

ANNUAL FINANCIAL REPORT
TIPTON COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2020



DIVISION OF LOCAL GOVERNMENT AUDIT



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

***COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON***

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

***LEE ANN WEST, CPA, CGFM
Audit Manager***

***TIFFANY NOLEN, CFE
Senior Auditor***

***GREG HOWELL
ELISHA CROWELL, CISA, CFE
State Auditors***

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

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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in no findings.

INTRODUCTORY SECTION

Tipton County Officials
June 30, 2020

Officials

Jeff Huffman, County Executive
Shannon Reed, Director of Public Works
Dr. John Combs, Director of Schools
Kristie Maxwell, Trustee
Rose Cousar, Assessor of Property
Mary Gaither, County Clerk
Mike Forbess, Circuit, General Sessions, and Juvenile Courts Clerk
Virginia Gray, Clerk and Master
Claudia Peeler, Register of Deeds
Jeffrey Chumley, Sheriff
Walter Thomas Bailey, Budget and Accounts Director

Board of County Commissioners

Jeff Huffman, County Executive, Chairman	Jonathan Murphy
Walker Adams	Michael Naifeh
James Adkins	Stephen Shopher
Chris Armstrong	Michelle Smith
Sheila Barlow	James Lamont Sneed
David Copeland	Glenn Turner
Thomas Dunavant	Harold Twisdale
Courtney Fee	Robert Wilson
Richard Kelley	Rusty Wooten
Jeff Mason	

Highway Commission

Harold Twisdale, Chairman	Jonathan Murphy
James C. Adkins	Stephen Shopher
Chris Armstrong	Bob Wilson
Tommy Dunavant	Rusty Wooten
Richard Kelley	

Board of Education

Marty Burlison, Chairman	Laurie McClerkin
Steve Clark	Belinda Rozell
Isaiah Davidson	Grant Shipley, Sr.
Alvis Ferrell	Farrel Vincent
Richard Ellis Joyner	

Audit Committee

Robert Wilson, Chairman
Walker Adams
Courtney Fee

FINANCIAL SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tipton 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 Tipton County, Tennessee, as of June 30, 2020, and the respective changes in financial position and the respective budgetary comparisons for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension asset and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension assets, and schedules of county and school changes in the total OPEB liability and related ratios - other postemployment benefits plans, 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 Tipton County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Tipton County School Department (a discretely presented component unit), miscellaneous schedules, and other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

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

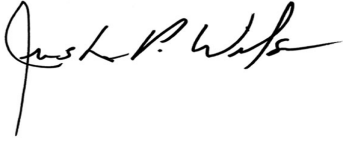
The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2020, on our consideration of Tipton 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 Tipton 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 Tipton County's internal control over financial reporting and compliance.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a prominent initial "J" and "W".

Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

October 28, 2020

JPW/tg

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Governmental Activities	Component Unit Tipton County School Department
<u>ASSETS</u>		
Cash	\$ 34,201	\$ 0
Equity in Pooled Cash and Investments	18,668,721	27,552,542
Accounts Receivable	100,871	489
Due from Other Governments	1,719,681	1,644,781
Property Taxes Receivable	13,846,456	12,331,998
Allowance for Uncollectible Property Taxes	(402,386)	(358,374)
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	294,473
Net Pension Asset - Agent Plan	3,377,926	3,058,671
Net Pension Asset - Teacher Retirement Plan	0	350,068
Net Pension Asset - Teacher Legacy Pension Plan	0	11,413,191
Capital Assets Not Depreciated:		
Land	2,609,516	3,631,433
Construction in Progress	1,952,910	15,000
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	5,380,419	16,560,683
Infrastructure	13,156,420	43,072
Other Capital Assets	3,121,987	4,026,659
Total Assets	<u>\$ 63,566,722</u>	<u>\$ 80,564,686</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Pension Changes in Experience	\$ 0	\$ 570,194
Pension Changes in Assumptions	307,302	1,828,407
Pension Changes in Proportion	0	54,180
Pension Contributions after Measurement Date	559,361	4,570,921
OPEB Changes in Experience	0	735,223
OPEB Changes in Assumptions	25,959	211,491
OPEB Changes in Proportion	0	332,746
OPEB Contributions after Measurement Date	12,688	297,258
Total Deferred Outflows of Resources	<u>\$ 905,310</u>	<u>\$ 8,600,420</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 0	\$ 2,460,042
Noncurrent Liabilities:		
Due Within One Year - Other	579,228	181,921
Due in More Than One Year - Other	1,201,698	8,428,633
Total Liabilities	<u>\$ 1,780,926</u>	<u>\$ 11,070,596</u>

(Continued)

Exhibit A

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

	<u>Primary Governmental Activities</u>	<u>Component Unit Tipton County School Department</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 12,948,929	\$ 11,532,639
Pension Changes in Experience	975,861	7,916,147
Pension Changes in Investment Earnings	471,880	3,703,049
Pension Changes in Proportion	0	112,450
OPEB Changes in Experience	440,755	693,744
OPEB Changes in Assumptions	0	863,605
OPEB Changes in Proportion	133,811	223,792
Total Deferred Inflows of Resources	<u>\$ 14,971,236</u>	<u>\$ 25,045,426</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 26,221,252	\$ 24,276,847
Restricted for:		
General Government	518,637	0
Finance	24,046	0
Administration of Justice	107,217	0
Public Safety	389,810	0
Public Health and Welfare	63,122	0
Highway/Public Works	323,695	0
Debt Service	10,936	0
Capital Projects	391,691	819,952
Education	0	178,072
Operation of Non-instructional Services	0	2,461,419
Pensions	3,377,926	14,821,930
Hybrid Retirement Stabilization Funds	0	294,473
Unrestricted	<u>16,291,538</u>	<u>10,196,391</u>
Total Net Position	<u>\$ 47,719,870</u>	<u>\$ 53,049,084</u>

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

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component Unit
					Governmental Total Activities	Tipton County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 3,428,090	\$ 514,618	\$ 261,015	\$ 569,146	\$ (2,083,311)	\$ 0
Finance	1,738,766	1,403,166	2,081	0	(333,519)	0
Administration of Justice	1,872,332	972,451	73,558	0	(826,323)	0
Public Safety	10,762,828	699,417	165,437	219,608	(9,678,366)	0
Public Health and Welfare	2,998,181	573,146	643,227	0	(1,781,808)	0
Social, Cultural, and Recreational Services	409,332	15,118	17,335	0	(376,879)	0
Agriculture and Natural Resources	233,067	0	0	0	(233,067)	0
Highways/Public Works	5,067,704	36,991	2,785,778	2,269,999	25,064	0
Interest on Long-term Debt	70,357	0	0	0	(70,357)	0
Total Primary Government	\$ 26,580,657	\$ 4,214,907	\$ 3,948,431	\$ 3,058,753	\$ (15,358,566)	\$ 0
Component Unit:						
Tipton County School Department	\$ 90,588,260	\$ 1,580,152	\$ 8,574,946	\$ 0	\$ 0	\$ (80,433,162)
Total Component Unit	\$ 90,588,260	\$ 1,580,152	\$ 8,574,946	\$ 0	\$ 0	\$ (80,433,162)

(Continued)

Exhibit B

Tipton County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total Governmental Activities	Component Unit Tipton County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 12,616,777	\$ 11,725,822
Property Taxes Levied for Debt Service					554,533	0
Local Option Sales Taxes					632,865	5,669,312
Wheel Tax					3,297,704	0
Litigation Tax					176,781	0
Business Tax					163,632	232,516
Wholesale Beer Tax					305,874	0
Other Local Taxes					133,649	29,432
Grants and Contributions Not Restricted to Specific Programs					2,539,759	66,998,761
Unrestricted Investment Income					1,028,610	0
Miscellaneous					159,210	9,811
Total General Revenues					<u>\$ 21,609,394</u>	<u>\$ 84,665,654</u>
Change in Net Position					\$ 6,250,828	\$ 4,232,492
Net Position, July 1, 2019					<u>41,469,042</u>	<u>48,816,592</u>
Net Position, June 30, 2020					<u>\$ 47,719,870</u>	<u>\$ 53,049,084</u>

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

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 0	\$ 34,201	\$ 34,201
Equity in Pooled Cash and Investments	13,800,526	809,645	1,376,225	2,682,325	18,668,721
Accounts Receivable	98,033	0	0	2,838	100,871
Due from Other Governments	542,709	1,168,332	2,880	5,760	1,719,681
Due from Other Funds	34,201	0	0	0	34,201
Property Taxes Receivable	11,142,067	1,081,754	540,878	1,081,757	13,846,456
Allowance for Uncollectible Property Taxes	(323,796)	(31,436)	(15,718)	(31,436)	(402,386)
Total Assets	\$ 25,293,740	\$ 3,028,295	\$ 1,904,265	\$ 3,775,445	\$ 34,001,745
<u>LIABILITIES</u>					
Due to Other Funds	\$ 0	\$ 0	\$ 0	\$ 34,201	\$ 34,201
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 34,201	\$ 34,201
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 10,419,840	\$ 1,011,635	\$ 505,818	\$ 1,011,636	\$ 12,948,929
Deferred Delinquent Property Taxes	225,403	21,884	10,936	21,880	280,103
Other Deferred/Unavailable Revenue	183,588	493,618	0	0	677,206
Total Deferred Inflows of Resources	\$ 10,828,831	\$ 1,527,137	\$ 516,754	\$ 1,033,516	\$ 13,906,238
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Finance	\$ 24,046	\$ 0	\$ 0	\$ 0	\$ 24,046

(Continued)

Exhibit C-1

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>FUND BALANCES (Cont.)</u>					
Restricted (Cont.):					
Restricted for Administration of Justice	\$ 107,217	\$ 0	\$ 0	\$ 0	\$ 107,217
Restricted for Public Safety	47,996	0	0	337,376	385,372
Restricted for Public Health and Welfare	25,171	0	0	0	25,171
Restricted for Other Operations	515,186	0	0	0	515,186
Restricted for Capital Projects	0	0	0	380,754	380,754
Restricted for Other Purposes	3,451	0	0	0	3,451
Committed:					
Committed for General Government	2,479,141	0	0	0	2,479,141
Committed for Public Health and Welfare	0	0	0	1,967,533	1,967,533
Committed for Highways/Public Works	0	1,501,158	0	0	1,501,158
Committed for Debt Service	0	0	1,387,511	0	1,387,511
Committed for Capital Projects	0	0	0	22,065	22,065
Committed for Other Purposes	2,182,810	0	0	0	2,182,810
Assigned:					
Assigned for General Government	6,006	0	0	0	6,006
Assigned for Finance	127	0	0	0	127
Assigned for Administration of Justice	13,966	0	0	0	13,966
Assigned for Public Safety	52,183	0	0	0	52,183
Assigned for Public Health and Welfare	903,683	0	0	0	903,683
Assigned for Social, Cultural, and Recreational Services	1,243	0	0	0	1,243
Unassigned	8,102,683	0	0	0	8,102,683
Total Fund Balances	\$ 14,464,909	\$ 1,501,158	\$ 1,387,511	\$ 2,707,728	\$ 20,061,306
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 25,293,740	\$ 3,028,295	\$ 1,904,265	\$ 3,775,445	\$ 34,001,745

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

Exhibit C-2

Tipton 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)	\$	20,061,306
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$	2,609,516
Add: construction in progress		1,952,910
Add: buildings and improvements net of accumulated depreciation		5,380,419
Add: infrastructure net of accumulated depreciation		13,156,420
Add: other capital assets net of accumulated depreciation		3,121,987
		<u>26,221,252</u>
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$	(923,485)
Less: landfill closure/postclosure care costs		(172,426)
Less: net OPEB liability		(685,015)
		<u>(1,780,926)</u>
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to pensions	\$	866,663
Less: deferred inflows of resources related to pensions		(1,447,741)
Add: deferred outflows of resources related to OPEB		38,647
Less: deferred inflows of resources related to OPEB		(574,566)
		<u>(1,116,997)</u>
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		3,377,926
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>957,309</u>
Net position of governmental activities (Exhibit A)	\$	<u><u>47,719,870</u></u>

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

Exhibit C-3

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 14,630,674	\$ 2,711,722	\$ 754,050	\$ 1,054,818	\$ 19,151,264
Licenses and Permits	181,572	0	0	0	181,572
Fines, Forfeitures, and Penalties	252,184	0	0	56,097	308,281
Charges for Current Services	177,924	1,117	0	423,213	602,254
Other Local Revenues	1,212,175	87,222	1	101,853	1,401,251
Fees Received From County Officials	2,346,966	0	0	0	2,346,966
State of Tennessee	2,151,152	4,933,442	0	0	7,084,594
Federal Government	413,548	0	0	487,861	901,409
Other Governments and Citizens Groups	534,238	348,995	150,000	0	1,033,233
Total Revenues	<u>\$ 21,900,433</u>	<u>\$ 8,082,498</u>	<u>\$ 904,051</u>	<u>\$ 2,123,842</u>	<u>\$ 33,010,824</u>
<u>Expenditures</u>					
Current:					
General Government	\$ 2,102,844	\$ 0	\$ 0	\$ 0	\$ 2,102,844
Finance	1,754,009	0	0	0	1,754,009
Administration of Justice	1,876,017	0	0	12,060	1,888,077
Public Safety	10,521,329	0	0	183,572	10,704,901
Public Health and Welfare	1,129,122	0	0	19,421	1,148,543
Social, Cultural, and Recreational Services	404,662	0	0	0	404,662
Agriculture and Natural Resources	233,966	0	0	0	233,966
Other Operations	1,771,607	0	0	0	1,771,607
Highways	0	8,532,531	0	1,180,522	9,713,053
Debt Service:					
Principal on Debt	0	0	9,911,000	0	9,911,000
Interest on Debt	0	0	82,355	0	82,355
Other Debt Service	0	0	23,387	0	23,387

(Continued)

Exhibit C-3

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

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Expenditures (Cont.)</u>					
Capital Projects	\$ 405,924	\$ 0	\$ 0	\$ 1,090,286	\$ 1,496,210
Total Expenditures	\$ 20,199,480	\$ 8,532,531	\$ 10,016,742	\$ 2,485,861	\$ 41,234,614
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,700,953	\$ (450,033)	\$ (9,112,691)	\$ (362,019)	\$ (8,223,790)
<u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 61,317	\$ 13,120	\$ 0	\$ 0	\$ 74,437
Total Other Financing Sources (Uses)	\$ 61,317	\$ 13,120	\$ 0	\$ 0	\$ 74,437
Net Change in Fund Balances	\$ 1,762,270	\$ (436,913)	\$ (9,112,691)	\$ (362,019)	\$ (8,149,353)
Fund Balance, July 1, 2019	12,702,639	1,938,071	10,500,202	3,069,747	28,210,659
Fund Balance, June 30, 2020	\$ 14,464,909	\$ 1,501,158	\$ 1,387,511	\$ 2,707,728	\$ 20,061,306

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

Exhibit C-4

Tipton 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)		\$ (8,149,353)
(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	\$ 5,440,163	
Less: current-year depreciation expense	<u>(1,831,020)</u>	3,609,143
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net assets.		
Less: gain on disposal of capital assets		(1,319)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2020	\$ 957,309	
Less: deferred delinquent property taxes and other deferred June 30, 2019	<u>(822,208)</u>	135,101
(4) The issuance of long-term debt (e.g., other loans, notes, bonds, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal payments on note	\$ 1,076,000	
Add: principal payments on bonds	700,000	
Add: principal payments on other loan	<u>8,135,000</u>	9,911,000
(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	\$ 11,998	
Change in compensated absences payable	(111,379)	
Change in landfill closure/postclosure care costs	16,372	
Change in net OPEB liability	871,790	
Change in deferred outflows related to OPEB	(12,164)	
Change in deferred inflows related to OPEB	(350,205)	
Change in net pension asset	874,231	
Change in deferred outflows related to pensions	(109,280)	
Change in deferred inflows related to pensions	<u>(445,107)</u>	<u>746,256</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 6,250,828</u>

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

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 14,630,674	\$ 0	\$ 0	\$ 14,630,674	\$ 13,684,130	\$ 13,684,130	\$ 946,544
Licenses and Permits	181,572	0	0	181,572	146,000	146,000	35,572
Fines, Forfeitures, and Penalties	252,184	0	0	252,184	347,785	365,360	(113,176)
Charges for Current Services	177,924	0	0	177,924	199,050	199,050	(21,126)
Other Local Revenues	1,212,175	0	0	1,212,175	730,230	732,631	479,544
Fees Received From County Officials	2,346,966	0	0	2,346,966	2,375,000	2,375,000	(28,034)
State of Tennessee	2,151,152	0	0	2,151,152	2,286,409	2,064,617	86,535
Federal Government	413,548	0	0	413,548	173,215	479,227	(65,679)
Other Governments and Citizens Groups	534,238	0	0	534,238	361,592	493,166	41,072
Total Revenues	\$ 21,900,433	\$ 0	\$ 0	\$ 21,900,433	\$ 20,303,411	\$ 20,539,181	\$ 1,361,252
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 163,604	\$ (1,486)	\$ 580	\$ 162,698	\$ 249,150	\$ 249,150	\$ 86,452
Beer Board	1,507	0	0	1,507	4,475	4,475	2,968
County Mayor/Executive	270,653	0	0	270,653	298,937	301,187	30,534
Election Commission	329,022	0	794	329,816	417,835	423,685	93,869
Register of Deeds	345,767	(359)	0	345,408	358,757	358,757	13,349
Planning	339,220	0	0	339,220	369,321	370,471	31,251
Building	312,774	0	86	312,860	354,341	354,341	41,481
Codes Compliance	13,282	0	0	13,282	15,030	15,030	1,748
Geographical Information Systems	137,676	0	0	137,676	150,502	151,652	13,976
County Buildings	93,517	(359)	4,462	97,620	120,900	140,900	43,280
Other General Administration	95,822	0	86	95,908	117,600	107,600	11,692
<u>Finance</u>							
Accounting and Budgeting	372,344	0	111	372,455	404,979	407,229	34,774
Property Assessor's Office	435,766	0	16	435,782	496,594	500,244	64,462
Reappraisal Program	26,202	(120)	0	26,082	50,565	50,565	24,483
County Trustee's Office	369,623	(442)	0	369,181	401,626	401,626	32,445
County Clerk's Office	550,074	0	0	550,074	557,060	564,860	14,786

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Administration of Justice</u>							
Circuit Court	\$ 759,783	\$ (1,450)	\$ 1,966	\$ 760,299	\$ 786,769	\$ 797,669	\$ 37,370
General Sessions Court	313,830	0	0	313,830	323,244	325,594	11,764
Drug Court	8,431	0	0	8,431	15,000	15,000	6,569
Chancery Court	339,995	0	12,000	351,995	393,218	400,068	48,073
Juvenile Court	164,075	(45)	0	164,030	171,067	172,217	8,187
District Attorney General	57,925	0	0	57,925	65,000	65,000	7,075
Probate Court	138,249	0	0	138,249	144,665	147,265	9,016
Other Administration of Justice	79,983	0	0	79,983	41,350	91,350	11,367
Victim Assistance Programs	13,746	0	0	13,746	30,000	15,000	1,254
<u>Public Safety</u>							
Sheriff's Department	5,928,683	(345)	50,538	5,978,876	6,305,920	6,441,662	462,786
Administration of the Sexual Offender Registry	4,677	0	275	4,952	8,000	8,000	3,048
Jail	3,080,325	(2,918)	1,370	3,078,777	3,255,074	3,267,556	188,779
Workhouse	221,191	0	0	221,191	288,967	256,967	35,776
Fire Prevention and Control	722,572	(462)	0	722,110	1,196,404	1,196,404	474,294
Civil Defense	209,378	0	0	209,378	273,318	273,318	63,940
Other Emergency Management	286,500	0	0	286,500	291,076	291,076	4,576
Other Public Safety	68,003	0	0	68,003	0	103,000	34,997
<u>Public Health and Welfare</u>							
Local Health Center	104,297	(12,000)	0	92,297	122,545	122,545	30,248
Rabies and Animal Control	385,358	0	0	385,358	470,250	470,250	84,892
Ambulance/Emergency Medical Services	169,670	0	0	169,670	220,000	206,000	36,330
Dental Health Program	317,300	0	0	317,300	394,826	394,826	77,526
General Welfare Assistance	23,162	0	0	23,162	23,163	23,163	1
Sanitation Management	129,335	0	568	129,903	146,597	146,597	16,694
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	55,000	0	0	55,000	55,000	55,000	0
Libraries	320,922	(13,074)	1,192	309,040	351,030	351,030	41,990
Parks and Fair Boards	18,740	0	51	18,791	17,000	19,000	209

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Social, Cultural, and Recreational Services (Cont.)</u>							
Other Social, Cultural, and Recreational	\$ 10,000	\$ 0	\$ 0	\$ 10,000	\$ 10,000	\$ 10,000	\$ 0
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	107,502	0	0	107,502	136,010	136,010	28,508
Soil Conservation	126,464	0	0	126,464	129,499	129,499	3,035
<u>Other Operations</u>							
Tourism	68,000	0	0	68,000	68,000	68,000	0
Industrial Development	882,800	0	0	882,800	317,930	955,430	72,630
Other Economic and Community Development	293,666	0	0	293,666	497,062	497,062	203,396
Veterans' Services	45,833	0	0	45,833	51,965	51,965	6,132
Employee Benefits	1,125	0	0	1,125	20,000	20,000	18,875
COVID-19 Grant #2	32,371	0	0	32,371	0	32,371	0
COVID-19 Grant #7	31,705	0	0	31,705	0	31,705	0
Miscellaneous	416,107	0	0	416,107	592,750	548,300	132,193
<u>Capital Projects</u>							
Other General Government Projects	405,924	0	0	405,924	246,160	411,460	5,536
Total Expenditures	\$ 20,199,480	\$ (33,060)	\$ 74,095	\$ 20,240,515	\$ 21,826,531	\$ 22,949,131	\$ 2,708,616
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 1,700,953	\$ 33,060	\$ (74,095)	\$ 1,659,918	\$ (1,523,120)	\$ (2,409,950)	\$ 4,069,868
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 61,317	\$ 0	\$ 0	\$ 61,317	\$ 0	\$ 48,304	\$ 13,013
Total Other Financing Sources	\$ 61,317	\$ 0	\$ 0	\$ 61,317	\$ 0	\$ 48,304	\$ 13,013
Net Change in Fund Balance							
Fund Balance, July 1, 2019	\$ 1,762,270	\$ 33,060	\$ (74,095)	\$ 1,721,235	\$ (1,523,120)	\$ (2,361,646)	\$ 4,082,881
	12,702,639	(33,060)	0	12,669,579	12,702,639	12,702,639	(33,060)
Fund Balance, June 30, 2020	\$ 14,464,909	\$ 0	\$ (74,095)	\$ 14,390,814	\$ 11,179,519	\$ 10,340,993	\$ 4,049,821

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

Exhibit C-6

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 2,711,722	\$ 0	\$ 2,711,722	\$ 2,604,600	\$ 2,604,600	\$ 107,122
Charges for Current Services	1,117	0	1,117	1,700	1,700	(583)
Other Local Revenues	87,222	0	87,222	31,400	31,400	55,822
State of Tennessee	4,933,442	0	4,933,442	6,078,500	6,078,500	(1,145,058)
Federal Government	0	0	0	300,000	300,000	(300,000)
Other Governments and Citizens Groups	348,995	0	348,995	379,000	379,000	(30,005)
Total Revenues	\$ 8,082,498	\$ 0	\$ 8,082,498	\$ 9,395,200	\$ 9,395,200	\$ (1,312,702)
<u>Expenditures</u>						
<u>Highways</u>						
Administration	\$ 623,675	\$ 0	\$ 623,675	\$ 663,616	\$ 663,916	\$ 40,241
Highway and Bridge Maintenance	3,580,840	(30)	3,580,810	3,733,776	3,883,776	302,966
Operation and Maintenance of Equipment	536,173	0	536,173	635,714	645,714	109,541
Other Charges	663,606	0	663,606	766,800	766,800	103,194
Employee Benefits	700,035	0	700,035	832,700	832,700	132,665
Capital Outlay	2,428,202	(125)	2,428,077	3,256,500	3,096,200	668,123
Total Expenditures	\$ 8,532,531	\$ (155)	\$ 8,532,376	\$ 9,889,106	\$ 9,889,106	\$ 1,356,730
Excess (Deficiency) of Revenues Over Expenditures	\$ (450,033)	\$ 155	\$ (449,878)	\$ (493,906)	\$ (493,906)	\$ 44,028
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 13,120	\$ 0	\$ 13,120	\$ 0	\$ 0	\$ 13,120
Total Other Financing Sources	\$ 13,120	\$ 0	\$ 13,120	\$ 0	\$ 0	\$ 13,120

(Continued)

Exhibit C-6

Tipton County, Tennessee
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Highway/Public Works Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Net Change in Fund Balance	\$ (436,913)	\$ 155	\$ (436,758)	\$ (493,906)	\$ (493,906)	\$ 57,148
Fund Balance, July 1, 2019	1,938,071	(155)	1,937,916	1,938,071	1,938,071	(155)
Fund Balance, June 30, 2020	\$ 1,501,158	\$ 0	\$ 1,501,158	\$ 1,444,165	\$ 1,444,165	\$ 56,993

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

Exhibit D

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 2,657,074
Due from Other Governments	<u>958,903</u>
Total Assets	<u><u>\$ 3,615,977</u></u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 958,903
Due to Litigants, Heirs, and Others	<u>2,657,074</u>
Total Liabilities	<u><u>\$ 3,615,977</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Tipton 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 Tipton County:

A. Reporting Entity

Tipton County is a public municipal corporation governed by an elected 18-member board. As required by GAAP, these financial statements present Tipton County (the primary government) and its component units. The financial statements of the Tipton County Emergency Communications District, a component unit requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this 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 Tipton County School Department operates the public school system in the county, and the voters of Tipton 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 Tipton County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Tipton County, and the Tipton 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 Tipton County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

Administrative Office:

Tipton County Emergency Communications District
220 Highway 51 North, Suite 4
Covington, TN 38019

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 Tipton 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 Tipton 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.

Tipton County issues all debt for the discretely presented Tipton 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 and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Fund financial statements of Tipton 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 outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. However, Tipton County has no proprietary funds to report. An emphasis is placed on major funds within the governmental category.

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

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

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

Fiduciary 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.

Tipton 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.

Additionally, Tipton County reports the following fund types:

Capital Projects Fund – The General Capital Projects Fund accounts for general capital expenditures of the county.

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

The discretely presented Tipton 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 Tipton County School Department reports the following fund types:

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

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

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

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

1. Deposits and Investments

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

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

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State

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

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

All other investments are reported at fair value.

2. Receivables and Payables

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

Property taxes receivables are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 1.53 percent of total taxes levied.

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

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

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

3. 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 Tipton 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 Tipton County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Tipton 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.

4. 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 \$15,000 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	25
Other Capital Assets	5, 10, or 18
Infrastructure:	
Roads	10 or 20
Bridges	5, 15, or 30

5. 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. Deferred outflows of resources represent 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 pension and OPEB changes in experience, pension and OPEB changes in assumptions, pension and OPEB changes in proportion, and employer contributions made to the pension and OPEB plans after the measurement date.

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

6. **Compensated Absences**

It is the county's and the discretely presented school department's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Tipton County 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 county 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.

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

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

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

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

8. Net Position and Fund Balance

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

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

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

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

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

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

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by

formal resolutions of the county commission, the county's highest level of decision-making authority and the Board of Education, the school department's highest level of decision-making authority, and shall remain binding unless removed in the same manner.

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

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

E. Pension Plans

Primary Government

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Tipton County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Tipton 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 Tipton 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 Tipton County. For this purpose, Tipton County recognizes benefit payments when due and payable in accordance with benefit terms. Tipton County's OPEB plan is not administered through a trust.

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Primary Government

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

Discretely Presented Tipton County School Department

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

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

Primary Government

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

Discretely Presented Tipton County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

At June 30, 2020, Tipton County had outstanding encumbrances in the budget funds as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 74,095
Nonmajor Governmental	<u>3,850</u>
Total	<u>\$ 77,945</u>

B. Appropriations Exceeded Estimated Available Funding

The budget and subsequent amendments approved by the county commission for the Drug Control Fund resulted in appropriations exceeding estimated available funding by \$49,316.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Tipton County and the Tipton 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, Tipton County had the following investments carried at amortized cost using a Stable Net Asset Value, amortized cost using a floating Net Asset Value, or fair value within the fair value hierarchy established by generally accepted accounting principles. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for Tipton County and the discretely presented Tipton County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity	Amortized Cost
Investments at Amortized Cost:		
State Treasurer's Investment Pool	1 to 105 days	\$ 10,012,507

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. Tipton 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. Tipton County has no investment policy that would further limit its investment choices. As of June 30, 2020, Tipton 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 Tipton 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 Tipton 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 Tipton County School Department had the following investments held by the trust on its behalf.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 91,286
Developed Market International Equity	N/A	N/A	41,226
Emerging Market International Equity	N/A	N/A	11,779
U.S. Fixed Income	N/A	N/A	58,895
Real Estate	N/A	N/A	29,447
Short-term Securities	N/A	N/A	2,945
NAV - Private Equity and Strategic Lending	N/A	N/A	58,895
Total			\$ 294,473

Investment by Fair Value Level	Fair Value 6-30-20	Fair Value Measurements Using			NAV
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
U.S. Equity	\$ 91,286	\$ 91,286	\$ 0	\$ 0	0
Developed Market					
International Equity	41,226	41,226	0	0	0
Emerging Market					
International Equity	11,779	11,779	0	0	0
U.S. Fixed Income	58,895	0	58,895	0	0
Real Estate	29,447	0	0	29,447	0
Short-term Securities	2,945	0	2,945	0	0
Private Equity and Strategic Lending	58,895	0	0	0	58,895
Total	\$ 294,473	\$ 144,291	\$ 61,840	\$ 29,447	58,895

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 Tipton 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 Tipton 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. Tipton 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 Tipton County School Department to pay retirement benefits of the school department employees.

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

B. Capital Assets

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

Primary Government

Governmental Activities:

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 2,583,516	\$ 26,000	\$ 0	\$ 2,609,516
Construction in Progress	0	1,952,910	0	1,952,910
Total Capital Assets Not Depreciated	\$ 2,583,516	\$ 1,978,910	\$ 0	\$ 4,562,426
Capital Assets Depreciated:				
Buildings and Improvements	\$ 10,643,233	\$ 156,799	\$ 0	\$ 10,800,032
Infrastructure	35,545,468	2,171,548	0	37,717,016
Other Capital Assets	11,729,413	1,132,906	(485,668)	12,376,651
Total Capital Assets Depreciated	\$ 57,918,114	\$ 3,461,253	\$ (485,668)	\$ 60,893,699
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 5,027,608	\$ 392,005	\$ 0	\$ 5,419,613
Infrastructure	23,708,353	852,243	0	24,560,596
Other Capital Assets	9,152,241	586,772	(484,349)	9,254,664
Total Accumulated Depreciation	\$ 37,888,202	\$ 1,831,020	\$ (484,349)	\$ 39,234,873
Total Capital Assets Depreciated, Net	\$ 20,029,912	\$ 1,630,233	\$ (1,319)	\$ 21,658,826
Governmental Activities Capital Assets, Net	\$ 22,613,428	\$ 3,609,143	\$ (1,319)	\$ 26,221,252

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

Governmental Activities:

General Government	\$ 105,147
Finance	4,267
Administration of Justice	60,117
Public Safety	582,120
Public Health and Welfare	16,898
Social, Cultural, and Recreational Services	3,311
Agriculture and Natural Resources	464
Highways/Public Works	<u>1,058,696</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 1,831,020</u></u>

Discretely Presented Tipton County School Department

Governmental Activities:

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 3,631,433	\$ 0	\$ 0	\$ 3,631,433
Construction in Progress	0	15,000	0	15,000
Total Capital Assets Not Depreciated	<u>\$ 3,631,433</u>	<u>\$ 15,000</u>	<u>\$ 0</u>	<u>\$ 3,646,433</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 116,152,194	\$ 1,197,459	\$ 0	\$ 117,349,653
Infrastructure	167,075	0	0	167,075
Other Capital Assets	13,074,309	680,274	(42,525)	13,712,058
Total Capital Assets Depreciated	<u>\$ 129,393,578</u>	<u>\$ 1,877,733</u>	<u>\$ (42,525)</u>	<u>\$ 131,228,786</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 98,729,663	\$ 2,059,307	\$ 0	\$ 100,788,970
Infrastructure	105,679	18,324	0	124,003
Other Capital Assets	9,088,361	639,563	(42,525)	9,685,399
Total Accumulated Depreciation	<u>\$ 107,923,703</u>	<u>\$ 2,717,194</u>	<u>\$ (42,525)</u>	<u>\$ 110,598,372</u>
Total Capital Assets Depreciated, Net	<u>\$ 21,469,875</u>	<u>\$ (839,461)</u>	<u>\$ 0</u>	<u>\$ 20,630,414</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 25,101,308</u></u>	<u><u>\$ (824,461)</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 24,276,847</u></u>

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

Governmental Activities:

Instruction	\$ 1,699,671
Support Services	818,934
Operation of Non-instructional Services	<u>198,589</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 2,717,194</u></u>

C. Construction Commitments

At June 30, 2020, the highway department had uncompleted construction contracts of approximately \$152,054 for bridge construction. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Nonmajor governmental	\$ 34,201
Discretely Presented School Department:		
General Purpose School	Nonmajor governmental	59,269

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.

The receivable in the General Purpose School Fund totaling \$59,269 was in transit from the School Federal Projects Fund at June 30, 2020.

Interfund Transfers:

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

Discretely Presented Tipton County School Department

Transfers Out	Transfers In		
	General Purpose School Fund	Nonmajor Governmental Fund	Purpose
General Purpose School Fund	\$ 0	380,000	Capital outlay
Nonmajor governmental fund	127,890	0	Indirect costs

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

E. Long-term Debt

Primary Government

Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Note - Direct Placement	Other Loan - Direct Placement
Balance, July 1, 2019	\$ 700,000	\$ 1,076,000	\$ 8,135,000
Reductions	(700,000)	(1,076,000)	(8,135,000)
Balance, June 30, 2020	\$ 0	\$ 0	\$ 0
Balance Due Within One Year	\$ 0	\$ 0	\$ 0

F. Long-term Obligations

Changes in Long-term Obligations

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

	Compensated Absences	Landfill Postclosure Care Costs	Other Postemployment Benefits
Balance, July 1, 2019	\$ 812,106	\$ 188,798	\$ 1,556,805
Additions	685,826	3,049	219,711
Reductions	(574,447)	(19,421)	(1,091,501)
Balance, June 30, 2020	<u>\$ 923,485</u>	<u>\$ 172,426</u>	<u>\$ 685,015</u>
Balance Due Within One Year	<u>\$ 559,807</u>	<u>\$ 19,421</u>	<u>\$ 0</u>

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2020	\$ 1,780,926
Less: Balance Due Within One Year - Other	<u>(579,228)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,201,698</u>

Discretely Presented Tipton County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Compensated Absences	Other Postemployment Benefits
Balance, July 1, 2019	\$ 612,351	\$ 8,156,278
Additions	181,402	1,603,954
Reductions	(181,921)	(1,761,510)
Balance, June 30, 2020	<u>\$ 611,832</u>	<u>\$ 7,998,722</u>
Balance Due Within One Year	<u>\$ 181,921</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Other Noncurrent Liabilities, June 30, 2020	\$ 8,610,554
Less: Balance Due Within One Year - Other	<u>(181,921)</u>
Other Noncurrent Liabilities - Due in More Than One Year - Exhibit A	<u>\$ 8,428,633</u>

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

G. On-Behalf Payments

Discretely Presented Tipton County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Tipton County School Department. These payments are made by the state to the Local Education Group Insurance Plan. This plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2020, were \$142,149. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

V. OTHER INFORMATION

A. Risk Management

Primary Government

Liability, Property, and Casualty

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

Workers' Compensation Insurance

Tipton County participates in the Local Government Workers' Compensation Fund (LGWCF), a public entity risk pool established under the provisions of

Section 29-20-401, *Tennessee Code Annotated (TCA)*, by the Tennessee County Services Association to provide a program of workers' compensation coverage to employees of local governments. The county pays annual premiums to the LGWCF for its workers' compensation insurance coverage. The LGWCF is to be self-sustaining through member premiums. The LGWCF reinsures through commercial insurance companies for claims exceeding \$300,000.

Employee Health Insurance

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

Discretely Presented Tipton County School Department

Liability, Property, and Casualty

The discretely presented Tipton County School Department participates in the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The school department pays annual premiums to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims in excess of \$100,000 for each insured event.

Workers' Compensation Insurance

The school department does not provide workers' compensation insurance coverage for its employees.

Employee Health Insurance

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

B. Contingent Liabilities

The attorneys for the county and school department have advised that there are no pending lawsuits, unasserted claims, or assessments that would materially affect the financial statements.

C. Landfill Closure/Postclosure Care Costs

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Tipton County closed its sanitary landfill in 1998. The \$172,426 reported as postclosure care liability at June 30, 2020, represents amounts based on what it would cost to perform all postclosure care in 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

D. Joint Ventures

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

The HTL Advantage is a joint venture between Haywood, Tipton, and Lauderdale counties and the cities of Brownsville, Ripley, and Covington. The board comprises ten members and consists of the mayors from each of the counties and cities, and one member from the Southwest Tennessee Electric Cooperative, the Covington Electric System, Ripley Power and Light, and the Brownsville Electric System. The purpose of the board is to establish and operate an office that markets the entire defined region for economic development and to bring the region attention of prospective industrial and

commercial interests, which would be beneficial for the common good of all entities involved herein. The counties, cities, and electric systems provide the funding for the board. Tipton County contributed \$50,000 to HTL Advantage during the year.

Tipton County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the DTF and HTL Advantage can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Office of District Attorney General
Twenty-fifth Judicial District Drug Task Force
121 North Main
Ripley, TN 38063

HTL Advantage
1469 South Main Street
Covington, TN 38019

E. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Tipton County and non-certified employees of the discretely presented Tipton 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 comprised 52.48 percent and the non-certified employees of the discretely presented school department comprised 47.52 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at: <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age

60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and 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	352
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	431
Active Employees	664
 Total	 <u><u>1,447</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Tipton 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 Tipton County was \$1,047,869 based on a rate of five percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Tipton 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)

Tipton 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 historical market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, July 1, 2018	\$ 67,570,364	\$ 72,567,760	\$ (4,997,396)
Changes for the Year:			
Service Cost	\$ 1,963,661	\$ 0	\$ 1,963,661
Interest	4,940,590	0	4,940,590
Differences Between Expected and Actual Experience	(984,327)	0	(984,327)
Contributions-Employer	0	1,020,117	(1,020,117)
Contributions-Employees	0	1,022,525	(1,022,525)
Net Investment Income	0	5,373,932	(5,373,932)
Benefit Payments, Including Refunds of Employee Contributions	(2,775,905)	(2,775,905)	0
Administrative Expense	0	(57,449)	57,449
Net Changes	\$ 3,144,019	\$ 4,583,220	\$ (1,439,201)
Balance, June 30, 2019	\$ 70,714,383	\$ 77,150,980	\$ (6,436,597)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	52.48%	\$ 37,110,908	\$ 40,488,834	\$ (3,377,926)
School Department	47.52%	33,603,475	36,662,146	(3,058,671)
Total		\$ 70,714,383	\$ 77,150,980	\$ (6,436,597)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of Tipton 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 percent) or one percentage point higher (8.25 percent) than the current rate:

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

Net Pension Liability (Asset) \$ 2,629,567 \$ (6,436,597) \$ (13,982,440)

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

Pension Expense (Negative Pension Expense). For the year ended June 30, 2020, Tipton County recognized pension expense of \$631,083.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 1,859,492
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	899,161
Changes in Assumptions	585,560	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	1,047,869	N/A
Total	<u>\$ 1,633,429</u>	<u>\$ 2,758,653</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2019,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Allocation of Agent Plan Deferred Outflows of Resources and
Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 866,663	\$ 1,447,741
School Department	766,766	1,310,912
Total	<u>\$ 1,633,429</u>	<u>\$ 2,758,653</u>

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

Year Ending June 30	Amount
2021	\$ (506,170)
2022	(906,796)
2023	(534,973)
2024	(225,154)
2025	0
Thereafter	0

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

Discretely Presented Tipton County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Tipton County and non-certified employees of the discretely presented Tipton 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 comprised 52.48 percent and the non-certified employees of the discretely presented school department comprised 47.52 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for 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 \$159,771, which is 2.03 percent of covered payroll. In addition, employer contributions of \$148,113, which is 1.88 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, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$350,068) 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 .620154 percent. The proportion as of June 30, 2018, was .551545 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2020, the school department recognized pension expense of \$107,866.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 14,515	\$ 61,112
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	14,800
Changes in Assumptions	12,163	0
Changes in Proportion of Net Pension Liability (Asset)	4,971	29,096
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	159,771	N/A
Total	<u>\$ 191,420</u>	<u>\$ 105,008</u>

The school department's employer contributions of \$159,771, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension asset in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ (9,417)
2022	(11,682)
2023	(7,530)
2024	(5,414)
2025	(4,811)
Thereafter	(34,505)

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 historical market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability \$ 110,915 \$ (350,068) \$ (690,820)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

Plan Description. Teachers of the Tipton County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-overnance/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 Tipton County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$3,922,642, which is 10.63 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$11,413,191) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019, the school department's proportion was 1.110038 percent. The proportion measured at June 30, 2018, was 1.116368 percent.

Pension Expense (Negative Pension Expense). For the year ended June 30, 2020, the school department recognized pension expense of \$1,467,776.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 555,679	\$ 6,971,404
Changes in Assumptions	1,537,986	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	3,260,968
Changes in Proportion of Net Pension Liability (Asset)	49,209	83,354
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	<u>3,922,642</u>	N/A
Total	<u>\$ 6,065,516</u>	<u>\$ 10,315,726</u>

The school department's employer contributions of \$3,922,642 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ (2,384,107)
2022	(3,256,063)
2023	(1,451,098)
2024	(1,081,584)
2025	0
Thereafter	0

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

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

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

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

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

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

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

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

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

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

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability \$ 23,336,678 \$ (11,413,191) \$ (39,055,749)

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

2. Deferred Compensation

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 \$376,178 and teachers contributed \$152,654 to this deferred compensation pension plan.

F. Other Postemployment Benefits (OPEB)

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

OPEB Provided through State Administered Public Entity Risk Pools

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

The county and 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	2.25%
Salary Increases	Salary increases used in the July 1, 2018, TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.51%
Healthcare Cost Trend Rates	LGP and LEP - Based on the Getzen Model, with trend starting at 6.03 for for pre-65 retirees in the 2019 calendar year, and gradually decreasing over a 10 year period to an ultimate trend rate of 4.5 percent.
Retirees Share of Benefit Related Cost	Discussed under each plan

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

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2019, valuations were the same as those employed in the July 1, 2018, Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the RP-2014 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2016. Post-retirement tables are Blue Collar and adjusted with a 2 percent load for males and a -3 percent load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load.

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

Local Government OPEB Plan (Primary Government)

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

Benefits provided. Tipton County offers the LGP to provide health insurance coverage to eligible pre-65 retirees and disabled participants of local governments. With the exception of a small group of grandfathered individuals, retirees are required to discontinue coverage under the LGP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-701 establishes and amends the benefit terms of the LGP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members, of the LGP, receives the same plan benefits as active employees, at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. During the year, Tipton County provided direct subsidies of \$391 to \$1,431 per month toward the cost of the insurance plan selected by the retiree. The LGP is funded on a pay-as-you-go basis and there are no assets accumulating in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75.

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	2
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	209
 Total	 <u><u>211</u></u>

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2020, the county paid \$12,688 to the LGP for OPEB benefits as they came due.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance July 1, 2018	\$ <u>1,556,805</u>
Changes for the Year:	
Service Cost	\$ 130,095
Interest	60,154
Changes in Benefit Terms	(612,994)
Difference between Expected and Actuarial Experience	(427,696)
Changes in Assumption and Other Inputs	29,462
Benefit Payments	(50,811)
Net Changes	<u>\$ (871,790)</u>
Balance June 30, 2019	<u><u>\$ 685,015</u></u>

OPEB Expense (Negative OPEB Expense) and Deferred Outflows or Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the county recognized OPEB (negative) expense of (\$496,733). At June 30, 2020, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 440,755
Changes of Assumptions/Inputs	25,959	133,811
Net Difference Between Projected and Benefits Paid After the Measurement Date of June 30, 2019	<u>12,688</u>	<u>0</u>
Total	<u>\$ 38,647</u>	<u>\$ 574,566</u>

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

Year Ending June 30	Amount
2021	\$ (73,988)
2022	(73,988)
2023	(73,988)
2024	(73,988)
2025	(73,988)
Thereafter	(178,667)

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

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

<u>Discount Rate</u>	1% Decrease 2.51%	Current Discount Rate 3.51%	1% Increase 4.51%
Total OPEB Liability	\$ 749,206	\$ 685,015	\$ 625,789

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

<u>Discount Rate</u>	1% Decrease 5.03 to 3.5%	Current Trend Rate 6.03 to 4.5%	1% Increase 7.03 to 5.5%
Total OPEB Liability	\$ 599,238	\$ 685,015	\$ 787,838

Closed Local Education (LEP) OPEB Plan - Discretely Presented Tipton County School Department

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

Benefits provided. The Tipton County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with TCA 8-27-301 establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard

PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The Tipton County School Department provided direct subsidies of \$78 to \$130 per month toward the cost of the insurance plan selected by the retiree. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 20 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	41
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	932
 Total	 <u><u>973</u></u>

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$297,258 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	<u>Tipton County</u>	<u>State of</u>	<u>Total OPEB</u>
	<u>School Department</u>	<u>TN</u>	
	<u>67.027%</u>	<u>32.973%</u>	
Balance July 1, 2018	\$ 8,156,278	\$ 3,657,139	\$ 11,813,417
Changes for the Year:			
Service Cost	\$ 481,967	\$ 237,097	\$ 719,064
Interest	298,396	146,791	445,187
Changes in Benefit Terms	(574,828)	(282,778)	(857,606)
Difference between Expected and Actuarial Experience	823,591	405,153	1,228,744
Changes in Assumption and Other Inputs	(631,421)	(310,618)	(942,039)
Benefit Payments	(317,174)	(156,028)	(473,202)
Changes in Proportion of Total OPEB Liability	(238,087)	238,087	
Net Changes	\$ (157,556)	\$ 277,704	\$ 120,148
Balance June 30, 2019	\$ 7,998,722	\$ 3,934,843	\$ 11,933,565

The Tipton County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Tipton County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employers' 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 \$50,083 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Tipton County School Department's proportionate share of the collective OPEB liability was 67.027 percent and the State of Tennessee's share was 32.973 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 \$190,455, including the state's share of the expense. At June 30, 2020, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 735,223	\$ 693,744
Changes of Assumptions/Inputs	211,491	863,605
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	332,746	223,792
Benefits Paid After the Measurement Date of June 30, 2019	<u>297,258</u>	<u>0</u>
Total	<u>\$ 1,576,718</u>	<u>\$ 1,781,141</u>

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

Year Ending June 30	School Department
2021	\$ (65,164)
2022	(65,164)
2023	(65,164)
2024	(65,164)
2025	(65,164)
Thereafter	(175,861)

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

Sensitivity of proportionate share of the collective total OPEB liability to changes in the discount rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

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

Proportionate Share of the Collective Total OPEB Liability	\$ 8,671,167	\$ 7,998,722	\$ 7,362,782
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Sensitivity of proportionate share of the collective total OPEB liability to changes in the healthcare cost trend rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

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

Proportionate Share of the Collective Total OPEB Liability	\$ 7,030,277	\$ 7,998,722	\$ 9,147,496
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G. Purchasing Laws

Office of County Executive

Purchasing procedures for the County Executive's Office are governed by provisions of Chapter 518, Private Acts of 1941, as amended. This act provides for the Purchasing Committee to make all purchases estimated to exceed \$10,000. Purchases estimated to be \$10,000 or less may be made by the county executive or other county officials. This act also requires that competitive bids be solicited by the Purchasing Committee through advertisement in a local newspaper on all purchases estimated to exceed \$10,000.

Office of Director of Public Works

Purchasing procedures for the public works department are governed by provisions of Chapter 114, Private Acts of 1973, as amended, and the Uniform Road Law, Section 54-7-113, *Tennessee Code Annotated (TCA)*. These statutes provide for the Public Works Committee to make all purchases, and all purchases exceeding \$10,000 are to be made on a competitive basis solicited through public advertisement.

Office of Director of Schools

Purchasing procedures for the discretely presented Tipton 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.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit E-1

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

	2014	2015	2016	2017	2018	2019
Total Pension Liability						
Service Cost	\$ 1,539,402	\$ 1,596,507	\$ 1,592,397	\$ 1,656,350	\$ 1,787,653	\$ 1,963,661
Interest	3,848,940	4,075,784	4,312,406	4,551,879	4,714,410	4,940,590
Differences Between Actual and Expected Experience	(399,838)	(363,478)	(532,845)	(999,742)	(841,643)	(984,327)
Changes in Assumption	0	0	0	1,463,900	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,947,793)	(2,094,273)	(2,205,220)	(2,280,637)	(2,657,497)	(2,775,905)
Net Change in Total Pension Liability	\$ 3,040,711	\$ 3,214,540	\$ 3,166,738	\$ 4,391,750	\$ 3,002,923	\$ 3,144,019
Total Pension Liability, Beginning	50,753,702	53,794,413	57,008,953	60,175,691	64,567,441	67,570,364
Total Pension Liability, Ending (a)	\$ 53,794,413	\$ 57,008,953	\$ 60,175,691	\$ 64,567,441	\$ 67,570,364	\$ 70,714,383
Plan Fiduciary Net Position						
Contributions - Employer	\$ 1,771,288	\$ 1,782,100	\$ 1,839,642	\$ 1,760,920	\$ 997,688	\$ 1,020,117
Contributions - Employee	913,650	922,605	965,191	997,493	999,485	1,022,525
Net Investment Income	7,914,371	1,733,421	1,553,827	6,869,848	5,589,571	5,373,932
Benefit Payments, Including Refunds of Employee Contributions	(1,947,793)	(2,094,273)	(2,205,220)	(2,280,637)	(2,657,497)	(2,775,905)
Administrative Expense	(26,438)	(34,098)	(51,315)	(58,612)	(62,209)	(57,449)
Other	0	0	27,400	699	0	0
Net Change in Plan Fiduciary Net Position	\$ 8,625,078	\$ 2,309,755	\$ 2,129,525	\$ 7,289,711	\$ 4,867,038	\$ 4,583,220
Plan Fiduciary Net Position, Beginning	47,346,653	55,971,731	58,281,486	60,411,011	67,700,722	72,567,760
Plan Fiduciary Net Position, Ending (b)	\$ 55,971,731	\$ 58,281,486	\$ 60,411,011	\$ 67,700,722	\$ 72,567,760	\$ 77,150,980
Net Pension Liability (Asset), Ending (a - b)	\$ (2,177,318)	\$ (1,272,533)	\$ (235,320)	\$ (3,133,281)	\$ (4,997,396)	\$ (6,436,597)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.05%	102.23%	100.39%	104.85%	107.40%	109.10%
Covered Payroll	\$ 18,241,839	\$ 18,353,247	\$ 18,937,174	\$ 19,919,896	\$ 19,954,954	\$ 20,402,216
Net Pension Liability (Asset) as a Percentage of Covered Payroll	11.94%	6.93%	(1.24)%	(15.73)%	(25.04)%	(31.55)%

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 E-2

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

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 1,771,288	\$ 1,646,286	\$ 1,698,664	\$ 1,760,920	\$ 764,275	\$ 716,122	\$ 676,325
Less Contributions in Relation to the Actuarially Determined Contribution	(1,771,288)	(1,782,100)	(1,839,642)	(1,760,920)	(997,688)	(1,020,117)	(1,047,869)
Contribution Deficiency (Excess)	\$ 0	\$ (135,814)	\$ (140,978)	\$ 0	\$ (233,413)	\$ (303,995)	\$ (371,544)
Covered Payroll	\$ 18,241,839	\$ 18,353,247	\$ 18,937,174	\$ 19,919,896	\$ 19,954,954	\$ 20,402,216	\$ 20,938,860
Contributions as a Percentage of Covered Payroll	9.71%	9.71%	9.71%	8.84%	5.00%	5.00%	5.00%

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 E-3

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

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 49,218	\$ 103,400	\$ 148,083	\$ 78,599	\$ 127,312	\$ 159,771
Less Contributions in Relation to the Contractually Required Contribution	(49,218)	(103,400)	(148,083)	(192,794)	(127,312)	(159,771)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (114,195)	\$ 0	\$ 0
Covered Payroll	\$ 1,230,461	\$ 2,584,984	\$ 3,677,730	\$ 4,819,845	\$ 6,562,447	\$ 7,870,502
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.03%	4.00%	1.94%	2.03%

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

Exhibit E-4

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

	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 3,876,376	\$ 3,789,647	\$ 3,685,290	\$ 3,606,764	\$ 3,549,516	\$ 3,893,335	\$ 3,922,642
Less Contributions in Relation to the Contractually Required Contribution	(3,876,376)	(3,789,647)	(3,685,290)	(3,606,764)	(3,549,516)	(3,893,335)	(3,922,642)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 43,652,880	\$ 41,920,873	\$ 40,766,458	\$ 39,926,947	\$ 39,091,593	\$ 37,221,137	\$ 36,901,605
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%

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

Exhibit E-5

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

	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability (Asset)	0.579985%	0.587492%	0.564050%	0.551545%	0.620154%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (23,824)	\$ (61,160)	\$ (148,818)	\$ (250,141)	\$ (350,068)
Covered Payroll	\$ 1,230,461	\$ 2,584,984	\$ 3,677,730	\$ 4,819,845	\$ 6,562,447
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.05)%	(5.19)%	(5.33)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%	126.97%	123.07%

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

Exhibit E-6

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

	2014	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability (Asset)	1.112178%	1.119830%	1.129328%	1.128668%	1.116368%	1.110038%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (180,724)	\$ 458,721	\$ 7,057,676	\$ (369,282)	\$ (3,928,406)	\$ (11,413,191)
Covered Payroll	\$ 43,652,880	\$ 41,920,873	\$ 40,766,458	\$ 39,926,947	\$ 39,091,593	\$ 37,221,137
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(.414002)%	1.094254%	17.31%	(0.92)%	(10.05)%	(30.66)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%

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

Exhibit E-7

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

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 213,387	\$ 200,288	\$ 130,095
Interest	75,956	94,906	60,154
Changes in Benefit Terms	0	(1,038,601)	(612,994)
Differences Between Actual and Expected Experience	0	(79,893)	(427,696)
Changes in Assumptions or Other Inputs	(138,193)	(46,869)	29,462
Benefit Payments	(69,518)	(77,259)	(50,811)
Net Change in Total OPEB Liability	\$ 81,632	\$ (947,428)	\$ (871,790)
Total OPEB Liability, Beginning	2,422,601	2,504,233	1,556,805
Total OPEB Liability, Ending	<u>\$ 2,504,233</u>	<u>\$ 1,556,805</u>	<u>\$ 685,015</u>
Covered Employee Payroll	\$ 11,411,332	\$ 10,971,340	\$ 9,466,954
Net OPEB Liability as a Percentage of Covered Employee Payroll	21.95%	14.19%	7.24%

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

Note 2. Changes in assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

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

Exhibit E-8

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

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 779,979	\$ 721,526	\$ 719,064
Interest	373,635	456,870	445,187
Changes in Benefit Terms	0	(356,042)	(857,606)
Differences Between Actual and Expected Experience	0	(1,281,454)	1,228,744
Changes in Assumptions or Other Inputs	(631,374)	390,656	(942,039)
Benefit Payments	(392,132)	(460,065)	(473,202)
Net Change in Total OPEB Liability	\$ 130,108	\$ (528,509)	\$ 120,148
Total OPEB Liability, Beginning	12,211,818	12,341,926	11,813,417
Total OPEB Liability, Ending	\$ 12,341,926	\$ 11,813,417	\$ 11,933,565
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 4,217,113	\$ 3,657,139	\$ 3,934,843
Employer Proportionate Share of the Total OPEB Liability	8,124,813	8,156,278	7,998,722
Covered Employee Payroll	\$ 48,987,110	\$ 46,886,994	\$ 46,653,270
Net OPEB Liability as a Percentage of Covered Employee Payroll	16.59%	17.40%	17.15%

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

Note 2. Changes in assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

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

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

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

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

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

Nonmajor Governmental Funds

Special Revenue Funds

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

Solid Waste/Sanitation Fund – The Solid Waste/Sanitation Fund is used to account for Tipton County’s garbage collection operations.

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

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

Capital Projects Fund

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

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

Exhibit F-1

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

	Special Revenue Funds				Capital	Total Nonmajor Governmental Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	Projects Fund General Capital Projects	
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 34,201	\$ 34,201	\$ 0	\$ 34,201
Equity in Pooled Cash and Investments	1,953,416	337,376	0	2,290,792	391,533	2,682,325
Accounts Receivable	2,838	0	0	2,838	0	2,838
Due from Other Governments	2,880	0	0	2,880	2,880	5,760
Property Taxes Receivable	540,878	0	0	540,878	540,879	1,081,757
Allowance for Uncollectible Property Taxes	(15,718)	0	0	(15,718)	(15,718)	(31,436)
Total Assets	\$ 2,484,294	\$ 337,376	\$ 34,201	\$ 2,855,871	\$ 919,574	\$ 3,775,445
<u>LIABILITIES</u>						
Due to Other Funds	\$ 0	\$ 0	\$ 34,201	\$ 34,201	\$ 0	\$ 34,201
Total Liabilities	\$ 0	\$ 0	\$ 34,201	\$ 34,201	\$ 0	\$ 34,201
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 505,818	\$ 0	\$ 0	\$ 505,818	\$ 505,818	\$ 1,011,636
Deferred Delinquent Property Taxes	10,943	0	0	10,943	10,937	21,880
Total Deferred Inflows of Resources	\$ 516,761	\$ 0	\$ 0	\$ 516,761	\$ 516,755	\$ 1,033,516
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 337,376	\$ 0	\$ 337,376	\$ 0	\$ 337,376

(Continued)

Exhibit F-1

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

	Special Revenue Funds				Capital	Total	Nonmajor	Governmental	Funds
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	General Capital Projects				
<u>FUND BALANCES (Cont.)</u>									
Restricted (Cont.):									
Restricted for Capital Projects	\$ 0	\$ 0	\$ 0	\$ 0	\$ 380,754	\$	380,754	\$	380,754
Committed:									
Committed for Public Health and Welfare	1,967,533	0	0	1,967,533	0		1,967,533		
Committed for Capital Projects	0	0	0	0	22,065		22,065		
Total Fund Balances	<u>\$ 1,967,533</u>	<u>\$ 337,376</u>	<u>\$ 0</u>	<u>\$ 2,304,909</u>	<u>\$ 402,819</u>	<u>\$</u>	<u>2,707,728</u>	<u>\$</u>	<u>2,707,728</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,484,294</u>	<u>\$ 337,376</u>	<u>\$ 34,201</u>	<u>\$ 2,855,871</u>	<u>\$ 919,574</u>	<u>\$</u>	<u>3,775,445</u>	<u>\$</u>	<u>3,775,445</u>

Exhibit F-2

Tipton 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				Capital	Total
	Solid Waste / Sanitation	Drug Control	Constitu - tional Officers - Fees	Total	Projects Fund General Capital Projects	
<u>Revenues</u>						
Local Taxes	\$ 535,536	\$ 0	\$ 0	\$ 535,536	\$ 519,282	\$ 1,054,818
Fines, Forfeitures, and Penalties	0	56,097	0	56,097	0	56,097
Charges for Current Services	411,153	0	12,060	423,213	0	423,213
Other Local Revenues	101,433	420	0	101,853	0	101,853
Federal Government	0	121,893	0	121,893	365,968	487,861
Total Revenues	<u>\$ 1,048,122</u>	<u>\$ 178,410</u>	<u>\$ 12,060</u>	<u>\$ 1,238,592</u>	<u>\$ 885,250</u>	<u>\$ 2,123,842</u>
<u>Expenditures</u>						
Current:						
Administration of Justice	\$ 0	\$ 0	\$ 12,060	\$ 12,060	\$ 0	\$ 12,060
Public Safety	0	183,572	0	183,572	0	183,572
Public Health and Welfare	19,421	0	0	19,421	0	19,421
Highways	1,180,522	0	0	1,180,522	0	1,180,522
Capital Projects	0	0	0	0	1,090,286	1,090,286
Total Expenditures	<u>\$ 1,199,943</u>	<u>\$ 183,572</u>	<u>\$ 12,060</u>	<u>\$ 1,395,575</u>	<u>\$ 1,090,286</u>	<u>\$ 2,485,861</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (151,821)</u>	<u>\$ (5,162)</u>	<u>\$ 0</u>	<u>\$ (156,983)</u>	<u>\$ (205,036)</u>	<u>\$ (362,019)</u>
Net Change in Fund Balances	\$ (151,821)	\$ (5,162)	\$ 0	\$ (156,983)	\$ (205,036)	\$ (362,019)
Fund Balance, July 1, 2019	2,119,354	342,538	0	2,461,892	607,855	3,069,747
Fund Balance, June 30, 2020	<u>\$ 1,967,533</u>	<u>\$ 337,376</u>	<u>\$ 0</u>	<u>\$ 2,304,909</u>	<u>\$ 402,819</u>	<u>\$ 2,707,728</u>

Exhibit F-3

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 535,536	\$ 513,200	\$ 513,200	\$ 22,336
Charges for Current Services	411,153	350,000	393,000	18,153
Other Local Revenues	101,433	130,600	130,600	(29,167)
State of Tennessee	0	43,000	0	0
Total Revenues	<u>\$ 1,048,122</u>	<u>\$ 1,036,800</u>	<u>\$ 1,036,800</u>	<u>\$ 11,322</u>
<u>Expenditures</u>				
<u>Public Health and Welfare</u>				
Postclosure Care Costs	\$ 19,421	\$ 75,000	\$ 24,000	\$ 4,579
<u>Highways</u>				
Litter and Trash Collection	1,180,522	1,165,758	1,266,758	86,236
Total Expenditures	<u>\$ 1,199,943</u>	<u>\$ 1,240,758</u>	<u>\$ 1,290,758</u>	<u>\$ 90,815</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (151,821)</u>	<u>\$ (203,958)</u>	<u>\$ (253,958)</u>	<u>\$ 102,137</u>
Net Change in Fund Balance	\$ (151,821)	\$ (203,958)	\$ (253,958)	\$ 102,137
Fund Balance, July 1, 2019	2,119,354	1,914,361	1,914,361	204,993
Fund Balance, June 30, 2020	<u>\$ 1,967,533</u>	<u>\$ 1,710,403</u>	<u>\$ 1,660,403</u>	<u>\$ 307,130</u>

Exhibit F-4

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Fines, Forfeitures, and Penalties	\$ 56,097	\$ 0	\$ 56,097	\$ 90,000	\$ 90,000	\$ (33,903)
Other Local Revenues	420	0	420	1,100	1,100	(680)
State of Tennessee	0	0	0	500	500	(500)
Federal Government	121,893	0	121,893	100,000	100,000	21,893
Total Revenues	<u>\$ 178,410</u>	<u>\$ 0</u>	<u>\$ 178,410</u>	<u>\$ 191,600</u>	<u>\$ 191,600</u>	<u>\$ (13,190)</u>
<u>Expenditures</u>						
<u>Public Safety</u>						
Drug Enforcement	\$ 183,572	\$ 3,850	\$ 187,422	\$ 269,500	\$ 404,500	\$ 217,078
Total Expenditures	<u>\$ 183,572</u>	<u>\$ 3,850</u>	<u>\$ 187,422</u>	<u>\$ 269,500</u>	<u>\$ 404,500</u>	<u>\$ 217,078</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (5,162)</u>	<u>\$ (3,850)</u>	<u>\$ (9,012)</u>	<u>\$ (77,900)</u>	<u>\$ (212,900)</u>	<u>\$ 203,888</u>
Net Change in Fund Balance	\$ (5,162)	\$ (3,850)	\$ (9,012)	\$ (77,900)	\$ (212,900)	\$ 203,888
Fund Balance, July 1, 2019	<u>342,538</u>	<u>0</u>	<u>342,538</u>	<u>163,584</u>	<u>163,584</u>	<u>178,954</u>
Fund Balance, June 30, 2020	<u>\$ 337,376</u>	<u>\$ (3,850)</u>	<u>\$ 333,526</u>	<u>\$ 85,684</u>	<u>\$ (49,316)</u>	<u>\$ 382,842</u>

Exhibit F-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 519,282	\$ 0	\$ 519,282	\$ 505,650	\$ 505,650	\$ 13,632
Federal Government	365,968	0	365,968	369,659	369,659	(3,691)
Total Revenues	\$ 885,250	\$ 0	\$ 885,250	\$ 875,309	\$ 875,309	\$ 9,941
<u>Expenditures</u>						
<u>Capital Projects</u>						
General Administration Projects	\$ 1,080,308	\$ (329,907)	\$ 750,401	\$ 946,031	\$ 906,031	\$ 155,630
Other General Government Projects	9,978	0	9,978	0	40,000	30,022
Total Expenditures	\$ 1,090,286	\$ (329,907)	\$ 760,379	\$ 946,031	\$ 946,031	\$ 185,652
Excess (Deficiency) of Revenues Over Expenditures	\$ (205,036)	\$ 329,907	\$ 124,871	\$ (70,722)	\$ (70,722)	\$ 195,593
Net Change in Fund Balance	\$ (205,036)	\$ 329,907	\$ 124,871	\$ (70,722)	\$ (70,722)	\$ 195,593
Fund Balance, July 1, 2019	607,855	(329,907)	277,948	276,009	276,009	1,939
Fund Balance, June 30, 2020	\$ 402,819	\$ 0	\$ 402,819	\$ 205,287	\$ 205,287	\$ 197,532

Major Governmental Funds

General Debt Service Fund

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

Exhibit G

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 754,050	\$ 521,750	\$ 521,750	\$ 232,300
Other Local Revenues	1	0	0	1
Other Governments and Citizens Groups	150,000	150,000	150,000	0
Total Revenues	<u>\$ 904,051</u>	<u>\$ 671,750</u>	<u>\$ 671,750</u>	<u>\$ 232,301</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,076,000	\$ 1,076,000	\$ 1,076,000	\$ 0
Education	8,835,000	8,835,000	8,835,000	0
<u>Interest on Debt</u>				
General Government	23,657	14,248	30,435	6,778
Education	58,698	398,450	305,841	247,143
<u>Other Debt Service</u>				
General Government	13,774	75,000	75,000	61,226
Education	9,613	30,000	38,623	29,010
Total Expenditures	<u>\$ 10,016,742</u>	<u>\$ 10,428,698</u>	<u>\$ 10,360,899</u>	<u>\$ 344,157</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (9,112,691)</u>	<u>\$ (9,756,948)</u>	<u>\$ (9,689,149)</u>	<u>\$ 576,458</u>
Net Change in Fund Balance	\$ (9,112,691)	\$ (9,756,948)	\$ (9,689,149)	\$ 576,458
Fund Balance, July 1, 2019	<u>10,500,202</u>	<u>10,024,940</u>	<u>10,024,940</u>	<u>475,262</u>
Fund Balance, June 30, 2020	<u>\$ 1,387,511</u>	<u>\$ 267,992</u>	<u>\$ 335,791</u>	<u>\$ 1,051,720</u>

Fiduciary Funds

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

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

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.

Exhibit H-1

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

	<u>Agency Funds</u>		
	Cities - Sales Tax	Constitu- tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 2,657,074	\$ 2,657,074
Due from Other Governments	958,903	0	958,903
Total Assets	<u>\$ 958,903</u>	<u>\$ 2,657,074</u>	<u>\$ 3,615,977</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 958,903	\$ 0	\$ 958,903
Due to Litigants, Heirs, and Others	0	2,657,074	2,657,074
Total Liabilities	<u>\$ 958,903</u>	<u>\$ 2,657,074</u>	<u>\$ 3,615,977</u>

Exhibit H-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 4,895,231	\$ 4,895,231	\$ 0
Due from Other Governments	770,000	958,903	770,000	958,903
Total Assets	\$ 770,000	\$ 5,854,134	\$ 5,665,231	\$ 958,903
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 770,000	\$ 5,854,134	\$ 5,665,231	\$ 958,903
Total Liabilities	\$ 770,000	\$ 5,854,134	\$ 5,665,231	\$ 958,903
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 2,150,369	\$ 13,662,094	\$ 13,155,389	\$ 2,657,074
Total Assets	\$ 2,150,369	\$ 13,662,094	\$ 13,155,389	\$ 2,657,074
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 2,150,369	\$ 13,662,094	\$ 13,155,389	\$ 2,657,074
Total Liabilities	\$ 2,150,369	\$ 13,662,094	\$ 13,155,389	\$ 2,657,074
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 2,150,369	\$ 13,662,094	\$ 13,155,389	\$ 2,657,074
Equity in Pooled Cash and Investments	0	4,895,231	4,895,231	0
Due from Other Governments	770,000	958,903	770,000	958,903
Total Assets	\$ 2,920,369	\$ 19,516,228	\$ 18,820,620	\$ 3,615,977
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 770,000	\$ 5,854,134	\$ 5,665,231	\$ 958,903
Due to Litigants, Heirs, and Others	2,150,369	13,662,094	13,155,389	2,657,074
Total Liabilities	\$ 2,920,369	\$ 19,516,228	\$ 18,820,620	\$ 3,615,977

Tipton County School Department

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

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

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

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

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

Exhibit I-1

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

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position Total Governmental Activities
Governmental Activities:				
Instruction	\$ 54,415,426	\$ 576,516	\$ 3,574,387	\$ (50,264,523)
Support Services	28,919,752	0	796,118	(28,123,634)
Operation of Non-instructional Services	7,253,082	1,003,636	4,204,441	(2,045,005)
Total Governmental Activities	<u>\$ 90,588,260</u>	<u>\$ 1,580,152</u>	<u>\$ 8,574,946</u>	<u>\$ (80,433,162)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 11,725,822
Local Option Sales Taxes				5,669,312
Business Tax				232,516
Other Local Taxes				29,432
Grants and Contributions Not Restricted to Specific Programs				66,998,761
Miscellaneous				9,811
Total General Revenues				<u>\$ 84,665,654</u>
Change in Net Position				\$ 4,232,492
Net Position, July 1, 2019				<u>48,816,592</u>
Net Position, June 30, 2020				<u><u>\$ 53,049,084</u></u>

Exhibit I-2

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

	<u>Major Fund</u>	<u>Nonmajor Funds</u>	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 24,064,032	\$ 3,429,241	\$ 27,493,273
Accounts Receivable	489	0	489
Due from Other Governments	1,589,030	55,751	1,644,781
Due from Other Funds	59,269	0	59,269
Property Taxes Receivable	12,331,998	0	12,331,998
Allowance for Uncollectible Property Taxes	(358,374)	0	(358,374)
Restricted Assets	294,473	0	294,473
Total Assets	<u>\$ 37,980,917</u>	<u>\$ 3,484,992</u>	<u>\$ 41,465,909</u>
<u>LIABILITIES</u>			
Payroll Deductions Payable	\$ 2,460,042	\$ 0	\$ 2,460,042
Total Liabilities	<u>\$ 2,460,042</u>	<u>\$ 0</u>	<u>\$ 2,460,042</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 11,532,639	\$ 0	\$ 11,532,639
Deferred Delinquent Property Taxes	249,473	0	249,473
Other Deferred/Unavailable Revenue	531,400	6,919	538,319
Total Deferred Inflows of Resources	<u>\$ 12,313,512</u>	<u>\$ 6,919</u>	<u>\$ 12,320,431</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 178,072	\$ 0	\$ 178,072
Restricted for Operation of Non-instructional Services	0	2,458,121	2,458,121
Restricted for Capital Projects	0	819,952	819,952
Restricted for Hybrid Retirement Stabilization Funds	294,473	0	294,473
Assigned:			
Assigned for Education	0	200,000	200,000
Unassigned	22,734,818	0	22,734,818
Total Fund Balances	<u>\$ 23,207,363</u>	<u>\$ 3,478,073</u>	<u>\$ 26,685,436</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 37,980,917</u>	<u>\$ 3,484,992</u>	<u>\$ 41,465,909</u>

Exhibit I-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$	26,685,436
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	3,631,433	
Add: construction in progress		15,000	
Add: buildings and improvements net of accumulated depreciation		16,560,683	
Add: infrastructure net of accumulated depreciation		43,072	
Add: other capital assets net of accumulated depreciation		<u>4,026,659</u>	24,276,847
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$	(611,832)	
Less: net OPEB liability		<u>(7,998,722)</u>	(8,610,554)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.			
Add: deferred outflows of resources related to pensions	\$	7,023,702	
Less: deferred inflows of resources related to pensions		(11,731,646)	
Add: deferred outflows related to OPEB		1,576,718	
Less: deferred inflows related to OPEB		<u>(1,781,141)</u>	(4,912,367)
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	3,058,671	
Add: net pension asset - teacher retirement plan		350,068	
Add: net pension asset - teacher legacy pension plan		<u>11,413,191</u>	14,821,930
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>787,792</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>53,049,084</u></u>

Exhibit I-4

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

	<u>Major Fund</u>	<u>Nonmajor</u> <u>Funds</u>	
	<u>General</u>	<u>Other</u>	<u>Total</u>
	<u>Purpose</u>	<u>Govern-</u>	<u>Governmental</u>
	<u>School</u>	<u>mental</u>	<u>Funds</u>
		<u>Funds</u>	<u>Funds</u>
<u>Revenues</u>			
Local Taxes	\$ 17,836,714	\$ 0	\$ 17,836,714
Licenses and Permits	4,316	0	4,316
Fines, Forfeitures, and Penalties	1,016	0	1,016
Charges for Current Services	721,125	853,896	1,575,021
Other Local Revenues	17,675	10,424	28,099
State of Tennessee	65,459,200	0	65,459,200
Federal Government	58,289	9,605,349	9,663,638
Other Governments and Citizens Groups	144,440	0	144,440
Total Revenues	<u>\$ 84,242,775</u>	<u>\$ 10,469,669</u>	<u>\$ 94,712,444</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 52,361,616	\$ 3,416,083	\$ 55,777,699
Support Services	25,783,268	1,917,030	27,700,298
Operation of Non-Instructional Services	2,015,771	5,268,508	7,284,279
Capital Outlay	213,376	0	213,376
Debt Service:			
Other Debt Service	150,000	0	150,000
Capital Projects	0	1,400,932	1,400,932
Total Expenditures	<u>\$ 80,524,031</u>	<u>\$ 12,002,553</u>	<u>\$ 92,526,584</u>
Excess (Deficiency) of Revenues			
Over Expenditures	<u>\$ 3,718,744</u>	<u>\$ (1,532,884)</u>	<u>\$ 2,185,860</u>
<u>Other Financing Sources (Uses)</u>			
Insurance Recovery	\$ 1,302	\$ 0	\$ 1,302
Transfers In	127,890	380,000	507,890
Transfers Out	(380,000)	(127,890)	(507,890)
Total Other Financing Sources (Uses)	<u>\$ (250,808)</u>	<u>\$ 252,110</u>	<u>\$ 1,302</u>
Net Change in Fund Balances	\$ 3,467,936	\$ (1,280,774)	\$ 2,187,162
Fund Balance, July 1, 2019	19,739,427	4,758,847	24,498,274
Fund Balance, June 30, 2020	<u>\$ 23,207,363</u>	<u>\$ 3,478,073</u>	<u>\$ 26,685,436</u>

Exhibit I-5

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

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$ 2,187,162
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:		
Add: capital assets purchased in the current period	\$ 1,892,733	
Less: current-year depreciation expense	<u>(2,717,194)</u>	(824,461)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2020	\$ 787,792	
Less: deferred delinquent property taxes and other deferred June 30, 2019	<u>(679,484)</u>	108,308
(3) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in compensated absences payable	\$ 519	
Change in net OPEB liability	157,556	
Change in deferred outflows related to OPEB	629,521	
Change in deferred inflows related to OPEB	(630,192)	
Change in net pension asset - agent plan	564,970	
Change in net pension asset - teacher retirement plan	99,927	
Change in net pension asset - teacher legacy pension plan	7,484,785	
Change in deferred outflows related to pensions	(1,140,637)	
Change in deferred inflows related to pensions	<u>(4,404,966)</u>	<u>2,761,483</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 4,232,492</u>

Exhibit I-6

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>School</u>	<u>Central</u>	<u>Total</u>	<u>Projects</u>	
	<u>Federal</u>	<u>Cafeteria</u>		<u>Education</u>	<u>Nonmajor</u>
	<u>Projects</u>			<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
<u>ASSETS</u>					
Equity in Pooled Cash and Investments	\$ 151,168	\$ 2,458,121	\$ 2,609,289	\$ 819,952	\$ 3,429,241
Due from Other Governments	52,453	3,298	55,751	0	55,751
Total Assets	<u>\$ 203,621</u>	<u>\$ 2,461,419</u>	<u>\$ 2,665,040</u>	<u>\$ 819,952</u>	<u>\$ 3,484,992</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Other Deferred/Unavailable Revenue	\$ 3,621	\$ 3,298	\$ 6,919	\$ 0	\$ 6,919
Total Deferred Inflows of Resources	<u>\$ 3,621</u>	<u>\$ 3,298</u>	<u>\$ 6,919</u>	<u>\$ 0</u>	<u>\$ 6,919</u>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Operation of Non-instructional Services	\$ 0	\$ 2,458,121	\$ 2,458,121	\$ 0	\$ 2,458,121
Restricted for Capital Projects	0	0	0	819,952	819,952
Assigned:					
Assigned for Education	200,000	0	200,000	0	200,000
Total Fund Balances	<u>\$ 200,000</u>	<u>\$ 2,458,121</u>	<u>\$ 2,658,121</u>	<u>\$ 819,952</u>	<u>\$ 3,478,073</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 203,621</u>	<u>\$ 2,461,419</u>	<u>\$ 2,665,040</u>	<u>\$ 819,952</u>	<u>\$ 3,484,992</u>

Exhibit I-7

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

	Special Revenue Funds			Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Total	Education Capital Projects	
<u>Revenues</u>					
Charges for Current Services	\$ 0	\$ 853,896	\$ 853,896	\$ 0	\$ 853,896
Other Local Revenues	0	10,424	10,424	0	10,424
Federal Government	5,751,812	3,853,537	9,605,349	0	9,605,349
Total Revenues	\$ 5,751,812	\$ 4,717,857	\$ 10,469,669	\$ 0	\$ 10,469,669
<u>Expenditures</u>					
Current:					
Instruction	\$ 3,416,083	\$ 0	\$ 3,416,083	\$ 0	\$ 3,416,083
Support Services	1,917,030	0	1,917,030	0	1,917,030
Operation of Non-Instructional Services	290,809	4,977,699	5,268,508	0	5,268,508
Capital Projects	0	0	0	1,400,932	1,400,932
Total Expenditures	\$ 5,623,922	\$ 4,977,699	\$ 10,601,621	\$ 1,400,932	\$ 12,002,553
Excess (Deficiency) of Revenues Over Expenditures					
	\$ 127,890	\$ (259,842)	\$ (131,952)	\$ (1,400,932)	\$ (1,532,884)
<u>Other Financing Sources (Uses)</u>					
Transfers In	\$ 0	\$ 0	\$ 0	\$ 380,000	\$ 380,000
Transfers Out	(127,890)	0	(127,890)	0	(127,890)
Total Other Financing Sources (Uses)	\$ (127,890)	\$ 0	\$ (127,890)	\$ 380,000	\$ 252,110

(Continued)

Exhibit I-7

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>School</u>	<u>Central</u>		<u>Projects</u>	
	<u>Federal</u>	<u>Cafeteria</u>	<u>Total</u>	<u>Education</u>	<u>Nonmajor</u>
	<u>Projects</u>			<u>Capital</u>	<u>Governmental</u>
				<u>Projects</u>	<u>Funds</u>
Net Change in Fund Balances	\$ 0	\$ (259,842)	\$ (259,842)	\$ (1,020,932)	\$ (1,280,774)
Fund Balance, July 1, 2019	200,000	2,717,963	2,917,963	1,840,884	4,758,847
Fund Balance, June 30, 2020	\$ 200,000	\$ 2,458,121	\$ 2,658,121	\$ 819,952	\$ 3,478,073

Exhibit I-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 17,836,714	\$ 17,320,000	\$ 17,320,000	\$ 516,714
Licenses and Permits	4,316	5,000	5,000	(684)
Fines, Forfeitures, and Penalties	1,016	5,000	5,000	(3,984)
Charges for Current Services	721,125	1,005,000	1,005,000	(283,875)
Other Local Revenues	17,675	119,000	119,000	(101,325)
State of Tennessee	65,459,200	65,417,000	65,853,349	(394,149)
Federal Government	58,289	25,000	25,000	33,289
Other Governments and Citizens Groups	144,440	60,000	60,000	84,440
Total Revenues	\$ 84,242,775	\$ 83,956,000	\$ 84,392,349	\$ (149,574)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 40,519,630	\$ 42,262,000	\$ 42,572,400	\$ 2,052,770
Alternative Instruction Program	898,456	1,017,000	1,022,400	123,944
Special Education Program	8,309,843	8,323,500	8,489,900	180,057
Career and Technical Education Program	2,543,369	2,628,000	2,673,800	130,431
Adult Education Program	90,318	106,000	128,000	37,682
<u>Support Services</u>				
Health Services	816,522	856,000	856,700	40,178
Other Student Support	1,988,815	1,938,000	2,216,300	227,485
Regular Instruction Program	2,008,257	2,068,000	2,087,900	79,643
Special Education Program	584,600	696,500	624,200	39,600
Career and Technical Education Program	52,295	59,000	59,000	6,705
Technology	910,344	914,000	915,800	5,456
Other Programs	142,149	0	142,149	0
Board of Education	766,737	961,000	961,000	194,263
Director of Schools	324,528	344,000	344,950	20,422
Office of the Principal	6,222,801	6,410,000	6,450,000	227,199
Fiscal Services	536,550	578,000	580,650	44,100
Operation of Plant	3,971,567	4,246,000	4,246,000	274,433
Maintenance of Plant	1,663,253	1,773,000	1,780,500	117,247
Transportation	5,794,850	6,066,000	6,107,400	312,550
<u>Operation of Non-Instructional Services</u>				
Food Service	172,724	180,000	207,900	35,176
Community Services	696,618	1,022,000	1,024,450	327,832
Early Childhood Education	1,146,429	1,175,000	1,187,950	41,521
<u>Capital Outlay</u>				
Regular Capital Outlay	213,376	233,000	233,000	19,624
<u>Other Debt Service</u>				
Education	150,000	150,000	150,000	0
Total Expenditures	\$ 80,524,031	\$ 84,006,000	\$ 85,062,349	\$ 4,538,318
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,718,744	\$ (50,000)	\$ (670,000)	\$ 4,388,744
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 1,302	\$ 0	\$ 0	\$ 1,302

(Continued)

Exhibit I-8

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Other Financing Sources (Uses) (Cont.)</u>				
Transfers In	\$ 127,890	\$ 50,000	\$ 50,000	\$ 77,890
Transfers Out	(380,000)	0	(380,000)	0
Total Other Financing Sources	<u>\$ (250,808)</u>	<u>\$ 50,000</u>	<u>\$ (330,000)</u>	<u>\$ 79,192</u>
Net Change in Fund Balance	\$ 3,467,936	\$ 0	\$ (1,000,000)	\$ 4,467,936
Fund Balance, July 1, 2019	<u>19,739,427</u>	<u>16,664,332</u>	<u>16,664,332</u>	<u>3,075,095</u>
Fund Balance, June 30, 2020	<u>\$ 23,207,363</u>	<u>\$ 16,664,332</u>	<u>\$ 15,664,332</u>	<u>\$ 7,543,031</u>

Exhibit I-9

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 5,751,812	\$ 5,673,247	\$ 6,982,130	\$ (1,230,318)
Total Revenues	\$ 5,751,812	\$ 5,673,247	\$ 6,982,130	\$ (1,230,318)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,342,760	\$ 1,265,100	\$ 1,487,821	\$ 145,061
Special Education Program	1,922,095	2,081,202	2,101,339	179,244
Career and Technical Education Program	151,228	114,651	151,239	11
<u>Support Services</u>				
Health Services	0	252,878	0	0
Other Student Support	98,929	133,847	337,330	238,401
Regular Instruction Program	1,282,934	1,400,794	1,722,410	439,476
Special Education Program	421,522	127,910	488,903	67,381
Career and Technical Education Program	4,494	3,440	16,554	12,060
Office of the Principal	46,463	42,488	47,001	538
Transportation	62,688	94,517	97,674	34,986
<u>Operation of Non-Instructional Services</u>				
Community Services	290,809	0	354,233	63,424
Total Expenditures	\$ 5,623,922	\$ 5,516,827	\$ 6,804,504	\$ 1,180,582
Excess (Deficiency) of Revenues Over Expenditures	\$ 127,890	\$ 156,420	\$ 177,626	\$ (49,736)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (127,890)	\$ (156,419)	\$ (177,625)	\$ 49,735
Total Other Financing Sources	\$ (127,890)	\$ (156,419)	\$ (177,625)	\$ 49,735
Net Change in Fund Balance	\$ 0	\$ 1	\$ 1	\$ (1)
Fund Balance, July 1, 2019	200,000	200,000	200,000	0
Fund Balance, June 30, 2020	\$ 200,000	\$ 200,001	\$ 200,001	\$ (1)

Exhibit I-10

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Charges for Current Services	\$ 853,896	\$ 1,680,000	\$ 1,680,000	\$ (826,104)
Other Local Revenues	10,424	20,000	20,000	(9,576)
Federal Government	3,853,537	4,050,000	4,050,108	(196,571)
Total Revenues	<u>\$ 4,717,857</u>	<u>\$ 5,750,000</u>	<u>\$ 5,750,108</u>	<u>\$ (1,032,251)</u>
<u>Expenditures</u>				
<u>Operation of Non-Instructional Services</u>				
Food Service	\$ 4,977,591	\$ 5,750,000	\$ 5,935,500	\$ 957,909
COVID-19 Expenditures	108	0	108	0
Total Expenditures	<u>\$ 4,977,699</u>	<u>\$ 5,750,000</u>	<u>\$ 5,935,608</u>	<u>\$ 957,909</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (259,842)</u>	<u>\$ 0</u>	<u>\$ (185,500)</u>	<u>\$ (74,342)</u>
Net Change in Fund Balance	\$ (259,842)	\$ 0	\$ (185,500)	\$ (74,342)
Fund Balance, July 1, 2019	<u>2,717,963</u>	<u>2,504,526</u>	<u>2,504,526</u>	<u>213,437</u>
Fund Balance, June 30, 2020	<u>\$ 2,458,121</u>	<u>\$ 2,504,526</u>	<u>\$ 2,319,026</u>	<u>\$ 139,095</u>

MISCELLANEOUS SCHEDULES

Exhibit J-1

Tipton County, Tennessee
Schedule of Changes in Long-term Note, Other Loan and Bonds
For the Year Ended June 30, 2020

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Paid and/or Matured During Period	Outstanding 6-30-20
<u>NOTE PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
General Obligation Capital Outlay Note, Series 2017	\$ 1,600,000	1.76 %	10-24-17	8-19-19	\$ 1,076,000	\$ 1,076,000	\$ 0
Total Note Payable					<u>\$ 1,076,000</u>	<u>\$ 1,076,000</u>	<u>\$ 0</u>
<u>OTHER LOAN PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
School Construction	16,000,000	Variable	4-30-07	9-19-19	\$ 8,135,000	\$ 8,135,000	\$ 0
Total Other Loan Payable					<u>\$ 8,135,000</u>	<u>\$ 8,135,000</u>	<u>\$ 0</u>
<u>BONDS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
Elementary School	9,000,000	2.5 to 4.625	9-1-02	12-16-19	\$ 700,000	\$ 700,000	\$ 0
Total Bonds Payable					<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 0</u>

Exhibit J-2

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

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>DISCRETELY PRESENTED TIPTON COUNTY</u>			
<u>SCHOOL DEPARTMENT</u>			
General Purpose School	Education Capital Projects	Capital outlay	\$ 380,000
School Federal Projects	General Purpose School	Indirect costs	<u>127,890</u>
Total Transfers Discretely Presented Tipton County School Department			<u>\$ 507,890</u>

Exhibit J-3

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, <i>TCA</i>	\$ 136,241	\$ 400,000	Local Government Property and Casualty Fund
Director of Public Works	Section 8-24-102, <i>TCA</i> , and Public Works Committee	122,283	400,000	"
Director of Schools	State Board of Education and County Board of Education	142,780 (1)	400,000	"
Trustee	Section 8-24-102, <i>TCA</i>	95,437	2,500,000	Auto-Owners Mutual Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	95,437	400,000	Local Government Property and Casualty Fund
Director of Accounts and Budgets	County Commission	97,351 (2)	400,000	"
County Clerk	Section 8-24-102, <i>TCA</i>	95,437	400,000	"
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	95,437	400,000	"
Clerk and Master	Section 8-24-102, <i>TCA</i> and Chancery Court Judge	95,437 (3)	400,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	95,437	400,000	"
Sheriff	Section 8-24-102, <i>TCA</i>	115,054 (4)	400,000	"
Employees Bonds:				
Public Employee Dishonesty - County Departments			400,000	"
Public Employee Dishonesty - School Department			400,000	"

- (1) Includes a chief executive officer training supplement of \$1,000.
- (2) Includes a longevity payment of \$700 and CCFO stipend of \$1,214.
- (3) Does not include special commissioner fees of \$12,060.
- (4) Includes a law enforcement training supplement of \$1,200.

Exhibit J-4

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 10,211,289	\$ 495,686	\$ 0	\$ 0	\$ 991,380	\$ 495,686
Trustee's Collections - Prior Year	178,607	11,160	0	0	15,628	80,370
Trustee's Collections - Bankruptcy	169	10	0	0	15	77
Circuit Clerk/Clerk and Master Collections - Prior Years	80,631	3,864	0	0	7,249	33,795
Interest and Penalty	48,720	2,750	0	0	4,464	13,482
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	1,486
Payments in-Lieu-of Taxes - Other	1,221,026	11,869	0	0	23,739	11,869
<u>County Local Option Taxes</u>						
Local Option Sales Tax	610,948	0	0	0	0	0
Hotel/Motel Tax	123,500	0	0	0	0	0
Wheel Tax	1,648,852	0	0	0	1,648,852	0
Litigation Tax - General	133,224	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	0	43,557
Business Tax	210,076	10,197	0	0	20,395	10,206
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	63,522
Wholesale Beer Tax	163,632	0	0	0	0	0
Total Local Taxes	\$ 14,630,674	\$ 535,536	\$ 0	\$ 0	\$ 2,711,722	\$ 754,050
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Animal Registration	\$ 53,995	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	50,087	0	0	0	0	0
<u>Permits</u>						
Beer Permits	2,662	0	0	0	0	0

(Continued)

Exhibit J-4

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Licenses and Permits (Cont.)</u>						
<u>Permits (Cont.)</u>						
Building Permits	\$ 74,828	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 181,572	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 6,614	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	5,428	0	0	0	0	0
Drug Control Fines	7,005	0	4,885	0	0	0
Drug Court Fees	2,657	0	0	0	0	0
Jail Fees	6,524	0	0	0	0	0
DUI Treatment Fines	2,413	0	0	0	0	0
Data Entry Fee - Circuit Court	192	0	0	0	0	0
Victims Assistance Assessments	4,633	0	0	0	0	0
<u>Criminal Court</u>						
Fines	11,400	0	0	0	0	0
DUI Treatment Fines	1,282	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	61,168	0	0	0	0	0
Officers Costs	54,118	0	0	0	0	0
Game and Fish Fines	112	0	0	0	0	0
Drug Control Fines	4,665	0	4,454	0	0	0
Drug Court Fees	3,314	0	0	0	0	0
Jail Fees	38,639	0	0	0	0	0
DUI Treatment Fines	8,506	0	0	0	0	0
Data Entry Fee - General Sessions Court	2,922	0	0	0	0	0

(Continued)

Exhibit J-4

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Courtroom Security Fee	\$ 2,224	\$ 0	\$ 0	\$ 0	\$ 0	0
Victims Assistance Assessments	11,748	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	162	0	0	0	0	0
Officers Costs	868	0	0	0	0	0
Data Entry Fee - Juvenile Court	48	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	2,344	0	0	0	0	0
Data Entry Fee - Chancery Court	6,178	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	5,365	0	46,758	0	0	0
Other Fines, Forfeitures, and Penalties	1,655	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 252,184	\$ 0	\$ 56,097	\$ 0	\$ 0	0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Tipping Fees	\$ 0	\$ 74,216	\$ 0	\$ 0	\$ 0	0
Solid Waste Disposal Fee	0	3,994	0	0	0	0
Surcharge - Waste Tire Disposal	0	48,120	0	0	0	0
Other General Service Charges	68,176	284,823	0	0	0	0
<u>Fees</u>						
Copy Fees	78	0	0	0	0	0
Library Fees	15,118	0	0	0	0	0
Greenbelt Late Application Fee	800	0	0	0	0	0
Telephone Commissions	55,525	0	0	0	0	0

(Continued)

Exhibit J-4

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Vending Machine Collections	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,117	\$ 0
Constitutional Officers' Fees and Commissions	0	0	0	12,060	0	0
Data Processing Fee - Register	20,030	0	0	0	0	0
Data Processing Fee - Sheriff	1,640	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	8,550	0	0	0	0	0
Data Processing Fee - County Clerk	5,397	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	2,610	0	0	0	0	0
Total Charges for Current Services	\$ 177,924	\$ 411,153	\$ 0	\$ 12,060	\$ 1,117	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 1,028,610	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	67,625	0	0	0	0	0
Sale of Materials and Supplies	10	0	0	0	0	0
Commissary Sales	41,759	0	0	0	0	0
Sale of Maps	1,718	0	0	0	0	0
Sale of Recycled Materials	0	99,905	0	0	0	0
Retirees' Insurance Payments	0	93	0	0	3,386	0
Miscellaneous Refunds	28,211	1,435	0	0	14,924	1
Expenditure Credits	400	0	0	0	0	0
<u>Nonrecurring Items</u>						
Revenue from Joint Ventures	33,250	0	0	0	0	0
Sale of Equipment	4,018	0	0	0	28,491	0
Damages Recovered from Individuals	2,095	0	420	0	0	0
Contributions and Gifts	2,104	0	0	0	0	0
Performance Bond Forfeitures	0	0	0	0	40,421	0

(Continued)

Exhibit J-4

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Other Local Revenues (Cont.)</u>						
<u>Other Local Revenues</u>						
Other Local Revenues	\$ 2,375	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Other Local Revenues	\$ 1,212,175	\$ 101,433	\$ 420	\$ 0	\$ 87,222	\$ 1
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 582,759	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	129,778	0	0	0	0	0
General Sessions Court Clerk	273,080	0	0	0	0	0
Clerk and Master	198,308	0	0	0	0	0
Juvenile Court Clerk	36,681	0	0	0	0	0
Register	299,376	0	0	0	0	0
Sheriff	17,180	0	0	0	0	0
Trustee	809,804	0	0	0	0	0
Total Fees Received From County Officials	\$ 2,346,966	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 13,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	46,400	0	0	0	0	0
Other Public Safety Grants	24,180	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	255,494	0	0	0	0	0
Other Health and Welfare Grants	8,093	0	0	0	0	0

(Continued)

Exhibit J-4

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>State of Tennessee (Cont.)</u>						
<u>Public Works Grants</u>						
Bridge Program	\$ 0	\$ 0	\$ 0	\$ 0	2,135,488	\$ 0
State Aid Program	0	0	0	0	27,888	0
Litter Program	58,912	0	0	0	0	0
<u>Other State Revenues</u>						
Income Tax	32,658	0	0	0	0	0
Beer Tax	18,175	0	0	0	0	0
Vehicle Certificate of Title Fees	10,434	0	0	0	0	0
Alcoholic Beverage Tax	125,269	0	0	0	0	0
State Revenue Sharing - T.V.A.	937,835	0	0	0	0	0
State Revenue Sharing - Telecommunications	67,904	0	0	0	0	0
Board of Jurors	2,134	0	0	0	0	0
Contracted Prisoner Boarding	502,915	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	2,725,993	0
Petroleum Special Tax	0	0	0	0	44,073	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	17,335	0	0	0	0	0
Other State Revenues	14,750	0	0	0	0	0
Total State of Tennessee	\$ 2,151,152	\$ 0	\$ 0	\$ 0	4,933,442	\$ 0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Community Development	\$ 195,109	\$ 0	\$ 0	\$ 0	0	\$ 0
Civil Defense Reimbursement	34,000	0	0	0	0	0
Homeland Security Grants	32,010	0	0	0	0	0
Law Enforcement Grants	10,217	0	0	0	0	0

(Continued)

Exhibit J-4

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

	Special Revenue Funds					Debt Service Fund
	General	Solid Waste / Sanitation	Drug Control	Constitutional Officers - Fees	Highway / Public Works	General Debt Service
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
COVID-19 Grant #2	\$ 24,278	\$ 0	\$ 0	\$ 0	\$ 0	0
Other Federal through State	57,924	0	0	0	0	0
<u>Direct Federal Revenue</u>						
Asset Forfeiture Funds	0	0	121,893	0	0	0
COVID-19 Grant #7	31,705	0	0	0	0	0
Other Direct Federal Revenue	28,305	0	0	0	0	0
Total Federal Government	\$ 413,548	\$ 0	\$ 121,893	\$ 0	\$ 0	0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 147,247	\$ 0	\$ 0	\$ 0	\$ 0	150,000
Contracted Services	296,534	0	0	0	35,874	0
<u>Other</u>						
Other	90,457	0	0	0	313,121	0
Total Other Governments and Citizens Groups	\$ 534,238	\$ 0	\$ 0	\$ 0	\$ 348,995	\$ 150,000
Total	\$ 21,900,433	\$ 1,048,122	\$ 178,410	\$ 12,060	\$ 8,082,498	\$ 904,051

(Continued)

Exhibit J-4

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

	Capital Projects Fund	General Capital Projects	Total
<u>Local Taxes</u>			
<u>County Property Taxes</u>			
Current Property Tax	\$ 495,692	\$	12,689,733
Trustee's Collections - Prior Year	0		285,765
Trustee's Collections - Bankruptcy	7		278
Circuit Clerk/Clerk and Master Collections - Prior Years	494		126,033
Interest and Penalty	1,024		70,440
Payments in-Lieu-of Taxes - T.V.A.	0		1,486
Payments in-Lieu-of Taxes - Other	11,869		1,280,372
<u>County Local Option Taxes</u>			
Local Option Sales Tax	0		610,948
Hotel/Motel Tax	0		123,500
Wheel Tax	0		3,297,704
Litigation Tax - General	0		133,224
Litigation Tax - Jail, Workhouse, or Courthouse	0		43,557
Business Tax	10,196		261,070
<u>Statutory Local Taxes</u>			
Bank Excise Tax	0		63,522
Wholesale Beer Tax	0		163,632
Total Local Taxes	<u>\$ 519,282</u>	<u>\$</u>	<u>19,151,264</u>
<u>Licenses and Permits</u>			
<u>Licenses</u>			
Animal Registration	\$	0	\$ 53,995
Cable TV Franchise		0	50,087
<u>Permits</u>			
Beer Permits		0	2,662

(Continued)

Exhibit J-4

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

	Capital Projects Fund	General Capital Projects	Total
<u>Licenses and Permits (Cont.)</u>			
<u>Permits (Cont.)</u>			
Building Permits	\$ 0	\$ 74,828	
Total Licenses and Permits	<u>\$ 0</u>	<u>\$ 181,572</u>	
<u>Fines, Forfeitures, and Penalties</u>			
<u>Circuit Court</u>			
Fines	\$ 0	\$ 6,614	
Officers Costs	0	5,428	
Drug Control Fines	0	11,890	
Drug Court Fees	0	2,657	
Jail Fees	0	6,524	
DUI Treatment Fines	0	2,413	
Data Entry Fee - Circuit Court	0	192	
Victims Assistance Assessments	0	4,633	
<u>Criminal Court</u>			
Fines	0	11,400	
DUI Treatment Fines	0	1,282	
<u>General Sessions Court</u>			
Fines	0	61,168	
Officers Costs	0	54,118	
Game and Fish Fines	0	112	
Drug Control Fines	0	9,119	
Drug Court Fees	0	3,314	
Jail Fees	0	38,639	
DUI Treatment Fines	0	8,506	
Data Entry Fee - General Sessions Court	0	2,922	

(Continued)

Exhibit J-4

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

	Capital Projects Fund	General Capital Projects	Total
<u>Fines, Forfeitures, and Penalties (Cont.)</u>			
<u>General Sessions Court (Cont.)</u>			
Courtroom Security Fee	\$ 0	\$ 2,224	2,224
Victims Assistance Assessments	0	11,748	11,748
<u>Juvenile Court</u>			
Fines	0	162	162
Officers Costs	0	868	868
Data Entry Fee - Juvenile Court	0	48	48
<u>Chancery Court</u>			
Officers Costs	0	2,344	2,344
Data Entry Fee - Chancery Court	0	6,178	6,178
<u>Other Fines, Forfeitures, and Penalties</u>			
Proceeds from Confiscated Property	0	52,123	52,123
Other Fines, Forfeitures, and Penalties	0	1,655	1,655
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 308,281</u>	<u>308,281</u>
<u>Charges for Current Services</u>			
<u>General Service Charges</u>			
Tipping Fees	\$ 0	\$ 74,216	74,216
Solid Waste Disposal Fee	0	3,994	3,994
Surcharge - Waste Tire Disposal	0	48,120	48,120
Other General Service Charges	0	352,999	352,999
<u>Fees</u>			
Copy Fees	0	78	78
Library Fees	0	15,118	15,118
Greenbelt Late Application Fee	0	800	800
Telephone Commissions	0	55,525	55,525

(Continued)

Exhibit J-4

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

	Capital Projects Fund		General Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>				
<u>Fees (Cont.)</u>				
Vending Machine Collections	\$	0	\$	1,117
Constitutional Officers' Fees and Commissions		0		12,060
Data Processing Fee - Register		0		20,030
Data Processing Fee - Sheriff		0		1,640
Sexual Offender Registration Fee - Sheriff		0		8,550
Data Processing Fee - County Clerk		0		5,397
Vehicle Insurance Coverage and Reinstatement Fees		0		2,610
Total Charges for Current Services	\$	0	\$	602,254
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$	0	\$	1,028,610
Lease/Rentals		0		67,625
Sale of Materials and Supplies		0		10
Commissary Sales		0		41,759
Sale of Maps		0		1,718
Sale of Recycled Materials		0		99,905
Retirees' Insurance Payments		0		3,479
Miscellaneous Refunds		0		44,571
Expenditure Credits		0		400
<u>Nonrecurring Items</u>				
Revenue from Joint Ventures		0		33,250
Sale of Equipment		0		32,509
Damages Recovered from Individuals		0		2,515
Contributions and Gifts		0		2,104
Performance Bond Forfeitures		0		40,421

(Continued)

Exhibit J-4

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

	Capital Projects Fund	General Capital Projects	Total
<u>Other Local Revenues (Cont.)</u>			
<u>Other Local Revenues</u>			
Other Local Revenues	\$ 0	\$ 2,375	
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 1,401,251</u>	
<u>Fees Received From County Officials</u>			
<u>Fees In-Lieu-of Salary</u>			
County Clerk	\$ 0	\$ 582,759	
Circuit Court Clerk	0	129,778	
General Sessions Court Clerk	0	273,080	
Clerk and Master	0	198,308	
Juvenile Court Clerk	0	36,681	
Register	0	299,376	
Sheriff	0	17,180	
Trustee	0	809,804	
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 2,346,966</u>	
<u>State of Tennessee</u>			
<u>General Government Grants</u>			
Juvenile Services Program	\$ 0	\$ 13,500	
<u>Public Safety Grants</u>			
Law Enforcement Training Programs	0	46,400	
Other Public Safety Grants	0	24,180	
<u>Health and Welfare Grants</u>			
Health Department Programs	0	255,494	
Other Health and Welfare Grants	0	8,093	

(Continued)

Exhibit J-4

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

	Capital Projects Fund	General Capital Projects	Total
<u>State of Tennessee (Cont.)</u>			
<u>Public Works Grants</u>			
Bridge Program	\$ 0	\$ 2,135,488	
State Aid Program	0	27,888	
Litter Program	0	58,912	
<u>Other State Revenues</u>			
Income Tax	0	32,658	
Beer Tax	0	18,175	
Vehicle Certificate of Title Fees	0	10,434	
Alcoholic Beverage Tax	0	125,269	
State Revenue Sharing - T.V.A.	0	937,835	
State Revenue Sharing - Telecommunications	0	67,904	
Board of Jurors	0	2,134	
Contracted Prisoner Boarding	0	502,915	
Gasoline and Motor Fuel Tax	0	2,725,993	
Petroleum Special Tax	0	44,073	
Registrar's Salary Supplement	0	15,164	
Other State Grants	0	17,335	
Other State Revenues	0	14,750	
Total State of Tennessee	<u>\$ 0</u>	<u>\$ 7,084,594</u>	
<u>Federal Government</u>			
<u>Federal Through State</u>			
Community Development	\$ 365,968	\$ 561,077	
Civil Defense Reimbursement	0	34,000	
Homeland Security Grants	0	32,010	
Law Enforcement Grants	0	10,217	

(Continued)

Exhibit J-4

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

	Capital Projects Fund	General Capital Projects	Total
<hr/>			
<u>Federal Government (Cont.)</u>			
<u>Federal Through State (Cont.)</u>			
COVID-19 Grant #2	\$ 0	\$ 0	24,278
Other Federal through State		0	57,924
<u>Direct Federal Revenue</u>			
Asset Forfeiture Funds		0	121,893
COVID-19 Grant #7		0	31,705
Other Direct Federal Revenue		0	28,305
Total Federal Government	<u>\$ 365,968</u>	<u>\$ 0</u>	<u>901,409</u>
<u>Other Governments and Citizens Groups</u>			
<u>Other Governments</u>			
Contributions	\$ 0	\$ 0	297,247
Contracted Services		0	332,408
<u>Other</u>			
Other		0	403,578
Total Other Governments and Citizens Groups	<u>\$ 0</u>	<u>\$ 0</u>	<u>1,033,233</u>
Total	<u>\$ 885,250</u>	<u>\$ 33,010,824</u>	

Exhibit J-5

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

	<u>Special Revenue Funds</u>			
	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 11,301,779	\$ 0	\$ 0	\$ 11,301,779
Trustee's Collections - Prior Year	254,504	0	0	254,504
Trustee's Collections - Bankruptcy	246	0	0	246
Circuit Clerk/Clerk and Master Collections - Prior Years	112,569	0	0	112,569
Interest and Penalty	62,735	0	0	62,735
Payments in-Lieu-of Taxes - Other	270,621	0	0	270,621
<u>County Local Option Taxes</u>				
Local Option Sales Tax	5,572,312	0	0	5,572,312
Business Tax	232,516	0	0	232,516
Mixed Drink Tax	29,432	0	0	29,432
Total Local Taxes	<u>\$ 17,836,714</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 17,836,714</u>
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 3,145	\$ 0	\$ 0	\$ 3,145
<u>Permits</u>				
Other Permits	1,171	0	0	1,171
Total Licenses and Permits	<u>\$ 4,316</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,316</u>
<u>Fines, Forfeitures, and Penalties</u>				
<u>Juvenile Court</u>				
Fines	\$ 1,016	\$ 0	\$ 0	\$ 1,016
Total Fines, Forfeitures, and Penalties	<u>\$ 1,016</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,016</u>

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>			Total
	General Purpose School	School Federal Projects	Central Cafeteria	
<u>Charges for Current Services</u>				
<u>Education Charges</u>				
Tuition - Other	\$ 575,500	\$ 0	\$ 0	\$ 575,500
Lunch Payments - Children	0	0	525,665	525,665
Lunch Payments - Adults	0	0	51,779	51,779
Income from Breakfast	0	0	78,166	78,166
A la Carte Sales	0	0	196,121	196,121
Receipts from Individual Schools	145,625	0	0	145,625
Other Charges for Services	0	0	2,165	2,165
Total Charges for Current Services	\$ 721,125	\$ 0	\$ 853,896	\$ 1,575,021
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 9,161	\$ 0	\$ 5,012	\$ 14,173
Lease/Rentals	4,115	0	0	4,115
Miscellaneous Refunds	3,651	0	5,412	9,063
<u>Nonrecurring Items</u>				
Damages Recovered from Individuals	748	0	0	748
Total Other Local Revenues	\$ 17,675	\$ 0	\$ 10,424	\$ 28,099
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
On-behalf Contributions for OPEB	\$ 142,149	\$ 0	\$ 0	\$ 142,149
<u>State Education Funds</u>				
Basic Education Program	63,129,237	0	0	63,129,237
Early Childhood Education	1,112,292	0	0	1,112,292

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>				Total
	General Purpose School	School Federal Projects	Central Cafeteria		
<u>State of Tennessee (Cont.)</u>					
<u>State Education Funds (Cont.)</u>					
School Food Service	\$ 44,749	\$ 0	\$ 0	\$ 0	\$ 44,749
Other State Education Funds	492,460	0	0	0	492,460
Career Ladder Program	174,031	0	0	0	174,031
<u>Other State Revenues</u>					
Other State Grants	343,970	0	0	0	343,970
Other State Revenues	20,312	0	0	0	20,312
Total State of Tennessee	<u>\$ 65,459,200</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 65,459,200</u>
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 2,249,290	\$ 0	\$ 2,249,290
USDA - Commodities	0	0	229,798	0	229,798
Breakfast	0	0	973,804	0	973,804
USDA - Other	0	0	400,537	0	400,537
Adult Education State Grant Program	45,808	0	0	0	45,808
Vocational Education - Basic Grants to States	0	177,128	0	0	177,128
Title I Grants to Local Education Agencies	0	2,337,855	0	0	2,337,855
Special Education - Grants to States	0	2,435,573	0	0	2,435,573
Special Education Preschool Grants	0	102,648	0	0	102,648
English Language Acquisition Grants	6,719	0	0	0	6,719
Safe and Drug-free Schools - State Grants	0	292,090	0	0	292,090
Eisenhower Professional Development State Grants	0	313,195	0	0	313,195
Other Federal through State	0	93,323	0	0	93,323

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>			
	General Purpose School	School Federal Projects	Central Cafeteria	Total
<u>Federal Government (Cont.)</u>				
<u>Direct Federal Revenue</u>				
COVID-19 Grant #6	\$ 5,762	\$ 0	\$ 108	\$ 5,870
Total Federal Government	<u>\$ 58,289</u>	<u>\$ 5,751,812</u>	<u>\$ 3,853,537</u>	<u>\$ 9,663,638</u>
<u>Other Governments and Citizens Groups</u>				
<u>Other</u>				
Other	\$ 144,440	\$ 0	\$ 0	\$ 144,440
Total Other Governments and Citizens Groups	<u>\$ 144,440</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 144,440</u>
Total	<u>\$ 84,242,775</u>	<u>\$ 5,751,812</u>	<u>\$ 4,717,857</u>	<u>\$ 94,712,444</u>

Exhibit J-6

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	83,700	
Social Security		6,403	
Audit Services		23,211	
Dues and Memberships		10,026	
Legal Services		10,799	
Legal Notices, Recording, and Court Costs		6,718	
Travel		1,591	
Office Supplies		421	
Liability Insurance		20,425	
Workers' Compensation Insurance		310	
Total County Commission	\$		163,604

Beer Board

Board and Committee Members Fees	\$	1,400	
Social Security		107	
Total Beer Board			1,507

County Mayor/Executive

County Official/Administrative Officer	\$	136,241	
Secretary(ies)		44,940	
Part-time Personnel		9,516	
Longevity Pay		1,000	
Social Security		14,038	
Pensions		9,085	
Employee and Dependent Insurance		26,302	
Unemployment Compensation		46	
Communication		3,198	
Maintenance and Repair Services - Office Equipment		124	
Travel		12,008	
Other Contracted Services		466	
Office Supplies		2,504	
Utilities		3,622	
Building and Contents Insurance		710	
Liability Insurance		354	
Vehicle and Equipment Insurance		546	
Workers' Compensation Insurance		536	
Other Charges		941	
Office Equipment		4,476	
Total County Mayor/Executive			270,653

Election Commission

County Official/Administrative Officer	\$	83,599	
Secretary(ies)		34,782	
Clerical Personnel		10,795	
Longevity Pay		4,900	
Overtime Pay		194	
Election Commission		6,300	

(Continued)

Exhibit J-6

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Election Workers	\$	26,411	
Social Security		11,435	
Pensions		5,929	
Employee and Dependent Insurance		15,919	
Unemployment Compensation		76	
Other Fringe Benefits		4,500	
Audit Services		7,923	
Communication		4,483	
Dues and Memberships		1,116	
Janitorial Services		4,224	
Legal Notices, Recording, and Court Costs		4,745	
Maintenance and Repair Services - Buildings		3,500	
Maintenance and Repair Services - Equipment		14,754	
Pest Control		160	
Postal Charges		7,436	
Printing, Stationery, and Forms		3,232	
Rentals		570	
Travel		671	
Office Supplies		5,519	
Utilities		5,910	
Building and Contents Insurance		1,178	
Liability Insurance		4,166	
Workers' Compensation Insurance		500	
Other Charges		1,423	
Data Processing Equipment		51,766	
Furniture and Fixtures		256	
Office Equipment		650	
Total Election Commission			\$ 329,022

Register of Deeds

County Official/Administrative Officer	\$	95,437
Clerical Personnel		132,299
Longevity Pay		5,900
Social Security		16,783
Pensions		11,379
Employee and Dependent Insurance		29,246
Unemployment Compensation		63
Other Fringe Benefits		4,500
Communication		2,663
Dues and Memberships		235
Travel		1,396
Other Contracted Services		5,000
Office Supplies		3,725
Utilities		8,702
Building and Contents Insurance		1,706
Liability Insurance		709
Workers' Compensation Insurance		572

(Continued)

Exhibit J-6

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Data Processing Equipment	\$	25,128	
Office Equipment		324	
Total Register of Deeds			\$ 345,767

Planning

Supervisor/Director	\$	71,598	
Clerical Personnel		42,958	
Longevity Pay		7,800	
Other Salaries and Wages		94,903	
Board and Committee Members Fees		6,900	
Social Security		16,511	
Pensions		10,473	
Employee and Dependent Insurance		30,058	
Unemployment Compensation		84	
Communication		2,935	
Maintenance and Repair Services - Vehicles		1,652	
Travel		1,678	
Tuition		1,568	
Other Contracted Services		5,152	
Gasoline		3,212	
Office Supplies		2,355	
Uniforms		350	
Utilities		3,022	
Building and Contents Insurance		1,116	
Liability Insurance		493	
Vehicle and Equipment Insurance		1,508	
Workers' Compensation Insurance		4,144	
Data Processing Equipment		1,409	
Motor Vehicles		27,341	
Total Planning			339,220

Building

Salary Supplements	\$	5,202	
Custodial Personnel		78,719	
Maintenance Personnel		96,014	
Longevity Pay		2,900	
Social Security		12,823	
Pensions		8,737	
Employee and Dependent Insurance		32,935	
Unemployment Compensation		84	
Other Fringe Benefits		9,000	
Communication		2,420	
Contracts with Private Agencies		297	
Maintenance and Repair Services - Buildings		5,386	
Maintenance and Repair Services - Vehicles		3,508	
Pest Control		350	
Custodial Supplies		4,949	

(Continued)

Exhibit J-6

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

General Fund (Cont.)

General Government (Cont.)

Building (Cont.)

Gasoline	\$	8,021	
Small Tools		2,426	
Uniforms		8,733	
Utilities		6,548	
Building and Contents Insurance		603	
Liability Insurance		493	
Vehicle and Equipment Insurance		2,473	
Workers' Compensation Insurance		10,688	
Maintenance Equipment		9,465	
Total Building			\$ 312,774

Codes Compliance

Other Salaries and Wages	\$	12,288	
Social Security		940	
Unemployment Compensation		22	
Workers' Compensation Insurance		32	
Total Codes Compliance			13,282

Geographical Information Systems

Supervisor/Director	\$	71,597	
Longevity Pay		1,500	
Social Security		5,242	
Pensions		3,580	
Employee and Dependent Insurance		17,174	
Unemployment Compensation		21	
Communication		1,135	
Dues and Memberships		410	
Maintenance and Repair Services - Office Equipment		23,882	
Maintenance and Repair Services - Vehicles		352	
Travel		249	
Other Contracted Services		5,270	
Gasoline		869	
Office Supplies		4,233	
Liability Insurance		246	
Vehicle and Equipment Insurance		481	
Workers' Compensation Insurance		252	
Data Processing Equipment		1,183	
Total Geographical Information Systems			137,676

County Buildings

Communication	\$	374	
Janitorial Services		11,076	
Maintenance and Repair Services - Buildings		23,601	
Pest Control		879	
Postal Charges		9,099	
Other Contracted Services		25,288	
Building Improvements		22,480	
Furniture and Fixtures		720	
Total County Buildings			93,517

(Continued)

Exhibit J-6

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration

Communication	\$	170	
Janitorial Services		6,255	
Maintenance and Repair Services - Buildings		14,683	
Other Contracted Services		39,234	
Utilities		27,367	
Building and Contents Insurance		2,554	
Furniture and Fixtures		5,559	
Total Other General Administration			\$ 95,822

Finance

Accounting and Budgeting

Supervisor/Director	\$	95,437	
Clerical Personnel		157,343	
Longevity Pay		4,600	
Social Security		18,506	
Pensions		11,294	
Employee and Dependent Insurance		46,201	
Unemployment Compensation		105	
Other Fringe Benefits		3,000	
Communication		3,520	
Maintenance and Repair Services - Office Equipment		14,313	
Travel		5,766	
Office Supplies		5,715	
Building and Contents Insurance		851	
Liability Insurance		709	
Workers' Compensation Insurance		472	
Data Processing Equipment		4,491	
Office Equipment		21	
Total Accounting and Budgeting			372,344

Property Assessor's Office

County Official/Administrative Officer	\$	95,437	
Salary Supplements		910	
Secretary(ies)		141,188	
Clerical Personnel		33,072	
Longevity Pay		5,500	
Social Security		19,701	
Pensions		12,662	
Employee and Dependent Insurance		51,037	
Unemployment Compensation		120	
Other Fringe Benefits		3,000	
Communication		3,139	
Contracts with Private Agencies		29,295	
Data Processing Services		17,091	
Dues and Memberships		1,850	
Maintenance and Repair Services - Office Equipment		3,000	
Travel		1,274	

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Duplicating Supplies	\$	746	
Office Supplies		1,745	
Utilities		6,819	
Building and Contents Insurance		1,337	
Liability Insurance		886	
Workers' Compensation Insurance		668	
Data Processing Equipment		5,194	
Office Equipment		95	
Total Property Assessor's Office			\$ 435,766

Reappraisal Program

Other Salaries and Wages	\$	2,965	
Social Security		13	
Unemployment Compensation		1	
Data Processing Services		5,268	
Maintenance and Repair Services - Vehicles		610	
Postal Charges		13,564	
Gasoline		857	
Liability Insurance		177	
Vehicle and Equipment Insurance		804	
Workers' Compensation Insurance		1,376	
Other Charges		567	
Total Reappraisal Program			26,202

County Trustee's Office

County Official/Administrative Officer	\$	95,437	
Clerical Personnel		159,359	
Longevity Pay		7,900	
In-service Training		715	
Social Security		19,545	
Pensions		11,857	
Employee and Dependent Insurance		18,193	
Unemployment Compensation		87	
Other Fringe Benefits		6,000	
Advertising		460	
Communication		2,816	
Dues and Memberships		330	
Maintenance and Repair Services - Office Equipment		12,207	
Travel		2,304	
Other Contracted Services		15,957	
Office Supplies		6,927	
Utilities		5,529	
Building and Contents Insurance		1,096	
Liability Insurance		886	
Workers' Compensation Insurance		680	
Data Processing Equipment		448	
Furniture and Fixtures		130	
Office Equipment		760	
Total County Trustee's Office			369,623

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office

County Official/Administrative Officer	\$	95,437	
Clerical Personnel		273,372	
Longevity Pay		8,800	
Social Security		27,755	
Pensions		17,274	
Employee and Dependent Insurance		41,158	
Unemployment Compensation		170	
Other Fringe Benefits		10,500	
Communication		4,877	
Dues and Memberships		750	
Maintenance and Repair Services - Office Equipment		13,856	
Postal Charges		23,408	
Printing, Stationery, and Forms		999	
Travel		2,706	
Data Processing Supplies		5,858	
Office Supplies		4,978	
Utilities		3,332	
Building and Contents Insurance		1,249	
Liability Insurance		1,418	
Workers' Compensation Insurance		940	
Data Processing Equipment		10,247	
Office Equipment		990	
Total County Clerk's Office			\$ 550,074

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	95,437
Clerical Personnel		419,134
Longevity Pay		16,900
Other Salaries and Wages		503
Jury and Witness Expense		23,181
Social Security		38,875
Pensions		24,177
Employee and Dependent Insurance		65,754
Unemployment Compensation		219
Other Fringe Benefits		4,500
Communication		5,279
Dues and Memberships		95
Maintenance and Repair Services - Office Equipment		19,812
Postal Charges		10,765
Travel		2,871
Office Supplies		12,384
Utilities		1,751
Building and Contents Insurance		1,966
Liability Insurance		2,127
Workers' Compensation Insurance		1,320
Data Processing Equipment		11,988

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Administration of Justice (Cont.)

Circuit Court (Cont.)

Furniture and Fixtures	\$	270	
Office Equipment		475	
Total Circuit Court			\$ 759,783

General Sessions Court

Judge(s)	\$	180,600	
Assistant(s)		65,818	
Longevity Pay		2,500	
Social Security		16,017	
Pensions		12,321	
Employee and Dependent Insurance		21,007	
Unemployment Compensation		21	
Communication		2,786	
Dues and Memberships		954	
Travel		513	
Office Supplies		982	
Utilities		1,806	
Building and Contents Insurance		2,028	
Liability Insurance		354	
Workers' Compensation Insurance		628	
Data Processing Equipment		2,318	
Office Equipment		225	
Other Equipment		2,952	
Total General Sessions Court			313,830

Drug Court

Remittance of Revenue Collected	\$	8,431	
Total Drug Court			8,431

Chancery Court

County Official/Administrative Officer	\$	95,437	
Clerical Personnel		145,661	
Longevity Pay		3,500	
Social Security		18,119	
Pensions		11,161	
Employee and Dependent Insurance		19,946	
Unemployment Compensation		117	
Other Fringe Benefits		3,000	
Communication		3,544	
Dues and Memberships		95	
Legal Notices, Recording, and Court Costs		3,050	
Maintenance and Repair Services - Office Equipment		11,458	
Travel		45	
Office Supplies		8,450	
Utilities		1,898	
Building and Contents Insurance		2,138	
Liability Insurance		886	

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Administration of Justice (Cont.)

Chancery Court (Cont.)

Workers' Compensation Insurance	\$	656	
Data Processing Equipment		6,729	
Furniture and Fixtures		4,105	
Total Chancery Court			\$ 339,995

Juvenile Court

Youth Service Officer(s)	\$	55,693	
Clerical Personnel		37,221	
Part-time Personnel		7,200	
Longevity Pay		1,600	
Social Security		7,221	
Pensions		4,646	
Unemployment Compensation		42	
Communication		1,113	
Dues and Memberships		40	
Maintenance and Repair Services - Vehicles		1,913	
Printing, Stationery, and Forms		1,488	
Travel		979	
Other Contracted Services		29,768	
Food Supplies		427	
Gasoline		1,298	
Office Supplies		2,209	
Utilities		372	
Building and Contents Insurance		401	
Liability Insurance		354	
Vehicle and Equipment Insurance		522	
Workers' Compensation Insurance		1,792	
Data Processing Equipment		4,859	
Law Enforcement Equipment		2,457	
Office Equipment		460	
Total Juvenile Court			164,075

District Attorney General

Clerical Personnel	\$	35,892	
Social Security		2,507	
Pensions		938	
Employee and Dependent Insurance		11,095	
Unemployment Compensation		46	
Travel		2,485	
Office Supplies		4,697	
Liability Insurance		177	
Workers' Compensation Insurance		88	
Total District Attorney General			57,925

Probate Court

Probation Officer(s)	\$	50,618	
Clerical Personnel		46,518	

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Probate Court (Cont.)

Longevity Pay	\$	3,500	
Social Security		7,488	
Pensions		4,857	
Employee and Dependent Insurance		9,859	
Unemployment Compensation		42	
Communication		824	
Contracts with Other Public Agencies		6,800	
Other Contracted Services		1,835	
Office Supplies		1,090	
Utilities		336	
Building and Contents Insurance		401	
Liability Insurance		354	
Workers' Compensation Insurance		248	
Data Processing Equipment		2,523	
Law Enforcement Equipment		956	
Total Probate Court			\$ 138,249

Other Administration of Justice

Communication	\$	748	
Janitorial Services		9,712	
Maintenance and Repair Services - Buildings		62,980	
Maintenance and Repair Services - Equipment		1,197	
Pest Control		685	
Utilities		3,438	
Building and Contents Insurance		1,223	
Total Other Administration of Justice			79,983

Victim Assistance Programs

Remittance of Revenue Collected	\$	13,746	
Total Victim Assistance Programs			13,746

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	113,854	
Assistant(s)		144,795	
Deputy(ies)		1,771,251	
Investigator(s)		578,810	
Captain(s)		70,713	
Lieutenant(s)		175,259	
Sergeant(s)		210,610	
Accountants/Bookkeepers		39,490	
Medical Personnel		124,300	
Salary Supplements		69,600	
Clerical Personnel		157,958	
Part-time Personnel		51,930	
Longevity Pay		45,800	
Overtime Pay		118,054	

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

Other Salaries and Wages	\$	96,912	
In-service Training		22,684	
Social Security		261,746	
Pensions		162,907	
Employee and Dependent Insurance		696,691	
Unemployment Compensation		1,620	
Other Fringe Benefits		31,000	
Communication		30,461	
Confidential Drug Enforcement Payments		5,000	
Dues and Memberships		12,603	
Evaluation and Testing		914	
Maintenance and Repair Services - Equipment		2,752	
Maintenance and Repair Services - Office Equipment		3,918	
Maintenance and Repair Services - Vehicles		93,946	
Travel		2,385	
Gasoline		121,806	
Office Supplies		10,633	
Uniforms		32,924	
Utilities		7,190	
Other Supplies and Materials		10,618	
Building and Contents Insurance		4,213	
Liability Insurance		89,690	
Vehicle and Equipment Insurance		44,206	
Workers' Compensation Insurance		125,000	
Data Processing Equipment		36,604	
Law Enforcement Equipment		28,999	
Motor Vehicles		288,202	
Office Equipment		4,992	
Other Equipment		17,437	
Other Capital Outlay		8,206	
Total Sheriff's Department			\$ 5,928,683

Administration of the Sexual Offender Registry

In-service Training	\$	687	
Remittance of Revenue Collected		3,150	
Office Supplies		840	
Total Administration of the Sexual Offender Registry			4,677

Jail

Captain(s)	\$	12,780
Lieutenant(s)		58,295
Sergeant(s)		225,812
Medical Personnel		88,994
Guards		1,077,910
Cafeteria Personnel		105,650
Part-time Personnel		12,146
Longevity Pay		16,100

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

Overtime Pay	\$	13,329	
Other Salaries and Wages		64,297	
In-service Training		3,715	
Social Security		120,811	
Pensions		73,209	
Employee and Dependent Insurance		303,260	
Unemployment Compensation		1,008	
Other Fringe Benefits		12,500	
Communication		3,987	
Dues and Memberships		740	
Maintenance and Repair Services - Equipment		24,225	
Maintenance and Repair Services - Office Equipment		2,551	
Transportation - Other than Students		10,713	
Travel		1,943	
Custodial Supplies		32,893	
Drugs and Medical Supplies		251,965	
Food Supplies		180,276	
Office Supplies		7,324	
Prisoners Clothing		13,547	
Uniforms		19,697	
Utilities		177,712	
Testing		2,889	
Building and Contents Insurance		12,549	
Liability Insurance		47,835	
Vehicle and Equipment Insurance		1,791	
Workers' Compensation Insurance		63,038	
Data Processing Equipment		12,066	
Food Service Equipment		9,372	
Office Equipment		13,396	
Total Jail			\$ 3,080,325

Workhouse

Guards	\$	60,348
Longevity Pay		5,700
Other Salaries and Wages		51,106
Social Security		6,744
Pensions		2,555
Employee and Dependent Insurance		8,938
Unemployment Compensation		106
Other Fringe Benefits		3,000
Communication		1,025
Janitorial Services		20,916
Maintenance and Repair Services - Buildings		27,730
Maintenance and Repair Services - Equipment		15,417
Pest Control		880
Uniforms		1,800
Liability Insurance		886

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Public Safety (Cont.)

Workhouse (Cont.)

Workers' Compensation Insurance	\$	2,492	
Building Construction		10,139	
Office Equipment		1,409	
Total Workhouse			\$ 221,191

Fire Prevention and Control

Supervisor/Director	\$	62,778	
Paraprofessionals		42,560	
Salary Supplements		2,750	
Part-time Personnel		2,040	
Overtime Pay		682	
Social Security		7,698	
Pensions		3,139	
Employee and Dependent Insurance		26,785	
Unemployment Compensation		90	
Communication		3,703	
Consultants		12,545	
Contributions		404,000	
Dues and Memberships		275	
Maintenance and Repair Services - Buildings		6,642	
Maintenance and Repair Services - Vehicles		1,503	
Travel		3,128	
Custodial Supplies		1,162	
Drugs and Medical Supplies		14,876	
Gasoline		2,639	
Office Supplies		1,240	
Uniforms		4,920	
Utilities		8,625	
Building and Contents Insurance		1,269	
Liability Insurance		354	
Vehicle and Equipment Insurance		1,658	
Workers' Compensation Insurance		12,504	
Data Processing Equipment		5,835	
Furniture and Fixtures		4,761	
Motor Vehicles		41,476	
Office Equipment		509	
Other Equipment		40,426	
Total Fire Prevention and Control			722,572

Civil Defense

Supervisor/Director	\$	54,868	
Longevity Pay		2,600	
Other Salaries and Wages		54,759	
Social Security		8,384	
Pensions		5,482	
Employee and Dependent Insurance		13,670	
Unemployment Compensation		42	

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Communication	\$	9,692	
Contracts with Other Public Agencies		3,800	
Dues and Memberships		55	
Maintenance and Repair Services - Buildings		3,041	
Maintenance and Repair Services - Equipment		125	
Maintenance and Repair Services - Office Equipment		300	
Maintenance and Repair Services - Vehicles		312	
Pest Control		450	
Travel		574	
Gasoline		2,972	
Office Supplies		514	
Utilities		4,991	
Other Supplies and Materials		625	
Building and Contents Insurance		2,459	
Liability Insurance		177	
Vehicle and Equipment Insurance		4,870	
Workers' Compensation Insurance		1,672	
Other Equipment		32,944	
Total Civil Defense			\$ 209,378

Other Emergency Management

Communication	\$	261,526	
Utilities		22,962	
Building and Contents Insurance		2,012	
Total Other Emergency Management			286,500

Other Public Safety

Other Salaries and Wages	\$	58,570	
Social Security		4,481	
Pensions		2,763	
Workers' Compensation Insurance		2,189	
Total Other Public Safety			68,003

Public Health and Welfare

Local Health Center

Communication	\$	11,152	
Contracts with Government Agencies		27,584	
Janitorial Services		18,900	
Maintenance and Repair Services - Buildings		23,108	
Pest Control		935	
Postal Charges		120	
Other Contracted Services		500	
Drugs and Medical Supplies		1,338	
Office Supplies		1,538	
Utilities		17,009	
Building and Contents Insurance		2,113	
Total Local Health Center			104,297

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control

Communication	\$	4,927	
Legal Notices, Recording, and Court Costs		252	
Maintenance and Repair Services - Buildings		576	
Maintenance and Repair Services - Equipment		752	
Maintenance and Repair Services - Vehicles		1,999	
Pest Control		540	
Veterinary Services		16,901	
Other Contracted Services		316,741	
Animal Food and Supplies		15,531	
Custodial Supplies		1,739	
Office Supplies		1,682	
Uniforms		653	
Utilities		13,502	
Other Supplies and Materials		1,162	
Building and Contents Insurance		373	
Liability Insurance		886	
Refunds		205	
Vehicle and Equipment Insurance		516	
Workers' Compensation Insurance		3,596	
Office Equipment		2,825	
Total Rabies and Animal Control	\$		385,358

Ambulance/Emergency Medical Services

Contracts with Private Agencies	\$	169,670	
Total Ambulance/Emergency Medical Services			169,670

Dental Health Program

Medical Personnel	\$	147,257	
Clerical Personnel		102,171	
Longevity Pay		3,600	
Social Security		18,356	
Pensions		11,610	
Employee and Dependent Insurance		8,396	
Unemployment Compensation		110	
Travel		5,734	
Drugs and Medical Supplies		12,148	
Liability Insurance		3,198	
Workers' Compensation Insurance		4,720	
Total Dental Health Program			317,300

General Welfare Assistance

Bus Drivers	\$	14,000	
Dues and Memberships		9,162	
Total General Welfare Assistance			23,162

Sanitation Management

Supervisor/Director	\$	26,793	
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(Continued)

Exhibit J-6

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Sanitation Management (Cont.)

Guards	\$	39,873	
Part-time Personnel		29	
Longevity Pay		3,500	
Social Security		4,789	
Pensions		3,335	
Employee and Dependent Insurance		30,393	
Unemployment Compensation		42	
Advertising		12,675	
Communication		513	
Contributions		595	
Dues and Memberships		515	
Postal Charges		76	
Travel		76	
Gasoline		2,651	
Office Supplies		356	
Uniforms		500	
Utilities		331	
Other Supplies and Materials		1,867	
Liability Insurance		354	
Workers' Compensation Insurance		72	
Total Sanitation Management			\$ 129,335

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Contributions	\$	48,000	
Dues and Memberships		7,000	
Total Senior Citizens Assistance			55,000

Libraries

Assistant(s)	\$	70,617	
Supervisor/Director		37,134	
Librarians		53,446	
Longevity Pay		1,400	
Social Security		12,210	
Pensions		3,531	
Employee and Dependent Insurance		13,505	
Unemployment Compensation		166	
Advertising		130	
Communication		103	
Contributions		19,000	
Postal Charges		94	
Rentals		12,000	
Travel		705	
Other Contracted Services		62,500	
Duplicating Supplies		1,800	
Library Books/Media		20,490	
Office Supplies		5,288	

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Building and Contents Insurance	\$	1,390	
Liability Insurance		1,595	
Workers' Compensation Insurance		495	
Office Equipment		2,011	
Other Equipment		1,312	
Total Libraries			\$ 320,922

Parks and Fair Boards

Contributions	\$	2,000	
Maintenance Agreements		16,740	
Total Parks and Fair Boards			18,740

Other Social, Cultural, and Recreational

Contributions	\$	10,000	
Total Other Social, Cultural, and Recreational			10,000

Agriculture and Natural Resources

Agricultural Extension Service

Salary Supplements	\$	62,677	
Other Fringe Benefits		24,252	
Communication		4,535	
Dues and Memberships		355	
Janitorial Services		3,872	
Maintenance and Repair Services - Buildings		2,270	
Maintenance and Repair Services - Equipment		341	
Pest Control		160	
Travel		1,000	
Office Supplies		2,591	
Utilities		4,064	
Building and Contents Insurance		506	
Office Equipment		879	
Total Agricultural Extension Service			107,502

Soil Conservation

Secretary(ies)	\$	41,427	
Longevity Pay		1,000	
Other Salaries and Wages		45,524	
Other Per Diem and Fees		399	
Social Security		6,221	
Pensions		4,338	
Employee and Dependent Insurance		18,797	
Unemployment Compensation		42	
Other Fringe Benefits		3,000	
Dues and Memberships		845	
Travel		3,000	
Office Supplies		353	
Liability Insurance		354	
Workers' Compensation Insurance		1,164	
Total Soil Conservation			126,464

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Other Operations

Tourism

Contributions	\$ 68,000	
Total Tourism		\$ 68,000

Industrial Development

Other Salaries and Wages	\$ 174,748	
Social Security	13,162	
Pensions	8,738	
Employee and Dependent Insurance	10,898	
Unemployment Compensation	28	
Contributions	584,381	
Other Contracted Services	88,631	
Liability Insurance	1,486	
Workers' Compensation Insurance	728	
Total Industrial Development		882,800

Other Economic and Community Development

Secretary(ies)	\$ 10,385	
Clerical Personnel	19,104	
Part-time Personnel	95,879	
Longevity Pay	2,800	
Other Salaries and Wages	31,465	
Social Security	12,073	
Pensions	2,961	
Employee and Dependent Insurance	6,259	
Unemployment Compensation	168	
Communication	889	
Matching Share	77,988	
Travel	2,235	
Other Contracted Services	26,475	
Office Supplies	477	
Liability Insurance	177	
Workers' Compensation Insurance	228	
Data Processing Equipment	4,103	
Total Other Economic and Community Development		293,666

Veterans' Services

Clerical Personnel	\$ 23,500	
Part-time Personnel	13,240	
Social Security	2,811	
Unemployment Compensation	50	
Communication	2,029	
Travel	915	
Duplicating Supplies	361	
Office Supplies	485	
Utilities	734	
Liability Insurance	180	
Workers' Compensation Insurance	74	
Data Processing Equipment	1,454	
Total Veterans' Services		45,833

(Continued)

Exhibit J-6

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

General Fund (Cont.)

Other Operations (Cont.)

Employee Benefits

Employee and Dependent Insurance	\$ 1,125	
Total Employee Benefits		\$ 1,125

COVID-19 Grant #2

Other Charges	\$ 32,371	
Total COVID-19 Grant #2		32,371

COVID-19 Grant #7

Motor Vehicles	\$ 31,705	
Total COVID-19 Grant #7		31,705

Miscellaneous

Salary Supplements	\$ 7,221	
Communication	963	
Contributions	48,000	
Dues and Memberships	43,000	
Maintenance and Repair Services - Buildings	171	
Pest Control	368	
Other Contracted Services	35	
Building and Contents Insurance	712	
Refunds	16,136	
Trustee's Commission	279,662	
Other Charges	2,625	
Office Equipment	17,214	
Total Miscellaneous		416,107

Capital Projects

Other General Government Projects

Building Purchases	\$ 165,299	
Other Capital Outlay	240,625	
Total Other General Government Projects		405,924

Total General Fund		\$ 20,199,480
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Solid Waste/Sanitation Fund

Public Health and Welfare

Postclosure Care Costs

Contracts for Postclosure Care Costs	\$ 19,421	
Total Postclosure Care Costs		\$ 19,421

Highways

Litter and Trash Collection

Foremen	\$ 51,171
Equipment Operators	183,243
Laborers	130,807
Part-time Personnel	7,500
Longevity Pay	2,900

(Continued)

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

Solid Waste/Sanitation Fund (Cont.)

Highways (Cont.)

Litter and Trash Collection (Cont.)

Overtime Pay	\$	23,012	
Social Security		28,372	
Pensions		18,627	
Employee and Dependent Insurance		92,769	
Unemployment Compensation		246	
Other Fringe Benefits		1,948	
Communication		3,303	
Dues and Memberships		530	
Licenses		1,344	
Maintenance and Repair Services - Equipment		19,875	
Maintenance and Repair Services - Office Equipment		1,500	
Postal Charges		330	
Printing, Stationery, and Forms		2,000	
Travel		349	
Disposal Fees		375,017	
Other Contracted Services		64,839	
Crushed Stone		9,989	
Diesel Fuel		48,891	
Electricity		4,110	
Equipment and Machinery Parts		14,993	
Fertilizer, Lime, and Seed		180	
Lubricants		1,701	
Office Supplies		1,634	
Road Signs		492	
Small Tools		125	
Tires and Tubes		4,900	
Uniforms		2,099	
Water and Sewer		1,275	
Trustee's Commission		14,077	
Other Charges		1,045	
Office Equipment		2,812	
Solid Waste Equipment		62,517	
Total Litter and Trash Collection			\$ 1,180,522

Total Solid Waste/Sanitation Fund \$ 1,199,943

Drug Control Fund

Public Safety

Drug Enforcement

In-service Training	\$	3,590
Confidential Drug Enforcement Payments		21,000
Maintenance and Repair Services - Office Equipment		383
Maintenance and Repair Services - Vehicles		464
Other Contracted Services		5,676
Office Supplies		330
Utilities		1,247
Refunds		8,664

(Continued)

Exhibit J-6

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

Trustee's Commission	\$	99	
Law Enforcement Equipment		10,953	
Motor Vehicles		71,325	
Other Equipment		59,841	
Total Drug Enforcement			\$ 183,572

Total Drug Control Fund \$ 183,572

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees	\$	12,060	
Total Chancery Court			\$ 12,060

Total Constitutional Officers - Fees Fund 12,060

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	122,283	
Supervisor/Director		72,280	
Accountants/Bookkeepers		43,289	
Salary Supplements		1,201	
Secretary(ies)		49,223	
Clerical Personnel		35,036	
Custodial Personnel		35,773	
Temporary Personnel		969	
Overtime Pay		14,872	
Other Salaries and Wages		100,443	
Board and Committee Members Fees		10,000	
Advertising		1,461	
Communication		20,905	
Confidential Drug Enforcement Payments		1,014	
Dues and Memberships		39,622	
Engineering Services		10,596	
Freight Expenses		70	
Maintenance and Repair Services - Buildings		2,005	
Maintenance and Repair Services - Equipment		380	
Maintenance and Repair Services - Office Equipment		35,199	
Postal Charges		1,375	
Printing, Stationery, and Forms		1,340	
Travel		1,134	
Other Contracted Services		2,309	
Custodial Supplies		2,045	
Electricity		9,464	
Natural Gas		2,072	
Office Supplies		4,984	

(Continued)

Exhibit J-6

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Water and Sewer	\$	1,334	
Other Charges		997	
Total Administration			\$ 623,675

Highway and Bridge Maintenance

Foremen	\$	140,906	
Equipment Operators		143,526	
Equipment Operators - Light		338,739	
Truck Drivers		201,555	
Laborers		242,030	
Overtime Pay		29,271	
Rentals		1,155	
Other Contracted Services		49,655	
Asphalt - Cold Mix		17,982	
Asphalt - Hot Mix		1,761,691	
Concrete		2,062	
Crushed Stone		434,961	
Fertilizer, Lime, and Seed		63,803	
General Construction Materials		1,640	
Other Road Materials		39,894	
Pipe - Metal		64,986	
Road Signs		34,996	
Small Tools		1,132	
Gravel and Chert		8,672	
Geotextile Materials		999	
Other Supplies and Materials		1,185	
Total Highway and Bridge Maintenance			3,580,840

Operation and Maintenance of Equipment

Foremen	\$	50,606	
Mechanic(s)		132,285	
Overtime Pay		8,243	
Maintenance and Repair Services - Buildings		1,975	
Maintenance and Repair Services - Equipment		79,909	
Towing Services		850	
Diesel Fuel		75,491	
Equipment and Machinery Parts		109,930	
Garage Supplies		1,205	
Gasoline		34,145	
Lubricants		9,422	
Small Tools		1,871	
Tires and Tubes		29,966	
Other Charges		275	
Total Operation and Maintenance of Equipment			536,173

Other Charges

Salary Supplements	\$	3,640	
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(Continued)

Exhibit J-6

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges (Cont.)

Longevity Pay	\$	6,100	
Overtime Pay		17,449	
Other Salaries and Wages		223,529	
Social Security		18,602	
Pensions		9,786	
Employee and Dependent Insurance		29,111	
Unemployment Compensation		153	
Other Fringe Benefits		4,750	
Building and Contents Insurance		3,888	
Liability Insurance		16,898	
Trustee's Commission		66,615	
Vehicle and Equipment Insurance		31,754	
Workers' Compensation Insurance		226,331	
Fines, Assessments, and Penalties		5,000	
Total Other Charges			\$ 663,606

Employee Benefits

Longevity Pay	\$	44,200	
Social Security		129,196	
Pensions		86,012	
Employee and Dependent Insurance		422,543	
Unemployment Compensation		854	
Other Fringe Benefits		7,010	
Uniforms		10,220	
Total Employee Benefits			700,035

Capital Outlay

Bridge Construction	\$	2,079,716	
Building Improvements		1,009	
Communication Equipment		1,253	
Furniture and Fixtures		100	
Highway Equipment		76,424	
Office Equipment		19,700	
State Aid Projects		250,000	
Total Capital Outlay			2,428,202

Total Highway/Public Works Fund \$ 8,532,531

General Debt Service Fund

Principal on Debt

General Government

Principal on Notes	\$	1,076,000	
Total General Government			\$ 1,076,000

Education

Principal on Bonds	\$	700,000	
Principal on Other Loans		8,135,000	
Total Education			8,835,000

(Continued)

Exhibit J-6

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

<u>General Debt Service Fund (Cont.)</u>		
<u>Interest on Debt</u>		
<u>General Government</u>		
Interest on Notes	\$ 23,657	
Total General Government		\$ 23,657
<u>Education</u>		
Interest on Bonds	\$ 7,105	
Interest on Other Loans	51,593	
Total Education		58,698
<u>Other Debt Service</u>		
<u>General Government</u>		
Trustee's Commission	\$ 13,774	
Total General Government		13,774
<u>Education</u>		
Other Debt Issuance Charges	\$ 990	
Other Debt Service	8,623	
Total Education		9,613
Total General Debt Service Fund		\$ 10,016,742
<u>General Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>General Administration Projects</u>		
Building Improvements	\$ 427,209	
Building Purchases	12,732	
Other Equipment	640,367	
Total General Administration Projects		\$ 1,080,308
<u>Other General Government Projects</u>		
Trustee's Commission	\$ 9,978	
Total Other General Government Projects		9,978
Total General Capital Projects Fund		1,090,286
Total Governmental Funds - Primary Government		<u>\$ 41,234,614</u>

Exhibit J-7

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 27,456,757	
Career Ladder Program	78,982	
Homebound Teachers	167,205	
Educational Assistants	804,703	
Bonus Payments	276,500	
Other Salaries and Wages	171,061	
Social Security	1,686,741	
Pensions	2,799,710	
Medical Insurance	4,668,677	
Unemployment Compensation	2,409	
Employer Medicare	395,835	
Other Fringe Benefits	3,225	
Travel	14,152	
Other Contracted Services	715,607	
Instructional Supplies and Materials	330,884	
Textbooks - Bound	400,964	
Other Supplies and Materials	327,224	
In Service/Staff Development	1,206	
Fee Waivers	72,406	
Regular Instruction Equipment	145,382	
Total Regular Instruction Program		\$ 40,519,630

Alternative Instruction Program

Teachers	\$ 522,669	
Career Ladder Program	5,000	
Clerical Personnel	29,183	
Bonus Payments	4,500	
Other Salaries and Wages	109,865	
Social Security	36,879	
Pensions	60,989	
Medical Insurance	111,373	
Unemployment Compensation	52	
Employer Medicare	9,154	
Travel	1,282	
Other Contracted Services	7,032	
Other Supplies and Materials	478	
Total Alternative Instruction Program		898,456

Special Education Program

Teachers	\$ 4,266,863
Career Ladder Program	18,000
Homebound Teachers	52,692
Educational Assistants	915,623
Speech Pathologist	755,672
Bonus Payments	72,750
Social Security	352,391

(Continued)

Exhibit J-7

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Pensions	\$	553,195	
Medical Insurance		1,095,527	
Unemployment Compensation		588	
Employer Medicare		82,424	
Other Fringe Benefits		500	
Contracts for Substitute Teachers - Non-certified		52,862	
Instructional Supplies and Materials		69,795	
Other Supplies and Materials		983	
Other Charges		1,779	
Special Education Equipment		18,199	
Total Special Education Program	\$		8,309,843

Career and Technical Education Program

Teachers	\$	1,699,524	
Career Ladder Program		6,000	
Bonus Payments		15,000	
Other Salaries and Wages		26,109	
Social Security		98,694	
Pensions		170,230	
Medical Insurance		298,371	
Unemployment Compensation		129	
Employer Medicare		23,595	
Travel		25,823	
Other Contracted Services		57,218	
Instructional Supplies and Materials		72,470	
Textbooks - Bound		5,077	
Vocational Instruction Equipment		45,129	
Total Career and Technical Education Program			2,543,369

Adult Education Program

Teachers	\$	33,342	
Other Salaries and Wages		33,452	
Social Security		3,977	
Pensions		1,580	
Unemployment Compensation		20	
Employer Medicare		950	
Travel		1,753	
Instructional Supplies and Materials		11,361	
Other Equipment		3,883	
Total Adult Education Program			90,318

Support Services

Health Services

Supervisor/Director	\$	58,450	
Bonus Payments		500	
Other Salaries and Wages		26,529	

(Continued)

Exhibit J-7

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Health Services (Cont.)

Social Security	\$	4,925	
Pensions		4,274	
Medical Insurance		14,670	
Unemployment Compensation		8	
Employer Medicare		1,152	
Travel		4,754	
Other Contracted Services		676,176	
Other Supplies and Materials		18,652	
Other Charges		6,432	
Total Health Services	\$		816,522

Other Student Support

Career Ladder Program	\$	4,000	
Guidance Personnel		1,083,560	
School Resource Officer		7,812	
Bonus Payments		10,000	
Other Salaries and Wages		5,688	
Social Security		65,749	
Pensions		109,794	
Medical Insurance		141,874	
Unemployment Compensation		79	
Employer Medicare		15,376	
Contracts with Government Agencies		279,839	
Evaluation and Testing		210,224	
Travel		6,713	
Other Equipment		48,107	
Total Other Student Support			1,988,815

Regular Instruction Program

Supervisor/Director	\$	626,200	
Career Ladder Program		11,000	
Librarians		772,643	
Materials Supervisor		8,960	
Clerical Personnel		11,780	
Bonus Payments		16,750	
Social Security		84,397	
Pensions		148,232	
Medical Insurance		216,840	
Unemployment Compensation		87	
Employer Medicare		19,868	
Travel		29,404	
Other Contracted Services		5,949	
Library Books/Media		49,500	
Other Supplies and Materials		4,017	
In Service/Staff Development		2,630	
Total Regular Instruction Program			2,008,257

(Continued)

Exhibit J-7

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program

Supervisor/Director	\$	153,474	
Career Ladder Program		1,500	
Psychological Personnel		160,188	
Medical Personnel		14,445	
Clerical Personnel		108,023	
Bonus Payments		3,750	
Social Security		24,917	
Pensions		33,281	
Medical Insurance		50,710	
Unemployment Compensation		39	
Employer Medicare		6,160	
Other Fringe Benefits		500	
Postal Charges		110	
Travel		16,760	
In Service/Staff Development		9,761	
Other Charges		982	
Total Special Education Program	\$		584,600

Career and Technical Education Program

Supervisor/Director	\$	38,400	
Unemployment Compensation		4	
Employer Medicare		557	
Travel		2,306	
In Service/Staff Development		11,028	
Total Career and Technical Education Program			52,295

Technology

Supervisor/Director	\$	41,889	
Data Processing Personnel		227,454	
Bonus Payments		1,500	
Social Security		15,882	
Pensions		19,885	
Medical Insurance		40,511	
Unemployment Compensation		21	
Employer Medicare		3,714	
Other Fringe Benefits		500	
Internet Connectivity		121,844	
Travel		4,079	
Other Contracted Services		152,000	
Cabling		12,574	
Software		100,061	
Other Supplies and Materials		10,000	
Other Equipment		158,430	
Total Technology			910,344

(Continued)

Exhibit J-7

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Programs

On-behalf Payments to OPEB	\$ 142,149	
Total Other Programs		\$ 142,149

Board of Education

Board and Committee Members Fees	\$ 22,200	
Social Security	1,376	
Employer Medicare	322	
Audit Services	45,500	
Dues and Memberships	19,720	
Legal Services	22,225	
Travel	15,884	
Liability Insurance	262,645	
Trustee's Commission	376,865	
Total Board of Education		766,737

Director of Schools

County Official/Administrative Officer	\$ 141,780	
Career Ladder Program	1,000	
Secretary(ies)	41,387	
Bonus Payments	250	
Other Salaries and Wages	2,500	
Social Security	10,915	
Pensions	17,384	
Medical Insurance	22,198	
Unemployment Compensation	9	
Employer Medicare	2,615	
Communication	71,446	
Postal Charges	3,500	
Travel	4,895	
Office Supplies	4,649	
Total Director of Schools		324,528

Office of the Principal

Principals	\$ 1,268,064	
Career Ladder Program	11,380	
Assistant Principals	2,225,474	
Secretary(ies)	1,187,133	
Bonus Payments	34,250	
Social Security	274,255	
Pensions	428,842	
Medical Insurance	687,578	
Unemployment Compensation	378	
Employer Medicare	64,775	
Other Fringe Benefits	500	
Travel	30,808	
Other Contracted Services	2,038	

(Continued)

Exhibit J-7

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

<u>General Purpose School Fund (Cont.)</u>		
<u>Support Services (Cont.)</u>		
<u>Office of the Principal (Cont.)</u>		
Office Supplies	\$ 4,540	
Other Supplies and Materials	281	
In Service/Staff Development	2,505	
Total Office of the Principal		\$ 6,222,801
 <u>Fiscal Services</u>		
Supervisor/Director	\$ 95,766	
Accountants/Bookkeepers	177,408	
Secretary(ies)	114,342	
Bonus Payments	2,250	
Social Security	23,223	
Pensions	24,908	
Medical Insurance	47,910	
Unemployment Compensation	34	
Employer Medicare	5,431	
Travel	3,199	
Other Contracted Services	35,787	
Office Supplies	4,147	
Administration Equipment	2,145	
Total Fiscal Services		536,550
 <u>Operation of Plant</u>		
Laundry Service	\$ 6,737	
Other Contracted Services	1,750,799	
Electricity	1,600,285	
Natural Gas	142,627	
Water and Sewer	210,358	
Other Supplies and Materials	99	
Building and Contents Insurance	260,662	
Total Operation of Plant		3,971,567
 <u>Maintenance of Plant</u>		
Supervisor/Director	\$ 171,006	
Secretary(ies)	38,203	
Bonus Payments	6,500	
Other Salaries and Wages	849,570	
Social Security	61,969	
Pensions	59,425	
Medical Insurance	186,866	
Unemployment Compensation	120	
Employer Medicare	14,507	
Communication	9,279	
Maintenance and Repair Services - Equipment	15,246	
Other Contracted Services	19,137	
Other Supplies and Materials	185,554	
Other Charges	4,403	
Maintenance Equipment	41,468	
Total Maintenance of Plant		1,663,253

(Continued)

Exhibit J-7

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation

Supervisor/Director	\$	131,988	
Mechanic(s)		488,552	
Bus Drivers		1,847,778	
Clerical Personnel		29,183	
Bonus Payments		35,500	
Social Security		136,310	
Pensions		124,901	
Medical Insurance		988,791	
Unemployment Compensation		616	
Employer Medicare		32,114	
Communication		3,350	
Laundry Service		10,132	
Maintenance and Repair Services - Vehicles		117,624	
Travel		1,092	
Other Contracted Services		124,844	
Gasoline		405,913	
Lubricants		29,852	
Tires and Tubes		86,210	
Vehicle Parts		340,569	
Other Supplies and Materials		24,779	
Vehicle and Equipment Insurance		167,458	
In Service/Staff Development		842	
Other Charges		3,701	
Transportation Equipment		662,751	
Total Transportation	\$		5,794,850

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	52,519	
Accountants/Bookkeepers		41,387	
Bonus Payments		23,750	
Social Security		6,761	
Pensions		8,402	
Medical Insurance		17,831	
Unemployment Compensation		17	
Employer Medicare		1,582	
Transportation - Other than Students		19,841	
In Service/Staff Development		634	
Total Food Service			172,724

Community Services

Supervisor/Director	\$	79,849	
Bonus Payments		1,750	
Other Salaries and Wages		454,736	
Social Security		31,696	
Pensions		25,617	

(Continued)

Exhibit J-7

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

Medical Insurance	\$	42,857	
Unemployment Compensation		166	
Employer Medicare		7,475	
Travel		7,745	
Other Contracted Services		2,140	
Food Supplies		17,458	
Other Supplies and Materials		20,420	
Other Equipment		4,709	
Total Community Services			\$ 696,618

Early Childhood Education

Teachers	\$	538,262	
Educational Assistants		231,210	
Bonus Payments		8,500	
Other Salaries and Wages		40,181	
Social Security		47,157	
Pensions		64,246	
Medical Insurance		180,567	
Unemployment Compensation		99	
Employer Medicare		11,029	
Travel		1,555	
Contracts for Substitute Teachers - Non-certified		10,771	
Instructional Supplies and Materials		12,852	
Total Early Childhood Education			1,146,429

Capital Outlay

Regular Capital Outlay

Other Salaries and Wages	\$	34,370	
Social Security		2,124	
Pensions		265	
Unemployment Compensation		17	
Employer Medicare		497	
Building Improvements		176,103	
Total Regular Capital Outlay			213,376

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	150,000	
Total Education			150,000

Total General Purpose School Fund \$ 80,524,031

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$	638,258	
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(Continued)

Exhibit J-7

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

Educational Assistants	\$	167,137	
Other Salaries and Wages		35,915	
Social Security		49,609	
Pensions		69,330	
Medical Insurance		108,022	
Unemployment Compensation		961	
Employer Medicare		11,602	
Other Fringe Benefits		750	
Contracts for Substitute Teachers - Non-certified		47,664	
Other Contracted Services		4,374	
Instructional Supplies and Materials		112,883	
Other Charges		2,332	
Regular Instruction Equipment		93,923	
Total Regular Instruction Program			\$ 1,342,760

Special Education Program

Teachers	\$	7,275	
Educational Assistants		1,304,210	
Social Security		74,696	
Pensions		54,066	
Medical Insurance		319,696	
Unemployment Compensation		2,571	
Employer Medicare		17,591	
Other Fringe Benefits		500	
Contracts with Private Agencies		59,885	
Contracts for Substitute Teachers - Non-certified		18,273	
Other Contracted Services		10,565	
Instructional Supplies and Materials		20,107	
Other Supplies and Materials		23,692	
Special Education Equipment		8,968	
Total Special Education Program			1,922,095

Career and Technical Education Program

Other Salaries and Wages	\$	37,060	
Social Security		2,236	
Pensions		1,313	
Medical Insurance		6,772	
Unemployment Compensation		72	
Employer Medicare		523	
Instructional Supplies and Materials		5,821	
Vocational Instruction Equipment		97,431	
Total Career and Technical Education Program			151,228

Support Services

Other Student Support

Other Salaries and Wages	\$	57,105	
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(Continued)

Exhibit J-7

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

Social Security	\$	3,219	
Pensions		6,070	
Medical Insurance		9,306	
Unemployment Compensation		35	
Employer Medicare		753	
Travel		7,057	
Other Supplies and Materials		691	
In Service/Staff Development		14,693	
Total Other Student Support			\$ 98,929

Regular Instruction Program

Supervisor/Director	\$	45,843	
Secretary(ies)		27,484	
Other Salaries and Wages		776,813	
Social Security		50,046	
Pensions		85,988	
Medical Insurance		112,105	
Unemployment Compensation		811	
Employer Medicare		11,705	
Travel		760	
Contracts for Substitute Teachers - Non-certified		920	
Other Contracted Services		3,423	
Other Supplies and Materials		1,916	
In Service/Staff Development		137,208	
Other Equipment		27,912	
Total Regular Instruction Program			1,282,934

Special Education Program

Psychological Personnel	\$	27,294	
Medical Personnel		132,586	
Clerical Personnel		31,819	
Part-time Personnel		33,375	
Social Security		13,294	
Pensions		6,497	
Medical Insurance		27,146	
Unemployment Compensation		313	
Employer Medicare		3,109	
Contracts with Private Agencies		71,534	
Operating Lease Payments		58,757	
Other Supplies and Materials		3,395	
In Service/Staff Development		12,403	
Total Special Education Program			421,522

Career and Technical Education Program

In Service/Staff Development	\$	2,309	
Other Charges		2,185	
Total Career and Technical Education Program			4,494

(Continued)

Exhibit J-7

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Office of the Principal

Assistant Principals	\$	33,092	
Social Security		2,025	
Pensions		3,518	
Medical Insurance		7,335	
Unemployment Compensation		19	
Employer Medicare		474	
Total Office of the Principal			\$ 46,463

Transportation

Bus Drivers	\$	28,860	
Other Salaries and Wages		27,820	
Social Security		3,514	
Pensions		1,470	
Unemployment Compensation		202	
Employer Medicare		822	
Total Transportation			62,688

Operation of Non-Instructional Services

Community Services

Teachers	\$	149,932	
Other Salaries and Wages		77,108	
Social Security		14,047	
Pensions		19,219	
Unemployment Compensation		59	
Employer Medicare		3,285	
Other Contracted Services		9,475	
Instructional Supplies and Materials		6,547	
In Service/Staff Development		1,137	
Other Charges		10,000	
Total Community Services			<u>290,809</u>

Total School Federal Projects Fund \$ 5,623,922

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Cafeteria Personnel	\$	1,616,259	
Other Salaries and Wages		37,091	
Social Security		93,823	
Pensions		61,818	
Medical Insurance		382,396	
Unemployment Compensation		3,579	
Employer Medicare		22,144	
Travel		2,632	
Other Contracted Services		57,182	
Food Supplies		2,072,011	

(Continued)

Exhibit J-7

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

<u>Central Cafeteria Fund (Cont.)</u>		
<u>Operation of Non-Instructional Services (Cont.)</u>		
<u>Food Service (Cont.)</u>		
Uniforms	\$	2,885
USDA - Commodities		229,798
Other Supplies and Materials		234,948
Trustee's Commission		71
In Service/Staff Development		280
Food Service Equipment		<u>160,674</u>
Total Food Service	\$	4,977,591
 <u>COVID-19 Expenditures</u>		
Remittance of Revenue Collected	\$	<u>108</u>
Total COVID-19 Expenditures		<u>108</u>
Total Central Cafeteria Fund	\$	4,977,699
 <u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Building Construction	\$	<u>1,400,932</u>
Total Education Capital Projects	\$	<u>1,400,932</u>
Total Education Capital Projects Fund		<u>1,400,932</u>
Total Governmental Funds - Tipton County School Department	\$	<u><u>92,526,584</u></u>

Exhibit J-8

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

	<u>Cities - Sales Tax Fund</u>
<u>Cash Receipts</u>	
	\$ 4,895,231
Total Cash Receipts	<u>\$ 4,895,231</u>
<u>Cash Disbursements</u>	
Remittance of Revenue Collected	\$ 4,846,279
Trustee's Commission	48,952
Total Cash Disbursements	<u>\$ 4,895,231</u>
Excess of Cash Receipts Over (Under)	
Cash Disbursements	\$ 0
Cash Balance, July 1, 2019	<u>0</u>
Cash Balance, June 30, 2020	<u><u>\$ 0</u></u>

SINGLE AUDIT SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

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

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tipton County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Tipton County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated October 28, 2020.

Internal Control Over Financial Reporting

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

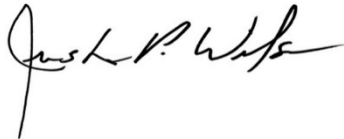
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tipton 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 result 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 Tipton County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

October 28, 2020

JPW/tg



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

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

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

We have audited Tipton 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 Tipton County's major federal programs for the year ended June 30, 2020. Tipton 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 Tipton 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 Tipton 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 Tipton County's compliance.

Opinion on Each Major Federal Program

In our opinion, Tipton 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 Tipton 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 Tipton 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 Tipton 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.

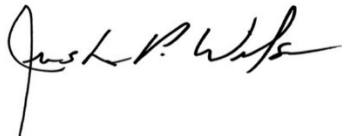
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the

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 Tipton County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Tipton County's basic financial statements. We issued our report thereon dated October 28, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

October 28, 2020

JPW/tg

Tipton County, Tennessee, and the Tipton 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 Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (4)			
School Breakfast Program	10.553	N/A	\$ 704,557 (7)
COVID 19 - School Breakfast Program	10.553	N/A	269,247 (7)
National School Lunch Program	10.555	N/A	2,158,975 (8)
COVID 19 - National School Lunch Program	10.555	N/A	490,852 (8)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (4)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	229,798 (8)
Passed-through State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	GG-20-63767	22,630
Total U.S. Department of Agriculture			\$ 3,876,059
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program	14.228	(5)	\$ 561,077
Total U.S. Department of Housing and Urban Development			\$ 561,077
U.S. Department of Justice:			
Passed-through State Commission on Children and Youth:			
Juvenile Justice and Delinquency Prevention - Allocation to States	16.540	(5)	\$ 13,500
Passed-through State Office of Criminal Justice Programs:			
Crime Victim Assistance	16.575	(5)	57,924
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0064	10,217
Direct Programs:			
Coronavirus Emergency Supplemental Funding Program	16.034	(5)	31,705
Bulletproof Vest Partnership Program	16.607	(5)	11,529
Federal Asset Forfeiture Program	16.U01	N/A	121,893
Total U.S. Department of Justice			\$ 246,768
U.S. Department of Labor:			
Passed through State Department of Labor and Workforce Development:			
COVID 19 - Unemployment Insurance	17.225	(5)	\$ 5,870
Total U.S. Department of Labor			\$ 5,870
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Safety Cluster: (4)			
State and Community Highway Safety	20.600	Z20THS299	\$ 12,985
Alcohol Open Container Requirements	20.607	Z19THS327	11,195
Total U.S. Department of Transportation			\$ 24,180
U.S. Department of Education:			
Passed through State Department of Labor and Workforce Development:			
Adult Education - Basic Grants to States	84.002	N/A	\$ 45,808
Passed-through State Department of Education:			
Title 1 Grants to Local Educational Agencies	84.010	N/A	2,337,855

(Continued)

Tipton County, Tennessee, and the Tipton County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (Cont.)

Federal/Pass-Through Agency/State Grantor Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures
U.S. Department of Education (Cont.):			
Special Education Cluster: (4)			
Special Education - Grants to States	84.027	N/A	\$ 2,435,573
Special Education - Preschool Grants	84.173	N/A	102,648
Career and Technical Education - Basic Grants to States	84.048	N/A	177,128
Twenty-first Century Community Learning Centers	84.287	N/A	292,090
Supporting Effective Instruction State Grant	84.367	N/A	313,195
Student Support and Academic Enrichment Program	84.424	N/A	93,323
Passed-through Lauderdale County Board of Education:			
English Language Acquisition State Grants	84.365	N/A	6,719
Total U.S. Department of Education			<u>\$ 5,804,339</u>
U.S. Election Assistance Commission:			
Passed through Tennessee Secretary of State:			
COVID 19 - 2020 Supplemental Election Security Grants	90.404	(5)	\$ 622
Total U.S. Election Assistance Commission			<u>\$ 622</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Family Planning Services	93.217	GG-20-63767	\$ 5,491
National State Based Tobacco Control Programs	93.305	GG-20-63767	1,022
Preventive Health and Health Services Block Grant	93.991	GG-20-63767	5,372
Maternal and Child Health Services Block Grant to the States	93.994	GG-20-63767	16,663
Total U.S. Department of Health and Human Services			<u>\$ 28,548</u>
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
COVID 19 - Disaster Relief Fund - PPE	97.036	(5)	\$ 24,278
Emergency Management Performance Grant	97.042	(5)	34,000
Homeland Security Grant Program	97.067	(5)	32,010
Total U.S. Department of Homeland Security			<u>\$ 90,288</u>
Total Expenditures of Federal Grants			<u>\$ 10,637,751</u>
State Grants			
Preventive Health and Human Services - State Department of Health	N/A	Contract Number (6)	\$ 204,317
Three Star Program - State Department of Economic and Community Development	N/A	(5)	17,335
Litter Program - State Department of Transportation	N/A	(5)	58,912
COVID 19 - PPE - State Department of Military	N/A	(5)	8,093
Family Resource Centers - State Department of Education	N/A	(5)	60,423
Coordinated School Health - State Department of Education	N/A	(5)	118,678
Middle School STEM Start-Up Grants - State Department of Education	N/A	(5)	27,802
Safe Schools Act of 1998 - State Department of Education	N/A	(5)	285,557
Children in State Custody - State Department of Children's Services	N/A	(5)	343,970
Early Childhood Education - State Department of Education	N/A	(5)	1,112,291
Total State Grants			<u>\$ 2,237,378</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) Tipton 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) Child Nutrition Cluster total \$3,853,429; Highway Safety Cluster total \$12,985; Special Education Cluster total \$2,538,221.
- (5) Information not available.
- (6) GG-19-69710: \$22,868; GG-20-63767: \$181,449.
- (7) Total for CFDA No. 10.553 is \$973,804.
- (8) Total for CFDA No. 10.555 is \$2,879,625.

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

Prior-year Financial Statement Findings

Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	Current Status
<u>OFFICE OF COUNTY EXECUTIVE</u>					
2019	192	2019-001	The Animal Control Department had Operating Deficiencies	N/A	Corrected

Prior-year Federal Awards Findings

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

TIPTON COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2020

PART I, SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1. Our report on the financial statements of Tipton 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: 84.027 and 84.173 Special Education Cluster: Special Education
- Grants to States and Special Education -
Preschool Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

There were no findings and recommendations, as a result of our audit of the financial statements of Tipton 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.

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

The audit of Tipton County did not report any findings and recommendations.

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 Tipton County.

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

Tipton County does not have a central system of accounting, budgeting, and purchasing. Sound business practices dictate that establishing a central system would significantly improve internal controls over the accounting, budgeting, and purchasing processes. The absence of a central system of accounting, budgeting, and purchasing has been a management decision by the county commission resulting in decentralization and some duplication of effort. We recommend the adoption of the County Financial Management System of 1981 or a private act, which would provide for a central system of accounting, budgeting, and purchasing covering all county departments.