 20 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.

General obligation bonds outstanding as of June 30, 2020, for governmental activities are as follows:

| Type  | Interest Rate | Final Maturity | Original Amount of Issue | Balance 6-30-20 |
|---|---------------|----------------|--------------------------|-----------------|
| General Obligation Bonds                    | 1.5 to 5 %    | 12-1-38        | \$ 194,815,000           | \$ 168,885,000  |
| General Obligation Bonds - School Refunding | 2.86          | 6-1-23         | 112,210,000              | 37,040,000      |

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

| Year Ending<br>June 30 | Bonds                 |                      |                       |
|------------------------|-----------------------|----------------------|-----------------------|
|                        | Principal             | Interest             | Total                 |
| 2021                   | \$ 19,840,000         | \$ 8,144,037         | \$ 27,984,037         |
| 2022                   | 20,730,000            | 7,161,637            | 27,891,637            |
| 2023                   | 21,650,000            | 6,193,514            | 27,843,514            |
| 2024                   | 16,665,000            | 5,087,762            | 21,752,762            |
| 2025                   | 6,995,000             | 4,596,262            | 11,591,262            |
| 2026-2030              | 40,450,000            | 17,755,311           | 58,205,311            |
| 2031-2035              | 49,135,000            | 9,204,219            | 58,339,219            |
| 2036-2039              | 30,460,000            | 1,994,472            | 32,454,472            |
| Total                  | <u>\$ 205,925,000</u> | <u>\$ 60,137,214</u> | <u>\$ 266,062,214</u> |

There is \$21,466,189 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,282 based on the 2010 federal census. Total debt per capita, including bonds and unamortized debt premiums, totaled \$1,380 based on the 2010 federal census.

#### Changes in Long-term Debt

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

##### Governmental Activities:

|                             | Bonds                 |
|-----------------------------|-----------------------|
| Balance, July 1, 2019       | \$ 223,650,000        |
| Reductions                  | <u>(17,725,000)</u>   |
| Balance, June 30, 2020      | <u>\$ 205,925,000</u> |
| Balance Due Within One Year | <u>\$ 19,840,000</u>  |

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

|  |                       |
|--|-----------------------|
| Total Noncurrent Liabilities - Debt, June 30, 2020                       | \$ 205,925,000        |
| Less: Balance Due Within One Year - Debt                                 | (19,840,000)          |
| Add: Unamortized Premium on Debt   | <u>15,777,818</u>     |
| Noncurrent Liabilities - Due in<br>More Than One Year - Debt - Exhibit A | <u>\$ 201,862,818</u> |

**G. Long-term Obligations**

Changes in Long-term Obligations

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

|                             | Compensated<br>Absences   | Internal Service<br>Fund<br>Claims and<br>Judgments                  |
|-----------------------------|---|--|
| Balance, July 1, 2019       | \$ 1,323,921  | \$ 2,396,877   |
| Additions                   | 2,439,760   | 10,392,741   |
| Reductions                  | (2,124,809)   | (10,476,331)   |
| Balance, June 30, 2020      | <u>\$ 1,638,872</u>   | <u>\$ 2,313,287</u>  |
| Balance Due Within One Year | <u>\$ 1,638,872</u>   | <u>\$ 1,966,294</u>  |
|                             | Other<br>Postemployment<br>Benefits -<br>County<br>Insurance Plan | Other<br>Postemployment<br>Benefits -<br>Medicare<br>Supplement Plan |
| Balance, July 1, 2019       | \$ 4,966,918  | \$ 1,882,330   |
| Additions                   | 3,835,526   | 190,817  |
| Reductions                  | (105,900)   | (107,464)  |
| Balance, June 30, 2020      | <u>\$ 8,696,544</u>   | <u>\$ 1,965,683</u>  |
| Balance Due Within One Year | <u>\$ 0</u>   | <u>\$ 0</u>  |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

|   |                      |
|---|----------------------|
| Total Noncurrent Liabilities, June 30, 2020                               | \$ 14,614,386        |
| Less: Due Within One Year - Other   | <u>(3,605,166)</u>   |
| Noncurrent Liabilities - Due in<br>More Than One Year - Other - Exhibit A | <u>\$ 11,009,220</u> |

The internal service fund primarily serves the governmental funds. Accordingly, long-term obligations for the internal service fund are included as part of the above totals for governmental activities. Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General and Highway/Public Works funds.



## Discretely Presented Sumner County School Department

### Changes in Long-term Obligations

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

Governmental Activities:

|                             |                         | Internal Service<br>Fund |
|-----------------------------|-------------------------|--------------------------|
|                             | Compensated<br>Absences | Claims and<br>Judgments  |
| Balance, July 1, 2019       | \$ 2,349,696            | \$ 4,952,186             |
| Additions                   | 1,674,036               | 42,192,645               |
| Reductions                  | (1,227,694)             | (43,998,406)             |
| Balance, June 30, 2020      | <u>\$ 2,796,038</u>     | <u>\$ 3,146,425</u>      |
| Balance Due Within One Year | <u>\$ 419,405</u>       | <u>\$ 0</u>              |

|                             | Other<br>Postemployment<br>Benefits -<br>School<br>Insurance Plan | Other<br>Postemployment<br>Benefits -<br>Medicare<br>Supplement Plan |
|-----------------------------|---|--|
| Balance, July 1, 2019       | \$ 44,602,978   | \$ 0   |
| Additions                   | 15,669,016  | 7,316,723  |
| Reductions                  | (2,339,511)   | (1,863,433)  |
| Balance, June 30, 2020      | <u>\$ 57,932,483</u>  | <u>\$ 5,453,290</u>  |
| Balance Due Within One Year | <u>\$ 0</u>   | <u>\$ 0</u>  |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

|  |                      |
|--|----------------------|
| Total Noncurrent Liabilities, June 30, 2020                              | \$ 69,328,236        |
| Less: Due Within One Year - Other  | <u>(419,405)</u>     |
| Noncurrent Liabilities - Due in<br>More Than One Year -Other - Exhibit A | <u>\$ 68,908,831</u> |

The internal service fund primarily serves the governmental funds. Accordingly, long-term obligations for the internal service fund are included as part of the above totals for governmental activities. Compensated absences and other postemployment benefits will be paid from the General Purpose School and School Federal Projects funds.

## **H. Pledges of Receivables and Future Revenues**

The Sumner County Commission and the City of Hendersonville permitted the Industrial Development Board of the City of Hendersonville, Tennessee, to pledge all tax incremental financing (TIF) revenues based on an Economic Impact Plan for the Indian Lake Village Economic Development Area for up to 30 years. These revenues were pledged for the payment of \$15,000,000 of adjustable rate tax-exempt increment bonds (Series 2007A) and \$3,000,000 of adjustable rate taxable increment bonds (Series 2007B) and other debt related costs. The two series of bonds were issued on March 29, 2007, with final maturities on May 1, 2036. These bonds were to complete the “project,” which consisted of a four-lane divided median east/west connector road running parallel to Vietnam Veterans Parkway between Saundersville Road and Indian Lake Boulevard in Hendersonville, including water, sewer, electric and storm sewer utilities that are included as part of the road construction, a bridge across Drakes Creek in Hendersonville, as a continuation of the connector road, and a public park consisting of approximately 22 acres, of which four acres will be dedicated to the new Hendersonville Public Library. Additionally, these bond proceeds were also used to pay for certain costs of issuance in connection with the bonds and the payment of certain capitalized interest costs of the bonds. In addition to the bonds, these transactions also encompassed two irrevocable letters of credit, two interest rate swaps, and various other contractual agreements.

On April 29, 2016, these bonds were refinanced with a promissory note of \$11,400,000. The note’s terms are a fixed interest rate of 2.98 percent over an 84-month period with annual payments of \$1,806,347. The note also contains the provisions that a minimum balance of \$500,000 will be held by the lender as a debt service reserve and any additional tax increment revenues shall be paid to the lender and applied to reduce the principal. On April 29, 2020, the final principal payment was paid reducing the principal balance of the promissory note as of June 30, 2020 to \$0.

Sumner County is not liable for the note. Sumner County’s only responsibility under the agreement is to collect and remit all tax incremental financing revenues to the Industrial Development Board. Additional information about the debt and related financing agreements can be obtained from the Industrial Development Board of the City of Hendersonville, Tennessee, located at 101 Maple Drive North, Hendersonville, Tennessee.

## **I. On-Behalf Payments**

### **Discretely Presented Sumner County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Sumner County School Department. These payments are made by the state to the Medicare Supplement Plan. This plan is administered by the State of Tennessee and reported in the state’s Comprehensive Annual Financial Report. Payments by the state to the

Medicare Supplement Plan for the year ended June 30, 2020, were \$181,791. The school department has recognized these on-behalf payments as revenues and expenditures in the Employee Insurance Fund.

## V. OTHER INFORMATION

### A. Risk Management

The county has chosen to establish the Self-Insurance Fund for risks associated with employees' health and dental insurance plans, occupational compensation plan, and liability claims. The Self-Insurance Fund is accounted for as an Internal Service Fund in which assets are set aside for claim settlements. The county retains the risk of loss for all medical claims. The county retains the risk of loss to a limit of \$350,000 maximum tort liability, plus property damage. Claims in excess of this limit are covered by an insurance policy up to a limit of \$5,000,000 per specific claim.

All full-time employees of the primary government are eligible to participate in employee health and dental insurance. All employees of the primary government are covered under the occupational compensation plan and liability coverage. A premium charge is allocated to each fund that accounts for full-time employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The Self-Insurance Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. Claims liabilities include specific incremental claim adjustment expenditures/expenses, if any. In addition, estimated revenues, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

#### Self-Insurance Fund

| Fiscal Year |    | Beginning of Fiscal Year Liability |    | Current-year Claims and Estimates |    | Payments     |    | Balance at Fiscal Year-end |
|-------------|----|------------------------------------|----|-----------------------------------|----|--------------|----|----------------------------|
| 2018-19     | \$ | 2,205,644                          | \$ | 10,121,846                        | \$ | (9,930,613)  | \$ | 2,396,877                  |
| 2019-20     |    | 2,396,877                          |    | 10,392,741                        |    | (10,476,331) |    | 2,313,287                  |

The discretely presented Sumner County School Department has chosen to establish the Employee Insurance Fund for risks associated with certified employees' health and prescription drug insurance plans. The Employee Insurance Fund is accounted for as an Internal Service Fund in which assets

are set aside for claim settlements. The school department retains the risk of loss to a limit of \$200,000 per specific loss during the coverage period. The county obtained a stop/loss commercial insurance policy to cover claims beyond this liability up to a limit of \$1,000,000 per participant during the coverage period.

All full-time certified employees of the discretely presented Sumner County School Department are eligible to participate in employee health and prescription drug plans. A premium charge is allocated to each fund that accounts for full-time certified employees. This charge is based on actuarial estimates of the amounts needed to pay prior- and current-year claims. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The Employee Insurance Fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. Claims liabilities include incremental claim adjustment expenditures/expenses, if any. In addition, estimated revenues, if any, on settled claims have been deducted from the liability for unpaid claims. The process used to compute claims liabilities does not necessarily result in an exact amount. Changes in the balance of claims liabilities during the past two fiscal years are as follows:

**Employee Insurance Fund**

| Fiscal Year | Beginning of Fiscal Year Liability | Current-year Claims and Estimates | Payments        | Balance at Fiscal Year-end |
|-------------|------------------------------------|-----------------------------------|-----------------|----------------------------|
| 2018-19     | \$ 4,434,725                       | \$ 42,869,294                     | \$ (42,351,833) | \$ 4,952,186               |
| 2019-20     | 4,952,186                          | 42,192,645                        | (43,998,406)    | 3,146,425                  |

**B. Contingent Liabilities**

The county is involved in several pending lawsuits. The county law director 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.

The discretely presented school department is involved in several pending lawsuits. School department attorneys estimate that the potential claims against the school department not covered by insurance resulting from such litigation would not materially affect the county’s financial statements.

**C. Joint Ventures**

The Eighteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Eighteenth Judicial District, Sumner County, and various cities within

the county. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriff, and police chiefs of participating law enforcement agencies within each judicial district.

The Sumner County Emergency Communications Center (ECC) is a joint venture formed by an interlocal agreement between Sumner County, the Sumner County Emergency Communication District, and the Cities of Hendersonville, Gallatin, Portland, Millersville, and Westmoreland. The purpose of the ECC is to create and operate unified dispatch services in order to consolidate the efforts, information, experience, training, and resources of the individual organizations to increase effectiveness, share resources, and avoid duplication of effort in provision of E911 and dispatch services throughout the Sumner County area. The ECC is overseen by the executive committee and operations committee, as defined within the agreement. Sumner County is responsible for 32 percent of the operational expenses related to the ECC. For the year ended June 30, 2020, Sumner County incurred total expenses of \$3,001,807.

Sumner County does not have an equity interest in the above-noted joint ventures. Complete financial statements for the DTF can be obtained from its administrative office at the following address:

Administrative Office:

Office of District Attorney General  
Eighteenth Judicial District Drug Task Force  
Cordell Hull Building – Third Floor  
113 West Main Street  
Gallatin, Tennessee 37066

Sumner County Emergency Communications Center  
c/o Sumner County Finance Office  
355 North Belvedere Drive, Room 302  
Gallatin, Tennessee 37066

**D. Jointly Governed Organization**

The county and the Cities of Gallatin, Hendersonville, Millersville, Portland, Westmoreland, White House, and Goodlettsville jointly appoint the 20-member board of the Joint Economic Development Board of Sumner County. The board is designed to promote economic and community development in the county and related cities. The county and the cities do not have any ongoing financial interest or responsibility for this entity.

## **E. Retirement Commitments**

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

#### **Primary Government**

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

*Plan Description.* Employees of Sumner County and non-certified employees of the discretely presented Sumner County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 51.85 percent, the non-certified employees of the discretely presented school department comprise 48.15 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

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

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

if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions plus any accumulated interest.

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

|  |                     |
|--|---------------------|
| Inactive Employees or Beneficiaries Currently        |                     |
| Receiving Benefits                                   | 1,099               |
| Inactive Employees Entitled to But Not Yet Receiving |                     |
| Benefits   | 1,495               |
| Active Employees                                     | 2,225               |
| Total  | <u><u>4,819</u></u> |

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are noncontributory. Sumner 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 Sumner County was \$7,191,068 based on a rate of eleven percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Sumner 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)**

Sumner 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<br>Long-term<br>Expected<br>Real Rate<br>of Return | Percentage<br>Target<br>Allocations |
|---|---|-------------------------------------|
| U.S. Equity<br>Developed Market                                 | 5.69 %  | 31 %                                |
| International Equity<br>Emerging Market                         | 5.29  | 14                                  |
| International Equity<br>Private Equity and<br>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 Sumner 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<br>Pension<br>Liability<br>(a) | Plan<br>Fiduciary<br>Net Position<br>(b) | Net Pension<br>Liability<br>(Asset)<br>(a)-(b) |
| Balance, July 1, 2018   | \$ 191,134,794                       | \$ 198,424,967                           | \$ (7,290,173)                                 |
| Changes for the Year:   |                                      |  |  |
| Service Cost  | \$ 5,098,839                         | \$ 0                                     | \$ 5,098,839                                   |
| Interest  | 13,950,818                           | 0  | 13,950,818                                     |
| Differences Between Expected<br>and Actual Experience               | 1,706,565                            | 0  | 1,706,565                                      |
| Contributions-Employer  | 0                                    | 7,530,611                                | (7,530,611)                                    |
| Contributions-Employees   | 0                                    | 683                                      | (683)  |
| Net Investment Income   | 0                                    | 14,764,084                               | (14,764,084)                                   |
| Benefit Payments, Including<br>Refunds of Employee<br>Contributions | (7,617,126)                          | (7,617,126)                              | 0  |
| Administrative Expense  | 0                                    | (198,119)                                | 198,119  |
| Net Changes   | \$ 13,139,096                        | \$ 14,480,133                            | \$ (1,341,037)                                 |
| Balance, June 30, 2019  | \$ 204,273,890                       | \$ 212,905,100                           | \$ (8,631,210)                                 |

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

|                           | Total<br>Pension<br>Liability | Plan<br>Fiduciary<br>Net<br>Position | Net<br>Pension<br>Liability<br>(Asset) |
|---------------------------|-------------------------------|--------------------------------------|--|
| Primary Government 51.85% | \$ 105,916,012                | \$ 110,391,295                       | \$ (4,475,283)                         |
| School Department 48.15%  | 98,357,878                    | 102,513,805                          | (4,155,927)                            |
| Total                     | \$ 204,273,890                | \$ 212,905,100                       | \$ (8,631,210)                         |

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

|  | 1%       | Current<br>Discount<br>Rate | 1%       |
|--|----------|-----------------------------|----------|
|  | Decrease |                             | Increase |
|  | 6.25%    | 7.25%                       | 8.25%    |

Net Pension Liability (Asset)   \$   18,923,756   \$   (8,631,210)   \$   (31,491,247)

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

*Pension Expense.* For the year ended June 30, 2020, Sumner County recognized pension expense of \$6,979,059.

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

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and Actual Experience                                | \$ 2,898,872                            | \$ 1,109,890                           |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 0                                       | 2,457,614                              |
| Changes in Assumptions   | 2,010,824                               | 0                                      |
| Contributions Subsequent to the Measurement Date of June 30, 2019 (1)            | 7,191,068                               | N/A                                    |
| Total  | <u>\$ 12,100,764</u>                    | <u>\$ 3,567,504</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<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--------------------|--------------------------------------|-------------------------------------|
| Primary Government | \$ 6,212,437                         | \$ 1,849,751                        |
| School Department  | 5,888,327                            | 1,717,753                           |
| Total              | <u>\$ 12,100,764</u>                 | <u>\$ 3,567,504</u>                 |

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

| Year Ending<br>June 30 | Amount     |
|------------------------|------------|
| 2021                   | \$ 901,296 |
| 2022                   | (625,517)  |
| 2023                   | 350,396    |
| 2024                   | 431,589    |
| 2025                   | 284,428    |
| Thereafter             | 0          |

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

**Payable to the Pension Plan**

At June 30, 2020, Sumner County reported a payable of \$301,173 and the discretely presented Sumner County School Department reported a payable of \$486,411 for the outstanding amount of contributions due to the pension plan at year end.

**Discretely Presented Sumner County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Sumner County and non-certified employees of the discretely presented Sumner County School Department are provided

a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 51.85 percent and the non-certified employees of the discretely presented school department comprise 48.15 percent of the plan based on contribution data.

### **Certified Employees**

#### **Teacher Retirement Plan**

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

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

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

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

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2020, to the Teacher Retirement Plan were \$602,114, which is 2.03 percent of covered payroll. In addition, employer contributions of \$571,574, 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 (\$1,291,211) 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 2.287409 percent. The proportion as of June 30, 2018, was 2.172593 percent.

*Pension Expense.* For the year ended June 30, 2020, the school department recognized pension expense of \$406,697.

*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<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and<br>Actual Experience                           | \$ 53,539                               | \$ 225,409                             |
| Net Difference Between Projected and<br>Actual Earnings on Pension Plan        |   |  |
| Investments  | 0                                       | 54,590                                 |
| Changes in Assumptions   | 44,863                                  | 0                                      |
| Changes in Proportion of Net Pension<br>Liability (Asset)                      | 63,952                                  | 52,405                                 |
| LEA's Contributions Subsequent to the<br>Measurement Date of June 30, 2019 (1) | 602,114                                 | N/A                                    |
| Total  | <u>\$ 764,468</u>                       | <u>\$ 332,404</u>                      |

(1) The school department's employer contributions of \$602,114, 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<br>June 30 | Amount      |
|------------------------|-------------|
| 2021                   | \$ (25,899) |
| 2022                   | (34,251)    |
| 2023                   | (18,939)    |
| 2024                   | (11,132)    |
| 2025                   | (8,907)     |
| Thereafter             | (70,922)    |

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

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

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

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

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

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

Net Pension Liability (Asset)   \$ 409,106   \$ (1,291,211)   \$ (2,548,061)

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

### **Payable to the Pension Plan**

At June 30, 2020, the discretely presented Sumner County School Department reported a payable of \$362,722 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2020.

### **Teacher Legacy Pension Plan**

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

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

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or

after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Sumner County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$10,179,798, 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 (\$28,575,564) 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 2.779237 percent. The proportion measured at June 30, 2018, was 2.708316 percent.

*Pension Expense.* For the year ended June 30, 2020, the school department recognized pension expense of \$3,937,559.

*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<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and<br>Actual Experience                                   | \$ 1,391,271                            | \$ 17,454,522                          |
| Changes in Assumptions   | 3,850,704                               | 0                                      |
| Net Difference Between Projected and<br>Actual Earnings on Pension Plan<br>Investments | 0                                       | 8,164,589                              |
| Changes in Proportion of Net Pension<br>Liability (Asset)                              | 290,460                                 | 224,496                                |
| LEA's Contributions Subsequent to the<br>Measurement Date of June 30, 2019 (1)         | 10,179,798                              | N/A                                    |
| Total  | <u>\$ 15,712,233</u>                    | <u>\$ 25,843,607</u>                   |

- (1) The school department's employer contributions of \$10,179,798 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<br>June 30 | Amount         |
|------------------------|----------------|
| 2021                   | \$ (5,706,521) |
| 2022                   | (8,238,266)    |
| 2023                   | (3,644,586)    |
| 2024                   | (2,721,799)    |
| 2025                   | 0              |
| Thereafter             | 0              |

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

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

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

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

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

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

the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

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

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

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

Net Pension Liability (Asset)    \$ 58,428,772    \$ (28,575,564)    \$ (97,785,101)

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

### **Payable to the Pension Plan**

At June 30, 2020, the discretely presented Sumner County School Department reported a payable of \$2,465,723 for the outstanding amount of contributions due to the pension plan at year end.

## **2. Deferred Compensation**

### **Primary Government**

Sumner County offers its employees a deferred compensation plan 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 plans.

### **Discretely Presented Sumner County School Department**

The Sumner 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 457 and the Section 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 457 and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a

defined contribution portion, which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute 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 \$1,483,558 to this deferred compensation pension plan.

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

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

**OPEB Provided through Self-Insured Health Plans**

**Primary Government**

*Plan Description.* Sumner County participates in a self-insured postemployment benefits plan administered by BlueCross BlueShield of Tennessee. Retirees of Sumner County who were hired prior to January 1, 2018, are eligible to participate in the health insurance plan accounted for in the Self-Insurance Fund (internal service fund) until they reach Medicare eligibility. Retirees of Sumner County who were hired prior to July 1, 2015, may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare. The self-insured postemployment benefits plan is closed to employees that were hired on or after January 1, 2018.

The premium requirements of plan members are established and amended by recommendation of the county finance director and approved by the three-member insurance committee. The committee is comprised of three county commissioners elected by the legislative body. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates.

*Benefits Provided.* The plan provides healthcare (including pharmacy) insurance benefits to retirees, their spouses, and dependents if the retiree has 30 years of service or is age 60 with at least 20 years of service and has been eligible for coverage under the county group medical plan for a continuous five-year period immediately prior to retirement.



The benefit terms provide for the primary government to pay 75 percent of the medical insurance premiums (employee only) until they reach Medicare eligibility. Once the retiree reaches Medicare eligibility, dependents of the retiree are permitted to remain on the plan until age 26 and spouses of the retiree are permitted to remain on the plan until they become Medicare eligible, but the spouse and dependents are responsible for the entire cost of the premiums.

#### Employees Covered by Benefit Terms

At the valuation date of June 30, 2020, the following employees were covered by the benefit terms:

| Status  | Employee Only | Employee<br>& Family | Total |
|---------|---------------|----------------------|-------|
| Active  | 266           | 353                  | 619   |
| Retired | 9             | 0                    | 9     |
| Total   | 275           | 353                  | 628   |

#### **Total OPEB Liability**

The plan's total OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Methods.* The total OPEB liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                            |  |
|----------------------------|--|
| Actuarial Cost Method      | Entry Age Normal Level % of Salary method where: <ul style="list-style-type: none"> <li>- Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and</li> <li>- Annual service cost is a constant percentage of the participant's salary that is assumed to increase according to the payroll growth.</li> </ul> |
| Discount Rate              | 2.66%  |
| Inflation Rate             | 3.0%   |
| Salary Increases           | Rates below as based on the TCRS 2016 Actuarial Valuation for teachers and local government:<br>7.75% at age 25; 6.02% at age 35;<br>4.74% at age 45; and 3.97% at age 55.   |
| Healthcare Cost Trend Rate | 8.0% graded down to 4.5% in FY2027   |
| Mortality                  | SOA Pub-2010 General Headcount Weighted mortality table fully generational using Scale MP-2019   |

The discount rate was selected by reviewing the recent published Bond Buyer GO-20 Bond Municipal Bond index, an index acceptable under GASB 75.

The actuarial assumptions used in the June 30, 2020, valuation were based on plan data and costs presented by the primary government with concurrence by the actuary.

*Changes in Assumptions.* The discount rate changed from 3.51 percent as of the beginning of the measurement period to 2.66 percent as of the measurement date of June 30, 2020.

#### Changes in the Total OPEB Liability

|   | Primary<br>Government |
|---|-----------------------|
| Balance July 1, 2019                                  | \$ 4,966,918          |
| Changes for the Year:                                 |                       |
| Service Cost  | \$ 325,797            |
| Interest  | 183,931               |
| Changes in assumptions                                | 336,342               |
| Differences between expected<br>and actual experience | 2,989,456             |
| Benefit Payments                                      | (105,900)             |
| Net Changes   | \$ 3,729,626          |
| Balance June 30, 2020                                 | \$ 8,696,544          |

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the plan recognized OPEB expense of \$843,241. At June 30, 2020, the plan reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| Primary Government                                   | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and<br>Actual Experience | \$ 2,688,953                            | \$ 235,501                             |
| Changes in Assumptions                               | 530,629                                 | 0                                      |
| Total  | <u>\$ 3,219,582</u>                     | <u>\$ 235,501</u>                      |

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

| Year Ending<br>June 30 | Primary<br>Government |
|------------------------|-----------------------|
| 2021                   | \$ 333,513            |
| 2022                   | 333,513               |
| 2023                   | 333,513               |
| 2024                   | 333,513               |
| 2025                   | 333,513               |
| Thereafter             | 1,316,516             |

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

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability of the county calculated using the discount rate of 2.66 percent, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (1.66%) or one percentage point higher (3.66%) than the current rate:

| <u>Discount Rate</u> | 1%<br>Decrease | Current<br>Discount<br>Rate | 1%<br>Increase |
|----------------------|----------------|-----------------------------|----------------|
| Primary Government   | 1.66%          | 2.66%                       | 3.66%          |
| Total OPEB Liability | \$ 9,518,280   | \$ 8,696,544                | \$ 7,915,522   |

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the total OPEB liability of the county calculated using the healthcare cost trend rate of 8% decreasing to 4.5% by 2027, as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower (7%) or one percentage point higher (9%) than the current rate:

| <u>Healthcare Cost Trend Rate</u> | 1%<br>Decrease                   | Current<br>Trend<br>Rates        | 1%<br>Increase                   |
|-----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|                                   | 7% decreasing to<br>3.5% by 2027 | 8% decreasing to<br>4.5% by 2027 | 9% decreasing to<br>5.5% by 2027 |
| Primary Government                |                                  |                                  |                                  |
| Total OPEB Liability              | \$ 7,466,361                     | \$ 8,696,544                     | \$ 10,197,410                    |

**Discretely Presented Sumner County School Department**

*Plan Description.* Sumner County School Department participates in a self-insured postemployment benefits plan. Retirees of the Sumner County School Department who meet the eligibility requirements dictated in the board approved retirement benefits resolution are eligible to participate in the health insurance plan accounted for in the Self-Insurance Fund (internal service fund) until they reach Medicare eligibility. The retirees of Sumner County School Department may then join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare.

The premium requirements of plan members are established and amended by recommendation of the 15-member insurance committee and approved by the Director of Schools. The committee is comprised of various school employees from across the school district including two retiree representatives. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates.

*Benefits Provided.* The plan allows retirees to participate in medical, dental, vision, and life insurance benefits. A retiree is eligible to participate if the retiree has 30 years of creditable service with Tennessee Consolidated Retirement System (TCRS) or is age 60 with at least 20 years of creditable service with TCRS. Retirees must have had continuous group medical coverage for the last 3 consecutive years prior to retirement to be eligible for continued medical coverage.

Based on the retirement package in which the retiree is eligible, the benefit eligibility terms provide for the school department to pay from 0% to 70% of the medical insurance premiums. Retirees receive one year of coverage for every three years of creditable service with Sumner County School Department with a maximum coverage of ten years or until the retiree is eligible for Medicare. A spouse of the retiree can continue coverage until the spouse is Medicare eligible or remaining coverage period expires (10 years).

Dependent child(ren) can continue coverage up until their 26<sup>th</sup> birthday or the remaining coverage period expires (10 years). Lastly, the school department provides, at no cost to the retiree, a \$35,000 life insurance policy until age 70.

#### Employees Covered by Benefit Terms

At the valuation date of June 30, 2020, the following employees were covered by the benefit terms:

| Status  | Employee<br>Only | Employee<br>& Family | Total |
|---------|------------------|----------------------|-------|
| Active  | 736              | 2,057                | 2,793 |
| Retired | 81               | 64                   | 145   |
| Total   | 817              | 2,121                | 2,938 |

#### **Total OPEB Liability**

The plan's total OPEB liability was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Methods.* The total OPEB liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                            |   |
|----------------------------|---|
|                            | <ul style="list-style-type: none"> <li>- Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and</li> <li>- Annual service cost is a constant percentage of the participant's salary that is assumed to increase according to the payroll growth.</li> </ul> |
| Discount Rate              | 2.66%   |
| Inflation Rate             | 3.0%  |
| Salary Increases           | Rates below as based on the TCRS 2016 Actuarial Valuation for teachers and local government:<br>7.75% at age 25; 6.02% at age 35;<br>4.74% at age 45; and 3.97% at age 55.  |
| Healthcare Cost Trend Rate | 8.0% graded down to 4.5% in FY2027  |
| Mortality                  | <p>Certified retirees:<br/>SOA Pub-2010 Teacher Headcount Weighted mortality table fully generational using Scale MP-2019</p> <p>All other retirees:<br/>SOA Pub-2010 General Headcount Weighted mortality table fully generational using Scale MP-2019</p>   |

The discount rate was selected by reviewing the recent published Bond Buyer GO-20 Bond Municipal Bond index, an index acceptable under GASB 75.

The actuarial assumptions used in the June 30, 2020, valuation were based on plan data and costs presented by the primary government with concurrence by the actuary.

*Changes in Assumptions.* The discount rate changed from 3.51 percent as of the beginning of the measurement period to 2.66 percent as of the measurement date of June 30, 2020.

Changes in the Total OPEB Liability

|   | <u>School<br/>Department</u> |
|---|------------------------------|
| Balance July 1, 2019                                  | \$ 44,602,978                |
| Changes for the Year:                                 |                              |
| Service Cost  | \$ 2,383,541                 |
| Interest  | 1,608,523                    |
| Changes in assumptions                                | 1,547,528                    |
| Differences between expected<br>and actual experience | 10,129,425                   |
| Benefit Payments                                      | <u>(2,339,512)</u>           |
| Net Changes   | <u>\$ 13,329,505</u>         |
| <br>Balance June 30, 2020                             | <br><u>\$ 57,932,483</u>     |

*OPEB Expense and Deferred Outflows of Resources.* For the year ended June 30, 2020, the plan recognized OPEB expense of \$5,510,204. At June 30, 2020, the plan reported deferred outflows of resources related to OPEB from the following sources:

| School Department                                    | <u>Deferred<br/>Outflows<br/>of<br/>Resources</u> | <u>Deferred<br/>Inflows<br/>of<br/>Resources</u> |
|--|---|--|
| Difference Between Expected and<br>Actual Experience | \$ 12,171,103                                     | \$ 1,316,924                                     |
| Changes in Assumptions                               | <u>3,374,875</u>                                  | <u>0</u>   |
| Total  | <u>\$ 15,545,978</u>                              | <u>\$ 1,316,924</u>                              |

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

| <u>Year Ending<br/>June 30</u> | <u>School<br/>Department</u> |
|--------------------------------|------------------------------|
| 2021                           | \$ 1,518,140                 |
| 2022                           | 1,518,140                    |
| 2023                           | 1,518,140                    |
| 2024                           | 1,518,140                    |
| 2025                           | 1,518,140                    |
| Thereafter                     | 6,638,354                    |

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

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability of the county calculated using the discount rate of 2.66 percent, as well as what the OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (1.66%) or one percentage point higher (3.66%) than the current rate:

|                      | 1%<br>Decrease | Current<br>Discount<br>Rate | 1%<br>Increase |
|----------------------|----------------|-----------------------------|----------------|
| School Department    | 1.66%          | 2.66%                       | 3.66%          |
| Total OPEB Liability | \$ 62,005,641  | \$ 57,932,483               | \$ 53,981,261  |

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the total OPEB liability of the county calculated using the healthcare cost trend rate of 8.5% decreasing to 5% by 2027, as well as what the OPEB liability would be if it was calculated using a trend rate that is one percentage point lower (7.5%) or one percentage point higher (9.5%) than the current rate:

|                      | 1%<br>Decrease                   | Current<br>Trend<br>Rates        | 1%<br>Increase                   |
|----------------------|----------------------------------|----------------------------------|----------------------------------|
|                      | 7% decreasing to<br>3.5% by 2027 | 8% decreasing to<br>4.5% by 2027 | 9% decreasing to<br>5.5% by 2027 |
| School Department    |                                  |                                  |                                  |
| Total OPEB Liability | \$ 51,785,604                    | \$ 57,932,483                    | \$ 65,189,750                    |

### **OPEB Provided through State Administered Public Entity Risk Pools**

Post-65 retirees of Sumner County and the discretely presented Sumner County School Department may join the Tennessee Plan – Medicare (TNM), which provides supplemental medical insurance for retirees with Medicare.

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

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



|   |   |
|---|---|
| Actuarial Cost Method                     | Entry Age Normal  |
| Inflation                                 | 2.2%  |
| Salary Increases                          | Salary increases used in the July 1, 2018<br>TCRS actuarial valuation; 3.44%<br>to 8.72%, including inflation   |
| Discount Rate                             | 3.51%   |
| Healthcare Cost Trend Rates               | TN-Ms-<br>The premium subsidies provided to retirees<br>are assumed to remain unchanged for<br>the entire projection, therefore trend<br>rates are not applicable |
| Retirees Share of Benefit<br>Related Cost | Discussed under each plan   |

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

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2019, valuations were the same as those employed in the July 1, 2018 Pension Actuarial Valuation of the Tennessee Consolidated Retirement System (TCRS). These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the RP-2014 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2016. Post-retirement tables are Blue Collar and adjusted with a 2% load for males and a -3% 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% load.

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

## **Closed Tennessee (TNM) OPEB Plan – Medicare (Primary Government)**

*Plan Description.* Employees of Sumner County, who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan -Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retirees and disability participants of local governments, who choose coverage, participate in the TNM. The TNM also includes eligible retirees of the state, certain component units of the state, and local education agencies. However, the amounts reflected in this note disclosure pertain only to Sumner County. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

*Benefits Provided.* The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retirees and disabled participants of local governments. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with TCA 8-27-209, benefits of the TNM are established and amended by cooperation of insurance committees created by TCA 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and receive a benefit from the Tennessee Consolidated Retirement System (TCRS) may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. Sumner County provided a direct subsidy of \$50 for eligible retirees with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with 15-20 years of service.

### 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                                   | 82                  |
| Inactive Employees Entitled to But Not Yet Receiving |                     |
| Benefits   | 30                  |
| Active Employees                                     | 1,423               |
| Total  | <u><u>1,535</u></u> |

In accordance with TCA 8-27-209, the state insurance committees established by TCA 8-27-201, 8-27-301 and 8-27-701 determine the required payments to

the plan by member employers and 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. For the fiscal year ended June 30, 2020, the county paid \$18,634 to the TNM for OPEB benefits as they came due.

Changes in the Total OPEB Liability

|  | <u>Sumner<br/>County</u>   |
|--|----------------------------|
| Balance July 1, 2018                                       | \$ 1,882,330               |
| Changes for the Year:                                      |                            |
| Service Cost   | 70,994                     |
| Interest   | 70,444                     |
| Difference between<br>Expected and Actuarial<br>Experience | (92,626)                   |
| Changes in Assumptions<br>and Other Inputs                 | 49,379                     |
| Benefit Payments   | (14,838)                   |
| Net Changes  | <u>\$ 83,353</u>           |
| Balance June 30, 2019                                      | <u><u>\$ 1,965,683</u></u> |

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the county recognized OPEB expense of \$62,109. At June 30, 2020, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | <u>Deferred<br/>Outflows<br/>of<br/>Resources</u> | <u>Deferred<br/>Inflows<br/>of<br/>Resources</u> |
|--|---|--|
| Difference Between Expected and<br>Actual Experience             | \$ 0  | \$ 339,174                                       |
| Changes of Assumptions   | 43,430  | 177,645  |
| Benefits Paid After the Measurement Date<br>of June 30, 2019 (1) | <u>18,634</u>                                     | <u>0</u>   |
| Total  | <u><u>\$ 62,064</u></u>                           | <u><u>\$ 516,819</u></u>                         |

- (1) The amount shown above for “Benefits Paid After the Measurement Date of June 30, 2019” will be recognized as a reduction to total OPEB liability in the following measurement period.

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

| <u>Year Ending<br/>June 30</u> | <u>Sumner<br/>County</u> |
|--------------------------------|--------------------------|
| 2021                           | \$ (79,329)              |
| 2022                           | (79,329)                 |
| 2023                           | (79,329)                 |
| 2024                           | (79,329)                 |
| 2025                           | (79,329)                 |
| Thereafter                     | (76,744)                 |

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

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

| <u>Discount Rate</u> | <u>1%<br/>Decrease<br/>2.51%</u> | <u>Current<br/>Discount<br/>Rate<br/>3.51%</u> | <u>1%<br/>Increase<br/>4.51%</u> |
|----------------------|----------------------------------|--|----------------------------------|
| Total OPEB Liability | \$ 2,308,190                     | \$ 1,965,683                                   | \$ 1,686,334                     |

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The premium subsidies provided to retirees in the TNM plan are assumed to remain unchanged for the entire projection period, therefore trend rates are not applicable to the plan calculations.

### **Closed Tennessee Plan – Medicare (Discretely Presented School Department)**

*Plan Description.* Employees of the Sumner County School Department, who were hired prior to July 1, 2015, are provided with post-65 retiree health insurance benefits through the closed Tennessee Plan - Medicare (TNM) administered by the Tennessee Department of Finance and Administration. All eligible post-65 retirees and disability participants of local education

agencies, who choose coverage, participate in the TNM. The TNM also includes eligible retirees of the state, certain component units of the state, and certain local governmental entities. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015. The school department's total OPEB liability for the TNM Plan was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date.

*Benefits Provided.* The state offers the TNM to help fill most of the coverage gaps created by Medicare for eligible post-65 retired teachers, noncertified employees, and disabled participants of local education agencies. Insurance coverage is the only postemployment benefit provided to retirees. The TNM does not include pharmacy. In accordance with *TCA* 8-27-209, benefits of the TNM are established and amended by cooperation of insurance committees created by *TCA* Sections 8-27-201, 8-27-301 and 8-27-701. Retirees and disabled employees of the state, component units, local education agencies, and certain local governments who have reached the age of 65, are Medicare eligible and also receives a benefit from the Tennessee Consolidated Retirement System may participate in this plan. All plan members receive the same plan benefits at the same premium rates. Participating employers determine their own policy related to subsidizing the retiree premiums. The Sumner County School Department provides a direct subsidy to retired certified and non-certified employees of \$50 for eligible retirees with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with 10 to 20 years of service. The state, as a governmental nonemployer contributing entity contributes to the premiums of certain eligible retirees (teachers) of local education agencies based on years of service. The State of Tennessee provided a direct subsidy of \$50 for eligible retirees (teachers) with 30 or more years of service, \$37.50 for eligible retirees with 20-29 years of service, and \$25 for eligible retirees with less than 20 years of service.

#### 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                                   | 336                 |
| Inactive Employees Entitled to But Not Yet Receiving |                     |
| Benefits   | 163                 |
| Active Employees                                     | 2,289               |
| Total  | <u><u>2,788</u></u> |

In accordance with *TCA* 8-27-209, the state insurance committees established by *TCA* Sections 8-27-201, 8-27-301 and 8-27-701 determine the required

payments to the plan by member employers and 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. For the fiscal year ended June 30, 2020, the school department paid \$178,704 to the TNM for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

|  | Share of Collective Liability               |                         | Total OPEB Liability |
|--|---|-------------------------|----------------------|
|  | Sumner County School Department<br>50.0666% | State of TN<br>49.9334% |                      |
| Balance July 1, 2018                                 | \$ 0  | \$ 5,415,972            | \$ 5,415,972         |
| Changes for the Year:                                |   |                         |                      |
| Service Cost   | \$ 65,296                                   | \$ 65,123               | \$ 130,419           |
| Interest   | 98,963                                      | 98,699                  | 197,662              |
| Difference between Expected and Actuarial Experience | (100,937)                                   | (100,669)               | (201,606)            |
| Changes in Proportion                                | 2,711,593                                   | (2,711,593)             | 0                    |
| Changes in Assumption and Other Inputs               | 2,765,391                                   | 2,758,034               | 5,523,425            |
| Benefit Payments                                     | (87,016)                                    | (86,784)                | (173,800)            |
| Net Changes  | \$ 5,453,290                                | \$ 22,810               | \$ 5,476,100         |
| Balance June 30, 2019                                | \$ 5,453,290                                | \$ 5,438,782            | \$ 10,892,072        |

The Sumner County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired teachers participating in the TNM. The Sumner 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 \$1,762,496 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the TMN for school department retirees.

During the year, the Sumner County School Department's proportionate share of the collective OPEB liability for the TNM plan was 50.0666 percent and the State of Tennessee's share was 49.9334 percent.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the school department recognized OPEB expense of \$743,038, which includes expenses funded by nonemployer contributing entities.

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<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and Actual Experience  | \$ 449,807                              | \$ 91,089                              |
| Changes of Assumptions   | 2,495,597                               | 786,845                                |
| Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employee and Nonemployer Contributors As Benefits Came Due | 2,719,777                               | 12,978,357                             |
| Benefits Paid After the Measurement Date of June 30, 2019  | <u>178,704</u>                          | <u>0</u>                               |
| Total  | <u>\$ 5,843,885</u>                     | <u>\$ 13,856,291</u>                   |

The amount shown above for “Benefits Paid After the Measurement Date of June 30, 2019” will be recognized as a reduction to total OPEB liability in the following measurement period.

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

| Year Ending<br>June 30 | School<br>Department |
|------------------------|----------------------|
| 2021                   | \$ (1,183,717)       |
| 2022                   | (1,183,717)          |
| 2023                   | (1,183,717)          |
| 2024                   | (1,183,717)          |
| 2025                   | (1,183,717)          |
| Thereafter             | (2,272,525)          |

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 TNM,

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 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

| <u>Discount Rate</u> | 1%       | Current<br>Discount<br>Rate | 1%       |
|----------------------|----------|-----------------------------|----------|
|                      | Decrease |                             | Increase |
|                      | 2.51%    | 3.51%                       | 4.51%    |

|  |              |              |              |
|--|--------------|--------------|--------------|
| Proportionate Share of the<br>Collective Total OPEB<br>Liability | \$ 6,366,128 | \$ 5,453,290 | \$ 4,716,019 |
|--|--------------|--------------|--------------|

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The premium subsidies provided to retirees in the TNM plan are assumed to remain unchanged for the entire projection period, therefore trend rates are not applicable to the plan calculations.

#### **G. Termination Benefits**

In 2011-12, the discretely presented Sumner County School Department offered a voluntary retirement incentive for employees who will have 30 years of verified Tennessee Consolidated Retirement Service (TCRS), or have reached 60 years of age with a minimum of 20 years of verified teaching credit in TCRS and worked in the Sumner County school system for ten years. This incentive consists of a cash payment of \$15 per day for each sick day held by the employee at their retirement date. There is no limit to the number of accumulated days that employees can be paid under the program. During the year, 62 employees accepted the voluntary retirement incentive. All 35 employees retired during 2019-20 and received sick leave payments totaling \$125,120.

#### **H. Office of Central Accounting and Budgeting**

On June 18, 2012, Sumner County adopted Chapter 70, Private Acts of 2012, which provides for a central system of accounting and budgeting covering all funds of the county. On May 20, 2019, Sumner County adopted Chapter 8, Private Acts of 2019, which amends several sections of the Private Acts of 2012. The amendments allow, but do not require, centralization of the school department.

#### **I. Purchasing Laws**

##### Office of Finance Director

Chapter 70, Private Acts of 2012, as amended, governs purchasing procedures for the general county government. This act does not provide for



a dollar amount requiring advertisement and competitive bidding, and the financial management committee has not formally adopted a dollar amount. Therefore, public advertising provisions for the general government fall under the provisions of the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-206, *Tennessee Code Annotated (TCA)*, which provide that general government purchases in excess of \$10,000 are to be made after public advertisement and competitive bidding.

#### Office of Superintendent of Roads

Section 54-7-113, *TCA*, (Uniform Road Law), governs purchasing procedures for the highway department. This statute requires all purchases exceeding \$10,000 to be made on the basis of publicly advertised competitive bids.

#### Office of Director of Schools

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

### **J. Subsequent Event**

On August 17, 2020, Sumner County issued \$102,703,569 in general obligation bonds.

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## REQUIRED SUPPLEMENTARY INFORMATION

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Exhibit F-1

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

|  | 2014           | 2015           | 2016           | 2017           | 2018           | 2019           |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Total Pension Liability</b>   |                |                |                |                |                |                |
| Service Cost   | \$ 3,872,058   | \$ 3,955,962   | \$ 4,197,651   | \$ 4,509,714   | \$ 4,738,710   | \$ 5,098,839   |
| Interest   | 10,430,756     | 11,036,412     | 11,722,788     | 12,588,968     | 13,068,154     | 13,950,818     |
| Differences Between Actual and Expected Experience                     | (868,375)      | (67,132)       | 1,731,715      | (2,197,405)    | 1,349,244      | 1,706,565      |
| Changes in Assumptions   | 0              | 0              | 0              | 4,021,649      | 0              | 0              |
| Benefit Payments, Including Refunds of Employee Contributions          | (5,242,772)    | (5,643,093)    | (6,387,427)    | (6,442,869)    | (7,065,996)    | (7,617,126)    |
| Net Change in Total Pension Liability                                  | \$ 8,191,667   | \$ 9,282,149   | \$ 11,264,727  | \$ 12,480,057  | \$ 12,090,112  | \$ 13,139,096  |
| Total Pension Liability, Beginning                                     | 137,826,082    | 146,017,749    | 155,299,898    | 166,564,625    | 179,044,682    | 191,134,794    |
| Total Pension Liability, Ending (a)                                    | \$ 146,017,749 | \$ 155,299,898 | \$ 166,564,625 | \$ 179,044,682 | \$ 191,134,794 | \$ 204,273,890 |
| <b>Plan Fiduciary Net Position</b>                                     |                |                |                |                |                |                |
| Contributions - Employer   | \$ 6,814,957   | \$ 7,084,326   | \$ 7,620,318   | \$ 7,786,613   | \$ 6,993,577   | \$ 7,530,611   |
| Contributions - Employee   | 30,200         | 1,120          | 2,246          | 1,475          | 9,174          | 683            |
| Net Investment Income  | 21,547,346     | 4,719,154      | 4,228,053      | 18,641,748     | 15,218,456     | 14,764,084     |
| Benefit Payments, Including Refunds of Employee Contributions          | (5,242,772)    | (5,643,093)    | (6,387,427)    | (6,442,869)    | (7,065,996)    | (7,617,126)    |
| Administrative Expense   | (80,666)       | (107,840)      | (159,304)      | (180,905)      | (207,530)      | (198,119)      |
| Other  | 0              | 0              | 0              | (2,265)        | 0              | 0              |
| Net Change in Plan Fiduciary Net Position                              | \$ 23,069,065  | \$ 6,053,667   | \$ 5,303,886   | \$ 19,803,797  | \$ 14,947,681  | \$ 14,480,133  |
| Plan Fiduciary Net Position, Beginning                                 | 129,246,871    | 152,315,936    | 158,369,603    | 163,673,489    | 183,477,286    | 198,424,967    |
| Plan Fiduciary Net Position, Ending (b)                                | \$ 152,315,936 | \$ 158,369,603 | \$ 163,673,489 | \$ 183,477,286 | \$ 198,424,967 | \$ 212,905,100 |
| Net Pension Liability (Asset), Ending (a - b)                          | \$ (6,298,187) | \$ (3,069,705) | \$ 2,891,136   | \$ (4,432,604) | \$ (7,290,173) | \$ (8,631,210) |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 104.31%        | 101.98%        | 98.26%         | 102.48%        | 103.81%        | 104.23%        |
| Covered Payroll  | \$ 48,332,994  | \$ 50,747,320  | \$ 54,578,637  | \$ 55,778,009  | \$ 59,520,680  | \$ 64,090,285  |
| Net Pension Liability (Asset) as a Percentage of Covered Payroll       | (13.03)%       | (6.05)%        | 5.30%          | (7.95)%        | (12.25)%       | (13.47)%       |

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 and non-certified employees of the discretely presented school department.

Exhibit F-2

Sumner 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              | \$ 6,814,957  | \$ 7,084,326  | \$ 7,620,318  | \$ 5,008,865   | \$ 5,630,656   | \$ 6,062,943   | \$ 7,191,068  |
| Less Contributions in Relation to the            |               |               |               |                |                |                |               |
| Actuarially Determined Contribution              | (6,814,957)   | (7,084,326)   | (7,620,318)   | (7,786,613)    | (6,993,577)    | (7,530,611)    | (7,191,068)   |
| Contribution Deficiency (Excess)                 | \$ 0          | \$ 0          | \$ 0          | \$ (2,777,748) | \$ (1,362,921) | \$ (1,467,668) | \$ 0          |
| Covered Payroll                                  | \$ 48,332,994 | \$ 50,747,320 | \$ 54,578,637 | \$ 55,778,009  | \$ 59,520,680  | \$ 64,090,285  | \$ 66,465,766 |
| Contributions as a Percentage of Covered Payroll | 14.10%        | 13.96%        | 13.96%        | 13.96%         | 11.75%         | 11.75%         | 11.00%        |

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 and non-certified employees of the discretely presented school department.

Exhibit F-3

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

|  | 2015         | 2016          | 2017          | 2018          | 2019          | 2020          |
|--|--------------|---------------|---------------|---------------|---------------|---------------|
| Contractually Required Contribution              | \$ 228,292   | \$ 420,625    | \$ 638,578    | \$ 309,611    | \$ 469,586    | \$ 602,114    |
| Less Contributions in Relation to the            |              |               |               |               |               |               |
| Contractually Required Contribution              | (228,292)    | (420,625)     | (638,578)     | (759,434)     | (469,586)     | (602,114)     |
| Contribution Deficiency (Excess)                 | \$ 0         | \$ 0          | \$ 0          | \$ (449,823)  | \$ 0          | \$ 0          |
| Covered Payroll                                  | \$ 5,707,298 | \$ 10,515,625 | \$ 15,397,403 | \$ 19,858,355 | \$ 24,205,436 | \$ 29,660,742 |
| Contributions as a Percentage of Covered Payroll | 4.00%        | 4.00%         | 4.15%         | 3.82%         | 1.94%         | 2.03%         |

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

Exhibit F-4

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

|  | 2014           | 2015           | 2016           | 2017          | 2018          | 2019          | 2020          |
|--|----------------|----------------|----------------|---------------|---------------|---------------|---------------|
| Contractually Required Contribution              | \$ 9,318,045   | \$ 9,369,511   | \$ 9,080,291   | \$ 8,741,947  | \$ 8,611,145  | \$ 9,747,864  | \$ 10,179,798 |
| Less Contributions in Relation to the            |                |                |                |               |               |               |               |
| Contractually Required Contribution              | (9,318,045)    | (9,369,511)    | (9,080,291)    | (8,741,947)   | (8,611,145)   | (9,747,864)   | (10,179,798)  |
| Contribution Deficiency (Excess)                 | <u>\$ 0</u>    | <u>\$ 0</u>    | <u>\$ 0</u>    | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 0</u>   |
| Covered Payroll                                  | \$ 104,932,940 | \$ 100,645,167 | \$ 100,445,598 | \$ 97,283,833 | \$ 93,963,874 | \$ 93,191,825 | \$ 95,764,780 |
| Contributions as a Percentage of Covered Payroll | 8.88%          | 9.31%          | 9.04%          | 8.99%         | 9.16%         | 10.46%        | 10.63%        |

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

Exhibit F-5

Sumner County, Tennessee  
Schedule of Proportionate Share of the Net Pension Liability (Asset)  
in the Teacher Retirement Plan of TCRS  
Discretely Presented Sumner 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   | 2.746882%    | 2.389892%     | 2.432349%     | 2.172593%     | 2.287409%      |
| School Department's Proportionate Share of the Net Pension Liability (Asset)  | \$ (110,506) | \$ (248,795)  | \$ (641,738)  | \$ (985,332)  | \$ (1,291,211) |
| Covered Payroll   | \$ 5,707,298 | \$ 10,515,625 | \$ 15,397,403 | \$ 19,858,355 | \$ 24,205,436  |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (1.94)%      | (2.37)%       | (4.17)%       | (4.96)%       | (5.33)%        |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability  | 127.46%      | 121.88%       | 126.81%       | 126.97%       | 123.07%        |

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

Exhibit F-6

Sumner County, Tennessee  
Schedule of Proportionate Share of the Net Pension Liability (Asset)  
in the Teacher Legacy Pension Plan of TCRS  
Discretely Presented Sumner 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   | 2.673456%      | 2.768665%      | 2.782585%      | 2.735624%     | 2.708316%      | 2.779237%       |
| School Department's Proportionate Share of the Net Pension Liability (Asset)  | \$ (434,424)   | \$ 1,134,140   | \$ 17,389,612  | \$ (895,052)  | \$ (9,530,334) | \$ (28,575,564) |
| Covered Payroll   | \$ 104,932,950 | \$ 103,645,167 | \$ 100,445,598 | \$ 97,283,833 | \$ 93,963,874  | \$ 93,191,825   |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (0.414002)%    | 1.094252%      | 17.31%         | (0.92)%       | (10.14)%       | (30.66)%        |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability  | 100.08%        | 99.81%         | 97.14%         | 100.14%       | 101.49%        | 104.28%         |

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



Exhibit F-7

Sumner County, Tennessee

Schedule of Changes in the Total OPEB Liability and Related Ratios - Self-Insured Plan

For the Fiscal Year Ended June 30

|  | 2018                | 2019                | 2020                |
|--|---------------------|---------------------|---------------------|
| <b>Total OPEB Liability</b>  |                     |                     |                     |
| Service Cost   | \$ 287,149          | \$ 305,679          | \$ 325,797          |
| Interest   | 161,322             | 188,483             | 183,931             |
| Differences Between Actual and Expected Experience                     | (125,139)           | (184,879)           | 2,989,456           |
| Changes in Assumptions   | 135,150             | 166,865             | 336,342             |
| Benefit Payments   | (79,914)            | (146,461)           | (105,900)           |
| Net Change in Total OPEB Liability                                     | \$ 378,568          | \$ 329,687          | \$ 3,729,626        |
| Total OPEB Liability, Beginning  | 4,258,663           | 4,637,231           | 4,966,918           |
| Total OPEB Liability, Ending   | <u>\$ 4,637,231</u> | <u>\$ 4,966,918</u> | <u>\$ 8,696,544</u> |
| Covered Employee Payroll   | \$ 27,946,075       | \$ 28,784,457       | \$ 34,733,747       |
| Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll | 16.59%              | 17.26%              | 25.04%              |

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

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Exhibit F-8

Sumner County, Tennessee

Schedule of Changes in the Total OPEB Liability and Related Ratios - Tennessee Plan - Medicare

For the Fiscal Year Ended June 30

|  | 2017         | 2018         | 2019         |
|--|--------------|--------------|--------------|
| <b>Total OPEB Liability</b>                                    |              |              |              |
| Service Cost   | \$ 121,013   | \$ 104,179   | \$ 70,994    |
| Interest   | 66,038       | 77,450       | 70,444       |
| Differences Between Actual and Expected Experience             | 0            | (346,574)    | (92,626)     |
| Changes in Assumptions or Other Inputs                         | (246,206)    | (18,165)     | 49,379       |
| Benefit Payments   | (8,100)      | (11,900)     | (14,838)     |
| Net Change in Total OPEB Liability                             | \$ (67,255)  | \$ (195,010) | \$ 83,353    |
| Total OPEB Liability, Beginning                                | 2,144,595    | 2,077,340    | 1,882,330    |
| Total OPEB Liability, Ending                                   | \$ 2,077,340 | \$ 1,882,330 | \$ 1,965,683 |
| Covered Employee Payroll                                       | N/A          | N/A          | N/A          |
| Net OPEB Liability as a Percentage of Covered Employee Payroll | N/A          | N/A          | N/A          |

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.

Exhibit F-9

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

|  | 2018                 | 2019                 | 2020                 |
|--|----------------------|----------------------|----------------------|
| <b>Total OPEB Liability</b>  |                      |                      |                      |
| Service Cost   | \$ 1,987,393         | \$ 2,242,629         | \$ 2,383,541         |
| Interest   | 1,355,729            | 1,724,099            | 1,608,523            |
| Differences Between Actual and Expected Experience                     | 4,073,489            | (1,609,575)          | 10,129,425           |
| Changes in Assumptions   | 1,379,660            | 1,179,009            | 1,547,528            |
| Benefit Payments   | (2,286,052)          | (2,458,504)          | (2,339,512)          |
| Net Change in Total OPEB Liability                                     | \$ 6,510,219         | \$ 1,077,658         | \$ 13,329,505        |
| Total OPEB Liability, Beginning  | 37,015,101           | 43,525,320           | 44,602,978           |
| Total OPEB Liability, Ending   | <u>\$ 43,525,320</u> | <u>\$ 44,602,978</u> | <u>\$ 57,932,483</u> |
| Covered Employee Payroll   | \$ 110,243,534       | \$ 113,550,840       | \$ 121,347,308       |
| Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll | 39.48%               | 39.28%               | 47.74%               |

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

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Exhibit F-10

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

|   | <u>2019</u>                 |
|---|-----------------------------|
| <b>Total OPEB Liability</b>   |                             |
| Service Cost  | \$ 130,419                  |
| Interest  | 197,662                     |
| Differences Between Actual and Expected Experience                              | (201,606)                   |
| Changes in Assumptions or Other Inputs  | 5,523,425                   |
| Benefit Payments  | <u>(173,800)</u>            |
| Net Change in Total OPEB Liability  | \$ 5,476,100                |
| Total OPEB Liability, Beginning   | <u>5,415,972</u>            |
| Total OPEB Liability, Ending  | <u><u>\$ 10,892,072</u></u> |
| Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability | \$ 5,438,782                |
| Employer Proportionate Share of the Total OPEB Liability                        | 5,453,290                   |
| Covered Employee Payroll  | N/A                         |
| Net OPEB Liability as a Percentage of Covered Employee Payroll                  | N/A                         |

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.

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

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for 2020 were calculated based on the 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 mortality assumptions.

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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

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

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

## Exhibit G-1

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

ASSETS

Cash  
Equity in Pooled Cash and Investments  
Accounts Receivable  
Due from Other Governments

Total Assets

LIABILITIES

Accounts Payable  
Due to Other Funds  
Due to Litigants, Heirs, and Others  
Other Current Liabilities  
Total Liabilities

DEFERRED INFLOWS OF RESOURCES

Other Deferred/Unavailable Revenue  
Total Deferred Inflows of Resources

FUND BALANCES

Restricted:  
Restricted for General Government

| Special Revenue Funds                 |                 |  | Total<br>Nonmajor<br>Governmental<br>Funds |
|---------------------------------------|-----------------|--|--|
| Courthouse<br>and Jail<br>Maintenance | Drug<br>Control | Constitu -<br>tional<br>Officers -<br>Fees |  |
| \$ 0                                  | \$ 0            | \$ 6,000                                   | \$ 6,000                                   |
| 133,912                               | 128,232         | 0  | 262,144                                    |
| 55,577                                | 0               | 80   | 55,657                                     |
| 62                                    | 0               | 0  | 62   |
| <hr/>                                 |                 |  |  |
| \$ 189,551                            | \$ 128,232      | \$ 6,080                                   | \$ 323,863                                 |
| <hr/>                                 |                 |  |  |
| \$ 24,246                             | \$ 0            | \$ 0                                       | \$ 24,246                                  |
| 130                                   | 0               | 0  | 130  |
| 0                                     | 0               | 6,080                                      | 6,080                                      |
| 0                                     | 3,766           | 0  | 3,766                                      |
| <hr/>                                 |                 |  |  |
| \$ 24,376                             | \$ 3,766        | \$ 6,080                                   | \$ 34,222                                  |
| <hr/>                                 |                 |  |  |
| \$ 27,213                             | \$ 0            | \$ 0                                       | \$ 27,213                                  |
| <hr/>                                 |                 |  |  |
| \$ 27,213                             | \$ 0            | \$ 0                                       | \$ 27,213                                  |
| <hr/>                                 |                 |  |  |
| \$ 137,962                            | \$ 0            | \$ 0                                       | \$ 137,962                                 |

(Continued)



Exhibit G-1

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

FUND BALANCES (Cont.)

Restricted (Cont.):

    Restricted for Public Safety

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

| Special Revenue Funds                 |                 |  |  |         |
|---------------------------------------|-----------------|--|--|---------|
| Courthouse<br>and Jail<br>Maintenance | Drug<br>Control | Constitu -<br>tional<br>Officers -<br>Fees | Total<br>Nonmajor<br>Governmental<br>Funds |         |
| \$ 0                                  | \$ 124,466      | \$ 0                                       | \$   | 124,466 |
| \$ 137,962                            | \$ 124,466      | \$ 0                                       | \$   | 262,428 |
| \$ 189,551                            | \$ 128,232      | \$ 6,080                                   | \$   | 323,863 |

Exhibit G-2

Sumner 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                             |
|--|---------------------------------------|--------------------|--|-----------------------------------|
|  | Courthouse<br>and Jail<br>Maintenance | Drug<br>Control    | Constitu -<br>tional<br>Officers -<br>Fees | Nonmajor<br>Governmental<br>Funds |
| <u>Revenues</u>                                      |                                       |                    |  |                                   |
| Local Taxes  | \$ 267,568                            | \$ 0               | \$ 0                                       | \$ 267,568                        |
| Fines, Forfeitures, and Penalties                    | 0                                     | 16,655             | 0  | 16,655                            |
| Charges for Current Services                         | 381,166                               | 16,000             | 11,350                                     | 408,516                           |
| Other Local Revenues                                 | 10,477                                | 0                  | 0  | 10,477                            |
| Total Revenues                                       | <u>\$ 659,211</u>                     | <u>\$ 32,655</u>   | <u>\$ 11,350</u>                           | <u>\$ 703,216</u>                 |
| <u>Expenditures</u>                                  |                                       |                    |  |                                   |
| Current:   |                                       |                    |  |                                   |
| General Government                                   | \$ 774,584                            | \$ 0               | \$ 0                                       | \$ 774,584                        |
| Administration of Justice                            | 0                                     | 0                  | 11,350                                     | 11,350                            |
| Public Safety  | 0                                     | 43,641             | 0  | 43,641                            |
| Total Expenditures                                   | <u>\$ 774,584</u>                     | <u>\$ 43,641</u>   | <u>\$ 11,350</u>                           | <u>\$ 829,575</u>                 |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (115,373)</u>                   | <u>\$ (10,986)</u> | <u>\$ 0</u>                                | <u>\$ (126,359)</u>               |
| Net Change in Fund Balances                          | <u>\$ (115,373)</u>                   | <u>\$ (10,986)</u> | <u>\$ 0</u>                                | <u>\$ (126,359)</u>               |
| Fund Balance, July 1, 2019                           | <u>253,335</u>                        | <u>135,452</u>     | <u>0</u>                                   | <u>388,787</u>                    |
| Fund Balance, June 30, 2020                          | <u>\$ 137,962</u>                     | <u>\$ 124,466</u>  | <u>\$ 0</u>                                | <u>\$ 262,428</u>                 |

Exhibit G-3

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2019 | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |              | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|--------------|--|
|  |                           |                                   |                                   |   | Original         | Final        |  |
| <u>Revenues</u>                                      |                           |                                   |                                   |   |                  |              |  |
| Local Taxes  | \$ 267,568                | \$ 0                              | \$ 0                              | \$ 267,568  | \$ 300,000       | \$ 300,000   | \$ (32,432)  |
| Charges for Current Services                         | 381,166                   | 0                                 | 0                                 | 381,166   | 325,000          | 325,000      | 56,166   |
| Other Local Revenues                                 | 10,477                    | 0                                 | 0                                 | 10,477  | 188              | 9,983        | 494  |
| Total Revenues                                       | \$ 659,211                | \$ 0                              | \$ 0                              | \$ 659,211  | \$ 625,188       | \$ 634,983   | \$ 24,228  |
| <u>Expenditures</u>                                  |                           |                                   |                                   |   |                  |              |  |
| <u>General Government</u>                            |                           |                                   |                                   |   |                  |              |  |
| County Buildings                                     | \$ 774,584                | \$ (19,645)                       | \$ 140                            | \$ 755,079  | \$ 821,499       | \$ 850,939   | \$ 95,860  |
| Total Expenditures                                   | \$ 774,584                | \$ (19,645)                       | \$ 140                            | \$ 755,079  | \$ 821,499       | \$ 850,939   | \$ 95,860  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (115,373)              | \$ 19,645                         | \$ (140)                          | \$ (95,868)   | \$ (196,311)     | \$ (215,956) | \$ 120,088   |
| Net Change in Fund Balance                           | \$ (115,373)              | \$ 19,645                         | \$ (140)                          | \$ (95,868)   | \$ (196,311)     | \$ (215,956) | \$ 120,088   |
| Fund Balance, July 1, 2019                           | 253,335                   | (19,645)                          | 0                                 | 233,690   | 233,584          | 233,584      | 106  |
| Fund Balance, June 30, 2020                          | \$ 137,962                | \$ 0                              | \$ (140)                          | \$ 137,822  | \$ 37,273        | \$ 17,628    | \$ 120,194   |

Exhibit G-4

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

|  | Actual<br>(GAAP<br>Basis) | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts        |                         | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|-------------------------|-------------------------|--|
|  |                           |                                   |   | Original                | Final                   |  |
| <u>Revenues</u>                                      |                           |                                   |   |                         |                         |  |
| Fines, Forfeitures, and Penalties                    | \$ 16,655                 | \$ 0                              | \$ 16,655   | \$ 9,500                | \$ 9,500                | \$ 7,155   |
| Charges for Current Services                         | 16,000                    | 0                                 | 16,000  | 16,000                  | 16,000                  | 0  |
| Other Local Revenues                                 | 0                         | 0                                 | 0   | 1,500                   | 1,500                   | (1,500)  |
| Total Revenues                                       | <u>\$ 32,655</u>          | <u>\$ 0</u>                       | <u>\$ 32,655</u>  | <u>\$ 27,000</u>        | <u>\$ 27,000</u>        | <u>\$ 5,655</u>  |
| <u>Expenditures</u>                                  |                           |                                   |   |                         |                         |  |
| <u>Public Safety</u>                                 |                           |                                   |   |                         |                         |  |
| Drug Enforcement                                     | \$ 43,641                 | \$ 33,522                         | \$ 77,163   | \$ 72,010               | \$ 104,731              | \$ 27,568  |
| Total Expenditures                                   | <u>\$ 43,641</u>          | <u>\$ 33,522</u>                  | <u>\$ 77,163</u>  | <u>\$ 72,010</u>        | <u>\$ 104,731</u>       | <u>\$ 27,568</u>   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (10,986)</u>        | <u>\$ (33,522)</u>                | <u>\$ (44,508)</u>  | <u>\$ (45,010)</u>      | <u>\$ (77,731)</u>      | <u>\$ 33,223</u>   |
| Net Change in Fund Balance                           | \$ (10,986)               | \$ (33,522)                       | \$ (44,508)   | \$ (45,010)             | \$ (77,731)             | \$ 33,223  |
| Fund Balance, July 1, 2019                           | 135,452                   | 0                                 | 135,452   | 134,607                 | 134,607                 | 845  |
| Fund Balance, June 30, 2020                          | <u><u>\$ 124,466</u></u>  | <u><u>\$ (33,522)</u></u>         | <u><u>\$ 90,944</u></u>                                     | <u><u>\$ 89,597</u></u> | <u><u>\$ 56,876</u></u> | <u><u>\$ 34,068</u></u>                                      |

# **Major Governmental Funds**

## **General Debt Service Fund**

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The General Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

## **General Capital Projects Fund**

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The General Capital Projects Fund is used to account for general capital expenditures of the county and the discretely presented Sumner County School Department.

Exhibit H-1

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

|  | Actual<br>(GAAP<br>Basis) | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts     |                      | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|----------------------|----------------------|--|
|  |                           |                                   |   | Original             | Final                |  |
| <u>Revenues</u>                                      |                           |                                   |   |                      |                      |  |
| Local Taxes  | \$ 29,712,226             | \$ 0                              | \$ 29,712,226   | \$ 29,418,806        | \$ 29,286,251        | \$ 425,975   |
| Other Local Revenues                                 | 0                         | 0                                 | 0   | 3,250,000            | 0                    | 0  |
| State of Tennessee                                   | 37,022                    | 0                                 | 37,022  | 38,572               | 38,572               | (1,550)  |
| Total Revenues                                       | <u>\$ 29,749,248</u>      | <u>\$ 0</u>                       | <u>\$ 29,749,248</u>  | <u>\$ 32,707,378</u> | <u>\$ 29,324,823</u> | <u>\$ 424,425</u>  |
| <u>Expenditures</u>                                  |                           |                                   |   |                      |                      |  |
| <u>Principal on Debt</u>                             |                           |                                   |   |                      |                      |  |
| General Government                                   | \$ 1,693,044              | \$ 0                              | \$ 1,693,044  | \$ 1,693,044         | \$ 1,693,044         | \$ 0   |
| Education  | 16,031,956                | 0                                 | 16,031,956  | 16,031,957           | 16,031,957           | 1  |
| <u>Interest on Debt</u>                              |                           |                                   |   |                      |                      |  |
| General Government                                   | 416,836                   | 0                                 | 416,836   | 416,836              | 416,836              | 0  |
| Education  | 9,887,430                 | 0                                 | 9,887,430   | 9,887,430            | 9,887,430            | 0  |
| <u>Other Debt Service</u>                            |                           |                                   |   |                      |                      |  |
| General Government                                   | 491,983                   | 2,500                             | 494,483   | 507,471              | 507,471              | 12,988   |
| Education  | 2,580                     | 0                                 | 2,580   | 4,000                | 4,000                | 1,420  |
| Total Expenditures                                   | <u>\$ 28,523,829</u>      | <u>\$ 2,500</u>                   | <u>\$ 28,526,329</u>  | <u>\$ 28,540,738</u> | <u>\$ 28,540,738</u> | <u>\$ 14,409</u>   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 1,225,419</u>       | <u>\$ (2,500)</u>                 | <u>\$ 1,222,919</u>   | <u>\$ 4,166,640</u>  | <u>\$ 784,085</u>    | <u>\$ 438,834</u>  |
| Net Change in Fund Balance                           | \$ 1,225,419              | \$ (2,500)                        | \$ 1,222,919  | \$ 4,166,640         | \$ 784,085           | \$ 438,834   |
| Fund Balance, July 1, 2019                           | 20,240,770                | 0                                 | 20,240,770  | 20,240,769           | 20,240,769           | 1  |
| Fund Balance, June 30, 2020                          | <u>\$ 21,466,189</u>      | <u>\$ (2,500)</u>                 | <u>\$ 21,463,689</u>  | <u>\$ 24,407,409</u> | <u>\$ 21,024,854</u> | <u>\$ 438,835</u>  |

Exhibit H-2

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2019 | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |                  | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|------------------|--|
|  |                           |                                   |                                   |   | Original         | Final            |  |
| <u>Revenues</u>                                      |                           |                                   |                                   |   |                  |                  |  |
| Local Taxes  | \$ 10,538,739             | \$ 0                              | \$ 0                              | \$ 10,538,739   | \$ 7,319,178     | \$ 10,366,915    | \$ 171,824   |
| Other Local Revenues                                 | 3,422,080                 | 0                                 | 0                                 | 3,422,080   | 0                | 3,375,756        | 46,324   |
| State of Tennessee                                   | 17,176                    | 0                                 | 0                                 | 17,176  | 10,507           | 13,672           | 3,504  |
| Federal Government                                   | 119,477                   | 0                                 | 0                                 | 119,477   | 1,216,775        | 1,216,775        | (1,097,298)  |
| Other Governments and Citizens Groups                | 0                         | 0                                 | 0                                 | 0   | 0                | 45,000           | (45,000)   |
| Total Revenues                                       | \$ 14,097,472             | \$ 0                              | \$ 0                              | \$ 14,097,472   | \$ 8,546,460     | \$ 15,018,118    | \$ (920,646)   |
| <u>Expenditures</u>                                  |                           |                                   |                                   |   |                  |                  |  |
| <u>Capital Projects</u>                              |                           |                                   |                                   |   |                  |                  |  |
| General Administration Projects                      | \$ 205,998                | \$ 0                              | \$ 0                              | \$ 205,998  | \$ 126,000       | \$ 205,998       | \$ 0   |
| Administration of Justice Projects                   | 3,710,609                 | (4,371,546)                       | 2,906,161                         | 2,245,224   | 1,331,513        | 6,986,681        | 4,741,457  |
| Public Safety Projects                               | 7,606,308                 | (5,782,781)                       | 5,616,541                         | 7,440,068   | 3,666,448        | 14,914,986       | 7,474,918  |
| Public Health and Welfare Projects                   | 1,363,717                 | (12,900)                          | 369,921                           | 1,720,738   | 2,244,102        | 2,257,002        | 536,264  |
| Social, Cultural, and Recreation Projects            | 6,384                     | (46,376)                          | 85,412                            | 45,420  | 900,783          | 900,783          | 855,363  |
| Agriculture and Natural Resources Projects           | 0                         | 0                                 | 0                                 | 0   | 53,850           | 53,850           | 53,850   |
| Other General Government Projects                    | 1,637,676                 | (1,149,890)                       | 1,060,751                         | 1,548,537   | 3,532,463        | 4,727,354        | 3,178,817  |
| Highway and Street Capital Projects                  | 575,450                   | 0                                 | 0                                 | 575,450   | 550,000          | 1,125,450        | 550,000  |
| <u>Capital Projects - Donated</u>                    |                           |                                   |                                   |   |                  |                  |  |
| Capital Projects Donated to School Department        | 11,679,500                | (2,982,939)                       | 89,962,672                        | 98,659,233  | 105,095,944      | 124,905,921      | 26,246,688   |
| Total Expenditures                                   | \$ 26,785,642             | \$ (14,346,432)                   | \$ 100,001,458                    | \$ 112,440,668  | \$ 117,501,103   | \$ 156,078,025   | \$ 43,637,357  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (12,688,170)           | \$ 14,346,432                     | \$ (100,001,458)                  | \$ (98,343,196)   | \$ (108,954,643) | \$ (141,059,907) | \$ 42,716,711  |
| Net Change in Fund Balance                           | \$ (12,688,170)           | \$ 14,346,432                     | \$ (100,001,458)                  | \$ (98,343,196)   | \$ (108,954,643) | \$ (141,059,907) | \$ 42,716,711  |
| Fund Balance, July 1, 2019                           | 125,143,984               | (14,346,432)                      | 0                                 | 110,797,552   | 110,505,839      | 142,611,103      | (31,813,551)   |
| Fund Balance, June 30, 2020                          | \$ 112,455,814            | \$ 0                              | \$ (100,001,458)                  | \$ 12,454,356   | \$ 1,551,196     | \$ 1,551,196     | \$ 10,903,160  |

# Fiduciary Funds

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

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

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

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

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



## Exhibit I-1

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

|                                       | Agency Funds             |   |                              |                                 |               |
|---------------------------------------|--------------------------|---|------------------------------|---------------------------------|---------------|
|                                       | Cities -<br>Sales<br>Tax | Constitu-<br>tional<br>Officers -<br>Agency | Judicial<br>District<br>Drug | District<br>Attorney<br>General | Total         |
| <u>ASSETS</u>                         |                          |   |                              |                                 |               |
| Cash                                  | \$ 0                     | \$ 13,694,569                               | \$ 1,325,714                 | \$ 0                            | \$ 15,020,283 |
| Equity in Pooled Cash and Investments | 0                        | 0   | 174,036                      | 59,361                          | 233,397       |
| Accounts Receivable                   | 0                        | 0   | 153,146                      | 1,507                           | 154,653       |
| Due from Other Governments            | 5,054,409                | 0   | 5,417                        | 0                               | 5,059,826     |
| Total Assets                          | \$ 5,054,409             | \$ 13,694,569                               | \$ 1,658,313                 | \$ 60,868                       | \$ 20,468,159 |
| <u>LIABILITIES</u>                    |                          |   |                              |                                 |               |
| Accounts Payable                      | \$ 0                     | \$ 0  | \$ 134,567                   | \$ 0                            | \$ 134,567    |
| Due to Other Funds                    | 0                        | 0   | 38,090                       | 5,393                           | 43,483        |
| Due to State of Tennessee             | 0                        | 0   | 2,286                        | 0                               | 2,286         |
| Due to Other Taxing Units             | 5,054,409                | 0   | 0                            | 0                               | 5,054,409     |
| Due to Litigants, Heirs, and Others   | 0                        | 13,694,569                                  | 1,298,824                    | 55,475                          | 15,048,868    |
| Due to Joint Ventures                 | 0                        | 0   | 184,546                      | 0                               | 184,546       |
| Total Liabilities                     | \$ 5,054,409             | \$ 13,694,569                               | \$ 1,658,313                 | \$ 60,868                       | \$ 20,468,159 |

## Exhibit I-2

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

|  | Beginning<br>Balance | Additions     | Deductions    | Ending<br>Balance |
|--|----------------------|---------------|---------------|-------------------|
| <u>Cities - Sales Tax Fund</u>               |                      |               |               |                   |
| <u>Assets</u>                                |                      |               |               |                   |
| Equity in Pooled Cash and Investments        | \$ 0                 | \$ 27,211,404 | \$ 27,211,404 | \$ 0              |
| Due from Other Governments                   | 4,581,382            | 5,054,409     | 4,581,382     | 5,054,409         |
| Total Assets                                 | \$ 4,581,382         | \$ 32,265,813 | \$ 31,792,786 | \$ 5,054,409      |
| <u>Liabilities</u>                           |                      |               |               |                   |
| Due to Other Taxing Units                    | \$ 4,581,382         | \$ 32,265,813 | \$ 31,792,786 | \$ 5,054,409      |
| Total Liabilities                            | \$ 4,581,382         | \$ 32,265,813 | \$ 31,792,786 | \$ 5,054,409      |
| <u>Constitutional Officers - Agency Fund</u> |                      |               |               |                   |
| <u>Assets</u>                                |                      |               |               |                   |
| Cash   | \$ 9,590,806         | \$ 56,254,986 | \$ 52,151,223 | \$ 13,694,569     |
| Total Assets                                 | \$ 9,590,806         | \$ 56,254,986 | \$ 52,151,223 | \$ 13,694,569     |
| <u>Liabilities</u>                           |                      |               |               |                   |
| Due to Litigants, Heirs, and Others          | \$ 9,590,806         | \$ 56,254,986 | \$ 52,151,223 | \$ 13,694,569     |
| Total Liabilities                            | \$ 9,590,806         | \$ 56,254,986 | \$ 52,151,223 | \$ 13,694,569     |
| <u>Judicial District Drug Fund</u>           |                      |               |               |                   |
| <u>Assets</u>                                |                      |               |               |                   |
| Cash   | \$ 1,289,190         | \$ 261,284    | \$ 224,760    | \$ 1,325,714      |
| Equity in Pooled Cash and Investments        | 63,517               | 367,591       | 257,072       | 174,036           |
| Accounts Receivable                          | 51,329               | 153,146       | 51,329        | 153,146           |
| Due from Other Governments                   | 2,036                | 5,417         | 2,036         | 5,417             |
| Total Assets                                 | \$ 1,406,072         | \$ 787,438    | \$ 535,197    | \$ 1,658,313      |
| <u>Liabilities</u>                           |                      |               |               |                   |
| Accounts Payable                             | \$ 30,425            | \$ 134,567    | \$ 30,425     | \$ 134,567        |
| Due to Other Funds                           | 0                    | 38,090        | 0             | 38,090            |
| Due to State of Tennessee                    | 2,522                | 2,286         | 2,522         | 2,286             |
| Due to Litigants, Heirs, and Others          | 1,280,346            | 261,284       | 242,806       | 1,298,824         |
| Due to Joint Ventures                        | 92,779               | 351,211       | 259,444       | 184,546           |
| Total Liabilities                            | \$ 1,406,072         | \$ 787,438    | \$ 535,197    | \$ 1,658,313      |
| <u>District Attorney General</u>             |                      |               |               |                   |
| <u>Assets</u>                                |                      |               |               |                   |
| Equity in Pooled Cash and Investments        | \$ 64,111            | \$ 12,955     | \$ 17,705     | \$ 59,361         |
| Accounts Receivable                          | 1,520                | 1,507         | 1,520         | 1,507             |
| Due from Other Funds                         | 300                  | 0             | 300           | 0                 |
| Total Assets                                 | \$ 65,931            | \$ 14,462     | \$ 19,525     | \$ 60,868         |
| <u>Liabilities</u>                           |                      |               |               |                   |
| Accounts Payables                            | \$ 450               | \$ 0          | \$ 450        | \$ 0              |
| Due to Other Funds                           | 0                    | 5,393         | 0             | 5,393             |
| Due to Litigants, Heirs, and Others          | 65,481               | 9,069         | 19,075        | 55,475            |
| Total Liabilities                            | \$ 65,931            | \$ 14,462     | \$ 19,525     | \$ 60,868         |

(Continued)

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

|                                       | Beginning<br>Balance | Additions            | Deductions           | Ending<br>Balance    |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| <u>Totals - All Agency Funds</u>      |                      |                      |                      |                      |
| <u>Assets</u>                         |                      |                      |                      |                      |
| Cash                                  | \$ 10,879,996        | \$ 56,516,270        | \$ 52,375,983        | \$ 15,020,283        |
| Equity in Pooled Cash and Investments | 127,628              | 27,591,950           | 27,486,181           | 233,397              |
| Accounts Receivable                   | 52,849               | 154,653              | 52,849               | 154,653              |
| Due from Other Governments            | 4,583,418            | 5,059,826            | 4,583,418            | 5,059,826            |
| Due from Other Funds                  | 300                  | 0                    | 300                  | 0                    |
| Total Assets                          | <u>\$ 15,644,191</u> | <u>\$ 89,322,699</u> | <u>\$ 84,498,731</u> | <u>\$ 20,468,159</u> |
| <u>Liabilities</u>                    |                      |                      |                      |                      |
| Accounts Payable                      | \$ 30,875            | \$ 134,567           | \$ 30,875            | \$ 134,567           |
| Due to Other Funds                    | 0                    | 43,483               | 0                    | 43,483               |
| Due to State of Tennessee             | 2,522                | 2,286                | 2,522                | 2,286                |
| Due to Other Taxing Units             | 4,581,382            | 32,265,813           | 31,792,786           | 5,054,409            |
| Due to Litigants, Heirs, and Others   | 10,936,633           | 56,525,339           | 52,413,104           | 15,048,868           |
| Due to Joint Ventures                 | 92,779               | 351,211              | 259,444              | 184,546              |
| Total Liabilities                     | <u>\$ 15,644,191</u> | <u>\$ 89,322,699</u> | <u>\$ 84,498,731</u> | <u>\$ 20,468,159</u> |

# Sumner County School Department

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This section presents fund financial statements for the Sumner County School Department, a discretely presented component unit. The school department uses a General Fund, one Special Revenue Fund, and one Internal Service Fund.

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

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

Employee Insurance Fund – The Employee Insurance Fund is used to account for transactions pertaining to the school department's self-insurance group medical and prescription drug plans.

Exhibit J-1

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

| Functions/Programs   | Expenses       | Program Revenues           |   |   | Net (Expense)  |
|--|----------------|----------------------------|---|---|--|
|  |                | Charges<br>for<br>Services | Operating<br>Grants<br>and<br>Contributions | Capital<br>Grants<br>and<br>Contributions | Revenue and<br>Changes in<br>Net Position<br>Total<br>Governmental<br>Activities |
| Governmental Activities:                                     |                |                            |   |   |  |
| Instruction  | \$ 164,944,805 | \$ 534,971                 | \$ 8,491,100                                | \$ 0                                      | \$ (155,918,734)   |
| Support Services   | 104,673,631    | 383,612                    | 1,898,755                                   | 10,695,307                                | (91,695,957)   |
| Operation of Non-instructional Services                      | 15,518,968     | 6,146,672                  | 7,718,906                                   | 0   | (1,653,390)  |
| Total Governmental Activities                                | \$ 285,137,404 | \$ 7,065,255               | \$ 18,108,761                               | \$ 10,695,307                             | \$ (249,268,081)   |
| General Revenues:  |                |                            |   |   |  |
| Taxes:   |                |                            |   |   |  |
| Property Taxes Levied for General Purposes                   |                |                            |   |   | \$ 80,570,872  |
| Local Option Sales Taxes                                     |                |                            |   |   | 21,004,419   |
| Wheel Tax  |                |                            |   |   | 5,240,511  |
| Mixed Drink Tax  |                |                            |   |   | 346,866  |
| Grants and Contributions Not Restricted to Specific Programs |                |                            |   |   | 159,727,813  |
| Unrestricted Investment Earnings                             |                |                            |   |   | 115,425  |
| Miscellaneous  |                |                            |   |   | 80,688   |
| Total General Revenues                                       |                |                            |   |   | \$ 267,086,594   |
| Change in Net Position                                       |                |                            |   |   | \$ 17,818,513  |
| Net Position, July 1, 2019                                   |                |                            |   |   | 309,632,370  |
| Prior-period adjustment - See Note I.D.11.                   |                |                            |   |   | (14,663,858)   |
| Net Position, June 30, 2020                                  |                |                            |   |   | \$ 312,787,025   |

## Exhibit J-2

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

|   | Major Fund     | Nonmajor Fund | Total          |
|---|----------------|---------------|----------------|
|   | General        | School        | Governmental   |
|   | Purpose        | Federal       | Funds          |
|   | School         | Projects      |                |
| <u>ASSETS</u>   |                |               |                |
| Cash  | \$ 7,685       | \$ 0          | \$ 7,685       |
| Equity in Pooled Cash and Investments                               | 61,566,231     | 414,682       | 61,980,913     |
| Accounts Receivable   | 52,311         | 0             | 52,311         |
| Due from Other Governments  | 9,052,917      | 122,810       | 9,175,727      |
| Due from Other Funds  | 12,707         | 0             | 12,707         |
| Property Taxes Receivable   | 86,736,021     | 0             | 86,736,021     |
| Allowance for Uncollectible Property Taxes                          | (1,247,404)    | 0             | (1,247,404)    |
| Prepaid Items   | 23,195         | 0             | 23,195         |
| Restricted Assets   | 1,120,863      | 0             | 1,120,863      |
| Total Assets  | \$ 157,324,526 | \$ 537,492    | \$ 157,862,018 |
| <u>LIABILITIES</u>  |                |               |                |
| Accounts Payable  | \$ 2,226,447   | \$ 22,444     | \$ 2,248,891   |
| Payroll Deductions Payable  | 3,799,649      | 0             | 3,799,649      |
| Due to Other Funds  | 0              | 12,707        | 12,707         |
| Current Liabilities Payable From Restricted Assets                  | 362,957        | 0             | 362,957        |
| Total Liabilities   | \$ 6,389,053   | \$ 35,151     | \$ 6,424,204   |
| <u>DEFERRED INFLOWS OF RESOURCES</u>                                |                |               |                |
| Deferred Current Property Taxes                                     | \$ 84,289,233  | \$ 0          | \$ 84,289,233  |
| Deferred Delinquent Property Taxes                                  | 1,110,659      | 0             | 1,110,659      |
| Other Deferred/Unavailable Revenue                                  | 1,830,891      | 0             | 1,830,891      |
| Total Deferred Inflows of Resources                                 | \$ 87,230,783  | \$ 0          | \$ 87,230,783  |
| <u>FUND BALANCES</u>  |                |               |                |
| Nonspendable:   |                |               |                |
| Prepaid Items   | \$ 23,195      | \$ 0          | \$ 23,195      |
| Restricted:   |                |               |                |
| Restricted for Education  | 2,827,236      | 2,341         | 2,829,577      |
| Restricted for Operation of Non-instructional Services              | 2,800,059      | 0             | 2,800,059      |
| Restricted for Hybrid Retirement Stabilization Funds                | 1,120,863      | 0             | 1,120,863      |
| Committed:  |                |               |                |
| Committed for Education   | 21,795,013     | 500,000       | 22,295,013     |
| Assigned:   |                |               |                |
| Assigned for Education  | 1,281,919      | 0             | 1,281,919      |
| Unassigned  | 33,856,405     | 0             | 33,856,405     |
| Total Fund Balances   | \$ 63,704,690  | \$ 502,341    | \$ 64,207,031  |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 157,324,526 | \$ 537,492    | \$ 157,862,018 |

Exhibit J-3

Sumner County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
Discretely Presented Sumner 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)   |    | \$                  | 64,207,031         |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.   |    |                     |                    |
| Add: land  | \$ | 12,748,208          |                    |
| Add: construction in progress  |    | 14,510,020          |                    |
| Add: buildings and improvements net of accumulated depreciation  |    | 204,267,837         |                    |
| Add: other capital assets net of accumulated depreciation  |    | <u>13,450,965</u>   | 244,977,030        |
| (2) Internal service funds are used by management to charge the cost of liability, workers' compensation, and employee dental benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net position. |    |                     | 32,132,611         |
| (3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.  |    |                     |                    |
| Less: compensated absences payable   | \$ | (2,796,038)         |                    |
| Less: other postemployment benefits liability - school insurance plan  |    | (57,932,483)        |                    |
| Less: other postemployment benefits liability - Medicare supplement plan   |    | <u>(5,453,290)</u>  | (66,181,811)       |
| (4) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.  |    |                     | 2,941,550          |
| (5) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.  |    |                     |                    |
| Add: deferred outflows of resources related to pensions  | \$ | 22,365,028          |                    |
| Less: deferred inflows of resources related to pensions  |    | (27,893,764)        |                    |
| Add: deferred outflows of resources related to OPEB  |    | 21,389,863          |                    |
| Less: deferred inflows of resources related to OPEB  |    | <u>(15,173,215)</u> | 687,912            |
| (6) Net pension assets of the agent, teacher retirement, and teacher legacy pension plans are not current financial resources and therefore are not reported in the governmental funds.  |    |                     |                    |
| Add: net pension asset - agent plan  | \$ | 4,155,927           |                    |
| Add: net pension asset - teacher retirement plan   |    | 1,291,211           |                    |
| Add: net pension asset - teacher legacy pension plan   |    | <u>28,575,564</u>   | 34,022,702         |
| Net position of governmental activities (Exhibit A)  |    | \$                  | <u>312,787,025</u> |

## Exhibit J-4

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

|   | Major Fund             |                         | Nonmajor Fund            |  |
|---|------------------------|-------------------------|--------------------------|--|
|   | General Purpose School | School Federal Projects | Total Governmental Funds |  |
| <u>Revenues</u>                                   |                        |                         |                          |  |
| Local Taxes                                       | \$ 107,173,686         | \$ 0                    | \$ 107,173,686           |  |
| Licenses and Permits                              | 7,151                  | 0                       | 7,151                    |  |
| Charges for Current Services                      | 6,934,893              | 0                       | 6,934,893                |  |
| Other Local Revenues                              | 1,287,146              | 0                       | 1,287,146                |  |
| State of Tennessee                                | 155,309,746            | 0                       | 155,309,746              |  |
| Federal Government                                | 8,104,272              | 12,765,890              | 20,870,162               |  |
| Total Revenues                                    | <u>\$ 278,816,894</u>  | <u>\$ 12,765,890</u>    | <u>\$ 291,582,784</u>    |  |
| <u>Expenditures</u>                               |                        |                         |                          |  |
| Current:  |                        |                         |                          |  |
| Instruction                                       | \$ 164,374,735         | \$ 8,175,561            | \$ 172,550,296           |  |
| Support Services                                  | 85,717,388             | 3,961,703               | 89,679,091               |  |
| Operation of Non-Instructional Services           | 15,488,497             | 484,594                 | 15,973,091               |  |
| Capital Outlay                                    | 3,000,724              | 0                       | 3,000,724                |  |
| Total Expenditures                                | <u>\$ 268,581,344</u>  | <u>\$ 12,621,858</u>    | <u>\$ 281,203,202</u>    |  |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 10,235,550</u>   | <u>\$ 144,032</u>       | <u>\$ 10,379,582</u>     |  |
| <u>Other Financing Sources (Uses)</u>             |                        |                         |                          |  |
| Insurance Recovery                                | \$ 188                 | \$ 0                    | \$ 188                   |  |
| Transfers In                                      | 141,691                | 0                       | 141,691                  |  |
| Transfers Out                                     | 0                      | (141,691)               | (141,691)                |  |
| Total Other Financing Sources (Uses)              | <u>\$ 141,879</u>      | <u>\$ (141,691)</u>     | <u>\$ 188</u>            |  |
| Net Change in Fund Balances                       | \$ 10,377,429          | \$ 2,341                | \$ 10,379,770            |  |
| Fund Balance, July 1, 2019                        | <u>53,327,261</u>      | <u>500,000</u>          | <u>53,827,261</u>        |  |
| Fund Balance, June 30, 2020                       | <u>\$ 63,704,690</u>   | <u>\$ 502,341</u>       | <u>\$ 64,207,031</u>     |  |



Sumner County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Discretely Presented Sumner 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)   |                     | \$ 10,379,770        |
| (1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:                        |                     |                      |
| Add: capital assets purchased in the current period  | \$ 3,950,497        |                      |
| Less: current-year depreciation expense  | <u>(19,949,702)</u> | (15,999,205)         |
| (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  | \$ 10,695,307       |                      |
| Less: book value of capital assets disposed  | <u>(10,714)</u>     | 10,684,593           |
| (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  | \$ (2,325,281)      |                      |
| Add: deferred delinquent property taxes and other deferred June 30, 2020   | <u>2,941,550</u>    | 616,269              |
| (4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.  |                     |                      |
| Change in OPEB liability - school insurance plan   | \$ (13,329,505)     |                      |
| Change in OPEB liability - Medicare supplement plan  | (5,453,290)         |                      |
| Change in deferred outflows of resources related to pensions   | (2,728,522)         |                      |
| Change in deferred inflows of resources related to pensions  | (11,415,861)        |                      |
| Change in deferred outflows of resources related to OPEB   | 15,856,372          |                      |
| Change in deferred inflows of resources related to OPEB  | 953,893             |                      |
| Change in compensated absences payable   | (446,342)           |                      |
| Change in net pension asset/liability - agent plan   | 747,042             |                      |
| Change in net pension asset/liability - teacher retirement plan  | 305,879             |                      |
| Change in net pension asset/liability - teacher legacy pension plan  | <u>19,045,230</u>   | 3,534,896            |
| (5) Internal service funds are used by management to charge the cost of liability, workers' compensation, and employee dental benefits to individual funds. The net revenue (expense) of certain activities of the internal service funds is reported with governmental activities in the statement of activities. |                     | <u>8,602,190</u>     |
| Change in net position of governmental activities (Exhibit B)  |                     | <u>\$ 17,818,513</u> |

Exhibit J-6

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2019 | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |                | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|------------------|----------------|--|
|  |                           |                                   |                                   |   | Original         | Final          |  |
| <u>Revenues</u>                        |                           |                                   |                                   |   |                  |                |  |
| Local Taxes                            | \$ 107,173,686            | \$ 0                              | \$ 0                              | \$ 107,173,686  | \$ 91,361,401    | \$ 99,097,481  | \$ 8,076,205   |
| Licenses and Permits                   | 7,151                     | 0                                 | 0                                 | 7,151   | 8,655            | 8,655          | (1,504)  |
| Charges for Current Services           | 6,934,893                 | 0                                 | 0                                 | 6,934,893   | 9,102,000        | 9,317,392      | (2,382,499)  |
| Other Local Revenues                   | 1,287,146                 | 0                                 | 0                                 | 1,287,146   | 676,579          | 1,072,704      | 214,442  |
| State of Tennessee                     | 155,309,746               | 0                                 | 0                                 | 155,309,746   | 153,980,230      | 155,582,270    | (272,524)  |
| Federal Government                     | 8,104,272                 | 0                                 | 0                                 | 8,104,272   | 8,092,982        | 8,468,918      | (364,646)  |
| Total Revenues                         | \$ 278,816,894            | \$ 0                              | \$ 0                              | \$ 278,816,894  | \$ 263,221,847   | \$ 273,547,420 | \$ 5,269,474   |
| <u>Expenditures</u>                    |                           |                                   |                                   |   |                  |                |  |
| <u>Instruction</u>                     |                           |                                   |                                   |   |                  |                |  |
| Regular Instruction Program            | \$ 124,962,376            | \$ (945,773)                      | \$ 350,289                        | \$ 124,366,892  | \$ 126,924,208   | \$ 132,072,399 | \$ 7,705,507   |
| Alternative Instruction Program        | 2,735,357                 | 0                                 | 0                                 | 2,735,357   | 3,275,977        | 3,357,221      | 621,864  |
| Special Education Program              | 26,047,546                | 0                                 | 0                                 | 26,047,546  | 26,384,962       | 27,549,637     | 1,502,091  |
| Career and Technical Education Program | 10,629,456                | 0                                 | 0                                 | 10,629,456  | 11,212,239       | 11,579,656     | 950,200  |
| <u>Support Services</u>                |                           |                                   |                                   |   |                  |                |  |
| Attendance                             | 903,851                   | 0                                 | 0                                 | 903,851   | 890,696          | 955,045        | 51,194   |
| Health Services                        | 3,513,830                 | 0                                 | 0                                 | 3,513,830   | 3,544,636        | 3,778,427      | 264,597  |
| Other Student Support                  | 6,551,676                 | 0                                 | 0                                 | 6,551,676   | 7,155,543        | 8,259,129      | 1,707,453  |
| Regular Instruction Program            | 7,753,936                 | 0                                 | 0                                 | 7,753,936   | 8,196,418        | 8,648,658      | 894,722  |
| Alternative Instruction Program        | 794,795                   | 0                                 | 0                                 | 794,795   | 752,730          | 901,474        | 106,679  |
| Special Education Program              | 3,199,282                 | 0                                 | 0                                 | 3,199,282   | 3,118,404        | 4,094,937      | 895,655  |
| Career and Technical Education Program | 175,748                   | 0                                 | 0                                 | 175,748   | 200,294          | 204,243        | 28,495   |
| Technology                             | 2,979,193                 | 0                                 | 0                                 | 2,979,193   | 3,289,197        | 3,292,197      | 313,004  |
| Board of Education                     | 6,264,621                 | 0                                 | 0                                 | 6,264,621   | 7,432,116        | 7,432,116      | 1,167,495  |
| Director of Schools                    | 684,388                   | 0                                 | 0                                 | 684,388   | 817,664          | 822,013        | 137,625  |
| Office of the Principal                | 16,973,011                | 0                                 | 0                                 | 16,973,011  | 18,062,509       | 18,400,629     | 1,427,618  |
| Fiscal Services                        | 2,111,561                 | 0                                 | 0                                 | 2,111,561   | 2,275,816        | 2,278,716      | 167,155  |
| Human Services/Personnel               | 834,030                   | 0                                 | 0                                 | 834,030   | 910,824          | 911,524        | 77,494   |
| Operation of Plant                     | 15,745,463                | 0                                 | 176,390                           | 15,921,853  | 18,075,804       | 18,084,404     | 2,162,551  |

(Continued)

Exhibit J-6

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2019 | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts      |                       | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|-----------------------------------|---|-----------------------|-----------------------|--|
|  |                           |                                   |                                   |   | Original              | Final                 |  |
| <u>Expenditures (Cont.)</u>                          |                           |                                   |                                   |   |                       |                       |  |
| <u>Support Services (Cont.)</u>                      |                           |                                   |                                   |   |                       |                       |  |
| Maintenance of Plant                                 | \$ 7,189,476              | \$ (113,330)                      | \$ 72,440                         | \$ 7,148,586  | \$ 7,691,400          | \$ 8,008,140          | \$ 859,554   |
| Transportation                                       | 10,042,527                | 0                                 | 0                                 | 10,042,527  | 11,952,622            | 11,968,422            | 1,925,895  |
| <u>Operation of Non-Instructional Services</u>       |                           |                                   |                                   |   |                       |                       |  |
| Food Service   | 12,535,870                | 0                                 | 0                                 | 12,535,870  | 14,639,679            | 14,633,180            | 2,097,310  |
| Community Services                                   | 2,523,971                 | 0                                 | 0                                 | 2,523,971   | 2,702,989             | 4,522,319             | 1,998,348  |
| Early Childhood Education                            | 428,656                   | 0                                 | 0                                 | 428,656   | 470,361               | 482,503               | 53,847   |
| <u>Capital Outlay</u>                                |                           |                                   |                                   |   |                       |                       |  |
| Regular Capital Outlay                               | 3,000,724                 | (250,175)                         | 682,800                           | 3,433,349   | 4,535,000             | 5,650,121             | 2,216,772  |
| Total Expenditures                                   | <u>\$ 268,581,344</u>     | <u>\$ (1,309,278)</u>             | <u>\$ 1,281,919</u>               | <u>\$ 268,553,985</u>                                       | <u>\$ 284,512,088</u> | <u>\$ 297,887,110</u> | <u>\$ 29,333,125</u>   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 10,235,550             | \$ 1,309,278                      | \$ (1,281,919)                    | \$ 10,262,909   | \$ (21,290,241)       | \$ (24,339,690)       | \$ 34,602,599  |
| <u>Other Financing Sources (Uses)</u>                |                           |                                   |                                   |   |                       |                       |  |
| Insurance Recovery                                   | \$ 188                    | \$ 0                              | \$ 0                              | \$ 188  | \$ 25,000             | \$ 25,000             | \$ (24,812)  |
| Transfers In   | 141,691                   | 0                                 | 0                                 | 141,691   | 160,000               | 110,631               | 31,060   |
| Total Other Financing Sources                        | <u>\$ 141,879</u>         | <u>\$ 0</u>                       | <u>\$ 0</u>                       | <u>\$ 141,879</u>   | <u>\$ 185,000</u>     | <u>\$ 135,631</u>     | <u>\$ 6,248</u>  |
| Net Change in Fund Balance                           | \$ 10,377,429             | \$ 1,309,278                      | \$ (1,281,919)                    | \$ 10,404,788   | \$ (21,105,241)       | \$ (24,204,059)       | \$ 34,608,847  |
| Fund Balance, July 1, 2019                           | <u>53,327,261</u>         | <u>(1,309,278)</u>                | <u>0</u>                          | <u>52,017,983</u>   | <u>36,176,200</u>     | <u>36,176,200</u>     | <u>15,841,783</u>  |
| Fund Balance, June 30, 2020                          | <u>\$ 63,704,690</u>      | <u>\$ 0</u>                       | <u>\$ (1,281,919)</u>             | <u>\$ 62,422,771</u>  | <u>\$ 15,070,959</u>  | <u>\$ 11,972,141</u>  | <u>\$ 50,450,630</u>   |

Exhibit J-7

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

|  | Actual<br>(GAAP<br>Basis) | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |               | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|---------------|--|
|  |                           |                                   |   | Original         | Final         |  |
| <u>Revenues</u>                                      |                           |                                   |   |                  |               |  |
| Federal Government                                   | \$ 12,765,890             | \$ 0                              | \$ 12,765,890   | \$ 11,404,339    | \$ 14,487,534 | \$ (1,721,644)   |
| Total Revenues                                       | \$ 12,765,890             | \$ 0                              | \$ 12,765,890   | \$ 11,404,339    | \$ 14,487,534 | \$ (1,721,644)   |
| <u>Expenditures</u>                                  |                           |                                   |   |                  |               |  |
| <u>Instruction</u>                                   |                           |                                   |   |                  |               |  |
| Regular Instruction Program                          | \$ 4,076,831              | \$ 0                              | \$ 4,076,831  | \$ 3,592,323     | \$ 4,544,486  | \$ 467,655   |
| Special Education Program                            | 3,742,245                 | 5,570                             | 3,747,815   | 3,763,459        | 4,020,067     | 272,252  |
| Career and Technical Education Program               | 356,485                   | 28,139                            | 384,624   | 267,006          | 391,968       | 7,344  |
| <u>Support Services</u>                              |                           |                                   |   |                  |               |  |
| Health Services                                      | 0                         | 0                                 | 0   | 192,441          | 0             | 0  |
| Other Student Support                                | 316,280                   | 0                                 | 316,280   | 390,320          | 444,450       | 128,170  |
| Regular Instruction Program                          | 1,470,681                 | 0                                 | 1,470,681   | 1,158,951        | 1,890,186     | 419,505  |
| Special Education Program                            | 2,167,528                 | 0                                 | 2,167,528   | 1,914,075        | 2,304,859     | 137,331  |
| Technology   | 0                         | 0                                 | 0   | 1,000            | 1,000         | 1,000  |
| Transportation                                       | 7,214                     | 0                                 | 7,214   | 13,000           | 17,000        | 9,786  |
| <u>Operation of Non-Instructional Services</u>       |                           |                                   |   |                  |               |  |
| Community Services                                   | 484,594                   | 0                                 | 484,594   | 0                | 567,714       | 83,120   |
| Total Expenditures                                   | \$ 12,621,858             | \$ 33,709                         | \$ 12,655,567   | \$ 11,292,575    | \$ 14,181,730 | \$ 1,526,163   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 144,032                | \$ (33,709)                       | \$ 110,323  | \$ 111,764       | \$ 305,804    | \$ (195,481)   |
| <u>Other Financing Sources (Uses)</u>                |                           |                                   |   |                  |               |  |
| Transfers Out  | \$ (141,691)              | \$ 0                              | \$ (141,691)  | \$ (111,764)     | \$ (305,804)  | \$ 164,113   |
| Total Other Financing Sources                        | \$ (141,691)              | \$ 0                              | \$ (141,691)  | \$ (111,764)     | \$ (305,804)  | \$ 164,113   |

(Continued)

Exhibit J-7

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

|                             | Actual<br>(GAAP<br>Basis) | Add:<br>Encumbrances<br>6/30/2020 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |             | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|-----------------------------|---------------------------|-----------------------------------|---|------------------|-------------|--|
|                             |                           |                                   |   | Original         | Final       |  |
| Net Change in Fund Balance  | \$ 2,341                  | \$ (33,709)                       | \$ (31,368)   | \$ 0             | \$ 0        | \$ (31,368)  |
| Fund Balance, July 1, 2019  | 500,000                   | 0                                 | 500,000   | 0                | 0           | 500,000  |
| Fund Balance, June 30, 2020 | <u>\$ 502,341</u>         | <u>\$ (33,709)</u>                | <u>\$ 468,632</u>   | <u>\$ 0</u>      | <u>\$ 0</u> | <u>\$ 468,632</u>  |

Exhibit J-8

Sumner County, Tennessee  
Statement of Net Position  
Discretely Presented Sumner County School Department  
Proprietary Fund  
June 30, 2020

Governmental  
 Activities -  
 Internal  
 Service Fund  


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 Employee  
 Insurance  
 Fund  


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ASSETS

|                                       |                      |
|---------------------------------------|----------------------|
| Current Assets:                       |                      |
| Equity in Pooled Cash and Investments | \$ 35,904,275        |
| Accounts Receivable                   | 74,871               |
| Total Assets                          | <u>\$ 35,979,146</u> |

LIABILITIES

|                              |                     |
|------------------------------|---------------------|
| Current Liabilities:         |                     |
| Accounts Payable             | \$ 700,110          |
| Total Current Liabilities    | <u>\$ 700,110</u>   |
| Noncurrent Liabilities:      |                     |
| Claims and Judgments Payable | \$ 3,146,425        |
| Total Noncurrent Liabilities | <u>\$ 3,146,425</u> |
| Total Liabilities            | <u>\$ 3,846,535</u> |

NET POSITION

|                    |                             |
|--------------------|-----------------------------|
| Unrestricted       | <u>\$ 32,132,611</u>        |
| Total Net Position | <u><u>\$ 32,132,611</u></u> |

Exhibit J-9

Sumner County, Tennessee  
Statement of Revenues, Expenses, and Changes in Net Position  
Discretely Presented Sumner County School Department  
Proprietary Fund  
For the Year Ended June 30, 2020

|   |  |
|---|--|
|   | Governmental<br>Activities -<br>Internal<br>Service Fund |
|   | <u>Employee<br/>Insurance<br/>Fund</u>                   |
| <u>Operating Revenues</u>                 |  |
| Charges for Current Services:             |  |
| Self-Insurance Premiums/Contributions     | \$ 54,101,821  |
| Other Local Revenues:                     |  |
| Retirees' Insurance Payments              | 2,178,850  |
| State of Tennessee:                       |  |
| On-Behalf Contributions for OPEB          | 181,791  |
| Total Operating Revenues                  | <u>\$ 56,462,462</u>                                     |
| <u>Operating Expenses</u>                 |  |
| Other Programs:                           |  |
| On-behalf Payments to OPEB                | \$ 181,791   |
| Central and Other:                        |  |
| Handling Charges and Administrative Costs | 3,124,556  |
| Legal Services                            | 1,470  |
| Medical and Dental Services               | 1,664,501  |
| Drugs and Medical Supplies                | 442,604  |
| Excess Risk Insurance                     | 1,367,332  |
| Other Charges                             | 150  |
| Building Improvements                     | 219,553  |
| Medical Claims                            | 42,192,645   |
| Total Operating Expenses                  | <u>\$ 49,194,602</u>                                     |
| Operating Income (Loss)                   | <u>\$ 7,267,860</u>                                      |
| <u>Nonoperating Revenues (Expenses)</u>   |  |
| Insurance Recovery                        | \$ 1,262,059   |
| Investment Income                         | 72,271   |
| Total Nonoperating Revenues (Expenses)    | <u>\$ 1,334,330</u>                                      |
| Change in Net Position                    | \$ 8,602,190   |
| Net Position, July 1, 2019                | <u>23,530,421</u>  |
| Net Position, June 30, 2020               | <u><u>\$ 32,132,611</u></u>                              |

Sumner County, Tennessee  
Statement of Cash Flows  
Discretely Presented Sumner County School Department  
Proprietary Fund  
For the Year Ended June 30, 2020

|  |   |
|--|---|
|  | Governmental<br>Activities -<br>Internal<br>Service Fund<br>Employee<br>Insurance<br>Fund |
| <u>Cash Flows from Operating Activities</u>                    |   |
| Receipts from Customers and Users                              | \$ 56,504,409   |
| Payments to Suppliers  | (6,638,486)   |
| Claims Paid  | (43,998,406)  |
| Net Cash Provided By (Used In) Operating Activities            | <u>\$ 5,867,517</u>   |
| <u>Cash Flows from Noncapital Financing Activities</u>         |   |
| Insurance Recovery   | \$ 1,262,059  |
| Net Cash Provided By (Used In) Noncapital Financing Activities | <u>\$ 1,262,059</u>   |
| <u>Cash Flows from Investing Activities</u>                    |   |
| Investment Income  | \$ 72,271   |
| Net Cash Provided By (Used In) Noncapital Financing Activities | <u>\$ 72,271</u>  |
| Net Increase (Decrease) In Cash                                | \$ 7,201,847  |
| Cash, July 1, 2019   | <u>28,702,428</u>   |
| Cash, June 30, 2020  | <u><u>\$ 35,904,275</u></u>   |
| <u>Reconciliation of Net Operating Income (Loss)</u>           |   |
| <u>to Net Cash Provided By (Used In) Operating Activities</u>  |   |
| Operating Income (Loss)  | \$ 7,267,860  |
| Adjustments to Reconcile Net Operating Income (Loss) to        |   |
| Net Cash Provided By (Used In) Operating Activities:           |   |
| Change in Assets and Liabilities:                              |   |
| (Increase) Decrease in Accounts Receivable                     | 41,947  |
| Increase (Decrease) in Accounts Payable                        | 368,868   |
| Increase (Decrease) in Due to Other Funds                      | (5,397)   |
| Increase (Decrease) in Claims and Judgments Payable            | <u>(1,805,761)</u>  |
| Net Cash Provided By (Used In) Operating Activities            | <u><u>\$ 5,867,517</u></u>  |



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## MISCELLANEOUS SCHEDULES

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Exhibit K-1

Sumner County, Tennessee  
Schedule of Changes in Long-term Bonds  
For the Year Ended June 30, 2020

| Description of Indebtedness                      | Original<br>Amount<br>of Issue | Interest<br>Rate | Date<br>of<br>Issue | Last<br>Maturity<br>Date | Outstanding<br>7-1-19 | Paid and/or<br>Matured<br>During<br>Period | Outstanding<br>6-30-20 |
|--|--------------------------------|------------------|---------------------|--------------------------|-----------------------|--|------------------------|
| <u>BONDS PAYABLE</u>                             |                                |                  |                     |                          |                       |  |                        |
| <u>Payable through General Debt Service Fund</u> |                                |                  |                     |                          |                       |  |                        |
| General Obligation                               | \$ 6,555,000                   | 2.83             | % 1-29-10           | 5-22-20                  | \$ 1,475,000          | \$ 1,475,000                               | \$ 0                   |
| School Refunding                                 | 112,210,000                    | 2.86             | 5-17-11             | 6-1-23                   | 46,825,000            | 9,785,000                                  | 37,040,000             |
| General Obligation                               | 30,000,000                     | 1.5 to 5         | 6-7-13              | 12-1-23                  | 18,910,000            | 2,140,000                                  | 16,770,000             |
| General Obligation                               | 69,400,000                     | 2 to 5           | 4-29-15             | 12-1-35                  | 61,025,000            | 2,505,000                                  | 58,520,000             |
| General Obligation School and Public Improvement | 95,415,000                     | 2 to 5           | 1-31-19             | 12-1-38                  | 95,415,000            | 1,820,000                                  | 93,595,000             |
| Total Bonds Payable                              |                                |                  |                     |                          | <u>\$ 223,650,000</u> | <u>\$ 17,725,000</u>                       | <u>\$ 205,925,000</u>  |

Exhibit K-2

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

| Year<br>Ending<br>June 30 | Bonds                 |                      |                       |
|---------------------------|-----------------------|----------------------|-----------------------|
|                           | Principal             | Interest             | Total                 |
| 2021                      | \$ 19,840,000         | \$ 8,144,037         | \$ 27,984,037         |
| 2022                      | 20,730,000            | 7,161,637            | 27,891,637            |
| 2023                      | 21,650,000            | 6,193,514            | 27,843,514            |
| 2024                      | 16,665,000            | 5,087,762            | 21,752,762            |
| 2025                      | 6,995,000             | 4,596,262            | 11,591,262            |
| 2026                      | 7,350,000             | 4,237,637            | 11,587,637            |
| 2027                      | 7,715,000             | 3,895,713            | 11,610,713            |
| 2028                      | 8,100,000             | 3,571,387            | 11,671,387            |
| 2029                      | 8,465,000             | 3,212,487            | 11,677,487            |
| 2030                      | 8,820,000             | 2,838,087            | 11,658,087            |
| 2031                      | 9,190,000             | 2,466,738            | 11,656,738            |
| 2032                      | 9,525,000             | 2,134,162            | 11,659,162            |
| 2033                      | 9,820,000             | 1,843,987            | 11,663,987            |
| 2034                      | 10,135,000            | 1,541,078            | 11,676,078            |
| 2035                      | 10,465,000            | 1,218,254            | 11,683,254            |
| 2036                      | 10,815,000            | 878,232              | 11,693,232            |
| 2037                      | 6,320,000             | 598,776              | 6,918,776             |
| 2038                      | 6,540,000             | 381,764              | 6,921,764             |
| 2039                      | 6,785,000             | 135,700              | 6,920,700             |
| Total                     | <u>\$ 205,925,000</u> | <u>\$ 60,137,214</u> | <u>\$ 266,062,214</u> |

## Exhibit K-3

Sumner County, Tennessee  
Schedule of Notes Receivable  
Primary Government  
June 30, 2020

| Description                  | Debtor                                 | Original<br>Amount<br>of Notes | Date<br>of<br>Issue | Date<br>of<br>Maturity | Interest<br>Rate | Balance                  |
|------------------------------|--|--------------------------------|---------------------|------------------------|------------------|--------------------------|
| <u>PRIMARY GOVERNMENT</u>    |  |                                |                     |                        |                  |                          |
| <u>General Fund</u>          |  |                                |                     |                        |                  |                          |
| Various Capital Improvements | Music City Executive Airport Authority | \$ 800,000                     | 1-2-14              | 1-2-23                 | 3 %              | <u>\$ 800,000</u>        |
| Total Notes Receivable       |  |                                |                     |                        |                  | <u><u>\$ 800,000</u></u> |

Exhibit K-4

Sumner County, Tennessee  
Schedule of Transfers  
Discretely Presented Sumner County School Department  
For the Year Ended June 30, 2020

| <u>From Fund</u>  | <u>To Fund</u>         | <u>Purpose</u> | <u>Amount</u>            |
|---|------------------------|----------------|--------------------------|
| School Federal Projects   | General Purpose School | Indirect costs | <u>\$ 141,691</u>        |
| Total Transfers Discretely Presented<br>Sumner County School Department |                        |                | <u><u>\$ 141,691</u></u> |

Exhibit K-5

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

| Official   | Authorization for Salary  | Salary<br>Paid<br>During<br>Period |        | Bond       | Surety  |
|--|---|------------------------------------|--------|------------|---|
| County Mayor   | Sections 8-24-102 and 5-1-310, <i>TCA</i>                         | \$ 122,179                         | (1)    | \$ 100,000 | Hartford Fire Insurance Company                     |
| Superintendent of Roads                              | Section 8-24-102, <i>TCA</i>                                      | 114,932                            |        | 100,000    | "   |
| Director of Schools                                  | State Board of Education and<br>Local Board of Education          | 200,525                            | (5)    | 100,000    | Western Surety Company                              |
| Trustee  | Sections 8-24-102 and 5-1-310, <i>TCA</i>                         | 104,483                            |        | 7,584,768  | Ohio Casualty Insurance Company                     |
| Assessor of Property                                 | Sections 8-24-102 and 5-1-310, <i>TCA</i>                         | 105,983                            | (1)(6) | 50,000     | Western Surety Company                              |
| Director of Finance                                  | County Commission   | 131,043                            | (2)    | 100,000    | Hartford Fire Insurance Company                     |
| County Clerk   | Sections 8-24-102 and 5-1-310, <i>TCA</i>                         | 105,983                            | (1)    | 100,000    | "   |
| Circuit, General Sessions, and Juvenile Courts Clerk | Sections 8-24-102 and 5-1-310, <i>TCA</i>                         | 105,983                            | (1)    | 100,000    | "   |
| Clerk and Master                                     | Sections 8-24-102 and 5-1-310, <i>TCA</i> ,<br>and Chancery Court | 105,983                            | (1)(3) | 100,000    | "   |
| Register of Deeds                                    | Sections 8-24-102 and 5-1-310, <i>TCA</i>                         | 105,983                            | (1)    | 100,000    | Western Surety Company                              |
| Sheriff  | Section 8-24-102, <i>TCA</i>                                      | 114,932                            | (4)    | 100,000    | The Cincinnati Insurance Company                    |
| Employee Blanket Bonds                               |   |                                    |        |            |   |
| Public Employee Dishonesty - County Departments      |   |                                    |        | 150,000    | Travelers Casualty and Surety<br>Company of America |
| Public Employee Dishonesty - School Department       |   |                                    |        | 150,000    | "   |

- (1) Includes an education supplement of \$1,500.  
(2) Does not include longevity pay of \$1,050.  
(3) Does not include special commissioner fees totaling \$11,350.  
(4) Does not include a law enforcement training supplement of \$800.  
(5) Does not include a 403(b) retirement contribution of \$5,000 and vacation leave payout of \$15,225.  
(6) Does not include the Tennessee certified assessor's pay of \$1,000.

Exhibit K-6

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

|  | Special Revenue Funds |                                 |              |                                   |                        | Debt Service Fund    |
|--|-----------------------|---------------------------------|--------------|-----------------------------------|------------------------|----------------------|
|  | General               | Courthouse and Jail Maintenance | Drug Control | Constitu - tional Officers - Fees | Highway / Public Works | General Debt Service |
| <u>Local Taxes</u>                                       |                       |                                 |              |                                   |                        |                      |
| <u>County Property Taxes</u>                             |                       |                                 |              |                                   |                        |                      |
| Current Property Tax                                     | \$ 28,400,724         | \$ 0                            | \$ 0         | \$ 0                              | \$ 730,569             | \$ 16,529,026        |
| Trustee's Collections - Prior Year                       | 251,845               | 0                               | 0            | 0                                 | 5,889                  | 19,155               |
| Trustee's Collections - Bankruptcy                       | 8,797                 | 0                               | 0            | 0                                 | 240                    | 4,268                |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 215,258               | 0                               | 0            | 0                                 | 5,795                  | 11,667               |
| Interest and Penalty                                     | 77,524                | 0                               | 0            | 0                                 | 2,051                  | 24,036               |
| Payments in-Lieu-of Taxes - T.V.A.                       | 1,036                 | 0                               | 0            | 0                                 | 27                     | 603                  |
| Payments in-Lieu-of Taxes - Local Utilities              | 158,062               | 0                               | 0            | 0                                 | 4,061                  | 91,991               |
| Payments in-Lieu-of Taxes - Other                        | 40,527                | 0                               | 0            | 0                                 | 959                    | 17,530               |
| <u>County Local Option Taxes</u>                         |                       |                                 |              |                                   |                        |                      |
| Local Option Sales Tax                                   | 0                     | 0                               | 0            | 0                                 | 0                      | 10,434,158           |
| Hotel/Motel Tax  | 758,814               | 0                               | 0            | 0                                 | 0                      | 0                    |
| Local Amusement Tax                                      | 1,378                 | 0                               | 0            | 0                                 | 0                      | 0                    |
| Wheel Tax  | 0                     | 0                               | 0            | 0                                 | 2,246,518              | 0                    |
| Litigation Tax - General                                 | 265,808               | 0                               | 0            | 0                                 | 0                      | 0                    |
| Litigation Tax - Special Purpose                         | 132,635               | 0                               | 0            | 0                                 | 0                      | 0                    |
| Litigation Tax - Jail, Workhouse, or Courthouse          | 0                     | 267,568                         | 0            | 0                                 | 0                      | 0                    |
| Litigation Tax - Courthouse Security                     | 265,538               | 0                               | 0            | 0                                 | 0                      | 0                    |
| Business Tax   | 2,346,218             | 0                               | 0            | 0                                 | 0                      | 0                    |
| Mineral Severance Tax                                    | 0                     | 0                               | 0            | 0                                 | 210,476                | 0                    |
| Adequate Facilities/Development Tax                      | 0                     | 0                               | 0            | 0                                 | 0                      | 2,579,792            |
| <u>Statutory Local Taxes</u>                             |                       |                                 |              |                                   |                        |                      |
| Bank Excise Tax  | 999,827               | 0                               | 0            | 0                                 | 0                      | 0                    |
| Wholesale Beer Tax                                       | 494,561               | 0                               | 0            | 0                                 | 0                      | 0                    |
| Beer Privilege Tax                                       | 2,526                 | 0                               | 0            | 0                                 | 0                      | 0                    |
| Other Statutory Local Taxes                              | 11,771                | 0                               | 0            | 0                                 | 0                      | 0                    |
| Total Local Taxes  | \$ 34,432,849         | \$ 267,568                      | \$ 0         | \$ 0                              | \$ 3,206,585           | \$ 29,712,226        |

(Continued)

## Exhibit K-6

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

|  |              | Special Revenue Funds           |              |                                   |                        | Debt Service Fund    |
|--|--------------|---------------------------------|--------------|-----------------------------------|------------------------|----------------------|
|  | General      | Courthouse and Jail Maintenance | Drug Control | Constitu - tional Officers - Fees | Highway / Public Works | General Debt Service |
| <u>Licenses and Permits</u>              |              |                                 |              |                                   |                        |                      |
| <u>Licenses</u>                          |              |                                 |              |                                   |                        |                      |
| Marriage Licenses                        | \$ 5,334     | \$ 0                            | \$ 0         | \$ 0                              | \$ 0                   | \$ 0                 |
| Cable TV Franchise                       | 532,489      | 0                               | 0            | 0                                 | 0                      | 0                    |
| <u>Permits</u>                           |              |                                 |              |                                   |                        |                      |
| Beer Permits                             | 712          | 0                               | 0            | 0                                 | 0                      | 0                    |
| Building Permits                         | 601,875      | 0                               | 0            | 0                                 | 0                      | 0                    |
| Other Permits                            | 3,895        | 0                               | 0            | 0                                 | 29,100                 | 0                    |
| Total Licenses and Permits               | \$ 1,144,305 | \$ 0                            | \$ 0         | \$ 0                              | \$ 29,100              | \$ 0                 |
| <u>Fines, Forfeitures, and Penalties</u> |              |                                 |              |                                   |                        |                      |
| <u>Circuit Court</u>                     |              |                                 |              |                                   |                        |                      |
| Fines                                    | \$ 32,780    | \$ 0                            | \$ 0         | \$ 0                              | \$ 0                   | \$ 0                 |
| Officers Costs                           | 53,980       | 0                               | 0            | 0                                 | 0                      | 0                    |
| Drug Control Fines                       | 0            | 0                               | 1,866        | 0                                 | 0                      | 0                    |
| DUI Treatment Fines                      | 5,831        | 0                               | 0            | 0                                 | 0                      | 0                    |
| Data Entry Fee - Circuit Court           | 55,956       | 0                               | 0            | 0                                 | 0                      | 0                    |
| Courtroom Security Fee                   | 1,929        | 0                               | 0            | 0                                 | 0                      | 0                    |
| <u>Criminal Court</u>                    |              |                                 |              |                                   |                        |                      |
| Drug Court Fees                          | 23,517       | 0                               | 0            | 0                                 | 0                      | 0                    |
| <u>General Sessions Court</u>            |              |                                 |              |                                   |                        |                      |
| Fines                                    | 55,744       | 0                               | 0            | 0                                 | 0                      | 0                    |
| Officers Costs                           | 222,818      | 0                               | 0            | 0                                 | 0                      | 0                    |
| Drug Control Fines                       | 0            | 0                               | 5,798        | 0                                 | 0                      | 0                    |
| Drug Court Fees                          | 31,375       | 0                               | 0            | 0                                 | 0                      | 0                    |
| DUI Treatment Fines                      | 26,101       | 0                               | 0            | 0                                 | 0                      | 0                    |
| Courtroom Security Fee                   | 6,385        | 0                               | 0            | 0                                 | 0                      | 0                    |

(Continued)



## Exhibit K-6

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

|  | Special Revenue Funds |                                 |                  |                                |                        | Debt Service Fund    |
|--|-----------------------|---------------------------------|------------------|--------------------------------|------------------------|----------------------|
|  | General               | Courthouse and Jail Maintenance | Drug Control     | Constitutional Officers - Fees | Highway / Public Works | General Debt Service |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> |                       |                                 |                  |                                |                        |                      |
| <u>Juvenile Court</u>                            |                       |                                 |                  |                                |                        |                      |
| Fines  | \$ 4,855              | \$ 0                            | \$ 0             | \$ 0                           | \$ 0                   | \$ 0                 |
| Officers Costs                                   | 20,116                | 0                               | 0                | 0                              | 0                      | 0                    |
| <u>Chancery Court</u>                            |                       |                                 |                  |                                |                        |                      |
| Officers Costs                                   | 6,230                 | 0                               | 0                | 0                              | 0                      | 0                    |
| Data Entry Fee - Chancery Court                  | 10,364                | 0                               | 0                | 0                              | 0                      | 0                    |
| Courtroom Security Fee                           | 6                     | 0                               | 0                | 0                              | 0                      | 0                    |
| <u>Other Courts - In-county</u>                  |                       |                                 |                  |                                |                        |                      |
| Fines for Littering                              | 48                    | 0                               | 0                | 0                              | 0                      | 0                    |
| <u>Other Fines, Forfeitures, and Penalties</u>   |                       |                                 |                  |                                |                        |                      |
| Proceeds from Confiscated Property               | 0                     | 0                               | 8,991            | 0                              | 0                      | 0                    |
| Other Fines, Forfeitures, and Penalties          | 899                   | 0                               | 0                | 0                              | 0                      | 0                    |
| Total Fines, Forfeitures, and Penalties          | <u>\$ 558,934</u>     | <u>\$ 0</u>                     | <u>\$ 16,655</u> | <u>\$ 0</u>                    | <u>\$ 0</u>            | <u>\$ 0</u>          |
| <u>Charges for Current Services</u>              |                       |                                 |                  |                                |                        |                      |
| <u>General Service Charges</u>                   |                       |                                 |                  |                                |                        |                      |
| Self-Insurance Premiums/Contributions            | \$ 88,432             | \$ 0                            | \$ 0             | \$ 0                           | \$ 0                   | \$ 0                 |
| Patient Charges                                  | 7,280,164             | 0                               | 0                | 0                              | 0                      | 0                    |
| Zoning Studies                                   | 11,560                | 0                               | 0                | 0                              | 0                      | 0                    |
| Work Release Charges for Board                   | 640                   | 0                               | 0                | 0                              | 0                      | 0                    |
| Other General Service Charges                    | 0                     | 0                               | 16,000           | 0                              | 0                      | 0                    |
| <u>Fees</u>                                      |                       |                                 |                  |                                |                        |                      |
| Subdivision Lot Fees                             | 151,575               | 0                               | 0                | 0                              | 0                      | 0                    |
| Engineer Review Fees                             | 55,025                | 0                               | 0                | 0                              | 0                      | 0                    |
| Copy Fees  | 1,827                 | 0                               | 0                | 0                              | 0                      | 0                    |
| Library Fees                                     | 36,672                | 0                               | 0                | 0                              | 0                      | 0                    |

(Continued)

## Exhibit K-6

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

|   |              | Special Revenue Funds           |              |                                   |                        | Debt Service Fund    |
|---|--------------|---------------------------------|--------------|-----------------------------------|------------------------|----------------------|
|   | General      | Courthouse and Jail Maintenance | Drug Control | Constitu - tional Officers - Fees | Highway / Public Works | General Debt Service |
| <u>Charges for Current Services (Cont.)</u>       |              |                                 |              |                                   |                        |                      |
| <u>Fees (Cont.)</u>                               |              |                                 |              |                                   |                        |                      |
| Greenbelt Late Application Fee                    | \$ 2,850     | \$ 0                            | \$ 0         | \$ 0                              | \$ 0                   | \$ 0                 |
| Telephone Commissions                             | 0            | 381,166                         | 0            | 0                                 | 0                      | 0                    |
| Special Commissioner Fees/Special Master Fees     | 0            | 0                               | 0            | 11,350                            | 0                      | 0                    |
| Data Processing Fee - Register                    | 84,504       | 0                               | 0            | 0                                 | 0                      | 0                    |
| Probation Fees                                    | 428,305      | 0                               | 0            | 0                                 | 0                      | 0                    |
| Data Processing Fee - Sheriff                     | 14,578       | 0                               | 0            | 0                                 | 0                      | 0                    |
| Sexual Offender Registration Fee - Sheriff        | 7,050        | 0                               | 0            | 0                                 | 0                      | 0                    |
| Data Processing Fee - County Clerk                | 80,766       | 0                               | 0            | 0                                 | 0                      | 0                    |
| Vehicle Insurance Coverage and Reinstatement Fees | 5,870        | 0                               | 0            | 0                                 | 0                      | 0                    |
| <u>Education Charges</u>                          |              |                                 |              |                                   |                        |                      |
| Other Charges for Services                        | 47,530       | 0                               | 0            | 0                                 | 0                      | 0                    |
| Total Charges for Current Services                | \$ 8,297,348 | \$ 381,166                      | \$ 16,000    | \$ 11,350                         | \$ 0                   | \$ 0                 |
| <u>Other Local Revenues</u>                       |              |                                 |              |                                   |                        |                      |
| <u>Recurring Items</u>                            |              |                                 |              |                                   |                        |                      |
| Investment Income                                 | \$ 251,949   | \$ 0                            | \$ 0         | \$ 0                              | \$ 0                   | \$ 0                 |
| Lease/Rentals                                     | 180,220      | 0                               | 0            | 0                                 | 0                      | 0                    |
| Sale of Materials and Supplies                    | 0            | 0                               | 0            | 0                                 | 291                    | 0                    |
| Commissary Sales                                  | 352,738      | 0                               | 0            | 0                                 | 0                      | 0                    |
| Sale of Gasoline                                  | 0            | 0                               | 0            | 0                                 | 21,000                 | 0                    |
| Sale of Recycled Materials                        | 2,286        | 0                               | 0            | 0                                 | 3,575                  | 0                    |
| E-Rate Funding                                    | 501          | 0                               | 0            | 0                                 | 0                      | 0                    |
| Sale of Animals/Livestock                         | 48,908       | 0                               | 0            | 0                                 | 0                      | 0                    |
| Miscellaneous Refunds                             | 75,441       | 494                             | 0            | 0                                 | 2,446                  | 0                    |

(Continued)

Exhibit K-6

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

|  | Special Revenue Funds |                                 |              |                                |                        | Debt Service Fund    |
|--|-----------------------|---------------------------------|--------------|--------------------------------|------------------------|----------------------|
|  | General               | Courthouse and Jail Maintenance | Drug Control | Constitutional Officers - Fees | Highway / Public Works | General Debt Service |
| <u>Other Local Revenues (Cont.)</u>        |                       |                                 |              |                                |                        |                      |
| <u>Nonrecurring Items</u>                  |                       |                                 |              |                                |                        |                      |
| Sale of Equipment                          | \$ 84,111             | \$ 0                            | \$ 0         | \$ 0                           | \$ 120,169             | \$ 0                 |
| Sale of Property                           | 10                    | 0                               | 0            | 0                              | 0                      | 0                    |
| Damages Recovered from Individuals         | 400                   | 9,795                           | 0            | 0                              | 0                      | 0                    |
| Contributions and Gifts                    | 207,071               | 0                               | 0            | 0                              | 0                      | 0                    |
| <u>Other Local Revenues</u>                |                       |                                 |              |                                |                        |                      |
| Other Local Revenues                       | 2,022,135             | 188                             | 0            | 0                              | 0                      | 0                    |
| Total Other Local Revenues                 | <u>\$ 3,225,770</u>   | <u>\$ 10,477</u>                | <u>\$ 0</u>  | <u>\$ 0</u>                    | <u>\$ 147,481</u>      | <u>\$ 0</u>          |
| <u>Fees Received From County Officials</u> |                       |                                 |              |                                |                        |                      |
| <u>Excess Fees</u>                         |                       |                                 |              |                                |                        |                      |
| Trustee                                    | \$ 600                | \$ 0                            | \$ 0         | \$ 0                           | \$ 0                   | \$ 0                 |
| <u>Fees In-Lieu-of Salary</u>              |                       |                                 |              |                                |                        |                      |
| County Clerk                               | 2,343,172             | 0                               | 0            | 0                              | 0                      | 0                    |
| Circuit Court Clerk                        | 2,036,156             | 0                               | 0            | 0                              | 0                      | 0                    |
| Clerk and Master                           | 382,652               | 0                               | 0            | 0                              | 0                      | 0                    |
| Register                                   | 1,623,557             | 0                               | 0            | 0                              | 0                      | 0                    |
| Sheriff                                    | 76,394                | 0                               | 0            | 0                              | 0                      | 0                    |
| Trustee                                    | 3,911,711             | 0                               | 0            | 0                              | 0                      | 0                    |
| Total Fees Received From County Officials  | <u>\$ 10,374,242</u>  | <u>\$ 0</u>                     | <u>\$ 0</u>  | <u>\$ 0</u>                    | <u>\$ 0</u>            | <u>\$ 0</u>          |
| <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          | 81,600                | 0                               | 0            | 0                              | 0                      | 0                    |
| Other Public Safety Grants                 | 149,974               | 0                               | 0            | 0                              | 0                      | 0                    |

(Continued)

## Exhibit K-6

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

|  | Special Revenue Funds |                                 |              |                                   |                        | Debt Service Fund    |
|--|-----------------------|---------------------------------|--------------|-----------------------------------|------------------------|----------------------|
|  | General               | Courthouse and Jail Maintenance | Drug Control | Constitu - tional Officers - Fees | Highway / Public Works | General Debt Service |
| <u>State of Tennessee (Cont.)</u>          |                       |                                 |              |                                   |                        |                      |
| <u>Health and Welfare Grants</u>           |                       |                                 |              |                                   |                        |                      |
| Health Department Programs                 | \$ 1,362,536          | \$ 0                            | \$ 0         | \$ 0                              | \$ 0                   | \$ 0                 |
| <u>Public Works Grants</u>                 |                       |                                 |              |                                   |                        |                      |
| Bridge Program                             | 0                     | 0                               | 0            | 0                                 | 242,927                | 0                    |
| State Aid Program                          | 0                     | 0                               | 0            | 0                                 | 381,886                | 0                    |
| Litter Program                             | 0                     | 0                               | 0            | 0                                 | 83,551                 | 0                    |
| <u>Other State Revenues</u>                |                       |                                 |              |                                   |                        |                      |
| Flood Control                              | 98,352                | 0                               | 0            | 0                                 | 0                      | 0                    |
| Income Tax                                 | 282,848               | 0                               | 0            | 0                                 | 0                      | 0                    |
| Beer Tax                                   | 18,176                | 0                               | 0            | 0                                 | 0                      | 0                    |
| Vehicle Certificate of Title Fees          | 20,651                | 0                               | 0            | 0                                 | 0                      | 0                    |
| Alcoholic Beverage Tax                     | 277,949               | 0                               | 0            | 0                                 | 0                      | 0                    |
| State Revenue Sharing - T.V.A.             | 2,217,959             | 0                               | 0            | 0                                 | 0                      | 0                    |
| State Revenue Sharing - Telecommunications | 49,116                | 0                               | 0            | 0                                 | 1,262                  | 28,585               |
| Emergency Hospital - Prisoners             | 804,484               | 0                               | 0            | 0                                 | 0                      | 0                    |
| Contracted Prisoner Boarding               | 3,008,421             | 0                               | 0            | 0                                 | 0                      | 0                    |
| Gasoline and Motor Fuel Tax                | 0                     | 0                               | 0            | 0                                 | 3,859,546              | 0                    |
| Petroleum Special Tax                      | 0                     | 0                               | 0            | 0                                 | 115,912                | 0                    |
| Registrar's Salary Supplement              | 15,164                | 0                               | 0            | 0                                 | 0                      | 0                    |
| Other State Grants                         | 294,772               | 0                               | 0            | 0                                 | 0                      | 0                    |
| Other State Revenues                       | 174,372               | 0                               | 0            | 0                                 | 0                      | 8,437                |
| Total State of Tennessee                   | \$ 8,865,374          | \$ 0                            | \$ 0         | \$ 0                              | \$ 4,685,084           | \$ 37,022            |
| <u>Federal Government</u>                  |                       |                                 |              |                                   |                        |                      |
| <u>Federal Through State</u>               |                       |                                 |              |                                   |                        |                      |
| Community Development                      | \$ 0                  | \$ 0                            | \$ 0         | \$ 0                              | \$ 0                   | \$ 0                 |

(Continued)

Exhibit K-6

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

|  | General              | Special Revenue Funds           |                  |                                |                        | Debt Service Fund    |
|--|----------------------|---------------------------------|------------------|--------------------------------|------------------------|----------------------|
|  |                      | Courthouse and Jail Maintenance | Drug Control     | Constitutional Officers - Fees | Highway / Public Works | General Debt Service |
| <u>Federal Government (Cont.)</u>            |                      |                                 |                  |                                |                        |                      |
| <u>Federal Through State (Cont.)</u>         |                      |                                 |                  |                                |                        |                      |
| Disaster Relief                              | \$ 8,510             | \$ 0                            | \$ 0             | \$ 0                           | \$ 0                   | \$ 0                 |
| Homeland Security Grants                     | 138,128              | 0                               | 0                | 0                              | 0                      | 0                    |
| Law Enforcement Grants                       | 39,613               | 0                               | 0                | 0                              | 0                      | 0                    |
| COVID-19 Grant #1                            | 151,139              | 0                               | 0                | 0                              | 0                      | 0                    |
| COVID-19 Grant #4                            | 13,031               | 0                               | 0                | 0                              | 0                      | 0                    |
| COVID-19 Grant E                             | 0                    | 0                               | 0                | 0                              | 2,221                  | 0                    |
| Other Federal through State                  | 177,930              | 0                               | 0                | 0                              | 0                      | 0                    |
| <u>Direct Federal Revenue</u>                |                      |                                 |                  |                                |                        |                      |
| Police Service (Lake Area)                   | 17,222               | 0                               | 0                | 0                              | 0                      | 0                    |
| Other Direct Federal Revenue                 | 146,617              | 0                               | 0                | 0                              | 0                      | 0                    |
| Total Federal Government                     | <u>\$ 692,190</u>    | <u>\$ 0</u>                     | <u>\$ 0</u>      | <u>\$ 0</u>                    | <u>\$ 2,221</u>        | <u>\$ 0</u>          |
| <u>Other Governments and Citizens Groups</u> |                      |                                 |                  |                                |                        |                      |
| <u>Other Governments</u>                     |                      |                                 |                  |                                |                        |                      |
| Paving and Maintenance                       | \$ 0                 | \$ 0                            | \$ 0             | \$ 0                           | \$ 284,100             | \$ 0                 |
| Contributions                                | 329,152              | 0                               | 0                | 0                              | 0                      | 0                    |
| Contracted Services                          | 3,540                | 0                               | 0                | 0                              | 0                      | 0                    |
| <u>Citizens Groups</u>                       |                      |                                 |                  |                                |                        |                      |
| Donations                                    | 100                  | 0                               | 0                | 0                              | 0                      | 0                    |
| Total Other Governments and Citizens Groups  | <u>\$ 332,792</u>    | <u>\$ 0</u>                     | <u>\$ 0</u>      | <u>\$ 0</u>                    | <u>\$ 284,100</u>      | <u>\$ 0</u>          |
| Total  | <u>\$ 67,923,804</u> | <u>\$ 659,211</u>               | <u>\$ 32,655</u> | <u>\$ 11,350</u>               | <u>\$ 8,354,571</u>    | <u>\$ 29,749,248</u> |

(Continued)

## Exhibit K-6

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

|  | <u>Capital<br/>Projects Fund</u> |               |
|--|----------------------------------|---------------|
|  | General<br>Capital<br>Projects   | Total         |
| <u>Local Taxes</u>                                       |                                  |               |
| <u>County Property Taxes</u>                             |                                  |               |
| Current Property Tax                                     | \$ 9,931,648                     | \$ 55,591,967 |
| Trustee's Collections - Prior Year                       | 200,365                          | 477,254       |
| Trustee's Collections - Bankruptcy                       | 3,550                            | 16,855        |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 174,112                          | 406,832       |
| Interest and Penalty                                     | 45,260                           | 148,871       |
| Payments in-Lieu-of Taxes - T.V.A.                       | 362                              | 2,028         |
| Payments in-Lieu-of Taxes - Local Utilities              | 55,274                           | 309,388       |
| Payments in-Lieu-of Taxes - Other                        | 16,402                           | 75,418        |
| <u>County Local Option Taxes</u>                         |                                  |               |
| Local Option Sales Tax                                   | 0                                | 10,434,158    |
| Hotel/Motel Tax  | 0                                | 758,814       |
| Local Amusement Tax                                      | 0                                | 1,378         |
| Wheel Tax  | 0                                | 2,246,518     |
| Litigation Tax - General                                 | 109,211                          | 375,019       |
| Litigation Tax - Special Purpose                         | 0                                | 132,635       |
| Litigation Tax - Jail, Workhouse, or Courthouse          | 0                                | 267,568       |
| Litigation Tax - Courthouse Security                     | 0                                | 265,538       |
| Business Tax   | 0                                | 2,346,218     |
| Mineral Severance Tax                                    | 0                                | 210,476       |
| Adequate Facilities/Development Tax                      | 2,555                            | 2,582,347     |
| <u>Statutory Local Taxes</u>                             |                                  |               |
| Bank Excise Tax  | 0                                | 999,827       |
| Wholesale Beer Tax                                       | 0                                | 494,561       |
| Beer Privilege Tax                                       | 0                                | 2,526         |
| Other Statutory Local Taxes                              | 0                                | 11,771        |
| Total Local Taxes  | \$ 10,538,739                    | \$ 78,157,967 |

(Continued)

## Exhibit K-6

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

|  | <u>Capital<br/>Projects Fund</u> |                     |
|--|----------------------------------|---------------------|
|  | General<br>Capital<br>Projects   | Total               |
| <hr/>                                    |                                  |                     |
| <u>Licenses and Permits</u>              |                                  |                     |
| <u>Licenses</u>                          |                                  |                     |
| Marriage Licenses                        | \$ 0                             | \$ 5,334            |
| Cable TV Franchise                       | 0                                | 532,489             |
| <u>Permits</u>                           |                                  |                     |
| Beer Permits                             | 0                                | 712                 |
| Building Permits                         | 0                                | 601,875             |
| Other Permits                            | 0                                | 32,995              |
| Total Licenses and Permits               | <u>\$ 0</u>                      | <u>\$ 1,173,405</u> |
| <hr/>                                    |                                  |                     |
| <u>Fines, Forfeitures, and Penalties</u> |                                  |                     |
| <u>Circuit Court</u>                     |                                  |                     |
| Fines                                    | \$ 0                             | \$ 32,780           |
| Officers Costs                           | 0                                | 53,980              |
| Drug Control Fines                       | 0                                | 1,866               |
| DUI Treatment Fines                      | 0                                | 5,831               |
| Data Entry Fee - Circuit Court           | 0                                | 55,956              |
| Courtroom Security Fee                   | 0                                | 1,929               |
| <u>Criminal Court</u>                    |                                  |                     |
| Drug Court Fees                          | 0                                | 23,517              |
| <u>General Sessions Court</u>            |                                  |                     |
| Fines                                    | 0                                | 55,744              |
| Officers Costs                           | 0                                | 222,818             |
| Drug Control Fines                       | 0                                | 5,798               |
| Drug Court Fees                          | 0                                | 31,375              |
| DUI Treatment Fines                      | 0                                | 26,101              |
| Courtroom Security Fee                   | 0                                | 6,385               |

(Continued)

## Exhibit K-6

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

|  | <u>Capital<br/>Projects Fund</u> |                   |
|--|----------------------------------|-------------------|
|  | General<br>Capital<br>Projects   | Total             |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> |                                  |                   |
| <u>Juvenile Court</u>                            |                                  |                   |
| Fines  | \$ 0                             | \$ 4,855          |
| Officers Costs                                   | 0                                | 20,116            |
| <u>Chancery Court</u>                            |                                  |                   |
| Officers Costs                                   | 0                                | 6,230             |
| Data Entry Fee - Chancery Court                  | 0                                | 10,364            |
| Courtroom Security Fee                           | 0                                | 6                 |
| <u>Other Courts - In-county</u>                  |                                  |                   |
| Fines for Littering                              | 0                                | 48                |
| <u>Other Fines, Forfeitures, and Penalties</u>   |                                  |                   |
| Proceeds from Confiscated Property               | 0                                | 8,991             |
| Other Fines, Forfeitures, and Penalties          | 0                                | 899               |
| Total Fines, Forfeitures, and Penalties          | <u>\$ 0</u>                      | <u>\$ 575,589</u> |
| <u>Charges for Current Services</u>              |                                  |                   |
| <u>General Service Charges</u>                   |                                  |                   |
| Self-Insurance Premiums/Contributions            | \$ 0                             | \$ 88,432         |
| Patient Charges                                  | 0                                | 7,280,164         |
| Zoning Studies                                   | 0                                | 11,560            |
| Work Release Charges for Board                   | 0                                | 640               |
| Other General Service Charges                    | 0                                | 16,000            |
| <u>Fees</u>                                      |                                  |                   |
| Subdivision Lot Fees                             | 0                                | 151,575           |
| Engineer Review Fees                             | 0                                | 55,025            |
| Copy Fees  | 0                                | 1,827             |
| Library Fees                                     | 0                                | 36,672            |

(Continued)



## Exhibit K-6

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

|   | <u>Capital<br/>Projects Fund</u> |                     |
|---|----------------------------------|---------------------|
|   | General<br>Capital<br>Projects   | Total               |
| <u>Charges for Current Services (Cont.)</u>       |                                  |                     |
| <u>Fees (Cont.)</u>                               |                                  |                     |
| Greenbelt Late Application Fee                    | \$ 0                             | \$ 2,850            |
| Telephone Commissions                             | 0                                | 381,166             |
| Special Commissioner Fees/Special Master Fees     | 0                                | 11,350              |
| Data Processing Fee - Register                    | 0                                | 84,504              |
| Probation Fees                                    | 0                                | 428,305             |
| Data Processing Fee - Sheriff                     | 0                                | 14,578              |
| Sexual Offender Registration Fee - Sheriff        | 0                                | 7,050               |
| Data Processing Fee - County Clerk                | 0                                | 80,766              |
| Vehicle Insurance Coverage and Reinstatement Fees | 0                                | 5,870               |
| <u>Education Charges</u>                          |                                  |                     |
| Other Charges for Services                        | 0                                | 47,530              |
| Total Charges for Current Services                | <u>\$ 0</u>                      | <u>\$ 8,705,864</u> |
| <u>Other Local Revenues</u>                       |                                  |                     |
| <u>Recurring Items</u>                            |                                  |                     |
| Investment Income                                 | \$ 3,375,756                     | \$ 3,627,705        |
| Lease/Rentals                                     | 0                                | 180,220             |
| Sale of Materials and Supplies                    | 0                                | 291                 |
| Commissary Sales                                  | 0                                | 352,738             |
| Sale of Gasoline                                  | 0                                | 21,000              |
| Sale of Recycled Materials                        | 0                                | 5,861               |
| E-Rate Funding                                    | 0                                | 501                 |
| Sale of Animals/Livestock                         | 0                                | 48,908              |
| Miscellaneous Refunds                             | 46,324                           | 124,705             |

(Continued)

## Exhibit K-6

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

|  | <u>Capital<br/>Projects Fund</u> |                      |
|--|----------------------------------|----------------------|
|  | General<br>Capital<br>Projects   | Total                |
| <u>Other Local Revenues (Cont.)</u>        |                                  |                      |
| <u>Nonrecurring Items</u>                  |                                  |                      |
| Sale of Equipment                          | \$ 0                             | \$ 204,280           |
| Sale of Property                           | 0                                | 10                   |
| Damages Recovered from Individuals         | 0                                | 10,195               |
| Contributions and Gifts                    | 0                                | 207,071              |
| <u>Other Local Revenues</u>                |                                  |                      |
| Other Local Revenues                       | 0                                | 2,022,323            |
| Total Other Local Revenues                 | <u>\$ 3,422,080</u>              | <u>\$ 6,805,808</u>  |
| <u>Fees Received From County Officials</u> |                                  |                      |
| <u>Excess Fees</u>                         |                                  |                      |
| Trustee                                    | \$ 0                             | \$ 600               |
| <u>Fees In-Lieu-of Salary</u>              |                                  |                      |
| County Clerk                               | 0                                | 2,343,172            |
| Circuit Court Clerk                        | 0                                | 2,036,156            |
| Clerk and Master                           | 0                                | 382,652              |
| Register                                   | 0                                | 1,623,557            |
| Sheriff                                    | 0                                | 76,394               |
| Trustee                                    | 0                                | 3,911,711            |
| Total Fees Received From County Officials  | <u>\$ 0</u>                      | <u>\$ 10,374,242</u> |
| <u>State of Tennessee</u>                  |                                  |                      |
| <u>General Government Grants</u>           |                                  |                      |
| Juvenile Services Program                  | \$ 0                             | \$ 9,000             |
| <u>Public Safety Grants</u>                |                                  |                      |
| Law Enforcement Training Programs          | 0                                | 81,600               |
| Other Public Safety Grants                 | 0                                | 149,974              |

(Continued)

## Exhibit K-6

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

|  | <u>Capital<br/>Projects Fund</u> |               |
|--|----------------------------------|---------------|
|  | General<br>Capital<br>Projects   | Total         |
| <u>State of Tennessee (Cont.)</u>          |                                  |               |
| Health and Welfare Grants                  |                                  |               |
| Health Department Programs                 | \$ 0                             | \$ 1,362,536  |
| <u>Public Works Grants</u>                 |                                  |               |
| Bridge Program                             | 0                                | 242,927       |
| State Aid Program                          | 0                                | 381,886       |
| Litter Program                             | 0                                | 83,551        |
| <u>Other State Revenues</u>                |                                  |               |
| Flood Control                              | 0                                | 98,352        |
| Income Tax                                 | 0                                | 282,848       |
| Beer Tax                                   | 0                                | 18,176        |
| Vehicle Certificate of Title Fees          | 0                                | 20,651        |
| Alcoholic Beverage Tax                     | 0                                | 277,949       |
| State Revenue Sharing - T.V.A.             | 0                                | 2,217,959     |
| State Revenue Sharing - Telecommunications | 17,176                           | 96,139        |
| Emergency Hospital - Prisoners             | 0                                | 804,484       |
| Contracted Prisoner Boarding               | 0                                | 3,008,421     |
| Gasoline and Motor Fuel Tax                | 0                                | 3,859,546     |
| Petroleum Special Tax                      | 0                                | 115,912       |
| Registrar's Salary Supplement              | 0                                | 15,164        |
| Other State Grants                         | 0                                | 294,772       |
| Other State Revenues                       | 0                                | 182,809       |
| Total State of Tennessee                   | \$ 17,176                        | \$ 13,604,656 |
| <u>Federal Government</u>                  |                                  |               |
| <u>Federal Through State</u>               |                                  |               |
| Community Development                      | \$ 114,476                       | \$ 114,476    |

(Continued)

## Exhibit K-6

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

|  | <u>Capital<br/>Projects Fund</u> |                       |
|--|----------------------------------|-----------------------|
|  | General<br>Capital<br>Projects   | Total                 |
| <u>Federal Government (Cont.)</u>            |                                  |                       |
| <u>Federal Through State (Cont.)</u>         |                                  |                       |
| Disaster Relief                              | \$ 0                             | \$ 8,510              |
| Homeland Security Grants                     | 0                                | 138,128               |
| Law Enforcement Grants                       | 0                                | 39,613                |
| COVID-19 Grant #1                            | 0                                | 151,139               |
| COVID-19 Grant #4                            | 0                                | 13,031                |
| COVID-19 Grant E                             | 0                                | 2,221                 |
| Other Federal through State                  | 5,001                            | 182,931               |
| <u>Direct Federal Revenue</u>                |                                  |                       |
| Police Service (Lake Area)                   | 0                                | 17,222                |
| Other Direct Federal Revenue                 | 0                                | 146,617               |
| Total Federal Government                     | <u>\$ 119,477</u>                | <u>\$ 813,888</u>     |
| <u>Other Governments and Citizens Groups</u> |                                  |                       |
| <u>Other Governments</u>                     |                                  |                       |
| Paving and Maintenance                       | \$ 0                             | \$ 284,100            |
| Contributions                                | 0                                | 329,152               |
| Contracted Services                          | 0                                | 3,540                 |
| <u>Citizens Groups</u>                       |                                  |                       |
| Donations                                    | 0                                | 100                   |
| Total Other Governments and Citizens Groups  | <u>\$ 0</u>                      | <u>\$ 616,892</u>     |
| Total  | <u>\$ 14,097,472</u>             | <u>\$ 120,828,311</u> |

## Exhibit K-7

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

|  | General<br>Purpose<br>School | Special<br>Revenue<br>Fund<br>School<br>Federal<br>Projects | Total                 |
|--|------------------------------|---|-----------------------|
| <u>Local Taxes</u>                                       |                              |   |                       |
| <u>County Property Taxes</u>                             |                              |   |                       |
| Current Property Tax                                     | \$ 78,623,804                | \$ 0  | \$ 78,623,804         |
| Trustee's Collections - Prior Year                       | 689,659                      | 0   | 689,659               |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 565,426                      | 0   | 565,426               |
| Interest and Penalty                                     | 208,686                      | 0   | 208,686               |
| Payments in-Lieu-of Taxes - T.V.A.                       | 2,868                        | 0   | 2,868                 |
| Payments in-Lieu-of Taxes - Local Utilities              | 437,502                      | 0   | 437,502               |
| Payments in-Lieu-of Taxes - Other                        | 186,917                      | 0   | 186,917               |
| <u>County Local Option Taxes</u>                         |                              |   |                       |
| Local Option Sales Tax                                   | 20,871,447                   | 0   | 20,871,447            |
| Wheel Tax  | 5,240,511                    | 0   | 5,240,511             |
| Mixed Drink Tax  | 346,866                      | 0   | 346,866               |
| Total Local Taxes  | <u>\$ 107,173,686</u>        | <u>\$ 0</u>   | <u>\$ 107,173,686</u> |
| <u>Licenses and Permits</u>                              |                              |   |                       |
| <u>Licenses</u>  |                              |   |                       |
| Marriage Licenses  | \$ 5,334                     | \$ 0  | \$ 5,334              |
| <u>Permits</u>   |                              |   |                       |
| Other Permits  | 1,817                        | 0   | 1,817                 |
| Total Licenses and Permits                               | <u>\$ 7,151</u>              | <u>\$ 0</u>   | <u>\$ 7,151</u>       |
| <u>Charges for Current Services</u>                      |                              |   |                       |
| <u>Education Charges</u>                                 |                              |   |                       |
| Tuition - Regular Day Students                           | \$ 5,000                     | \$ 0  | \$ 5,000              |
| Tuition - Other  | 6,012                        | 0   | 6,012                 |
| Lunch Payments - Children                                | 3,735,351                    | 0   | 3,735,351             |
| Lunch Payments - Adults                                  | 64,701                       | 0   | 64,701                |
| Income from Breakfast                                    | 402,045                      | 0   | 402,045               |
| Receipts from Individual Schools                         | 485,135                      | 0   | 485,135               |
| Community Service Fees - Children                        | 1,944,575                    | 0   | 1,944,575             |
| Other Charges for Services                               | 292,074                      | 0   | 292,074               |
| Total Charges for Current Services                       | <u>\$ 6,934,893</u>          | <u>\$ 0</u>   | <u>\$ 6,934,893</u>   |
| <u>Other Local Revenues</u>                              |                              |   |                       |
| <u>Recurring Items</u>                                   |                              |   |                       |
| Investment Income  | \$ 43,154                    | \$ 0  | \$ 43,154             |
| Lease/Rentals  | 42,138                       | 0   | 42,138                |
| Sale of Materials and Supplies                           | 38,824                       | 0   | 38,824                |
| Miscellaneous Refunds                                    | 57,841                       | 0   | 57,841                |

(Continued)

## Exhibit K-7

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

|  | General<br>Purpose<br>School | Special<br>Revenue<br>Fund<br>School<br>Federal<br>Projects | Total          |
|--|------------------------------|---|----------------|
| <u>Other Local Revenues (Cont.)</u>              |                              |   |                |
| <u>Nonrecurring Items</u>                        |                              |   |                |
| Sale of Equipment                                | \$ 28,246                    | \$ 0  | \$ 28,246      |
| Damages Recovered from Individuals               | 5,315                        | 0   | 5,315          |
| Contributions and Gifts                          | 1,022,228                    | 0   | 1,022,228      |
| <u>Other Local Revenues</u>                      |                              |   |                |
| Other Local Revenues                             | 49,400                       | 0   | 49,400         |
| Total Other Local Revenues                       | \$ 1,287,146                 | \$ 0  | \$ 1,287,146   |
| <u>State of Tennessee</u>                        |                              |   |                |
| <u>State Education Funds</u>                     |                              |   |                |
| Basic Education Program                          | \$ 153,366,419               | \$ 0  | \$ 153,366,419 |
| Early Childhood Education                        | 365,681                      | 0   | 365,681        |
| School Food Service                              | 114,441                      | 0   | 114,441        |
| Other State Education Funds                      | 31,344                       | 0   | 31,344         |
| Career Ladder Program                            | 427,279                      | 0   | 427,279        |
| <u>Other State Revenues</u>                      |                              |   |                |
| State Revenue Sharing - Telecommunications       | 135,949                      | 0   | 135,949        |
| Other State Grants                               | 465,053                      | 0   | 465,053        |
| Safe Schools                                     | 386,703                      | 0   | 386,703        |
| Other State Revenues                             | 16,877                       | 0   | 16,877         |
| Total State of Tennessee                         | \$ 155,309,746               | \$ 0  | \$ 155,309,746 |
| <u>Federal Government</u>                        |                              |   |                |
| <u>Federal Through State</u>                     |                              |   |                |
| USDA School Lunch Program                        | \$ 4,767,249                 | \$ 0  | \$ 4,767,249   |
| USDA - Commodities                               | 903,500                      | 0   | 903,500        |
| Breakfast  | 1,791,513                    | 0   | 1,791,513      |
| USDA - Other                                     | 79,611                       | 0   | 79,611         |
| Vocational Education - Basic Grants to States    | 0                            | 325,020   | 325,020        |
| Other Vocational                                 | 0                            | 62,592  | 62,592         |
| Title I Grants to Local Education Agencies       | 0                            | 4,551,902   | 4,551,902      |
| Special Education - Grants to States             | 259,953                      | 5,788,132   | 6,048,085      |
| Special Education Preschool Grants               | 0                            | 127,243   | 127,243        |
| English Language Acquisition Grants              | 0                            | 73,367  | 73,367         |
| Education for Homeless Children and Youth        | 0                            | 49,891  | 49,891         |
| Eisenhower Professional Development State Grants | 0                            | 967,844   | 967,844        |
| Other Federal through State                      | 45,465                       | 819,899   | 865,364        |
| <u>Direct Federal Revenue</u>                    |                              |   |                |
| ROTC Reimbursement                               | 256,981                      | 0   | 256,981        |
| Total Federal Government                         | \$ 8,104,272                 | \$ 12,765,890   | \$ 20,870,162  |
| Total  | \$ 278,816,894               | \$ 12,765,890   | \$ 291,582,784 |

## Exhibit K-8

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

General FundGeneral GovernmentCounty Commission

|   |    |         |            |
|---|----|---------|------------|
| Other Salaries and Wages                  | \$ | 21,000  |            |
| Board and Committee Members Fees          |    | 144,000 |            |
| Social Security                           |    | 9,179   |            |
| Pensions                                  |    | 1,167   |            |
| Employer Medicare                         |    | 2,234   |            |
| Audit Services                            |    | 61,045  |            |
| Data Processing Services                  |    | 9,500   |            |
| Dues and Memberships                      |    | 29,294  |            |
| Legal Notices, Recording, and Court Costs |    | 1,188   |            |
| Postal Charges                            |    | 50      |            |
| Printing, Stationery, and Forms           |    | 1,314   |            |
| Other Contracted Services                 |    | 2,296   |            |
| Electricity                               |    | 819     |            |
| Other Supplies and Materials              |    | 605     |            |
| Other Charges                             |    | 3,993   |            |
| Other Equipment                           |    | 76      |            |
| Total County Commission                   |    |         | \$ 287,760 |

Board of Equalization

|                                  |    |       |        |
|----------------------------------|----|-------|--------|
| Board and Committee Members Fees | \$ | 9,800 |        |
| Advertising                      |    | 217   |        |
| Total Board of Equalization      |    |       | 10,017 |

Other Boards and Committees

|                                   |    |       |        |
|-----------------------------------|----|-------|--------|
| Board and Committee Members Fees  | \$ | 8,300 |        |
| Evaluation and Testing            |    | 4,208 |        |
| Total Other Boards and Committees |    |       | 12,508 |

County Mayor/Executive

|   |    |         |  |
|---|----|---------|--|
| County Official/Administrative Officer    | \$ | 122,179 |  |
| Assistant(s)                              |    | 161,227 |  |
| Longevity Pay                             |    | 2,700   |  |
| Social Security                           |    | 17,062  |  |
| Pensions                                  |    | 30,635  |  |
| Life Insurance                            |    | 523     |  |
| Medical Insurance                         |    | 38,194  |  |
| Dental Insurance                          |    | 1,256   |  |
| Employer Medicare                         |    | 3,990   |  |
| Communication                             |    | 2,190   |  |
| Data Processing Services                  |    | 1,079   |  |
| Dues and Memberships                      |    | 2,200   |  |
| Maintenance Agreements                    |    | 1,168   |  |
| Postal Charges                            |    | 440     |  |
| Printing, Stationery, and Forms           |    | 1,073   |  |
| Travel                                    |    | 5,266   |  |
| Maintenance and Repair Services - Records |    | 63      |  |
| Data Processing Supplies                  |    | 410     |  |

(Continued)

## Exhibit K-8

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

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

|                              |    |       |            |
|------------------------------|----|-------|------------|
| Food Preparation Supplies    | \$ | 91    |            |
| Food Supplies                |    | 737   |            |
| Office Supplies              |    | 638   |            |
| Periodicals                  |    | 87    |            |
| Other Supplies and Materials |    | 92    |            |
| In Service/Staff Development |    | 1,570 |            |
| Other Charges                |    | 2,900 |            |
| Communication Equipment      |    | 96    |            |
| Data Processing Equipment    |    | 828   |            |
| Total County Mayor/Executive |    |       | \$ 398,694 |

County Attorney

|   |    |         |         |
|---|----|---------|---------|
| County Official/Administrative Officer    | \$ | 179,089 |         |
| Longevity Pay                             |    | 4,350   |         |
| Other Salaries and Wages                  |    | 187,244 |         |
| Social Security                           |    | 19,701  |         |
| Pensions                                  |    | 40,382  |         |
| Life Insurance                            |    | 527     |         |
| Medical Insurance                         |    | 34,879  |         |
| Dental Insurance                          |    | 1,220   |         |
| Disability Insurance                      |    | 2,759   |         |
| Employer Medicare                         |    | 5,238   |         |
| Communication                             |    | 3,028   |         |
| Data Processing Services                  |    | 19,670  |         |
| Dues and Memberships                      |    | 1,969   |         |
| Legal Notices, Recording, and Court Costs |    | 64      |         |
| Maintenance Agreements                    |    | 2,149   |         |
| Postal Charges                            |    | 654     |         |
| Printing, Stationery, and Forms           |    | 720     |         |
| Travel                                    |    | 989     |         |
| Maintenance and Repair Services - Records |    | 270     |         |
| Other Contracted Services                 |    | 2,552   |         |
| Custodial Supplies                        |    | 134     |         |
| Data Processing Supplies                  |    | 821     |         |
| Food Preparation Supplies                 |    | 53      |         |
| Food Supplies                             |    | 453     |         |
| General Construction Materials            |    | 5       |         |
| Office Supplies                           |    | 1,916   |         |
| Periodicals                               |    | 6,942   |         |
| Other Supplies and Materials              |    | 46      |         |
| In Service/Staff Development              |    | 790     |         |
| Other Charges                             |    | 818     |         |
| Communication Equipment                   |    | 328     |         |
| Data Processing Equipment                 |    | 617     |         |
| Furniture and Fixtures                    |    | 1,099   |         |
| Total County Attorney                     |    |         | 521,476 |

(Continued)



## Exhibit K-8

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

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

|  |    |         |            |
|--|----|---------|------------|
| County Official/Administrative Officer             | \$ | 94,035  |            |
| Deputy(ies)  |    | 228,530 |            |
| Longevity Pay                                      |    | 3,900   |            |
| Overtime Pay                                       |    | 5,226   |            |
| Other Salaries and Wages                           |    | 65,346  |            |
| Election Commission                                |    | 8,000   |            |
| Election Workers                                   |    | 130,085 |            |
| Social Security                                    |    | 29,004  |            |
| Pensions   |    | 36,092  |            |
| Life Insurance                                     |    | 637     |            |
| Medical Insurance                                  |    | 73,888  |            |
| Dental Insurance                                   |    | 2,357   |            |
| Employer Medicare                                  |    | 6,783   |            |
| Communication                                      |    | 1,328   |            |
| Data Processing Services                           |    | 45,351  |            |
| Legal Notices, Recording, and Court Costs          |    | 5,978   |            |
| Maintenance Agreements                             |    | 3,676   |            |
| Maintenance and Repair Services - Buildings        |    | 214     |            |
| Maintenance and Repair Services - Office Equipment |    | 742     |            |
| Postal Charges                                     |    | 4,199   |            |
| Printing, Stationery, and Forms                    |    | 14,893  |            |
| Rentals  |    | 80      |            |
| Travel   |    | 1,423   |            |
| Other Contracted Services                          |    | 275     |            |
| Custodial Supplies                                 |    | 1,734   |            |
| Data Processing Supplies                           |    | 4,879   |            |
| Drugs and Medical Supplies                         |    | 4,981   |            |
| Food Preparation Supplies                          |    | 240     |            |
| Food Supplies                                      |    | 796     |            |
| Office Supplies                                    |    | 4,194   |            |
| Periodicals  |    | 1,052   |            |
| Uniforms   |    | 1,572   |            |
| Software   |    | 623     |            |
| Other Supplies and Materials                       |    | 22,642  |            |
| In Service/Staff Development                       |    | 645     |            |
| Communication Equipment                            |    | 1,799   |            |
| Data Processing Equipment                          |    | 32,422  |            |
| Furniture and Fixtures                             |    | 3,148   |            |
| Office Equipment                                   |    | 21      |            |
| Other Equipment                                    |    | 3,882   |            |
| Total Election Commission                          |    |         | \$ 846,672 |

Register of Deeds

|  |    |         |
|--|----|---------|
| County Official/Administrative Officer | \$ | 105,983 |
| Deputy(ies)                            |    | 365,718 |
| Longevity Pay                          |    | 8,475   |
| Social Security                        |    | 27,442  |

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

|   |    |         |            |
|---|----|---------|------------|
| Pensions                                  | \$ | 52,011  |            |
| Life Insurance                            |    | 952     |            |
| Medical Insurance                         |    | 108,028 |            |
| Dental Insurance                          |    | 3,363   |            |
| Employer Medicare                         |    | 6,418   |            |
| Communication                             |    | 1,266   |            |
| Data Processing Services                  |    | 33,393  |            |
| Dues and Memberships                      |    | 1,098   |            |
| Maintenance Agreements                    |    | 1,894   |            |
| Postal Charges                            |    | 1,393   |            |
| Printing, Stationery, and Forms           |    | 94      |            |
| Travel                                    |    | 863     |            |
| Maintenance and Repair Services - Records |    | 10,030  |            |
| Custodial Supplies                        |    | 342     |            |
| Data Processing Supplies                  |    | 2,163   |            |
| Food Preparation Supplies                 |    | 338     |            |
| Office Supplies                           |    | 1,775   |            |
| Periodicals                               |    | 20      |            |
| In Service/Staff Development              |    | 925     |            |
| Communication Equipment                   |    | 812     |            |
| Data Processing Equipment                 |    | 12,450  |            |
| Total Register of Deeds                   |    |         | \$ 747,246 |

Planning

|  |    |         |
|--|----|---------|
| Assistant(s)                               | \$ | 57,865  |
| Supervisor/Director                        |    | 93,031  |
| Investigator(s)                            |    | 146,588 |
| Paraprofessionals                          |    | 7,115   |
| Secretary(ies)                             |    | 42,078  |
| Part-time Personnel                        |    | 18,479  |
| Longevity Pay                              |    | 3,225   |
| Social Security                            |    | 21,695  |
| Pensions                                   |    | 37,487  |
| Life Insurance                             |    | 677     |
| Medical Insurance                          |    | 61,311  |
| Dental Insurance                           |    | 2,290   |
| Employer Medicare                          |    | 5,074   |
| Advertising                                |    | 1,970   |
| Communication                              |    | 2,351   |
| Data Processing Services                   |    | 150     |
| Dues and Memberships                       |    | 15,303  |
| Licenses                                   |    | 140     |
| Maintenance Agreements                     |    | 6,300   |
| Maintenance and Repair Services - Vehicles |    | 452     |
| Postal Charges                             |    | 1,062   |
| Printing, Stationery, and Forms            |    | 922     |
| Travel                                     |    | 1,776   |

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Planning (Cont.)

|                                |    |        |            |
|--------------------------------|----|--------|------------|
| Permits                        | \$ | 3,460  |            |
| Other Contracted Services      |    | 50,017 |            |
| Data Processing Supplies       |    | 571    |            |
| Duplicating Supplies           |    | 450    |            |
| Food Preparation Supplies      |    | 6      |            |
| Food Supplies                  |    | 782    |            |
| Gasoline                       |    | 4,211  |            |
| General Construction Materials |    | 61     |            |
| Office Supplies                |    | 1,671  |            |
| Small Tools                    |    | 191    |            |
| Uniforms                       |    | 1,476  |            |
| Vehicle Parts                  |    | 214    |            |
| Software                       |    | 4,455  |            |
| Other Supplies and Materials   |    | 70     |            |
| In Service/Staff Development   |    | 2,225  |            |
| Other Charges                  |    | 62     |            |
| Communication Equipment        |    | 299    |            |
| Data Processing Equipment      |    | 3,928  |            |
| Furniture and Fixtures         |    | 3,355  |            |
| Total Planning                 |    |        | \$ 604,845 |

Building

|  |    |         |  |
|--|----|---------|--|
| Supervisor/Director                                | \$ | 79,317  |  |
| Investigator(s)                                    |    | 192,959 |  |
| Secretary(ies)                                     |    | 72,733  |  |
| Longevity Pay                                      |    | 3,750   |  |
| Social Security                                    |    | 20,288  |  |
| Pensions   |    | 38,003  |  |
| Life Insurance                                     |    | 702     |  |
| Medical Insurance                                  |    | 74,809  |  |
| Dental Insurance                                   |    | 2,404   |  |
| Employer Medicare                                  |    | 4,745   |  |
| Communication                                      |    | 3,063   |  |
| Consultants  |    | 275     |  |
| Data Processing Services                           |    | 3,498   |  |
| Dues and Memberships                               |    | 460     |  |
| Maintenance Agreements                             |    | 2,478   |  |
| Maintenance and Repair Services - Office Equipment |    | 27      |  |
| Maintenance and Repair Services - Vehicles         |    | 5,430   |  |
| Postal Charges                                     |    | 2,965   |  |
| Printing, Stationery, and Forms                    |    | 1,716   |  |
| Travel   |    | 759     |  |
| Maintenance and Repair Services - Records          |    | 2,400   |  |
| Other Contracted Services                          |    | 2,202   |  |
| Custodial Supplies                                 |    | 19      |  |
| Data Processing Supplies                           |    | 641     |  |
| Food Preparation Supplies                          |    | 31      |  |

(Continued)

## Exhibit K-8

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

General Fund (Cont.)General Government (Cont.)Building (Cont.)

|                              |    |       |            |
|------------------------------|----|-------|------------|
| Food Supplies                | \$ | 1,078 |            |
| Gasoline                     |    | 7,643 |            |
| Office Supplies              |    | 1,855 |            |
| Periodicals                  |    | 78    |            |
| Small Tools                  |    | 16    |            |
| Uniforms                     |    | 1,630 |            |
| Vehicle Parts                |    | 336   |            |
| Other Supplies and Materials |    | 452   |            |
| In Service/Staff Development |    | 697   |            |
| Other Charges                |    | 287   |            |
| Communication Equipment      |    | 960   |            |
| Data Processing Equipment    |    | 2,445 |            |
| Furniture and Fixtures       |    | 242   |            |
| Other Equipment              |    | 159   |            |
| Total Building               |    |       | \$ 533,552 |

County Buildings

|   |    |         |
|---|----|---------|
| Maintenance Personnel                       | \$ | 260,171 |
| Part-time Personnel                         |    | 26,528  |
| Longevity Pay                               |    | 5,925   |
| Other Salaries and Wages                    |    | 8,000   |
| Social Security                             |    | 17,339  |
| Pensions                                    |    | 29,321  |
| Life Insurance                              |    | 530     |
| Medical Insurance                           |    | 79,247  |
| Dental Insurance                            |    | 2,901   |
| Employer Medicare                           |    | 4,055   |
| Communication                               |    | 33,429  |
| Data Processing Services                    |    | 5,334   |
| Janitorial Services                         |    | 8,500   |
| Maintenance Agreements                      |    | 610     |
| Maintenance and Repair Services - Buildings |    | 57,974  |
| Maintenance and Repair Services - Equipment |    | 13,049  |
| Maintenance and Repair Services - Vehicles  |    | 192     |
| Disposal Fees                               |    | 250     |
| Permits                                     |    | 110     |
| Other Contracted Services                   |    | 147,844 |
| Custodial Supplies                          |    | 7,548   |
| Drugs and Medical Supplies                  |    | 478     |
| Electricity                                 |    | 718,783 |
| Equipment and Machinery Parts               |    | 429     |
| Food Supplies                               |    | 41      |
| Gasoline                                    |    | 41      |
| General Construction Materials              |    | 17,830  |
| Natural Gas                                 |    | 168,928 |
| Propane Gas                                 |    | 6,061   |
| Small Tools                                 |    | 1,108   |

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

|  |    |         |              |
|--|----|---------|--------------|
| Water and Sewer                        | \$ | 248,716 |              |
| Chemicals                              |    | 49      |              |
| Other Supplies and Materials           |    | 280     |              |
| Building Improvements                  |    | 34,283  |              |
| Furniture and Fixtures                 |    | 1,495   |              |
| Heating and Air Conditioning Equipment |    | 8,349   |              |
| Maintenance Equipment                  |    | 1,499   |              |
| Motor Vehicles                         |    | 62,970  |              |
| Total County Buildings                 |    |         | \$ 1,980,197 |

Preservation of Records

|                                 |    |        |        |
|---------------------------------|----|--------|--------|
| Clerical Personnel              | \$ | 62,118 |        |
| Longevity Pay                   |    | 1,275  |        |
| Social Security                 |    | 3,657  |        |
| Pensions                        |    | 6,888  |        |
| Life Insurance                  |    | 92     |        |
| Medical Insurance               |    | 13,840 |        |
| Dental Insurance                |    | 478    |        |
| Employer Medicare               |    | 855    |        |
| Communication                   |    | 865    |        |
| Data Processing Services        |    | 1,000  |        |
| Dues and Memberships            |    | 105    |        |
| Maintenance Agreements          |    | 1,186  |        |
| Postal Charges                  |    | 138    |        |
| Printing, Stationery, and Forms |    | 211    |        |
| Data Processing Supplies        |    | 800    |        |
| Office Supplies                 |    | 1,103  |        |
| In Service/Staff Development    |    | 85     |        |
| Total Preservation of Records   |    |        | 94,696 |

Risk Management

|                                    |    |           |           |
|------------------------------------|----|-----------|-----------|
| Building and Contents Insurance    | \$ | 62,222    |           |
| Liability Insurance                |    | 1,010,751 |           |
| Premiums on Corporate Surety Bonds |    | 410       |           |
| Workers' Compensation Insurance    |    | 449,230   |           |
| Total Risk Management              |    |           | 1,522,613 |

Finance

Accounting and Budgeting

|  |    |         |  |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 131,043 |  |
| Accountants/Bookkeepers                |    | 422,331 |  |
| Librarians                             |    | 13,689  |  |
| Longevity Pay                          |    | 10,125  |  |
| Social Security                        |    | 32,242  |  |
| Pensions                               |    | 61,073  |  |
| Life Insurance                         |    | 1,069   |  |
| Medical Insurance                      |    | 118,269 |  |

(Continued)

## Exhibit K-8

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

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

|   |    |        |            |
|---|----|--------|------------|
| Dental Insurance                          | \$ | 4,476  |            |
| Employer Medicare                         |    | 7,740  |            |
| Advertising                               |    | 1,998  |            |
| Communication                             |    | 2,765  |            |
| Consultants                               |    | 5,250  |            |
| Data Processing Services                  |    | 21,533 |            |
| Dues and Memberships                      |    | 445    |            |
| Evaluation and Testing                    |    | 29     |            |
| Maintenance Agreements                    |    | 2,464  |            |
| Postal Charges                            |    | 5,614  |            |
| Printing, Stationery, and Forms           |    | 374    |            |
| Travel                                    |    | 354    |            |
| Maintenance and Repair Services - Records |    | 428    |            |
| Other Contracted Services                 |    | 200    |            |
| Custodial Supplies                        |    | 222    |            |
| Data Processing Supplies                  |    | 4,211  |            |
| Food Preparation Supplies                 |    | 69     |            |
| Food Supplies                             |    | 1,113  |            |
| Office Supplies                           |    | 5,170  |            |
| Periodicals                               |    | 740    |            |
| Software                                  |    | 2,169  |            |
| Other Supplies and Materials              |    | 18     |            |
| In Service/Staff Development              |    | 2,202  |            |
| Communication Equipment                   |    | 29     |            |
| Data Processing Equipment                 |    | 10,829 |            |
| Furniture and Fixtures                    |    | 5,801  |            |
| Other Equipment                           |    | 2,227  |            |
| Total Accounting and Budgeting            |    |        | \$ 878,311 |

Property Assessor's Office

|  |    |         |
|--|----|---------|
| County Official/Administrative Officer | \$ | 106,983 |
| Data Processing Personnel              |    | 157,460 |
| Assessment Personnel                   |    | 117,107 |
| Longevity Pay                          |    | 14,850  |
| Other Salaries and Wages               |    | 109,340 |
| Social Security                        |    | 28,779  |
| Pensions                               |    | 54,816  |
| Life Insurance                         |    | 983     |
| Medical Insurance                      |    | 116,605 |
| Dental Insurance                       |    | 4,442   |
| Employer Medicare                      |    | 6,731   |
| Communication                          |    | 204     |
| Data Processing Services               |    | 26,245  |
| Dues and Memberships                   |    | 3,405   |
| Legal Services                         |    | 2,768   |
| Maintenance Agreements                 |    | 2,109   |
| Postal Charges                         |    | 3,250   |

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

|                                    |    |       |            |
|------------------------------------|----|-------|------------|
| Printing, Stationery, and Forms    | \$ | 1,000 |            |
| Travel                             |    | 2,634 |            |
| Office Supplies                    |    | 903   |            |
| Software                           |    | 109   |            |
| Premiums on Corporate Surety Bonds |    | 225   |            |
| In Service/Staff Development       |    | 2,970 |            |
| Other Charges                      |    | 12    |            |
| Communication Equipment            |    | 187   |            |
| Data Processing Equipment          |    | 550   |            |
| Total Property Assessor's Office   |    |       | \$ 764,667 |

Reappraisal Program

|  |    |         |         |
|--|----|---------|---------|
| Supervisor/Director                        | \$ | 129,923 |         |
| Data Processing Personnel                  |    | 25,092  |         |
| Longevity Pay                              |    | 8,550   |         |
| Other Salaries and Wages                   |    | 193,872 |         |
| Social Security                            |    | 20,514  |         |
| Pensions                                   |    | 36,140  |         |
| Life Insurance                             |    | 630     |         |
| Medical Insurance                          |    | 66,368  |         |
| Dental Insurance                           |    | 2,909   |         |
| Employer Medicare                          |    | 4,798   |         |
| Audit Services                             |    | 28,935  |         |
| Communication                              |    | 3,331   |         |
| Data Processing Services                   |    | 94,811  |         |
| Maintenance Agreements                     |    | 1,834   |         |
| Maintenance and Repair Services - Vehicles |    | 4,414   |         |
| Postal Charges                             |    | 4,765   |         |
| Printing, Stationery, and Forms            |    | 3,180   |         |
| Travel                                     |    | 2,131   |         |
| Data Processing Supplies                   |    | 2,468   |         |
| Food Supplies                              |    | 664     |         |
| Gasoline                                   |    | 5,421   |         |
| Office Supplies                            |    | 1,932   |         |
| Periodicals                                |    | 669     |         |
| Software                                   |    | 1,308   |         |
| Communication Equipment                    |    | 296     |         |
| Data Processing Equipment                  |    | 2,928   |         |
| Total Reappraisal Program                  |    |         | 647,883 |

County Trustee's Office

|  |    |         |  |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 104,483 |  |
| Deputy(ies)                            |    | 185,765 |  |
| Longevity Pay                          |    | 3,150   |  |
| Social Security                        |    | 16,956  |  |
| Pensions                               |    | 29,080  |  |
| Life Insurance                         |    | 557     |  |

(Continued)

## Exhibit K-8

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

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

|   |    |        |            |
|---|----|--------|------------|
| Medical Insurance                         | \$ | 62,699 |            |
| Dental Insurance                          |    | 2,143  |            |
| Employer Medicare                         |    | 3,965  |            |
| Communication                             |    | 1,084  |            |
| Data Processing Services                  |    | 26,871 |            |
| Dues and Memberships                      |    | 1,018  |            |
| Legal Notices, Recording, and Court Costs |    | 131    |            |
| Maintenance Agreements                    |    | 1,662  |            |
| Postal Charges                            |    | 36,813 |            |
| Printing, Stationery, and Forms           |    | 12,588 |            |
| Travel                                    |    | 1,678  |            |
| Custodial Supplies                        |    | 60     |            |
| Data Processing Supplies                  |    | 1,606  |            |
| Food Preparation Supplies                 |    | 128    |            |
| Food Supplies                             |    | 948    |            |
| Office Supplies                           |    | 1,405  |            |
| In Service/Staff Development              |    | 1,165  |            |
| Data Processing Equipment                 |    | 2,468  |            |
| Total County Trustee's Office             |    |        | \$ 498,423 |

County Clerk's Office

|   |    |         |
|---|----|---------|
| County Official/Administrative Officer      | \$ | 105,983 |
| Deputy(ies)                                 |    | 993,226 |
| Longevity Pay                               |    | 28,050  |
| Social Security                             |    | 62,775  |
| Pensions                                    |    | 116,187 |
| Life Insurance                              |    | 2,022   |
| Medical Insurance                           |    | 272,535 |
| Dental Insurance                            |    | 9,972   |
| Employer Medicare                           |    | 14,979  |
| Communication                               |    | 5,778   |
| Data Processing Services                    |    | 44,817  |
| Dues and Memberships                        |    | 1,023   |
| Maintenance Agreements                      |    | 5,272   |
| Maintenance and Repair Services - Equipment |    | 45      |
| Postal Charges                              |    | 44,893  |
| Printing, Stationery, and Forms             |    | 5,658   |
| Travel                                      |    | 5,098   |
| Maintenance and Repair Services - Records   |    | 575     |
| Custodial Supplies                          |    | 39      |
| Data Processing Supplies                    |    | 16,034  |
| Food Preparation Supplies                   |    | 10      |
| Food Supplies                               |    | 69      |
| Office Supplies                             |    | 9,413   |
| Periodicals                                 |    | 603     |
| Software                                    |    | 540     |
| In Service/Staff Development                |    | 475     |

(Continued)



## Exhibit K-8

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

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

|                             |    |        |              |
|-----------------------------|----|--------|--------------|
| Data Processing Equipment   | \$ | 24,862 |              |
| Furniture and Fixtures      |    | 369    |              |
| Office Equipment            |    | 393    |              |
| Total County Clerk's Office |    |        | \$ 1,771,695 |

Data Processing

|   |    |         |         |
|---|----|---------|---------|
| Supervisor/Director                         | \$ | 117,894 |         |
| Data Processing Personnel                   |    | 335,416 |         |
| Longevity Pay                               |    | 1,875   |         |
| Social Security                             |    | 26,577  |         |
| Pensions                                    |    | 49,689  |         |
| Life Insurance                              |    | 876     |         |
| Medical Insurance                           |    | 80,780  |         |
| Dental Insurance                            |    | 2,799   |         |
| Employer Medicare                           |    | 6,216   |         |
| Communication                               |    | 9,086   |         |
| Contracts with Private Agencies             |    | 648     |         |
| Data Processing Services                    |    | 289,625 |         |
| Dues and Memberships                        |    | 119     |         |
| Maintenance and Repair Services - Buildings |    | 4,815   |         |
| Maintenance and Repair Services - Equipment |    | 344     |         |
| Postal Charges                              |    | 20      |         |
| Printing, Stationery, and Forms             |    | 438     |         |
| Travel                                      |    | 918     |         |
| Custodial Supplies                          |    | 60      |         |
| Data Processing Supplies                    |    | 4,867   |         |
| Food Preparation Supplies                   |    | 237     |         |
| Food Supplies                               |    | 1,256   |         |
| General Construction Materials              |    | 114     |         |
| Instructional Supplies and Materials        |    | 133     |         |
| Office Supplies                             |    | 1,101   |         |
| Other Supplies and Materials                |    | 703     |         |
| In Service/Staff Development                |    | 482     |         |
| Communication Equipment                     |    | 353     |         |
| Data Processing Equipment                   |    | 30,602  |         |
| Food Service Equipment                      |    | 108     |         |
| Furniture and Fixtures                      |    | 8,500   |         |
| Other Equipment                             |    | 2,200   |         |
| Total Data Processing                       |    |         | 978,851 |

Administration of JusticeCircuit Court Clerk

|  |    |           |  |
|--|----|-----------|--|
| County Official/Administrative Officer | \$ | 105,983   |  |
| Clerical Personnel                     |    | 1,124,917 |  |
| Longevity Pay                          |    | 22,725    |  |
| Jury and Witness Expense               |    | 22,385    |  |
| Social Security                        |    | 72,980    |  |

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court Clerk (Cont.)

|   |    |         |              |
|---|----|---------|--------------|
| Pensions                                  | \$ | 131,648 |              |
| Life Insurance                            |    | 2,407   |              |
| Medical Insurance                         |    | 237,559 |              |
| Dental Insurance                          |    | 7,533   |              |
| Employer Medicare                         |    | 17,068  |              |
| Communication                             |    | 1,909   |              |
| Data Processing Services                  |    | 45,255  |              |
| Dues and Memberships                      |    | 1,118   |              |
| Legal Notices, Recording, and Court Costs |    | 189     |              |
| Maintenance Agreements                    |    | 12,341  |              |
| Postal Charges                            |    | 15,779  |              |
| Printing, Stationery, and Forms           |    | 2,631   |              |
| Travel                                    |    | 2,354   |              |
| Maintenance and Repair Services - Records |    | 1,310   |              |
| Other Contracted Services                 |    | 125     |              |
| Custodial Supplies                        |    | 72      |              |
| Data Processing Supplies                  |    | 2,371   |              |
| Food Supplies                             |    | 1,250   |              |
| General Construction Materials            |    | 210     |              |
| Office Supplies                           |    | 12,082  |              |
| Periodicals                               |    | 1,003   |              |
| Data Processing Equipment                 |    | 2,549   |              |
| Food Service Equipment                    |    | 100     |              |
| Furniture and Fixtures                    |    | 600     |              |
| Total Circuit Court Clerk                 |    |         | \$ 1,848,453 |

General Sessions Court

|                                 |    |         |
|---------------------------------|----|---------|
| Judge(s)                        | \$ | 170,874 |
| Secretary(ies)                  |    | 72,734  |
| Longevity Pay                   |    | 1,875   |
| Social Security                 |    | 12,548  |
| Pensions                        |    | 26,716  |
| Life Insurance                  |    | 352     |
| Medical Insurance               |    | 32,385  |
| Dental Insurance                |    | 1,173   |
| Employer Medicare               |    | 3,444   |
| Data Processing Services        |    | 399     |
| Dues and Memberships            |    | 250     |
| Maintenance Agreements          |    | 1,386   |
| Postal Charges                  |    | 41      |
| Printing, Stationery, and Forms |    | 2,248   |
| Travel                          |    | 640     |
| Other Contracted Services       |    | 150     |
| Custodial Supplies              |    | 218     |
| Food Preparation Supplies       |    | 4       |
| Food Supplies                   |    | 20      |
| Office Supplies                 |    | 756     |

(Continued)

## Exhibit K-8

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

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

|                                    |    |     |            |
|------------------------------------|----|-----|------------|
| Periodicals                        | \$ | 593 |            |
| Other Supplies and Materials       |    | 14  |            |
| Premiums on Corporate Surety Bonds |    | 100 |            |
| In Service/Staff Development       |    | 277 |            |
| Other Charges                      |    | 12  |            |
| Data Processing Equipment          |    | 789 |            |
| Furniture and Fixtures             |    | 90  |            |
| Total General Sessions Court       |    |     | \$ 330,088 |

General Sessions Judge

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Judge(s)                        | \$ | 170,874 |         |
| Secretary(ies)                  |    | 58,588  |         |
| Longevity Pay                   |    | 2,100   |         |
| Social Security                 |    | 12,015  |         |
| Pensions                        |    | 25,190  |         |
| Life Insurance                  |    | 321     |         |
| Medical Insurance               |    | 21,039  |         |
| Dental Insurance                |    | 503     |         |
| Employer Medicare               |    | 3,301   |         |
| Communication                   |    | 1,417   |         |
| Data Processing Services        |    | 350     |         |
| Dues and Memberships            |    | 250     |         |
| Licenses                        |    | 50      |         |
| Maintenance Agreements          |    | 2,079   |         |
| Postal Charges                  |    | 110     |         |
| Printing, Stationery, and Forms |    | 2,479   |         |
| Travel                          |    | 643     |         |
| Other Contracted Services       |    | 700     |         |
| Custodial Supplies              |    | 6       |         |
| Data Processing Supplies        |    | 533     |         |
| Food Supplies                   |    | 176     |         |
| Office Supplies                 |    | 738     |         |
| Periodicals                     |    | 1,003   |         |
| In Service/Staff Development    |    | 329     |         |
| Other Charges                   |    | 100     |         |
| Data Processing Equipment       |    | 1,015   |         |
| Total General Sessions Judge    |    |         | 305,909 |

Drug Court

|  |    |        |  |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 58,937 |  |
| Assistant(s)                           |    | 68,649 |  |
| Part-time Personnel                    |    | 33,730 |  |
| Longevity Pay                          |    | 2,550  |  |
| Social Security                        |    | 9,828  |  |
| Pensions                               |    | 14,159 |  |
| Life Insurance                         |    | 259    |  |
| Medical Insurance                      |    | 15,605 |  |

(Continued)

## Exhibit K-8

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

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

|                                      |    |        |            |
|--------------------------------------|----|--------|------------|
| Dental Insurance                     | \$ | 808    |            |
| Employer Medicare                    |    | 2,299  |            |
| Communication                        |    | 773    |            |
| Data Processing Services             |    | 300    |            |
| Dues and Memberships                 |    | 200    |            |
| Evaluation and Testing               |    | 5,319  |            |
| Maintenance Agreements               |    | 1,008  |            |
| Postal Charges                       |    | 198    |            |
| Printing, Stationery, and Forms      |    | 298    |            |
| Travel                               |    | 1,797  |            |
| Drug Treatment                       |    | 17,360 |            |
| Other Contracted Services            |    | 5,500  |            |
| Custodial Supplies                   |    | 110    |            |
| Data Processing Supplies             |    | 980    |            |
| Drugs and Medical Supplies           |    | 586    |            |
| Instructional Supplies and Materials |    | 3,797  |            |
| Office Supplies                      |    | 1,576  |            |
| Testing                              |    | 29,837 |            |
| Software                             |    | 2,189  |            |
| In Service/Staff Development         |    | 1,200  |            |
| Data Processing Equipment            |    | 1,125  |            |
| Furniture and Fixtures               |    | 2,651  |            |
| Total Drug Court                     |    |        | \$ 283,628 |

Chancery Court

|  |    |         |         |
|--|----|---------|---------|
| County Official/Administrative Officer             | \$ | 105,983 |         |
| Clerical Personnel                                 |    | 350,460 |         |
| Longevity Pay                                      |    | 12,525  |         |
| Social Security                                    |    | 26,968  |         |
| Pensions   |    | 49,798  |         |
| Life Insurance                                     |    | 901     |         |
| Medical Insurance                                  |    | 116,172 |         |
| Dental Insurance                                   |    | 4,457   |         |
| Employer Medicare                                  |    | 6,307   |         |
| Communication                                      |    | 4,366   |         |
| Data Processing Services                           |    | 18,081  |         |
| Dues and Memberships                               |    | 1,438   |         |
| Maintenance Agreements                             |    | 3,723   |         |
| Maintenance and Repair Services - Office Equipment |    | 692     |         |
| Postal Charges                                     |    | 14,816  |         |
| Printing, Stationery, and Forms                    |    | 4,847   |         |
| Data Processing Supplies                           |    | 815     |         |
| Food Supplies                                      |    | 1,101   |         |
| Office Supplies                                    |    | 4,148   |         |
| Periodicals  |    | 527     |         |
| Other Charges                                      |    | 24      |         |
| Data Processing Equipment                          |    | 6,505   |         |
| Total Chancery Court                               |    |         | 734,654 |

(Continued)

## Exhibit K-8

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

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

|   |    |         |            |
|---|----|---------|------------|
| Judge(s)                                    | \$ | 170,874 |            |
| Assistant(s)                                |    | 146,027 |            |
| Secretary(ies)                              |    | 96,001  |            |
| Longevity Pay                               |    | 5,100   |            |
| Social Security                             |    | 23,190  |            |
| Pensions                                    |    | 45,455  |            |
| Life Insurance                              |    | 696     |            |
| Medical Insurance                           |    | 38,409  |            |
| Dental Insurance                            |    | 1,401   |            |
| Employer Medicare                           |    | 5,875   |            |
| Communication                               |    | 7,359   |            |
| Data Processing Services                    |    | 9,299   |            |
| Dues and Memberships                        |    | 325     |            |
| Maintenance Agreements                      |    | 3,809   |            |
| Maintenance and Repair Services - Equipment |    | 49      |            |
| Postal Charges                              |    | 550     |            |
| Printing, Stationery, and Forms             |    | 875     |            |
| Rentals                                     |    | 78,750  |            |
| Travel                                      |    | 3,446   |            |
| Maintenance and Repair Services - Records   |    | 514     |            |
| Other Contracted Services                   |    | 225     |            |
| Data Processing Supplies                    |    | 1,631   |            |
| Office Supplies                             |    | 451     |            |
| Periodicals                                 |    | 1,063   |            |
| Software                                    |    | 8,000   |            |
| In Service/Staff Development                |    | 440     |            |
| Data Processing Equipment                   |    | 790     |            |
| Total Juvenile Court                        |    |         | \$ 650,604 |

District Attorney General

|                                 |    |        |        |
|---------------------------------|----|--------|--------|
| Rentals                         | \$ | 3,600  |        |
| Other Contracted Services       |    | 71,912 |        |
| Total District Attorney General |    |        | 75,512 |

Judicial Commissioners

|  |    |         |  |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 486,977 |  |
| Longevity Pay                          |    | 5,250   |  |
| Social Security                        |    | 28,895  |  |
| Pensions                               |    | 51,853  |  |
| Life Insurance                         |    | 885     |  |
| Medical Insurance                      |    | 61,690  |  |
| Dental Insurance                       |    | 2,875   |  |
| Employer Medicare                      |    | 6,806   |  |
| Communication                          |    | 1,722   |  |
| Data Processing Services               |    | 7,820   |  |
| Dues and Memberships                   |    | 675     |  |
| Maintenance Agreements                 |    | 2,852   |  |

(Continued)

## Exhibit K-8

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

General Fund (Cont.)Administration of Justice (Cont.)Judicial Commissioners (Cont.)

|   |    |       |            |
|---|----|-------|------------|
| Maintenance and Repair Services - Records | \$ | 135   |            |
| Custodial Supplies                        |    | 177   |            |
| Data Processing Supplies                  |    | 490   |            |
| Office Supplies                           |    | 3,646 |            |
| Periodicals                               |    | 1,077 |            |
| Other Supplies and Materials              |    | 132   |            |
| Data Processing Equipment                 |    | 5,952 |            |
| Furniture and Fixtures                    |    | 978   |            |
| Total Judicial Commissioners              |    |       | \$ 670,887 |

Other Administration of Justice

|                                       |    |         |         |
|---------------------------------------|----|---------|---------|
| Part-time Personnel                   | \$ | 13,236  |         |
| Social Security                       |    | 7       |         |
| Employer Medicare                     |    | 192     |         |
| Contracts with Other Public Agencies  |    | 364,212 |         |
| Postal Charges                        |    | 438     |         |
| Data Processing Supplies              |    | 190     |         |
| Office Supplies                       |    | 162     |         |
| Other Supplies and Materials          |    | 14,210  |         |
| Premiums on Corporate Surety Bonds    |    | 833     |         |
| Total Other Administration of Justice |    |         | 393,480 |

Probation Services

|   |    |         |         |
|---|----|---------|---------|
| Probation Officer(s)                      | \$ | 251,071 |         |
| Clerical Personnel                        |    | 51,782  |         |
| Longevity Pay                             |    | 6,750   |         |
| Social Security                           |    | 16,847  |         |
| Pensions                                  |    | 31,680  |         |
| Life Insurance                            |    | 579     |         |
| Medical Insurance                         |    | 59,448  |         |
| Dental Insurance                          |    | 2,037   |         |
| Employer Medicare                         |    | 4,199   |         |
| Communication                             |    | 576     |         |
| Maintenance Agreements                    |    | 2,079   |         |
| Postal Charges                            |    | 588     |         |
| Printing, Stationery, and Forms           |    | 1,538   |         |
| Travel                                    |    | 305     |         |
| Maintenance and Repair Services - Records |    | 94      |         |
| Custodial Supplies                        |    | 119     |         |
| Drugs and Medical Supplies                |    | 62      |         |
| Food Preparation Supplies                 |    | 52      |         |
| Food Supplies                             |    | 448     |         |
| General Construction Materials            |    | 36      |         |
| Instructional Supplies and Materials      |    | 4,522   |         |
| Office Supplies                           |    | 1,929   |         |
| Other Supplies and Materials              |    | 48      |         |
| Other Charges                             |    | 500     |         |
| Other Equipment                           |    | 268     |         |
| Total Probation Services                  |    |         | 437,557 |

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

|   |            |
|---|------------|
| County Official/Administrative Officer      | \$ 114,932 |
| Deputy(ies)                                 | 4,315,416  |
| Detective(s)                                | 511,190    |
| Captain(s)                                  | 140,354    |
| Lieutenant(s)                               | 330,010    |
| Sergeant(s)                                 | 429,980    |
| Data Processing Personnel                   | 78,449     |
| Guards                                      | 471,737    |
| Clerical Personnel                          | 887,988    |
| Maintenance Personnel                       | 170,609    |
| Part-time Personnel                         | 92,519     |
| Longevity Pay                               | 163,125    |
| Overtime Pay                                | 11,638     |
| Other Salaries and Wages                    | 81,600     |
| Social Security                             | 449,086    |
| Pensions                                    | 838,972    |
| Life Insurance                              | 14,932     |
| Medical Insurance                           | 1,690,932  |
| Dental Insurance                            | 64,379     |
| Employer Medicare                           | 105,029    |
| Communication                               | 21,589     |
| Data Processing Services                    | 162,305    |
| Dues and Memberships                        | 4,000      |
| Evaluation and Testing                      | 18,309     |
| Licenses                                    | 716        |
| Maintenance Agreements                      | 8,903      |
| Maintenance and Repair Services - Buildings | 3,035      |
| Maintenance and Repair Services - Equipment | 5,513      |
| Maintenance and Repair Services - Vehicles  | 66,007     |
| Postal Charges                              | 8,857      |
| Printing, Stationery, and Forms             | 17,766     |
| Towing Services                             | 2,275      |
| Transportation - Other than Students        | 46,513     |
| Travel                                      | 18,221     |
| Veterinary Services                         | 58,740     |
| Maintenance and Repair Services - Records   | 1,976      |
| Other Contracted Services                   | 156        |
| Animal Food and Supplies                    | 40,512     |
| Custodial Supplies                          | 259        |
| Data Processing Supplies                    | 15,398     |
| Diesel Fuel                                 | 915        |
| Drugs and Medical Supplies                  | 14,201     |
| Electricity                                 | 53         |
| Food Supplies                               | 1,705      |
| Gasoline                                    | 221,188    |
| General Construction Materials              | 3,132      |
| Instructional Supplies and Materials        | 5,157      |

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

|                              |    |         |               |
|------------------------------|----|---------|---------------|
| Law Enforcement Supplies     | \$ | 33,502  |               |
| Lubricants                   |    | 8,024   |               |
| Office Supplies              |    | 19,924  |               |
| Propane Gas                  |    | 1,801   |               |
| Small Tools                  |    | 769     |               |
| Uniforms                     |    | 68,450  |               |
| Vehicle Parts                |    | 39,881  |               |
| Software                     |    | 50,476  |               |
| Other Supplies and Materials |    | 3,301   |               |
| In Service/Staff Development |    | 44,119  |               |
| Other Charges                |    | 557     |               |
| Communication Equipment      |    | 4,258   |               |
| Data Processing Equipment    |    | 38,000  |               |
| Furniture and Fixtures       |    | 11,601  |               |
| Law Enforcement Equipment    |    | 105,568 |               |
| Motor Vehicles               |    | 25,991  |               |
| Office Equipment             |    | 287     |               |
| Health Equipment             |    | 1,375   |               |
| Other Equipment              |    | 9,298   |               |
| Total Sheriff's Department   |    |         | \$ 12,177,460 |

Administration of the Sexual Offender Registry

|  |    |       |        |
|--|----|-------|--------|
| Data Processing Services                             | \$ | 2,142 |        |
| Data Processing Supplies                             |    | 998   |        |
| Software   |    | 5,342 |        |
| Other Charges  |    | 2,900 |        |
| Data Processing Equipment                            |    | 7,165 |        |
| Total Administration of the Sexual Offender Registry |    |       | 18,547 |

Jail

|                                 |    |           |  |
|---------------------------------|----|-----------|--|
| Assistant(s)                    | \$ | 74,094    |  |
| Captain(s)                      |    | 70,352    |  |
| Lieutenant(s)                   |    | 198,118   |  |
| Sergeant(s)                     |    | 351,317   |  |
| Guards                          |    | 4,547,237 |  |
| Cafeteria Personnel             |    | 75,411    |  |
| Part-time Personnel             |    | 9,659     |  |
| Longevity Pay                   |    | 73,769    |  |
| Social Security                 |    | 312,400   |  |
| Pensions                        |    | 584,517   |  |
| Life Insurance                  |    | 10,100    |  |
| Medical Insurance               |    | 1,074,568 |  |
| Dental Insurance                |    | 41,088    |  |
| Employer Medicare               |    | 73,063    |  |
| Contracts with Private Agencies |    | 7,790     |  |
| Medical and Dental Services     |    | 2,648,449 |  |
| Printing, Stationery, and Forms |    | 1,353     |  |

(Continued)



## Exhibit K-8

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

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

|                              |            |               |
|------------------------------|------------|---------------|
| Custodial Supplies           | \$ 103,565 |               |
| Drugs and Medical Supplies   | 518        |               |
| Food Preparation Supplies    | 10,968     |               |
| Food Supplies                | 810,996    |               |
| Prisoners Clothing           | 19,852     |               |
| Uniforms                     | 33,988     |               |
| Other Supplies and Materials | 82,462     |               |
| Law Enforcement Equipment    | 690        |               |
| Total Jail                   |            | \$ 11,216,324 |

Juvenile Services

|                              |            |         |
|------------------------------|------------|---------|
| Youth Service Officer(s)     | \$ 479,770 |         |
| Salary Supplements           | 5,283      |         |
| Longevity Pay                | 13,575     |         |
| Social Security              | 28,540     |         |
| Pensions                     | 54,241     |         |
| Life Insurance               | 980        |         |
| Medical Insurance            | 110,611    |         |
| Dental Insurance             | 4,273      |         |
| Employer Medicare            | 6,675      |         |
| Communication                | 3,614      |         |
| Data Processing Services     | 473        |         |
| Travel                       | 1,098      |         |
| Custodial Supplies           | 156        |         |
| Data Processing Supplies     | 1,031      |         |
| Drugs and Medical Supplies   | 148        |         |
| Duplicating Supplies         | 64         |         |
| Food Preparation Supplies    | 206        |         |
| Food Supplies                | 1,409      |         |
| Office Supplies              | 1,697      |         |
| Testing                      | 762        |         |
| Other Supplies and Materials | 125        |         |
| In Service/Staff Development | 1,140      |         |
| Data Processing Equipment    | 478        |         |
| Furniture and Fixtures       | 1,045      |         |
| Other Equipment              | 510        |         |
| Total Juvenile Services      |            | 717,904 |

Fire Prevention and Control

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

Rural Fire Protection

|                             |            |         |
|-----------------------------|------------|---------|
| Contributions               | \$ 437,721 |         |
| Total Rural Fire Protection |            | 437,721 |

(Continued)

## Exhibit K-8

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

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

|   |    |        |            |
|---|----|--------|------------|
| Supervisor/Director                         | \$ | 91,496 |            |
| Deputy(ies)                                 |    | 23,339 |            |
| Clerical Personnel                          |    | 44,986 |            |
| Part-time Personnel                         |    | 22,969 |            |
| Longevity Pay                               |    | 1,575  |            |
| Other Salaries and Wages                    |    | 29,252 |            |
| Social Security                             |    | 12,877 |            |
| Pensions                                    |    | 18,423 |            |
| Life Insurance                              |    | 289    |            |
| Medical Insurance                           |    | 17,370 |            |
| Dental Insurance                            |    | 503    |            |
| Employer Medicare                           |    | 3,011  |            |
| Communication                               |    | 11,635 |            |
| Data Processing Services                    |    | 6,587  |            |
| Dues and Memberships                        |    | 55     |            |
| Maintenance Agreements                      |    | 1,102  |            |
| Maintenance and Repair Services - Equipment |    | 6,090  |            |
| Maintenance and Repair Services - Vehicles  |    | 1,231  |            |
| Postal Charges                              |    | 171    |            |
| Travel                                      |    | 1,485  |            |
| Other Contracted Services                   |    | 3,181  |            |
| Custodial Supplies                          |    | 699    |            |
| Data Processing Supplies                    |    | 739    |            |
| Diesel Fuel                                 |    | 75     |            |
| Drugs and Medical Supplies                  |    | 1,113  |            |
| Equipment and Machinery Parts               |    | 812    |            |
| Fertilizer, Lime, and Seed                  |    | 496    |            |
| Food Supplies                               |    | 2,223  |            |
| Garage Supplies                             |    | 6      |            |
| Gasoline                                    |    | 8,294  |            |
| General Construction Materials              |    | 111    |            |
| Lubricants                                  |    | 251    |            |
| Office Supplies                             |    | 565    |            |
| Small Tools                                 |    | 991    |            |
| Uniforms                                    |    | 2,499  |            |
| Vehicle Parts                               |    | 3,066  |            |
| Other Supplies and Materials                |    | 12,125 |            |
| Vehicle and Equipment Insurance             |    | 24,394 |            |
| Workers' Compensation Insurance             |    | 2,344  |            |
| Other Charges                               |    | 12,000 |            |
| Building Improvements                       |    | 5,984  |            |
| Communication Equipment                     |    | 941    |            |
| Data Processing Equipment                   |    | 1,973  |            |
| Food Service Equipment                      |    | 2,478  |            |
| Law Enforcement Equipment                   |    | 25,000 |            |
| Other Equipment                             |    | 29,851 |            |
| Total Other Emergency Management            |    |        | \$ 436,657 |

(Continued)

## Exhibit K-8

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

General Fund (Cont.)Public Safety (Cont.)County Coroner/Medical Examiner

|                                       |    |        |            |
|---------------------------------------|----|--------|------------|
| Dues and Memberships                  | \$ | 75     |            |
| Medical and Dental Services           |    | 91,520 |            |
| Travel                                |    | 3,725  |            |
| Other Contracted Services             |    | 24,000 |            |
| In Service/Staff Development          |    | 3,200  |            |
| Other Charges                         |    | 1,314  |            |
| Total County Coroner/Medical Examiner |    |        | \$ 123,834 |

Other Public Safety

|   |    |           |
|---|----|-----------|
| Supervisor/Director                         | \$ | 118,783   |
| Data Processing Personnel                   |    | 71,557    |
| Dispatchers/Radio Operators                 |    | 1,393,571 |
| Clerical Personnel                          |    | 49,208    |
| Part-time Personnel                         |    | 87,260    |
| Longevity Pay                               |    | 20,400    |
| Overtime Pay                                |    | 211,470   |
| Other Salaries and Wages                    |    | 71,236    |
| Social Security                             |    | 117,513   |
| Pensions                                    |    | 204,274   |
| Life Insurance                              |    | 3,325     |
| Medical Insurance                           |    | 418,754   |
| Dental Insurance                            |    | 14,166    |
| Employer Medicare                           |    | 27,483    |
| Advertising                                 |    | 283       |
| Communication                               |    | 5,896     |
| Data Processing Services                    |    | 43,188    |
| Dues and Memberships                        |    | 294       |
| Evaluation and Testing                      |    | 477       |
| Janitorial Services                         |    | 490       |
| Maintenance Agreements                      |    | 41,798    |
| Maintenance and Repair Services - Buildings |    | 90        |
| Maintenance and Repair Services - Equipment |    | 1,909     |
| Maintenance and Repair Services - Vehicles  |    | 68        |
| Postal Charges                              |    | 353       |
| Printing, Stationery, and Forms             |    | 1,914     |
| Travel                                      |    | 4,097     |
| Maintenance and Repair Services - Records   |    | 120       |
| Other Contracted Services                   |    | 4,422     |
| Custodial Supplies                          |    | 2,678     |
| Data Processing Supplies                    |    | 4,181     |
| Drugs and Medical Supplies                  |    | 901       |
| Equipment and Machinery Parts               |    | 821       |
| Food Preparation Supplies                   |    | 228       |
| Food Supplies                               |    | 759       |
| Gasoline                                    |    | 880       |
| General Construction Materials              |    | 473       |
| Office Supplies                             |    | 2,078     |

(Continued)

## Exhibit K-8

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

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

|                              |    |       |              |
|------------------------------|----|-------|--------------|
| Periodicals                  | \$ | 258   |              |
| Small Tools                  |    | 57    |              |
| Uniforms                     |    | 3,421 |              |
| Vehicle Parts                |    | 134   |              |
| Other Supplies and Materials |    | 1,002 |              |
| In Service/Staff Development |    | 1,496 |              |
| Communication Equipment      |    | 567   |              |
| Data Processing Equipment    |    | 6,081 |              |
| Food Service Equipment       |    | 130   |              |
| Furniture and Fixtures       |    | 1,352 |              |
| Office Equipment             |    | 10    |              |
| Health Equipment             |    | 108   |              |
| Other Equipment              |    | 1,915 |              |
| Total Other Public Safety    |    |       | \$ 2,943,929 |

Public Health and WelfareLocal Health Center

|   |    |           |  |
|---|----|-----------|--|
| Custodial Personnel                         | \$ | 31,931    |  |
| Longevity Pay                               |    | 19,650    |  |
| Other Salaries and Wages                    |    | 1,019,779 |  |
| Social Security                             |    | 62,229    |  |
| Pensions                                    |    | 106,346   |  |
| Life Insurance                              |    | 1,954     |  |
| Medical Insurance                           |    | 204,360   |  |
| Dental Insurance                            |    | 8,719     |  |
| Employer Medicare                           |    | 14,554    |  |
| Communication                               |    | 26,778    |  |
| Data Processing Services                    |    | 298       |  |
| Dues and Memberships                        |    | 950       |  |
| Evaluation and Testing                      |    | 145       |  |
| Maintenance Agreements                      |    | 2,025     |  |
| Maintenance and Repair Services - Buildings |    | 1,900     |  |
| Maintenance and Repair Services - Equipment |    | 1,771     |  |
| Postal Charges                              |    | 60        |  |
| Printing, Stationery, and Forms             |    | 1,386     |  |
| Rentals                                     |    | 99        |  |
| Travel                                      |    | 14,952    |  |
| Disposal Fees                               |    | 3,105     |  |
| Other Contracted Services                   |    | 3,861     |  |
| Custodial Supplies                          |    | 2,890     |  |
| Data Processing Supplies                    |    | 734       |  |
| Drugs and Medical Supplies                  |    | 969       |  |
| Electricity                                 |    | 63,265    |  |
| Food Preparation Supplies                   |    | 245       |  |
| Food Supplies                               |    | 3,046     |  |
| General Construction Materials              |    | 1,659     |  |
| Instructional Supplies and Materials        |    | 869       |  |

(Continued)

## Exhibit K-8

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

General Fund (Cont.)Public Health and Welfare (Cont.)Local Health Center (Cont.)

|                              |    |        |              |
|------------------------------|----|--------|--------------|
| Natural Gas                  | \$ | 14,057 |              |
| Office Supplies              |    | 1,956  |              |
| Periodicals                  |    | 40     |              |
| Small Tools                  |    | 47     |              |
| Uniforms                     |    | 324    |              |
| Water and Sewer              |    | 4,308  |              |
| Chemicals                    |    | 144    |              |
| Other Supplies and Materials |    | 1,102  |              |
| Liability Insurance          |    | 928    |              |
| In Service/Staff Development |    | 200    |              |
| Other Charges                |    | 434    |              |
| Communication Equipment      |    | 731    |              |
| Food Service Equipment       |    | 201    |              |
| Furniture and Fixtures       |    | 1,115  |              |
| Maintenance Equipment        |    | 2,367  |              |
| Other Equipment              |    | 25     |              |
| Total Local Health Center    |    |        | \$ 1,628,508 |

Ambulance/Emergency Medical Services

|   |    |           |  |
|---|----|-----------|--|
| Assistant(s)                                | \$ | 574,450   |  |
| Supervisor/Director                         |    | 114,530   |  |
| Captain(s)                                  |    | 272,476   |  |
| Lieutenant(s)                               |    | 116,200   |  |
| Mechanic(s)                                 |    | 93,536    |  |
| Clerical Personnel                          |    | 247,031   |  |
| Attendants                                  |    | 3,008,595 |  |
| Part-time Personnel                         |    | 83,981    |  |
| Longevity Pay                               |    | 85,650    |  |
| Overtime Pay                                |    | 1,594,729 |  |
| Other Salaries and Wages                    |    | 37,107    |  |
| Social Security                             |    | 359,009   |  |
| Pensions                                    |    | 666,205   |  |
| Life Insurance                              |    | 10,833    |  |
| Medical Insurance                           |    | 1,233,405 |  |
| Dental Insurance                            |    | 43,474    |  |
| Employer Medicare                           |    | 83,962    |  |
| Advertising                                 |    | 50        |  |
| Communication                               |    | 34,800    |  |
| Contracts with Government Agencies          |    | 272,377   |  |
| Data Processing Services                    |    | 35,400    |  |
| Debt Collection Services                    |    | 272,623   |  |
| Dues and Memberships                        |    | 715       |  |
| Evaluation and Testing                      |    | 3,300     |  |
| Licenses                                    |    | 7,000     |  |
| Maintenance Agreements                      |    | 8,898     |  |
| Maintenance and Repair Services - Buildings |    | 125       |  |
| Maintenance and Repair Services - Equipment |    | 9,475     |  |

(Continued)

## Exhibit K-8

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

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

|  |    |         |               |
|--|----|---------|---------------|
| Maintenance and Repair Services - Vehicles | \$ | 10,359  |               |
| Pest Control                               |    | 123     |               |
| Postal Charges                             |    | 822     |               |
| Printing, Stationery, and Forms            |    | 985     |               |
| Rentals                                    |    | 5,869   |               |
| Travel                                     |    | 6,451   |               |
| Disposal Fees                              |    | 2,382   |               |
| Other Contracted Services                  |    | 2,770   |               |
| Custodial Supplies                         |    | 19,737  |               |
| Data Processing Supplies                   |    | 3,481   |               |
| Diesel Fuel                                |    | 130,824 |               |
| Drugs and Medical Supplies                 |    | 367,270 |               |
| Equipment and Machinery Parts              |    | 3,403   |               |
| Food Preparation Supplies                  |    | 189     |               |
| Food Supplies                              |    | 536     |               |
| Gasoline                                   |    | 21,285  |               |
| General Construction Materials             |    | 2,379   |               |
| Instructional Supplies and Materials       |    | 5,286   |               |
| Lubricants                                 |    | 10,103  |               |
| Office Supplies                            |    | 2,978   |               |
| Small Tools                                |    | 4,694   |               |
| Textbooks - Bound                          |    | 1,696   |               |
| Tires and Tubes                            |    | 30,297  |               |
| Uniforms                                   |    | 76,886  |               |
| Vehicle Parts                              |    | 55,382  |               |
| Chemicals                                  |    | 2       |               |
| Other Supplies and Materials               |    | 3,452   |               |
| Liability Insurance                        |    | 25,001  |               |
| In Service/Staff Development               |    | 12,894  |               |
| Criminal Investigation of Applicants - TBI |    | 2,176   |               |
| Other Charges                              |    | 255     |               |
| Communication Equipment                    |    | 5,762   |               |
| Data Processing Equipment                  |    | 17,888  |               |
| Food Service Equipment                     |    | 373     |               |
| Furniture and Fixtures                     |    | 12,696  |               |
| Office Equipment                           |    | 641     |               |
| Traffic Control Equipment                  |    | 4,732   |               |
| Health Equipment                           |    | 32,763  |               |
| Other Equipment                            |    | 16,558  |               |
| Total Ambulance/Emergency Medical Services |    |         | \$ 10,171,316 |

Appropriation to State

|                                    |    |         |         |
|------------------------------------|----|---------|---------|
| Contracts with Government Agencies | \$ | 213,181 |         |
| Total Appropriation to State       |    |         | 213,181 |

General Welfare Assistance

|                                  |    |       |       |
|----------------------------------|----|-------|-------|
| Pauper Burials                   | \$ | 7,692 |       |
| Total General Welfare Assistance |    |       | 7,692 |

(Continued)

## Exhibit K-8

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

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

|                                       |    |        |           |
|---------------------------------------|----|--------|-----------|
| Rentals                               | \$ | 99,400 |           |
| Total Other Public Health and Welfare |    |        | \$ 99,400 |

Social, Cultural, and Recreational ServicesSenior Citizens Assistance

|                                  |    |         |         |
|----------------------------------|----|---------|---------|
| Contributions                    | \$ | 50,500  |         |
| Tax Relief Program               |    | 243,282 |         |
| Total Senior Citizens Assistance |    |         | 293,782 |

Libraries

|   |    |           |
|---|----|-----------|
| Librarians                                  | \$ | 1,242,946 |
| Custodial Personnel                         |    | 17,096    |
| Longevity Pay                               |    | 20,175    |
| Social Security                             |    | 73,242    |
| Pensions                                    |    | 101,959   |
| Life Insurance                              |    | 1,912     |
| Medical Insurance                           |    | 278,184   |
| Dental Insurance                            |    | 9,283     |
| Employer Medicare                           |    | 17,279    |
| Advertising                                 |    | 200       |
| Communication                               |    | 10,050    |
| Data Processing Services                    |    | 43,904    |
| Dues and Memberships                        |    | 2,374     |
| Janitorial Services                         |    | 42,086    |
| Licenses                                    |    | 1,047     |
| Maintenance Agreements                      |    | 20,982    |
| Maintenance and Repair Services - Buildings |    | 5,512     |
| Maintenance and Repair Services - Equipment |    | 2,976     |
| Pest Control                                |    | 1,314     |
| Postal Charges                              |    | 1,389     |
| Printing, Stationery, and Forms             |    | 5,284     |
| Travel                                      |    | 2,541     |
| Disposal Fees                               |    | 1,989     |
| Permits                                     |    | 166       |
| Other Contracted Services                   |    | 16,896    |
| Custodial Supplies                          |    | 9,027     |
| Data Processing Supplies                    |    | 3,022     |
| Drugs and Medical Supplies                  |    | 301       |
| Electricity                                 |    | 90,552    |
| Fertilizer, Lime, and Seed                  |    | 452       |
| Food Preparation Supplies                   |    | 843       |
| Food Supplies                               |    | 2,555     |
| General Construction Materials              |    | 1,961     |
| Instructional Supplies and Materials        |    | 3,131     |
| Library Books/Media                         |    | 144,671   |
| Natural Gas                                 |    | 3,119     |
| Office Supplies                             |    | 21,761    |

(Continued)

## Exhibit K-8

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

General Fund (Cont.)Social, Cultural, and Recreational Services (Cont.)Libraries (Cont.)

|                              |    |        |              |
|------------------------------|----|--------|--------------|
| Periodicals                  | \$ | 6,579  |              |
| Small Tools                  |    | 93     |              |
| Water and Sewer              |    | 9,255  |              |
| Chemicals                    |    | 11     |              |
| Software                     |    | 311    |              |
| Other Supplies and Materials |    | 3,634  |              |
| In Service/Staff Development |    | 2,412  |              |
| Other Charges                |    | 95     |              |
| Communication Equipment      |    | 698    |              |
| Data Processing Equipment    |    | 35,870 |              |
| Food Service Equipment       |    | 1,033  |              |
| Furniture and Fixtures       |    | 21,938 |              |
| Office Equipment             |    | 440    |              |
| Other Equipment              |    | 25,360 |              |
| Total Libraries              |    |        | \$ 2,309,910 |

Agriculture and Natural ResourcesAgricultural Extension Service

|  |    |         |         |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 183,353 |         |
| Assistant(s)                           |    | 99,815  |         |
| Secretary(ies)                         |    | 14,889  |         |
| Longevity Pay                          |    | 4,417   |         |
| Social Security                        |    | 14,234  |         |
| Pensions                               |    | 41,237  |         |
| Life Insurance                         |    | 245     |         |
| Medical Insurance                      |    | 82,778  |         |
| Dental Insurance                       |    | 1,634   |         |
| Unemployment Compensation              |    | 60      |         |
| Employer Medicare                      |    | 3,924   |         |
| Other Fringe Benefits                  |    | 222     |         |
| Communication                          |    | 1,370   |         |
| Data Processing Services               |    | 1,021   |         |
| Dues and Memberships                   |    | 500     |         |
| Maintenance Agreements                 |    | 1,174   |         |
| Travel                                 |    | 4,631   |         |
| Permits                                |    | 50      |         |
| Office Supplies                        |    | 1,490   |         |
| Data Processing Equipment              |    | 4,035   |         |
| Total Agricultural Extension Service   |    |         | 461,079 |

Soil Conservation

|                   |    |        |  |
|-------------------|----|--------|--|
| Secretary(ies)    | \$ | 32,863 |  |
| Longevity Pay     |    | 2,100  |  |
| Social Security   |    | 1,848  |  |
| Pensions          |    | 3,806  |  |
| Life Insurance    |    | 67     |  |
| Medical Insurance |    | 17,370 |  |

(Continued)



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

General Fund (Cont.)

Agriculture and Natural Resources (Cont.)

Soil Conservation (Cont.)

|                              |    |       |           |
|------------------------------|----|-------|-----------|
| Dental Insurance             | \$ | 503   |           |
| Employer Medicare            |    | 432   |           |
| Data Processing Services     |    | 18    |           |
| Dues and Memberships         |    | 1,050 |           |
| Travel                       |    | 694   |           |
| Custodial Supplies           |    | 11    |           |
| Data Processing Supplies     |    | 171   |           |
| Drugs and Medical Supplies   |    | 120   |           |
| Office Supplies              |    | 297   |           |
| In Service/Staff Development |    | 265   |           |
| Total Soil Conservation      |    |       | \$ 61,615 |

Other Operations

Tourism

|               |    |         |         |
|---------------|----|---------|---------|
| Contributions | \$ | 739,744 |         |
| Total Tourism |    |         | 739,744 |

Industrial Development

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Contributions                | \$ | 100,000 |         |
| Total Industrial Development |    |         | 100,000 |

Veterans' Services

|   |    |        |         |
|---|----|--------|---------|
| County Official/Administrative Officer    | \$ | 46,929 |         |
| Assistant(s)                              |    | 31,935 |         |
| Longevity Pay                             |    | 675    |         |
| Social Security                           |    | 4,631  |         |
| Pensions                                  |    | 8,675  |         |
| Life Insurance                            |    | 172    |         |
| Medical Insurance                         |    | 13,120 |         |
| Dental Insurance                          |    | 987    |         |
| Employer Medicare                         |    | 1,083  |         |
| Communication                             |    | 1,174  |         |
| Data Processing Services                  |    | 1,227  |         |
| Maintenance Agreements                    |    | 973    |         |
| Postal Charges                            |    | 148    |         |
| Printing, Stationery, and Forms           |    | 177    |         |
| Travel                                    |    | 794    |         |
| Maintenance and Repair Services - Records |    | 296    |         |
| Data Processing Supplies                  |    | 206    |         |
| Food Preparation Supplies                 |    | 16     |         |
| Food Supplies                             |    | 264    |         |
| Office Supplies                           |    | 355    |         |
| Periodicals                               |    | 196    |         |
| Other Supplies and Materials              |    | 26     |         |
| Data Processing Equipment                 |    | 1,172  |         |
| Total Veterans' Services                  |    |        | 115,231 |

(Continued)

## Exhibit K-8

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

General Fund (Cont.)Other Operations (Cont.)Other Charges

|                      |    |         |            |
|----------------------|----|---------|------------|
| Disposal Fees        | \$ | 163,045 |            |
| Trustee's Commission |    | 770,448 |            |
| Other Charges        |    | 14,611  |            |
| Total Other Charges  |    |         | \$ 948,104 |

Contributions to Other Agencies

|                                       |    |         |         |
|---------------------------------------|----|---------|---------|
| Contributions                         | \$ | 250,032 |         |
| Total Contributions to Other Agencies |    |         | 250,032 |

Employee Benefits

|                           |    |        |        |
|---------------------------|----|--------|--------|
| Pensions                  | \$ | 5,250  |        |
| Medical Insurance         |    | 48,621 |        |
| Unemployment Compensation |    | 36,329 |        |
| Total Employee Benefits   |    |        | 90,200 |

COVID-19 Grant #1

|                            |    |        |        |
|----------------------------|----|--------|--------|
| Drugs and Medical Supplies | \$ | 25,224 |        |
| Office Equipment           |    | 2,051  |        |
| Health Equipment           |    | 18,621 |        |
| Other Equipment            |    | 9,870  |        |
| Total COVID-19 Grant #1    |    |        | 55,766 |

Miscellaneous

|                          |    |        |        |
|--------------------------|----|--------|--------|
| Investigator(s)          | \$ | 13,750 |        |
| Clerical Personnel       |    | 41,416 |        |
| Longevity Pay            |    | 900    |        |
| Other Salaries and Wages |    | 8,000  |        |
| Social Security          |    | 3,843  |        |
| Pensions                 |    | 4,057  |        |
| Life Insurance           |    | 76     |        |
| Medical Insurance        |    | 6,920  |        |
| Dental Insurance         |    | 660    |        |
| Employer Medicare        |    | 899    |        |
| Total Miscellaneous      |    |        | 80,521 |

HighwaysTraffic Control

|   |    |        |        |
|---|----|--------|--------|
| Maintenance and Repair Services - Equipment | \$ | 1,149  |        |
| Matching Share                              |    | 24,786 |        |
| Total Traffic Control                       |    |        | 25,935 |

Total General Fund \$ 64,557,270

Courthouse and Jail Maintenance FundGeneral GovernmentCounty Buildings

|                          |    |       |  |
|--------------------------|----|-------|--|
| Data Processing Services | \$ | 9,117 |  |
|--------------------------|----|-------|--|

(Continued)

## Exhibit K-8

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

Courthouse and Jail Maintenance Fund (Cont.)General Government (Cont.)County Buildings (Cont.)

|   |    |         |            |
|---|----|---------|------------|
| Dues and Memberships                        | \$ | 45      |            |
| Janitorial Services                         |    | 1,000   |            |
| Maintenance Agreements                      |    | 311,750 |            |
| Maintenance and Repair Services - Buildings |    | 38,991  |            |
| Maintenance and Repair Services - Equipment |    | 91,062  |            |
| Maintenance and Repair Services - Vehicles  |    | 17      |            |
| Pest Control                                |    | 12,987  |            |
| Printing, Stationery, and Forms             |    | 272     |            |
| Rentals                                     |    | 5,640   |            |
| Disposal Fees                               |    | 24,416  |            |
| Permits                                     |    | 325     |            |
| Other Contracted Services                   |    | 41,579  |            |
| Custodial Supplies                          |    | 18,992  |            |
| Data Processing Supplies                    |    | 78      |            |
| Equipment and Machinery Parts               |    | 18,217  |            |
| Food Supplies                               |    | 328     |            |
| Gasoline                                    |    | 2,436   |            |
| General Construction Materials              |    | 150,612 |            |
| Lubricants                                  |    | 18      |            |
| Small Tools                                 |    | 7,492   |            |
| Uniforms                                    |    | 579     |            |
| Vehicle Parts                               |    | 207     |            |
| Chemicals                                   |    | 38      |            |
| Other Supplies and Materials                |    | 943     |            |
| Trustee's Commission                        |    | 6,602   |            |
| Other Charges                               |    | 619     |            |
| Data Processing Equipment                   |    | 5,924   |            |
| Food Service Equipment                      |    | 7,600   |            |
| Other Equipment                             |    | 16,698  |            |
| Total County Buildings                      |    |         | \$ 774,584 |

Total Courthouse and Jail Maintenance Fund \$ 774,584

Drug Control FundPublic SafetyDrug Enforcement

|                                    |    |        |           |
|------------------------------------|----|--------|-----------|
| Contracts with Government Agencies | \$ | 2,680  |           |
| Data Processing Services           |    | 4,500  |           |
| Evaluation and Testing             |    | 2,940  |           |
| Drugs and Medical Supplies         |    | 3,137  |           |
| Trustee's Commission               |    | 243    |           |
| Data Processing Equipment          |    | 420    |           |
| Law Enforcement Equipment          |    | 29,721 |           |
| Total Drug Enforcement             |    |        | \$ 43,641 |

Total Drug Control Fund 43,641

(Continued)

## Exhibit K-8

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

Constitutional Officers - Fees FundAdministration of JusticeChancery Court

|   |           |           |
|---|-----------|-----------|
| Special Commissioner Fees/Special Master Fees | \$ 11,350 |           |
| Total Chancery Court                          |           | \$ 11,350 |

Total Constitutional Officers - Fees Fund \$ 11,350

Highway/Public Works FundHighwaysAdministration

|   |            |            |
|---|------------|------------|
| County Official/Administrative Officer    | \$ 114,932 |            |
| Assistant(s)                              | 63,138     |            |
| Clerical Personnel                        | 94,804     |            |
| Advertising                               | 578        |            |
| Data Processing Services                  | 14,733     |            |
| Dues and Memberships                      | 4,910      |            |
| Legal Services                            | 4,700      |            |
| Legal Notices, Recording, and Court Costs | 60         |            |
| Maintenance Agreements                    | 1,628      |            |
| Postal Charges                            | 217        |            |
| Printing, Stationery, and Forms           | 415        |            |
| Travel                                    | 254        |            |
| Other Contracted Services                 | 457        |            |
| Data Processing Supplies                  | 250        |            |
| Drugs and Medical Supplies                | 13         |            |
| Office Supplies                           | 810        |            |
| Total Administration                      |            | \$ 301,899 |

Highway and Bridge Maintenance

|                                |            |  |
|--------------------------------|------------|--|
| Foremen                        | \$ 207,088 |  |
| Equipment Operators            | 923,616    |  |
| Truck Drivers                  | 595,871    |  |
| Laborers                       | 4,964      |  |
| Consultants                    | 550        |  |
| Engineering Services           | 44,737     |  |
| Evaluation and Testing         | 766        |  |
| Rentals                        | 31,397     |  |
| Permits                        | 500        |  |
| Other Contracted Services      | 162,291    |  |
| Asphalt - Cold Mix             | 8,616      |  |
| Asphalt - Hot Mix              | 2,488,456  |  |
| Asphalt - Liquid               | 93,134     |  |
| Concrete                       | 25,964     |  |
| Crushed Stone                  | 146,912    |  |
| Fertilizer, Lime, and Seed     | 6,085      |  |
| Food Supplies                  | 490        |  |
| General Construction Materials | 51,449     |  |
| Other Road Materials           | 51,595     |  |
| Pipe                           | 3,823      |  |

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance (Cont.)

|                                      |    |         |              |
|--------------------------------------|----|---------|--------------|
| Pipe - Concrete                      | \$ | 103,466 |              |
| Pipe - Metal                         |    | 8,696   |              |
| Propane Gas                          |    | 371     |              |
| Road Signs                           |    | 14,829  |              |
| Small Tools                          |    | 2,870   |              |
| Structural Steel                     |    | 2,645   |              |
| Uniforms                             |    | 421     |              |
| Wood Products                        |    | 1,957   |              |
| Chemicals                            |    | 6,590   |              |
| In Service/Staff Development         |    | 927     |              |
| Total Highway and Bridge Maintenance |    |         | \$ 4,991,076 |

Operation and Maintenance of Equipment

|  |    |         |         |
|--|----|---------|---------|
| Foremen                                      | \$ | 50,400  |         |
| Mechanic(s)                                  |    | 134,866 |         |
| Truck Drivers                                |    | 45,151  |         |
| Laborers                                     |    | 39,606  |         |
| Custodial Personnel                          |    | 23,324  |         |
| Laundry Service                              |    | 1,461   |         |
| Maintenance and Repair Services - Buildings  |    | 5,181   |         |
| Maintenance and Repair Services - Equipment  |    | 21,554  |         |
| Maintenance and Repair Services - Vehicles   |    | 14,599  |         |
| Rentals                                      |    | 1,476   |         |
| Towing Services                              |    | 280     |         |
| Disposal Fees                                |    | 1,053   |         |
| Permits                                      |    | 250     |         |
| Custodial Supplies                           |    | 2,348   |         |
| Diesel Fuel                                  |    | 195,277 |         |
| Equipment and Machinery Parts                |    | 124,369 |         |
| Garage Supplies                              |    | 11,970  |         |
| Gasoline                                     |    | 38,048  |         |
| General Construction Materials               |    | 4,101   |         |
| Lubricants                                   |    | 16,700  |         |
| Small Tools                                  |    | 2,509   |         |
| Tires and Tubes                              |    | 66,348  |         |
| Vehicle Parts                                |    | 84,405  |         |
| Other Supplies and Materials                 |    | 720     |         |
| In Service/Staff Development                 |    | 450     |         |
| Total Operation and Maintenance of Equipment |    |         | 886,446 |

Quarry Operations

|                                  |    |        |  |
|----------------------------------|----|--------|--|
| Permits                          | \$ | 2,080  |  |
| Other Contracted Services        |    | 14,049 |  |
| Electricity                      |    | 994    |  |
| Explosives and Drilling Supplies |    | 2,541  |  |
| Propane Gas                      |    | 509    |  |
| Water and Sewer                  |    | 441    |  |

(Continued)

## Exhibit K-8

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

Highway/Public Works Fund (Cont.)Highways (Cont.)Quarry Operations (Cont.)

|                              |    |     |           |
|------------------------------|----|-----|-----------|
| Other Supplies and Materials | \$ | 56  |           |
| In Service/Staff Development |    | 400 |           |
| Other Charges                |    | 99  |           |
| Total Quarry Operations      |    |     | \$ 21,169 |

Litter and Trash Collection

|                                      |    |        |        |
|--------------------------------------|----|--------|--------|
| Guards                               | \$ | 22,413 |        |
| Instructional Supplies and Materials |    | 49,852 |        |
| Other Supplies and Materials         |    | 2,373  |        |
| Other Charges                        |    | 2,220  |        |
| Total Litter and Trash Collection    |    |        | 76,858 |

Other Charges

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Communication                   | \$ | 4,855   |         |
| Data Processing Services        |    | 1,737   |         |
| Electricity                     |    | 18,033  |         |
| Natural Gas                     |    | 3,314   |         |
| Propane Gas                     |    | 646     |         |
| Water and Sewer                 |    | 2,811   |         |
| Building and Contents Insurance |    | 3,906   |         |
| Liability Insurance             |    | 317,296 |         |
| Trustee's Commission            |    | 83,132  |         |
| Vehicle and Equipment Insurance |    | 99,506  |         |
| Total Other Charges             |    |         | 535,236 |

Employee Benefits

|                                 |    |         |           |
|---------------------------------|----|---------|-----------|
| Longevity Pay                   | \$ | 40,350  |           |
| Social Security                 |    | 136,476 |           |
| Pensions                        |    | 276,569 |           |
| Life Insurance                  |    | 4,727   |           |
| Medical Insurance               |    | 531,332 |           |
| Dental Insurance                |    | 19,085  |           |
| Unemployment Compensation       |    | 3,929   |           |
| Employer Medicare               |    | 31,918  |           |
| Workers' Compensation Insurance |    | 201,024 |           |
| Total Employee Benefits         |    |         | 1,245,410 |

Capital Outlay

|                      |    |         |         |
|----------------------|----|---------|---------|
| Highway Equipment    | \$ | 59,381  |         |
| Motor Vehicles       |    | 464,574 |         |
| Office Equipment     |    | 79      |         |
| Total Capital Outlay |    |         | 524,034 |

Total Highway/Public Works Fund \$ 8,582,128

(Continued)

## Exhibit K-8

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

General Debt Service FundPrincipal on DebtGeneral Government

|                          |              |              |
|--------------------------|--------------|--------------|
| Principal on Bonds       | \$ 1,693,044 |              |
| Total General Government |              | \$ 1,693,044 |

Education

|                    |               |            |
|--------------------|---------------|------------|
| Principal on Bonds | \$ 16,031,956 |            |
| Total Education    |               | 16,031,956 |

Interest on DebtGeneral Government

|                          |            |         |
|--------------------------|------------|---------|
| Interest on Bonds        | \$ 416,836 |         |
| Total General Government |            | 416,836 |

Education

|                   |              |           |
|-------------------|--------------|-----------|
| Interest on Bonds | \$ 9,887,430 |           |
| Total Education   |              | 9,887,430 |

Other Debt ServiceGeneral Government

|                          |            |         |
|--------------------------|------------|---------|
| Trustee's Commission     | \$ 491,483 |         |
| Other Charges            | 500        |         |
| Total General Government |            | 491,983 |

Education

|                 |          |       |
|-----------------|----------|-------|
| Other Charges   | \$ 2,580 |       |
| Total Education |          | 2,580 |

|                                 |  |               |
|---------------------------------|--|---------------|
| Total General Debt Service Fund |  | \$ 28,523,829 |
|---------------------------------|--|---------------|

General Capital Projects FundCapital ProjectsGeneral Administration Projects

|                                       |            |            |
|---------------------------------------|------------|------------|
| Trustee's Commission                  | \$ 205,998 |            |
| Total General Administration Projects |            | \$ 205,998 |

Administration of Justice Projects

|  |            |           |
|--|------------|-----------|
| Architects                               | \$ 103,500 |           |
| Other Contracted Services                | 2,259,367  |           |
| Building Improvements                    | 438,796    |           |
| Land                                     | 870,080    |           |
| Other Construction                       | 38,866     |           |
| Total Administration of Justice Projects |            | 3,710,609 |

Public Safety Projects

|                           |              |  |
|---------------------------|--------------|--|
| Building Construction     | \$ 1,195,762 |  |
| Building Improvements     | 876,285      |  |
| Furniture and Fixtures    | 4,512        |  |
| Law Enforcement Equipment | 52,000       |  |

(Continued)

## Exhibit K-8

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

General Capital Projects Fund (Cont.)Capital Projects (Cont.)Public Safety Projects (Cont.)

|                              |            |              |
|------------------------------|------------|--------------|
| Motor Vehicles               | \$ 786,382 |              |
| Other Equipment              | 17,754     |              |
| Other Construction           | 18,975     |              |
| Other Capital Outlay         | 4,654,638  |              |
| Total Public Safety Projects |            | \$ 7,606,308 |

Public Health and Welfare Projects

|  |          |           |
|--|----------|-----------|
| Building Improvements                    | \$ 1,851 |           |
| Motor Vehicles                           | 815,575  |           |
| Health Equipment                         | 536,355  |           |
| Other Construction                       | 9,936    |           |
| Total Public Health and Welfare Projects |          | 1,363,717 |

Social, Cultural, and Recreation Projects

|   |        |       |
|---|--------|-------|
| Other Contracted Services                       | \$ 796 |       |
| Other Construction                              | 5,588  |       |
| Total Social, Cultural, and Recreation Projects |        | 6,384 |

Other General Government Projects

|   |          |           |
|---|----------|-----------|
| Data Processing Services                | \$ 3,728 |           |
| Building Improvements                   | 425,833  |           |
| Communication Equipment                 | 15,387   |           |
| Data Processing Equipment               | 92,809   |           |
| Food Service Equipment                  | 46,235   |           |
| Heating and Air Conditioning Equipment  | 15,687   |           |
| Land                                    | 439,527  |           |
| Motor Vehicles                          | 117,338  |           |
| Other Equipment                         | 33,453   |           |
| Other Construction                      | 447,679  |           |
| Total Other General Government Projects |          | 1,637,676 |

Highway and Street Capital Projects

|   |            |         |
|---|------------|---------|
| Highway Equipment                         | \$ 575,450 |         |
| Total Highway and Street Capital Projects |            | 575,450 |

Capital Projects - DonatedCapital Projects Donated to School Department

|   |              |            |
|---|--------------|------------|
| Architects  | \$ 1,560,241 |            |
| Other Contracted Services                           | 157,030      |            |
| Textbooks - Bound                                   | 978,188      |            |
| Building Construction                               | 5,499,014    |            |
| Building Improvements                               | 1,200,410    |            |
| Transportation Equipment                            | 1,599,408    |            |
| Other Construction                                  | 685,209      |            |
| Total Capital Projects Donated to School Department |              | 11,679,500 |

Total General Capital Projects Fund \$ 26,785,642

Total Governmental Funds - Primary Government \$ 129,278,444



## Exhibit K-9

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

General Purpose School Fund

Instruction

Regular Instruction Program

|                                      |               |                |
|--------------------------------------|---------------|----------------|
| Teachers                             | \$ 79,775,056 |                |
| Career Ladder Program                | 217,003       |                |
| Homebound Teachers                   | 142,744       |                |
| Educational Assistants               | 2,015,774     |                |
| Other Salaries and Wages             | 750,350       |                |
| Certified Substitute Teachers        | 646,586       |                |
| Non-certified Substitute Teachers    | 219,617       |                |
| Social Security                      | 4,830,554     |                |
| Pensions                             | 7,954,038     |                |
| Life Insurance                       | 129,999       |                |
| Medical Insurance                    | 20,665,141    |                |
| Dental Insurance                     | 860,702       |                |
| Disability Insurance                 | 108,849       |                |
| Employer Medicare                    | 1,140,820     |                |
| Other Contracted Services            | 70,091        |                |
| Instructional Supplies and Materials | 1,887,040     |                |
| Textbooks - Bound                    | 1,980,581     |                |
| Software                             | 430,817       |                |
| Other Supplies and Materials         | 22,461        |                |
| Fee Waivers                          | 133,775       |                |
| Other Charges                        | 19,092        |                |
| Regular Instruction Equipment        | 950,000       |                |
| Other Equipment                      | 11,286        |                |
| Total Regular Instruction Program    |               | \$ 124,962,376 |

Alternative Instruction Program

|                                       |              |           |
|---------------------------------------|--------------|-----------|
| Teachers                              | \$ 1,303,699 |           |
| Career Ladder Program                 | 2,767        |           |
| Educational Assistants                | 324,317      |           |
| Other Salaries and Wages              | 4,900        |           |
| Certified Substitute Teachers         | 5,200        |           |
| Non-certified Substitute Teachers     | 204          |           |
| Social Security                       | 92,933       |           |
| Pensions                              | 160,977      |           |
| Life Insurance                        | 2,225        |           |
| Medical Insurance                     | 513,700      |           |
| Dental Insurance                      | 23,921       |           |
| Disability Insurance                  | 1,853        |           |
| Employer Medicare                     | 21,810       |           |
| Tuition                               | 221,584      |           |
| Instructional Supplies and Materials  | 26,957       |           |
| Textbooks - Bound                     | 23,665       |           |
| Other Supplies and Materials          | 15           |           |
| Other Charges                         | 4,630        |           |
| Total Alternative Instruction Program |              | 2,735,357 |

(Continued)

## Exhibit K-9

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

## General Purpose School Fund (Cont.)

Instruction (Cont.)Special Education Program

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| Teachers                             | \$ 10,675,503 |               |
| Career Ladder Program                | 30,038        |               |
| Homebound Teachers                   | 138,840       |               |
| Educational Assistants               | 4,013,110     |               |
| Speech Pathologist                   | 2,195,274     |               |
| Other Salaries and Wages             | 85,801        |               |
| Certified Substitute Teachers        | 51,375        |               |
| Non-certified Substitute Teachers    | 78,846        |               |
| Social Security                      | 980,636       |               |
| Pensions                             | 1,660,789     |               |
| Life Insurance                       | 23,933        |               |
| Medical Insurance                    | 5,470,928     |               |
| Dental Insurance                     | 225,644       |               |
| Disability Insurance                 | 20,013        |               |
| Employer Medicare                    | 230,898       |               |
| Contracts with Private Agencies      | 87,019        |               |
| Instructional Supplies and Materials | 59,772        |               |
| Other Supplies and Materials         | 11,884        |               |
| Other Charges                        | 635           |               |
| Special Education Equipment          | 6,608         |               |
| Total Special Education Program      |               | \$ 26,047,546 |

Career and Technical Education Program

|  |              |            |
|--|--------------|------------|
| Teachers                                     | \$ 7,372,231 |            |
| Career Ladder Program                        | 21,805       |            |
| Certified Substitute Teachers                | 59,600       |            |
| Non-certified Substitute Teachers            | 14,229       |            |
| Social Security                              | 432,592      |            |
| Pensions                                     | 711,225      |            |
| Life Insurance                               | 11,634       |            |
| Medical Insurance                            | 1,629,367    |            |
| Dental Insurance                             | 72,068       |            |
| Disability Insurance                         | 9,409        |            |
| Employer Medicare                            | 101,945      |            |
| Maintenance and Repair Services - Equipment  | 11,569       |            |
| Instructional Supplies and Materials         | 119,870      |            |
| Textbooks - Bound                            | 998          |            |
| Fee Waivers                                  | 1,015        |            |
| Other Charges                                | 18,062       |            |
| Vocational Instruction Equipment             | 41,837       |            |
| Total Career and Technical Education Program |              | 10,629,456 |

Support ServicesAttendance

|                     |           |
|---------------------|-----------|
| Supervisor/Director | \$ 81,876 |
| Clerical Personnel  | 37,245    |

(Continued)

## Exhibit K-9

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

## General Purpose School Fund (Cont.)

Support Services (Cont.)Attendance (Cont.)

|                              |    |         |            |
|------------------------------|----|---------|------------|
| Other Salaries and Wages     | \$ | 200,643 |            |
| Social Security              |    | 18,286  |            |
| Pensions                     |    | 34,755  |            |
| Life Insurance               |    | 519     |            |
| Medical Insurance            |    | 101,054 |            |
| Dental Insurance             |    | 4,444   |            |
| Disability Insurance         |    | 391     |            |
| Employer Medicare            |    | 4,276   |            |
| Communication                |    | 1,678   |            |
| Travel                       |    | 1,077   |            |
| Other Contracted Services    |    | 191,511 |            |
| Software                     |    | 219,990 |            |
| Other Supplies and Materials |    | 400     |            |
| Other Charges                |    | 2,206   |            |
| Attendance Equipment         |    | 3,500   |            |
| Total Attendance             |    |         | \$ 903,851 |

Health Services

|                              |    |           |           |
|------------------------------|----|-----------|-----------|
| Supervisor/Director          | \$ | 77,580    |           |
| Medical Personnel            |    | 1,926,372 |           |
| Other Salaries and Wages     |    | 385,087   |           |
| Social Security              |    | 139,666   |           |
| Pensions                     |    | 194,109   |           |
| Life Insurance               |    | 2,240     |           |
| Medical Insurance            |    | 564,816   |           |
| Dental Insurance             |    | 24,315    |           |
| Disability Insurance         |    | 1,975     |           |
| Employer Medicare            |    | 32,667    |           |
| Communication                |    | 11,660    |           |
| Postal Charges               |    | 500       |           |
| Travel                       |    | 13,234    |           |
| Other Contracted Services    |    | 10,527    |           |
| Drugs and Medical Supplies   |    | 29,846    |           |
| Other Supplies and Materials |    | 49,371    |           |
| In Service/Staff Development |    | 14,555    |           |
| Other Charges                |    | 1,643     |           |
| Health Equipment             |    | 33,667    |           |
| Total Health Services        |    |           | 3,513,830 |

Other Student Support

|                          |    |           |  |
|--------------------------|----|-----------|--|
| Career Ladder Program    | \$ | 14,905    |  |
| Guidance Personnel       |    | 3,801,316 |  |
| Social Workers           |    | 141,026   |  |
| Clerical Personnel       |    | 227,396   |  |
| Other Salaries and Wages |    | 222,645   |  |
| Social Security          |    | 257,646   |  |

(Continued)

## Exhibit K-9

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

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

|                                    |    |         |              |
|------------------------------------|----|---------|--------------|
| Pensions                           | \$ | 422,357 |              |
| Life Insurance                     |    | 6,588   |              |
| Medical Insurance                  |    | 974,402 |              |
| Dental Insurance                   |    | 42,253  |              |
| Disability Insurance               |    | 5,748   |              |
| Employer Medicare                  |    | 60,686  |              |
| Contracts with Government Agencies |    | 35,000  |              |
| Evaluation and Testing             |    | 168,432 |              |
| Other Contracted Services          |    | 26,322  |              |
| Software                           |    | 93,934  |              |
| Other Supplies and Materials       |    | 48,012  |              |
| Other Charges                      |    | 3,008   |              |
| Total Other Student Support        |    |         | \$ 6,551,676 |

Regular Instruction Program

|                                   |    |           |           |
|-----------------------------------|----|-----------|-----------|
| Supervisor/Director               | \$ | 1,117,837 |           |
| Career Ladder Program             |    | 31,631    |           |
| Librarians                        |    | 2,937,279 |           |
| Instructional Computer Personnel  |    | 345,513   |           |
| Secretary(ies)                    |    | 109,872   |           |
| Clerical Personnel                |    | 259,893   |           |
| Other Salaries and Wages          |    | 413,562   |           |
| Social Security                   |    | 289,667   |           |
| Pensions                          |    | 517,036   |           |
| Life Insurance                    |    | 9,703     |           |
| Medical Insurance                 |    | 1,125,161 |           |
| Dental Insurance                  |    | 48,277    |           |
| Disability Insurance              |    | 7,763     |           |
| Employer Medicare                 |    | 71,330    |           |
| Travel                            |    | 25,200    |           |
| Other Contracted Services         |    | 94,948    |           |
| Library Books/Media               |    | 219,675   |           |
| Office Supplies                   |    | 3,529     |           |
| Software                          |    | 42,007    |           |
| Other Supplies and Materials      |    | 30,330    |           |
| In Service/Staff Development      |    | 26,791    |           |
| Other Charges                     |    | 12,294    |           |
| Other Equipment                   |    | 14,638    |           |
| Total Regular Instruction Program |    |           | 7,753,936 |

Alternative Instruction Program

|                       |    |         |  |
|-----------------------|----|---------|--|
| Supervisor/Director   | \$ | 234,070 |  |
| Career Ladder Program |    | 1,498   |  |
| Guidance Personnel    |    | 178,002 |  |
| Librarians            |    | 19,922  |  |
| Clerical Personnel    |    | 40,296  |  |

(Continued)

## Exhibit K-9

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

## General Purpose School Fund (Cont.)

Support Services (Cont.)Alternative Instruction Program (Cont.)

|                                       |    |         |            |
|---------------------------------------|----|---------|------------|
| Other Salaries and Wages              | \$ | 80,385  |            |
| Social Security                       |    | 29,701  |            |
| Pensions                              |    | 51,545  |            |
| Life Insurance                        |    | 808     |            |
| Medical Insurance                     |    | 121,734 |            |
| Dental Insurance                      |    | 6,045   |            |
| Disability Insurance                  |    | 601     |            |
| Employer Medicare                     |    | 7,531   |            |
| Travel                                |    | 1,403   |            |
| Other Contracted Services             |    | 3,223   |            |
| Library Books/Media                   |    | 8,574   |            |
| Office Supplies                       |    | 9,319   |            |
| Other Charges                         |    | 138     |            |
| Total Alternative Instruction Program |    |         | \$ 794,795 |

Special Education Program

|   |    |         |           |
|---|----|---------|-----------|
| Supervisor/Director                         | \$ | 575,080 |           |
| Career Ladder Program                       |    | 7,000   |           |
| Psychological Personnel                     |    | 614,286 |           |
| Medical Personnel                           |    | 211,137 |           |
| Secretary(ies)                              |    | 67,510  |           |
| Clerical Personnel                          |    | 88,035  |           |
| Speech Pathologist                          |    | 83,479  |           |
| Other Salaries and Wages                    |    | 477,796 |           |
| Social Security                             |    | 124,120 |           |
| Pensions                                    |    | 217,979 |           |
| Life Insurance                              |    | 3,709   |           |
| Medical Insurance                           |    | 505,685 |           |
| Dental Insurance                            |    | 22,210  |           |
| Disability Insurance                        |    | 3,033   |           |
| Employer Medicare                           |    | 29,028  |           |
| Contracts with Private Agencies             |    | 41,877  |           |
| Maintenance and Repair Services - Equipment |    | 1,695   |           |
| Postal Charges                              |    | 8       |           |
| Travel                                      |    | 51,570  |           |
| Other Contracted Services                   |    | 12,398  |           |
| Software                                    |    | 122     |           |
| Other Supplies and Materials                |    | 54,679  |           |
| In Service/Staff Development                |    | 6,151   |           |
| Other Charges                               |    | 695     |           |
| Total Special Education Program             |    |         | 3,199,282 |

Career and Technical Education Program

|                     |    |        |  |
|---------------------|----|--------|--|
| Supervisor/Director | \$ | 78,889 |  |
| Secretary(ies)      |    | 28,782 |  |
| Social Security     |    | 6,260  |  |

(Continued)

## Exhibit K-9

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

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

|  |    |        |            |
|--|----|--------|------------|
| Pensions                                     | \$ | 11,517 |            |
| Life Insurance                               |    | 221    |            |
| Medical Insurance                            |    | 29,484 |            |
| Dental Insurance                             |    | 1,178  |            |
| Disability Insurance                         |    | 161    |            |
| Employer Medicare                            |    | 1,464  |            |
| Travel                                       |    | 15,031 |            |
| Other Contracted Services                    |    | 417    |            |
| Other Supplies and Materials                 |    | 800    |            |
| Other Charges                                |    | 1,087  |            |
| Other Equipment                              |    | 457    |            |
| Total Career and Technical Education Program |    |        | \$ 175,748 |

Technology

|   |    |         |           |
|---|----|---------|-----------|
| Supervisor/Director                         | \$ | 77,666  |           |
| Computer Programmer(s)                      |    | 538,813 |           |
| Data Processing Personnel                   |    | 357,124 |           |
| Clerical Personnel                          |    | 24,638  |           |
| Other Salaries and Wages                    |    | 148,568 |           |
| Social Security                             |    | 67,205  |           |
| Pensions                                    |    | 121,703 |           |
| Life Insurance                              |    | 2,024   |           |
| Medical Insurance                           |    | 279,996 |           |
| Dental Insurance                            |    | 11,056  |           |
| Disability Insurance                        |    | 1,484   |           |
| Employer Medicare                           |    | 15,717  |           |
| Communication                               |    | 6,008   |           |
| Maintenance and Repair Services - Equipment |    | 247     |           |
| Internet Connectivity                       |    | 383,340 |           |
| Other Contracted Services                   |    | 31,488  |           |
| Gasoline                                    |    | 9,639   |           |
| Office Supplies                             |    | 2,227   |           |
| Software                                    |    | 463,591 |           |
| Other Supplies and Materials                |    | 73,756  |           |
| In Service/Staff Development                |    | 9,995   |           |
| Other Charges                               |    | 2,916   |           |
| Data Processing Equipment                   |    | 349,992 |           |
| Total Technology                            |    |         | 2,979,193 |

Board of Education

|                                  |    |           |  |
|----------------------------------|----|-----------|--|
| Other Salaries and Wages         | \$ | 10,934    |  |
| Board and Committee Members Fees |    | 65,500    |  |
| Social Security                  |    | 3,317     |  |
| Unemployment Compensation        |    | 70,597    |  |
| Employer Medicare                |    | 1,108     |  |
| Other Fringe Benefits            |    | 1,950,709 |  |

(Continued)

## Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

|  |    |           |              |
|--|----|-----------|--------------|
| Audit Services                                 | \$ | 52,520    |              |
| Dues and Memberships                           |    | 18,056    |              |
| Legal Services                                 |    | 462,004   |              |
| Travel   |    | 1,588     |              |
| Other Contracted Services                      |    | 31,742    |              |
| Software                                       |    | 18,000    |              |
| Other Supplies and Materials                   |    | 1,309     |              |
| Liability Insurance                            |    | 372,128   |              |
| Trustee's Commission                           |    | 2,089,710 |              |
| Workers' Compensation Insurance                |    | 976,219   |              |
| In Service/Staff Development                   |    | 1,585     |              |
| Criminal Investigation of Applicants - TBI     |    | 54,487    |              |
| Refund to Applicant for Criminal Investigation |    | 309       |              |
| Other Charges                                  |    | 73,161    |              |
| Administration Equipment                       |    | 9,638     |              |
| Total Board of Education                       |    |           | \$ 6,264,621 |

Director of Schools

|  |    |         |         |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 200,525 |         |
| Secretary(ies)                         |    | 102,134 |         |
| Other Salaries and Wages               |    | 65,398  |         |
| Social Security                        |    | 15,875  |         |
| Pensions                               |    | 32,374  |         |
| Life Insurance                         |    | 666     |         |
| Medical Insurance                      |    | 41,642  |         |
| Dental Insurance                       |    | 943     |         |
| Disability Insurance                   |    | 355     |         |
| Employer Medicare                      |    | 5,277   |         |
| Communication                          |    | 173,810 |         |
| Dues and Memberships                   |    | 9,078   |         |
| Postal Charges                         |    | 21,420  |         |
| Travel                                 |    | 2,013   |         |
| Other Contracted Services              |    | 5,289   |         |
| Office Supplies                        |    | 1,298   |         |
| Other Charges                          |    | 414     |         |
| Administration Equipment               |    | 5,877   |         |
| Total Director of Schools              |    |         | 684,388 |

Office of the Principal

|                       |    |           |  |
|-----------------------|----|-----------|--|
| Principals            | \$ | 4,054,765 |  |
| Career Ladder Program |    | 28,000    |  |
| Assistant Principals  |    | 4,029,452 |  |
| Secretary(ies)        |    | 1,164,999 |  |
| Clerical Personnel    |    | 1,713,921 |  |
| Social Security       |    | 630,573   |  |
| Pensions              |    | 1,163,828 |  |

(Continued)

## Exhibit K-9

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

General Purpose School Fund (Cont.)Support Services (Cont.)Office of the Principal (Cont.)

|                               |    |           |               |
|-------------------------------|----|-----------|---------------|
| Life Insurance                | \$ | 22,040    |               |
| Medical Insurance             |    | 3,338,612 |               |
| Dental Insurance              |    | 139,111   |               |
| Disability Insurance          |    | 16,209    |               |
| Employer Medicare             |    | 147,557   |               |
| Office Supplies               |    | 468,256   |               |
| Software                      |    | 20,692    |               |
| Administration Equipment      |    | 34,996    |               |
| Total Office of the Principal |    |           | \$ 16,973,011 |

Fiscal Services

|   |    |         |           |
|---|----|---------|-----------|
| Supervisor/Director                         | \$ | 127,639 |           |
| Internal Audit Personnel                    |    | 142,606 |           |
| Accountants/Bookkeepers                     |    | 199,990 |           |
| Purchasing Personnel                        |    | 114,784 |           |
| Secretary(ies)                              |    | 39,488  |           |
| Clerical Personnel                          |    | 98,787  |           |
| Other Salaries and Wages                    |    | 439,989 |           |
| Social Security                             |    | 69,533  |           |
| Pensions                                    |    | 123,655 |           |
| Life Insurance                              |    | 1,891   |           |
| Medical Insurance                           |    | 260,727 |           |
| Dental Insurance                            |    | 13,531  |           |
| Disability Insurance                        |    | 1,372   |           |
| Employer Medicare                           |    | 16,262  |           |
| Advertising                                 |    | 2,996   |           |
| Communication                               |    | 1,931   |           |
| Dues and Memberships                        |    | 1,174   |           |
| Maintenance and Repair Services - Equipment |    | 1,150   |           |
| Travel                                      |    | 1,396   |           |
| Other Contracted Services                   |    | 37,112  |           |
| Office Supplies                             |    | 7,100   |           |
| Software                                    |    | 394,148 |           |
| In Service/Staff Development                |    | 2,885   |           |
| Other Charges                               |    | 384     |           |
| Administration Equipment                    |    | 11,031  |           |
| Total Fiscal Services                       |    |         | 2,111,561 |

Human Services/Personnel

|                          |    |         |  |
|--------------------------|----|---------|--|
| Supervisor/Director      | \$ | 87,550  |  |
| Secretary(ies)           |    | 68,611  |  |
| Clerical Personnel       |    | 158,701 |  |
| Other Salaries and Wages |    | 156,121 |  |
| Social Security          |    | 26,712  |  |
| Pensions                 |    | 50,548  |  |
| Life Insurance           |    | 654     |  |

(Continued)



## Exhibit K-9

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Human Services/Personnel (Cont.)

|                                |    |         |            |
|--------------------------------|----|---------|------------|
| Medical Insurance              | \$ | 152,960 |            |
| Dental Insurance               |    | 6,416   |            |
| Disability Insurance           |    | 585     |            |
| Employer Medicare              |    | 6,247   |            |
| Advertising                    |    | 3,834   |            |
| Communication                  |    | 3,067   |            |
| Dues and Memberships           |    | 1,228   |            |
| Travel                         |    | 2,805   |            |
| Other Contracted Services      |    | 1,379   |            |
| Office Supplies                |    | 2,992   |            |
| Software                       |    | 94,398  |            |
| In Service/Staff Development   |    | 3,253   |            |
| Other Charges                  |    | 1,627   |            |
| Administration Equipment       |    | 4,342   |            |
| Total Human Services/Personnel |    |         | \$ 834,030 |

Operation of Plant

|   |    |           |            |
|---|----|-----------|------------|
| Custodial Personnel                         | \$ | 4,393,794 |            |
| Other Salaries and Wages                    |    | 511,570   |            |
| Social Security                             |    | 279,730   |            |
| Pensions                                    |    | 401,465   |            |
| Life Insurance                              |    | 5,505     |            |
| Medical Insurance                           |    | 1,219,553 |            |
| Dental Insurance                            |    | 49,495    |            |
| Disability Insurance                        |    | 4,490     |            |
| Employer Medicare                           |    | 66,501    |            |
| Architects                                  |    | 8,000     |            |
| Communication                               |    | 1,411     |            |
| Engineering Services                        |    | 112,900   |            |
| Maintenance Agreements                      |    | 82,502    |            |
| Maintenance and Repair Services - Equipment |    | 1,131     |            |
| Pest Control                                |    | 60,359    |            |
| Disposal Fees                               |    | 254,312   |            |
| Permits                                     |    | 8,844     |            |
| Other Contracted Services                   |    | 2,330     |            |
| Custodial Supplies                          |    | 618,880   |            |
| Electricity                                 |    | 5,326,874 |            |
| Gasoline                                    |    | 13,097    |            |
| Natural Gas                                 |    | 324,165   |            |
| Water and Sewer                             |    | 1,302,351 |            |
| Software                                    |    | 21,181    |            |
| Other Supplies and Materials                |    | 52,636    |            |
| Building and Contents Insurance             |    | 426,060   |            |
| Other Charges                               |    | 1,037     |            |
| Administration Equipment                    |    | 1,058     |            |
| Furniture and Fixtures                      |    | 139,396   |            |
| Plant Operation Equipment                   |    | 54,836    |            |
| Total Operation of Plant                    |    |           | 15,745,463 |

(Continued)

## Exhibit K-9

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

## General Purpose School Fund (Cont.)

Support Services (Cont.)Maintenance of Plant

|   |    |           |              |
|---|----|-----------|--------------|
| Supervisor/Director                         | \$ | 87,550    |              |
| Secretary(ies)                              |    | 36,860    |              |
| Maintenance Personnel                       |    | 2,874,261 |              |
| Other Salaries and Wages                    |    | 86,331    |              |
| Social Security                             |    | 174,941   |              |
| Pensions                                    |    | 330,104   |              |
| Life Insurance                              |    | 4,809     |              |
| Medical Insurance                           |    | 988,651   |              |
| Dental Insurance                            |    | 38,516    |              |
| Disability Insurance                        |    | 3,502     |              |
| Employer Medicare                           |    | 41,366    |              |
| Communication                               |    | 6,859     |              |
| Maintenance and Repair Services - Buildings |    | 429,575   |              |
| Maintenance and Repair Services - Equipment |    | 122,799   |              |
| Maintenance and Repair Services - Vehicles  |    | 19,496    |              |
| Travel                                      |    | 1,796     |              |
| Other Contracted Services                   |    | 175,939   |              |
| Equipment and Machinery Parts               |    | 104,614   |              |
| Gasoline                                    |    | 132,884   |              |
| Software                                    |    | 17,838    |              |
| Other Supplies and Materials                |    | 1,156,196 |              |
| In Service/Staff Development                |    | 6,874     |              |
| Other Charges                               |    | 10,049    |              |
| Administration Equipment                    |    | 104,024   |              |
| Maintenance Equipment                       |    | 233,642   |              |
| Total Maintenance of Plant                  |    |           | \$ 7,189,476 |

Transportation

|  |    |           |  |
|--|----|-----------|--|
| Supervisor/Director                        | \$ | 77,286    |  |
| Mechanic(s)                                |    | 382,426   |  |
| Bus Drivers                                |    | 2,988,164 |  |
| Clerical Personnel                         |    | 21,728    |  |
| Other Salaries and Wages                   |    | 833,277   |  |
| Social Security                            |    | 230,134   |  |
| Pensions                                   |    | 462,134   |  |
| Life Insurance                             |    | 5,805     |  |
| Medical Insurance                          |    | 2,582,550 |  |
| Dental Insurance                           |    | 107,656   |  |
| Disability Insurance                       |    | 4,719     |  |
| Employer Medicare                          |    | 54,019    |  |
| Communication                              |    | 8,014     |  |
| Laundry Service                            |    | 5,046     |  |
| Maintenance and Repair Services - Vehicles |    | 53,556    |  |
| Other Contracted Services                  |    | 139,598   |  |
| Diesel Fuel                                |    | 594,177   |  |
| Garage Supplies                            |    | 7,664     |  |

(Continued)

## Exhibit K-9

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

## General Purpose School Fund (Cont.)

Support Services (Cont.)Transportation (Cont.)

|                                 |    |         |               |
|---------------------------------|----|---------|---------------|
| Gasoline                        | \$ | 13,780  |               |
| Lubricants                      |    | 31,953  |               |
| Tires and Tubes                 |    | 138,537 |               |
| Vehicle Parts                   |    | 363,734 |               |
| Software                        |    | 19,371  |               |
| Other Supplies and Materials    |    | 57,119  |               |
| Vehicle and Equipment Insurance |    | 562,032 |               |
| In Service/Staff Development    |    | 1,884   |               |
| Other Charges                   |    | 34,833  |               |
| Administration Equipment        |    | 9,862   |               |
| Transportation Equipment        |    | 251,469 |               |
| Total Transportation            |    |         | \$ 10,042,527 |

Operation of Non-Instructional ServicesFood Service

|   |    |           |            |
|---|----|-----------|------------|
| Supervisor/Director                         | \$ | 66,300    |            |
| Clerical Personnel                          |    | 84,877    |            |
| Cafeteria Personnel                         |    | 3,632,473 |            |
| Other Salaries and Wages                    |    | 199,190   |            |
| Social Security                             |    | 217,801   |            |
| Pensions                                    |    | 383,921   |            |
| Life Insurance                              |    | 5,156     |            |
| Medical Insurance                           |    | 1,782,730 |            |
| Dental Insurance                            |    | 71,078    |            |
| Disability Insurance                        |    | 4,425     |            |
| Employer Medicare                           |    | 51,567    |            |
| Communication                               |    | 3,010     |            |
| Maintenance and Repair Services - Equipment |    | 56,392    |            |
| Travel                                      |    | 10,124    |            |
| Other Contracted Services                   |    | 33,094    |            |
| Food Preparation Supplies                   |    | 490,266   |            |
| Food Supplies                               |    | 4,156,793 |            |
| Office Supplies                             |    | 22,045    |            |
| Utilities                                   |    | 240,211   |            |
| USDA - Commodities                          |    | 903,500   |            |
| Software                                    |    | 43,048    |            |
| Other Supplies and Materials                |    | 9,405     |            |
| In Service/Staff Development                |    | 8,013     |            |
| Other Charges                               |    | 909       |            |
| Food Service Equipment                      |    | 59,542    |            |
| Total Food Service                          |    |           | 12,535,870 |

Community Services

|                          |    |         |
|--------------------------|----|---------|
| Supervisor/Director      | \$ | 395,116 |
| Educational Assistants   |    | 51,392  |
| Other Salaries and Wages |    | 971,214 |

(Continued)

## Exhibit K-9

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

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

|                              |    |         |              |
|------------------------------|----|---------|--------------|
| Social Security              | \$ | 84,771  |              |
| Pensions                     |    | 74,521  |              |
| Life Insurance               |    | 901     |              |
| Medical Insurance            |    | 203,133 |              |
| Dental Insurance             |    | 8,931   |              |
| Disability Insurance         |    | 709     |              |
| Employer Medicare            |    | 20,192  |              |
| Communication                |    | 5,128   |              |
| Travel                       |    | 2,872   |              |
| Other Contracted Services    |    | 35,918  |              |
| Food Supplies                |    | 64,208  |              |
| Software                     |    | 7,756   |              |
| Other Supplies and Materials |    | 114,869 |              |
| In Service/Staff Development |    | 5,442   |              |
| Other Charges                |    | 78,264  |              |
| Data Processing Equipment    |    | 81,363  |              |
| Furniture and Fixtures       |    | 10,404  |              |
| Other Equipment              |    | 35,273  |              |
| Other Capital Outlay         |    | 271,594 |              |
| Total Community Services     |    |         | \$ 2,523,971 |

Early Childhood Education

|                                      |    |         |         |
|--------------------------------------|----|---------|---------|
| Supervisor/Director                  | \$ | 66,703  |         |
| Teachers                             |    | 168,102 |         |
| Educational Assistants               |    | 57,387  |         |
| Certified Substitute Teachers        |    | 200     |         |
| Non-certified Substitute Teachers    |    | 102     |         |
| Social Security                      |    | 17,563  |         |
| Pensions                             |    | 25,829  |         |
| Medical Insurance                    |    | 42,877  |         |
| Dental Insurance                     |    | 1,764   |         |
| Employer Medicare                    |    | 4,108   |         |
| Instructional Supplies and Materials |    | 7,567   |         |
| Other Supplies and Materials         |    | 207     |         |
| In Service/Staff Development         |    | 10,380  |         |
| Other Charges                        |    | 22,292  |         |
| Other Equipment                      |    | 3,575   |         |
| Total Early Childhood Education      |    |         | 428,656 |

Capital OutlayRegular Capital Outlay

|                           |    |           |  |
|---------------------------|----|-----------|--|
| Building Improvements     | \$ | 941,344   |  |
| Data Processing Equipment |    | 95,404    |  |
| Furniture and Fixtures    |    | 311,114   |  |
| Land                      |    | 1,021,377 |  |
| Other Equipment           |    | 91,975    |  |

(Continued)

## Exhibit K-9

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

General Purpose School Fund (Cont.)Capital Outlay (Cont.)Regular Capital Outlay (Cont.)

|                              |            |              |
|------------------------------|------------|--------------|
| Other Construction           | \$ 489,518 |              |
| Other Capital Outlay         | 49,992     |              |
| Total Regular Capital Outlay |            | \$ 3,000,724 |

Total General Purpose School Fund

\$ 268,581,344

School Federal Projects FundInstructionRegular Instruction Program

|                                      |              |              |
|--------------------------------------|--------------|--------------|
| Teachers                             | \$ 1,187,052 |              |
| Educational Assistants               | 836,759      |              |
| Other Salaries and Wages             | 194,441      |              |
| Certified Substitute Teachers        | 475          |              |
| Non-certified Substitute Teachers    | 153          |              |
| Social Security                      | 125,929      |              |
| Pensions                             | 236,791      |              |
| Life Insurance                       | 4,286        |              |
| Medical Insurance                    | 806,007      |              |
| Dental Insurance                     | 32,744       |              |
| Disability Insurance                 | 3,595        |              |
| Employer Medicare                    | 29,453       |              |
| Other Contracted Services            | 4,672        |              |
| Instructional Supplies and Materials | 298,789      |              |
| Software                             | 20,200       |              |
| Other Supplies and Materials         | 61,911       |              |
| Fee Waivers                          | 10,000       |              |
| Other Charges                        | 1,961        |              |
| Regular Instruction Equipment        | 221,613      |              |
| Total Regular Instruction Program    |              | \$ 4,076,831 |

Special Education Program

|   |            |           |
|---|------------|-----------|
| Teachers                                    | \$ 567,203 |           |
| Educational Assistants                      | 1,438,871  |           |
| Speech Pathologist                          | 54,162     |           |
| Social Security                             | 110,872    |           |
| Pensions                                    | 218,924    |           |
| Life Insurance                              | 2,803      |           |
| Medical Insurance                           | 1,076,104  |           |
| Dental Insurance                            | 44,413     |           |
| Disability Insurance                        | 2,260      |           |
| Employer Medicare                           | 25,963     |           |
| Contracts with Private Agencies             | 89,812     |           |
| Maintenance and Repair Services - Equipment | 1,469      |           |
| Instructional Supplies and Materials        | 38,376     |           |
| Other Supplies and Materials                | 10,822     |           |
| Special Education Equipment                 | 60,191     |           |
| Total Special Education Program             |            | 3,742,245 |

(Continued)

## Exhibit K-9

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

School Federal Projects Fund (Cont.)Instruction (Cont.)Career and Technical Education Program

|  |    |         |            |
|--|----|---------|------------|
| Instructional Supplies and Materials         | \$ | 32,000  |            |
| Other Supplies and Materials                 |    | 20,608  |            |
| Vocational Instruction Equipment             |    | 303,877 |            |
| Total Career and Technical Education Program |    |         | \$ 356,485 |

Support ServicesOther Student Support

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Other Salaries and Wages     | \$ | 44,705  |         |
| Social Security              |    | 2,098   |         |
| Pensions                     |    | 2,248   |         |
| Employer Medicare            |    | 647     |         |
| Travel                       |    | 16,272  |         |
| Other Contracted Services    |    | 134,763 |         |
| Other Supplies and Materials |    | 59,897  |         |
| In Service/Staff Development |    | 42,757  |         |
| Other Charges                |    | 12,893  |         |
| Total Other Student Support  |    |         | 316,280 |

Regular Instruction Program

|                                   |    |         |           |
|-----------------------------------|----|---------|-----------|
| Supervisor/Director               | \$ | 73,663  |           |
| Instructional Computer Personnel  |    | 54,475  |           |
| Secretary(ies)                    |    | 30,535  |           |
| Clerical Personnel                |    | 11,981  |           |
| Other Salaries and Wages          |    | 430,956 |           |
| Social Security                   |    | 36,342  |           |
| Pensions                          |    | 59,376  |           |
| Life Insurance                    |    | 509     |           |
| Medical Insurance                 |    | 38,849  |           |
| Dental Insurance                  |    | 1,872   |           |
| Disability Insurance              |    | 348     |           |
| Employer Medicare                 |    | 8,523   |           |
| Consultants                       |    | 15,000  |           |
| Travel                            |    | 1,861   |           |
| Other Supplies and Materials      |    | 11,990  |           |
| In Service/Staff Development      |    | 546,993 |           |
| Other Charges                     |    | 146,010 |           |
| Other Equipment                   |    | 1,398   |           |
| Total Regular Instruction Program |    |         | 1,470,681 |

Special Education Program

|                          |    |         |  |
|--------------------------|----|---------|--|
| Supervisor/Director      | \$ | 84,234  |  |
| Psychological Personnel  |    | 449,102 |  |
| Medical Personnel        |    | 396,351 |  |
| Other Salaries and Wages |    | 484,117 |  |
| Social Security          |    | 80,528  |  |
| Pensions                 |    | 135,759 |  |

(Continued)

## Exhibit K-9

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

|                                 |    |         |              |
|---------------------------------|----|---------|--------------|
| Life Insurance                  | \$ | 2,181   |              |
| Medical Insurance               |    | 418,397 |              |
| Dental Insurance                |    | 17,872  |              |
| Disability Insurance            |    | 1,807   |              |
| Employer Medicare               |    | 18,832  |              |
| Contracts with Private Agencies |    | 1,275   |              |
| Travel                          |    | 1,069   |              |
| Other Contracted Services       |    | 23,222  |              |
| Other Supplies and Materials    |    | 38,709  |              |
| In Service/Staff Development    |    | 9,508   |              |
| Other Charges                   |    | 1,324   |              |
| Other Equipment                 |    | 3,241   |              |
| Total Special Education Program |    |         | \$ 2,167,528 |

Transportation

|                                     |    |       |       |
|-------------------------------------|----|-------|-------|
| Contracts with Other School Systems | \$ | 1,611 |       |
| Contracts with Parents              |    | 5,603 |       |
| Total Transportation                |    |       | 7,214 |

Operation of Non-Instructional Services

Community Services

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Other Salaries and Wages     | \$ | 378,128 |         |
| Social Security              |    | 21,374  |         |
| Pensions                     |    | 27,665  |         |
| Life Insurance               |    | 186     |         |
| Medical Insurance            |    | 27,987  |         |
| Dental Insurance             |    | 671     |         |
| Disability Insurance         |    | 149     |         |
| Employer Medicare            |    | 5,405   |         |
| Travel                       |    | 985     |         |
| Food Supplies                |    | 1,734   |         |
| Other Supplies and Materials |    | 8,039   |         |
| In Service/Staff Development |    | 8,185   |         |
| Other Charges                |    | 4,086   |         |
| Total Community Services     |    |         | 484,594 |

Total School Federal Projects Fund \$ 12,621,858

Total Governmental Funds - Sumner County School Department \$ 281,203,202

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

|  | Cities -<br>Sales Tax<br>Fund |
|--|-------------------------------|
| <u>Cash Receipts</u>                                       |                               |
| Local Option Sales Tax                                     | \$ 27,211,404                 |
| Total Cash Receipts  | <u>\$ 27,211,404</u>          |
| <u>Cash Disbursements</u>                                  |                               |
| Remittance of Revenues Collected                           | \$ 26,939,290                 |
| Trustee's Commission                                       | 272,114                       |
| Total Cash Disbursements                                   | <u>\$ 27,211,404</u>          |
| Excess of Cash Receipts Over<br>(Under) Cash Disbursements | \$ 0                          |
| Cash Balance, July 1, 2019                                 | <u>0</u>                      |
| Cash Balance, June 30, 2020                                | <u><u>\$ 0</u></u>            |



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## SINGLE AUDIT SECTION

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JASON E. MUMPOWER  
*Comptroller*

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sumner County, Tennessee as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Sumner County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated February 26, 2021.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Sumner 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 26, 2021

JEM/sl



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**

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

To the County Mayor and Board of County Commissioners:

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

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

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

In our opinion, Sumner 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 Sumner 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 Sumner 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 Sumner County's internal control over compliance.

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

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

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

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

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sumner County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Sumner County's basic financial statements. We issued our report thereon dated February 26, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Jason E. Mumpower  
Comptroller of the Treasury  
Nashville, Tennessee

February 26, 2021

JEM/sl

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

| Federal/Pass-through Agency/State<br>Grantor Program Title                                 | Federal<br>CFDA<br>Number | Pass-through<br>Entity Identifying<br>Number | Expenditures        |
|--|---------------------------|--|---------------------|
| U.S. Department of Agriculture:  |                           |  |                     |
| Passed-through State Department of Agriculture:  |                           |  |                     |
| Child Nutrition Cluster: (5)   |                           |  |                     |
| National School Lunch Program (Commodities - Noncash Assistance)                           | 10.555                    | (4)  | \$ 953,543 (6)      |
| Child and Adult Care Food Program  | 10.558                    | (4)  | 29,568              |
| Passed-through State Department of Education:  |                           |  |                     |
| Child Nutrition Cluster: (5)   |                           |  |                     |
| School Breakfast Program   | 10.553                    | (4)  | 1,494,696 (6)       |
| COVID 19 - School Breakfast Program  | 10.553                    | (4)  | 296,817 (6)         |
| National School Lunch Program  | 10.555                    | (4)  | 4,297,738 (6)       |
| COVID 19 - National School Lunch Program   | 10.555                    | (4)  | 469,511 (6)         |
| Total U.S. Department of Agriculture   |                           |  | <u>\$ 7,541,873</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<br>Non-entitlement Grants in Hawaii | 14.228                    | 34819  | \$ 114,476          |
| Total U.S. Department of Housing and Urban Development                                     |                           |  | <u>\$ 114,476</u>   |
| U.S. Department of the Interior:   |                           |  |                     |
| Direct Program:  |                           |  |                     |
| Payments in-Lieu-of Taxes  | 15.226                    | N/A  | \$ 30,017           |
| Total U.S. Department of the Interior  |                           |  | <u>\$ 30,017</u>    |
| U.S. Department of Justice:  |                           |  |                     |
| Direct Program:  |                           |  |                     |
| State Criminal Alien Assistance Program  | 16.606                    | N/A  | \$ 35,411           |
| Passed-through State Department of Finance and Administration:                             |                           |  |                     |
| Edward Byrne Memorial Justice Assistance Grant Program                                     | 16.738                    | (7)  | 61,619              |
| Total U.S. Department of Justice   |                           |  | <u>\$ 97,030</u>    |
| U.S. Department of Labor:  |                           |  |                     |
| Passed-through State Department of Labor and Workforce Development:                        |                           |  |                     |
| COVID 19 - Unemployment Insurance  | 17.225                    | (4)  | \$ 15,252           |
| Total U.S. Department of Labor   |                           |  | <u>\$ 15,252</u>    |
| U.S. Department of Transportation:   |                           |  |                     |
| Passed-through State Department of Transportation:   |                           |  |                     |
| Highway Planning and Construction Cluster: (5)   |                           |  |                     |
| Highway Planning and Construction  | 20.205                    | (8)  | \$ 5,001            |
| Alcohol Open Container Requirements  | 20.607                    | (4)  | 24,011              |
| Highway Safety Cluster: (5)  |                           |  |                     |
| National Priority Safety Programs  | 20.616                    | (4)  | 15,603              |
| Total U.S. Department of Transportation  |                           |  | <u>\$ 44,615</u>    |
| U.S. Institute of Museum and Library Services:   |                           |  |                     |
| Passed-through State Library and Archives:   |                           |  |                     |
| Grants to States   | 45.310                    | (4)  | \$ 10,335           |
| Total U.S. Institute of Museum and Library Services  |                           |  | <u>\$ 10,335</u>    |

(Continued)

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

| Federal/Pass-through Agency/State<br>Grantor Program Title   | Federal<br>CFDA<br>Number | Pass-through<br>Entity Identifying<br>Number | Expenditures         |
|--|---------------------------|--|----------------------|
| U.S. Department of Education:  |                           |  |                      |
| Passed-through State Department of Education:  |                           |  |                      |
| Title I Grants to Local Educational Agencies   | 84.010                    | (4)  | \$ 4,549,560         |
| Special Education Cluster: (5)   |                           |  |                      |
| Special Education - Grants to States   | 84.027                    | (4)  | 6,048,085            |
| Special Education - Preschool Grants   | 84.173                    | (4)  | 127,243              |
| Career and Technical Education - Basic Grants to States  | 84.048                    | (4)  | 387,612              |
| Education for Homeless Children and Youth  | 84.196                    | (4)  | 49,891               |
| Twenty-first Century Community Learning Centers  | 84.287                    | (4)  | 495,885              |
| English Language Acquisition State Grants  | 84.365                    | (4)  | 73,367               |
| Supporting Effective Instruction State Grants  | 84.367                    | (4)  | 967,844              |
| Student Support and Academic Enrichment Program  | 84.424                    | (4)  | 324,014              |
| Total U.S. Department of Education   |                           |  | <u>\$ 13,023,501</u> |
| U.S. Election Assistance Commission:   |                           |  |                      |
| Passed-through Tennessee Department of State:  |                           |  |                      |
| 2020 HAVA Election Security Grants   | 90.404                    | (4)  | \$ 1,820             |
| Total U.S. Election Assistance Commission  |                           |  | <u>\$ 1,820</u>      |
| U.S. Department of Health and Human Services:  |                           |  |                      |
| Passed-through State Department of Education:  |                           |  |                      |
| Competitive Agreements to Promote Adolescent Health through School-Based<br>HIV/STD Prevention and School-Based Surveillance | 93.079                    | (4)  | \$ 45,465            |
| Total U.S. Department of Health and Human Services   |                           |  | <u>\$ 45,465</u>     |
| U.S. Department of Homeland Security:  |                           |  |                      |
| Passed-through State Department of Military:   |                           |  |                      |
| Emergency Management Performance Grants  | 97.042                    | (4)  | \$ 46,350            |
| Homeland Security Grant Program  | 97.067                    | (4)  | 91,778               |
| Total U.S. Department of Homeland Security   |                           |  | <u>\$ 138,128</u>    |
| Total Expenditures of Federal Awards   |                           |  | <u>\$ 21,062,512</u> |

| State Grants  |     | Contract Number |                     |
|---|-----|-----------------|---------------------|
| Litter Program - State Department of Transportation   | N/A | (4)             | \$ 83,551           |
| Juvenile Justice State Supplement Funds - State Commission on Children and Youth  | N/A | (4)             | 9,000               |
| Tourism Enhancement Grant - State Department of Economic and<br>Community Development   | N/A | (4)             | 250,000             |
| Tennessee Highway Safety Office (THS) Recovery Court Enhancements<br>Program - State Department of Mental Health and Substance Abuse Services | N/A | (4)             | 42,197              |
| Lottery for Education: Afterschool Program - State Department of<br>Education   | N/A | (4)             | 280,872             |
| Early Childhood Education - State Department of Education   | N/A | (4)             | 365,681             |
| Health Department Programs - State Department of Health   | N/A | (4)             | 1,362,536           |
| Family Resource Center - State Department of Education  | N/A | (4)             | 29,180              |
| Coordinated School Health Initiative - State Department of Education  | N/A | (4)             | 155,001             |
| Safe Schools Act - State Department of Education  | N/A | (4)             | 386,703             |
| Drug Court Grant Program - State Department of Mental Health and<br>Substance Abuse Services  | N/A | (4)             | 149,974             |
| STEM Grant - TN Office of the Secretary of State - State Library and Archives   | N/A | (4)             | 576                 |
| Total State Grants  |     |                 | <u>\$ 3,115,271</u> |

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

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) Sumner County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Information not available.
- (5) Child Nutrition Cluster total \$7,512,305; Highway Planning and Construction Cluster total \$5,001; Highway Safety Cluster total \$15,603; Special Education Cluster total \$6,175,328.
- (6) Total CFDA No. 10.553 \$1,791,513. Total CFDA No. 10.555 \$5,720,792.
- (7) Contract No. 28634: \$2,036; Contract No. 38564: \$59,583.
- (8) Contract No. 150068: \$3,751; Contract No. 150129: \$1,250.



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

*Government Auditing Standards* require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for Sumner County, Tennessee, for the year ended June 30, 2020.

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

| Fiscal<br>Year | Page<br>Number | Finding<br>Number | Title of Finding | CFDA<br>Number | Current Status |
|----------------|----------------|-------------------|------------------|----------------|----------------|
|----------------|----------------|-------------------|------------------|----------------|----------------|

**DIRECTOR OF SCHOOLS**

|      |     |          |  |     |           |
|------|-----|----------|--|-----|-----------|
| 2019 | 239 | 2019-001 | Information technology equipment is missing. | N/A | Corrected |
|------|-----|----------|--|-----|-----------|

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***Prior-year Federal Awards Findings***

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

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

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

**Financial Statements:**

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

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* CFDA Numbers: 10.553 and 10.555      Child Nutrition Cluster:  
School Breakfast Program and  
National School Lunch Program
  - \* CFDA No. 84.367      Supporting Effective Instruction State Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

## **PART II, FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

There were no findings and recommendations as a result of our audit of the financial statements of Sumner County, Tennessee.

**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.

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

The audit of Sumner County did not report any findings and recommendations. Therefore, no management responses are 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).

## **BEST PRACTICE**

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

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

### **SUMNER COUNTY SHOULD ADOPT A CENTRAL SYSTEM OF ACCOUNTING, BUDGETING, AND PURCHASING COVERING ALL COUNTY DEPARTMENTS**

Sumner County operates under provisions of the Chapter 70, Private Acts of 2012, and Chapter 8, Private Acts of 2019, which provide for all funds under the supervision of the county mayor and superintendent of roads to be centralized. However, these provisions do not require the funds under the supervision of the school department to be centralized. Sound business practices dictate that establishing a central system for all county departments would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing covering all departments has been a management decision by the county commission resulting in decentralization and some duplication of effort. The Division of Local Government Audit strongly believes that the adoption of a central system of accounting, budgeting, and purchasing covering all departments is a best practice that would significantly improve accountability and the quality of services provided to the citizens of Sumner County. Therefore, we recommend that the county commission consider amending their existing private act to require a central system of accounting, budgeting, and purchasing covering all county departments.