

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



DIVISION OF LOCAL GOVERNMENT AUDIT



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FOR THE YEAR ENDED JUNE 30, 2020

COMPTROLLER OF THE TREASURY
JUSTIN P. WILSON

DIVISION OF LOCAL GOVERNMENT AUDIT
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This financial report is available at www.comptroller.tn.gov

WAYNE COUNTY, TENNESSEE

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Summary of Audit Findings

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

Scope

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

Results

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

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

Findings

The following are summaries of the audit findings:

OFFICE OF COUNTY EXECUTIVE

- ◆ Revenues unrelated to operations were allocated to the Public Utility Fund.
- ◆ Wayne County has a material recurring audit finding.
- ◆ Duties were not segregated adequately.
- ◆ Employees shared usernames and passwords.
- ◆ The office did not review its software audit logs for the Public Utility Fund.

OFFICE OF CIRCUIT, GENERAL SESSIONS, AND JUVENILE COURTS CLERK

- ◆ Multiple employees operated from the same cash drawer.

INTRODUCTORY SECTION

Wayne County Officials

June 30, 2020

Officials

Jim Mangubat, County Executive
Charles Moser, Commissioner of Highways
Marlon Davis, Director of Schools
Janice Smith, Trustee
Dustin White, Assessor of Property
Stan Horton, County Clerk
Bill Crews, Circuit, General Sessions, and Juvenile Courts Clerk
Chassity Kelly, Clerk and Master
Tyler Strait, Register of Deeds
Shane Fisher, Sheriff

Board of County Commissioners

Jim Mangubat, County Executive, Chairman	Herbert Brewer
Sherrie Powers	Kathryn Staggs
Vickie Petty	Tom Mathis, Jr.
Mary Lauren Garner	John McDonald
David Martin	Timothy Prater
Rickey Kelley	Phillip Casteel
Joe Hall	Tim Powell
Stephen Pevahouse	

Board of Education

Andy Yarbrough, Chairman	Charity Horton
Barry Hanback	Pat Brown
Dwight Bumphus	Sherman Martin
Greg Eaton	

Audit Committee

John McDonald, Chairman
Tim Powell
Keith Hatcher
Sarah Cook

FINANCIAL SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

Independent Auditor's Report

Wayne County Executive and
Board of County Commissioners
Wayne 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wayne 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wayne County, Tennessee, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Solid Waste/Sanitation, and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedule of changes in the school's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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 Wayne 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 Wayne County School Department (a discretely presented component unit), miscellaneous schedules and other information such as the introductory and statutory sections 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.

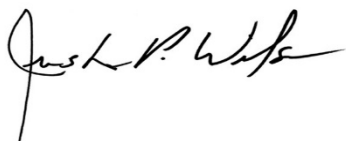
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Wayne County School Department (a discretely presented component unit), schedule 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 Wayne 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 and statutory sections have 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2020, on our consideration of Wayne 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 Wayne 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 Wayne County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

November 23, 2020

JPW/yu

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Wayne County School Department
<u>ASSETS</u>				
Cash	\$ 100	\$ 0	\$ 100	\$ 555
Equity in Pooled Cash and Investments	7,589,284	931,478	8,520,762	3,698,308
Accounts Receivable	185,740	18,356	204,096	2,655
Due from Other Governments	829,086	0	829,086	857,730
Due from Component Units	875,876	0	875,876	0
Property Taxes Receivable	4,874,259	0	4,874,259	2,045,985
Allowance for Uncollectible Property Taxes	(154,145)	0	(154,145)	(64,702)
Net Pension Asset - Agent Plan	2,039,396	0	2,039,396	1,105,070
Net Pension Asset - Teacher Retirement Plan	0	0	0	48,628
Net Pension Asset - Teacher Legacy Pension Plan	0	0	0	3,160,316
Restricted Assets:				
Amounts Accumulated for Pension Benefits	0	0	0	39,938
Capital Assets:				
Assets Not Depreciated:				
Land	838,841	0	838,841	513,442
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	8,663,593	0	8,663,593	8,912,280
Infrastructure	14,797,663	4,862,317	19,659,980	0
Other Capital Assets	2,991,584	0	2,991,584	1,523,201
Total Assets	\$ 43,531,277	\$ 5,812,151	\$ 49,343,428	\$ 21,843,406
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Pension Changes in Experience	\$ 10,455	\$ 0	\$ 10,455	\$ 161,549
Pension Changes in Assumptions	134,633	0	134,633	500,512
Pension Change in Proportion	0	0	0	72,406
Pension Contributions After Measurement Date	281,629	0	281,629	1,244,326
OPEB Changes in Assumptions	0	0	0	109,100
OPEB Changes in Experience	0	0	0	939,812
OPEB Changes in Proportion	0	0	0	437,969
OPEB Benefits Paid After Measurement Date	0	0	0	214,539
Total Deferred Outflows of Resources	\$ 426,717	\$ 0	\$ 426,717	\$ 3,680,213
<u>LIABILITIES</u>				
Accrued Payroll	\$ 5,728	\$ 0	\$ 5,728	\$ 0
Payroll Deductions Payable	12,256	0	12,256	1,008,738
Due to Primary Government	0	0	0	525,475
Due to State of Tennessee	1,236	0	1,236	4,329
Accrued Interest Payable	38,647	0	38,647	0
Other Current Liabilities	78	0	78	0
Customer Deposits Payable	0	12,500	12,500	0
Noncurrent Liabilities:				
Due Within One Year - Debt	2,166,888	27,707	2,194,595	0
Due Within One Year - Other	204,085	0	204,085	150,147
Due in More Than One Year - Debt	16,073,069	1,333,223	17,406,292	0
Due in More Than One Year - Other	0	0	0	6,253,809
Total Liabilities	\$ 18,501,987	\$ 1,373,430	\$ 19,875,417	\$ 7,942,498

(Continued)

Exhibit A

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Wayne County School Department
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 4,527,709	\$ 0	\$ 4,527,709	\$ 1,900,520
OPEB Changes in Assumptions	0	0	0	536,525
Pension Changes in Investment Earnings	202,501	0	202,501	1,014,746
Pension Changes in Experience	161,026	0	161,026	2,026,126
Pension Changes in Proportion	0	0	0	21,805
Total Deferred Inflows of Resources	<u>\$ 4,891,236</u>	<u>\$ 0</u>	<u>\$ 4,891,236</u>	<u>\$ 5,499,722</u>
<u>NET POSITION</u>				
Net Investment in Capital Assets	\$ 17,117,067	\$ 3,501,387	\$ 20,618,454	\$ 10,948,923
Restricted for:				
General Government	73,531	0	73,531	0
Administration of Justice	37,413	0	37,413	0
Public Safety	497,308	0	497,308	0
Social, Cultural, and Recreational Services	86,266	0	86,266	0
Highway/Public Works	2,622,744	0	2,622,744	0
Education	0	0	0	668,432
Pensions	2,039,396	0	2,039,396	4,353,952
Capital Outlay	131,432	0	131,432	168,037
Unrestricted	<u>(2,040,386)</u>	<u>937,334</u>	<u>(1,103,052)</u>	<u>(4,057,945)</u>
Total Net Position	<u>\$ 20,564,771</u>	<u>\$ 4,438,721</u>	<u>\$ 25,003,492</u>	<u>\$ 12,081,399</u>

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

Exhibit B

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

Functions/Programs	Net (Expense) Revenue and Changes in Net Position							
	Expenses	Program Revenues			Primary Government			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Wayne County School Department
Primary Government:								
Governmental Activities:								
General Government	\$ 1,080,047	\$ 152,664	\$ 849,514	\$ 0	\$ (77,869)	\$ 0	\$ (77,869)	\$ 0
Finance	494,694	450,804	0	0	(43,890)	0	(43,890)	0
Administration of Justice	812,923	386,944	13,500	0	(412,479)	0	(412,479)	0
Public Safety	4,008,279	1,018,319	76,682	0	(2,913,278)	0	(2,913,278)	0
Public Health and Welfare	1,360,498	36,898	200,693	0	(1,122,907)	0	(1,122,907)	0
Social, Cultural, and Recreational Services	440,173	4,475	0	0	(435,698)	0	(435,698)	0
Agriculture and Natural Resources	101,177	0	0	0	(101,177)	0	(101,177)	0
Highways/Public Works	3,340,524	16	2,894,876	351,819	(93,813)	0	(93,813)	0
Interest on Long-term Debt	554,880	0	0	0	(554,880)	0	(554,880)	0
Total Governmental Activities	\$ 12,193,195	\$ 2,050,120	\$ 4,035,265	\$ 351,819	\$ (5,755,991)	\$ 0	\$ (5,755,991)	\$ 0
Business-type Activities								
Public Utilities	\$ 434,967	\$ 220,257	\$ 0	\$ 5,420	\$ 0	\$ (209,290)	\$ 0	\$ 0
Total Business-type Activities	\$ 434,967	\$ 220,257	\$ 0	\$ 5,420	\$ 0	\$ (209,290)	\$ 0	\$ 0
Total Primary Government	\$ 12,628,162	\$ 2,270,377	\$ 4,035,265	\$ 357,239	\$ (5,755,991)	\$ (209,290)	\$ (5,755,991)	\$ 0
Component Unit:								
Wayne County School Department	\$ 22,224,682	\$ 302,672	\$ 3,785,414	\$ 0	\$ 0	\$ 0	\$ 0	\$ (18,136,596)
Total Component Unit	\$ 22,224,682	\$ 302,672	\$ 3,785,414	\$ 0	\$ 0	\$ 0	\$ 0	\$ (18,136,596)

(Continued)

Exhibit B

Wayne County, Tennessee
Statement of Activities (Cont.)

					Net (Expense) Revenue and Changes in Net Position			Component Unit
								Wayne
								County
								School
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Department
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 3,997,431	\$ 0	\$ 3,997,431	\$ 2,090,478
Property Taxes Levied for Debt Service					992,982	0	992,982	0
Local Option Sales Tax					1,204,646	0	1,204,646	833,125
Wheel Tax					860,642	0	860,642	0
Litigation Tax					141,387	0	141,387	0
Business Tax					49,667	0	49,667	0
Mineral Severance Tax					97,961	0	97,961	0
Wholesale Beer Tax					96,863	0	96,863	0
Other Local Taxes					38,273	20,410	58,683	32,408
Grants and Contributions Not Restricted to Specific Programs					766,396	417,230	1,183,626	15,623,476
Unrestricted Investment Earnings					154,748	0	154,748	0
Miscellaneous					53,635	0	53,635	37,478
Total General Revenues					\$ 8,454,631	\$ 437,640	\$ 8,892,271	\$ 18,616,965
Change in Net Position								
Net Position, July 1, 2019					\$ 2,698,640	\$ 228,350	\$ 2,926,990	\$ 480,369
					17,866,131	4,210,371	22,076,502	11,601,030
Net Position, June 30, 2020					\$ 20,564,771	\$ 4,438,721	\$ 25,003,492	\$ 12,081,399

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

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>						
Cash	\$ 100	\$ 0	\$ 0	\$ 0	\$ 0	\$ 100
Equity in Pooled Cash and Investments	2,703,874	323,375	1,287,569	2,163,926	1,110,540	7,589,284
Accounts Receivable	108,835	0	29,264	47,641	0	185,740
Due from Other Governments	47,585	0	552,176	229,325	0	829,086
Due from Component Units	350,401	0	0	0	0	350,401
Property Taxes Receivable	2,978,714	842,464	0	1,053,081	0	4,874,259
Allowance for Uncollectible Property Taxes	(94,199)	(26,642)	0	(33,304)	0	(154,145)
Total Assets	\$ 6,095,310	\$ 1,139,197	\$ 1,869,009	\$ 3,460,669	\$ 1,110,540	\$ 13,674,725
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,728	\$ 5,728
Payroll Deductions Payable	5,998	0	4,382	0	1,876	12,256
Due to State of Tennessee	1,227	0	0	0	9	1,236
Other Current Liabilities	78	0	0	0	0	78
Total Liabilities	\$ 7,303	\$ 0	\$ 4,382	\$ 0	\$ 7,613	\$ 19,298
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 2,766,934	\$ 782,567	\$ 0	\$ 978,208	\$ 0	\$ 4,527,709
Deferred Delinquent Property Taxes	100,927	21,816	0	35,681	0	158,424
Other Deferred/Unavailable Revenue	0	0	185,033	115,000	0	300,033
Total Deferred Inflows of Resources	\$ 2,867,861	\$ 804,383	\$ 185,033	\$ 1,128,889	\$ 0	\$ 4,986,166

(Continued)

Exhibit C-1

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

	Major Funds				Nonmajor Funds	
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
FUND BALANCES						
Restricted:						
Restricted for General Government	\$ 73,531	\$ 0	\$ 0	\$ 0	\$ 0	\$ 73,531
Restricted for Administration of Justice	37,413	0	0	0	0	37,413
Restricted for Public Safety	394,832	0	0	0	102,476	497,308
Restricted for Social, Cultural, and Recreational Services	0	0	0	0	86,266	86,266
Restricted for Highways/Public Works	0	0	1,679,594	0	782,753	2,462,347
Restricted for Capital Outlay	0	0	0	0	131,432	131,432
Committed:						
Committed for Public Health and Welfare	15,394	334,814	0	0	0	350,208
Committed for Debt Service	0	0	0	2,331,780	0	2,331,780
Assigned:						
Assigned for Social, Cultural, and Recreational Services	38,025	0	0	0	0	38,025
Unassigned	2,660,951	0	0	0	0	2,660,951
Total Fund Balances	<u>\$ 3,220,146</u>	<u>\$ 334,814</u>	<u>\$ 1,679,594</u>	<u>\$ 2,331,780</u>	<u>\$ 1,102,927</u>	<u>\$ 8,669,261</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,095,310</u>	<u>\$ 1,139,197</u>	<u>\$ 1,869,009</u>	<u>\$ 3,460,669</u>	<u>\$ 1,110,540</u>	<u>\$ 13,674,725</u>

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

Exhibit C-2

Wayne 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)		\$	8,669,261
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	838,841	
Add: buildings and improvements net of accumulated depreciation		8,663,593	
Add: infrastructure net of accumulated depreciation		14,797,663	
Add: other capital assets net of accumulated depreciation		<u>2,991,584</u>	27,291,681
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: bonds payable	\$	(17,265,000)	
Less: other loans payable		(525,475)	
Add: debt to be contributed by the school department		525,475	
Less: compensated absences payable		(204,085)	
Less: accrued interest on bonds and other loans		(38,647)	
Less: unamortized premium on debt		<u>(449,482)</u>	(17,957,214)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.			
Add: deferred outflows of resources related to pensions	\$	426,717	
Less: deferred inflows of resources related to pensions		<u>(363,527)</u>	63,190
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			2,039,396
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>458,457</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>20,564,771</u></u>

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

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>						
Local Taxes	\$ 3,592,882	\$ 913,334	\$ 284,012	\$ 2,753,632	\$ 94,311	\$ 7,638,171
Licenses and Permits	6,224	0	0	0	0	6,224
Fines, Forfeitures, and Penalties	117,103	0	0	0	20,994	138,097
Charges for Current Services	130,296	4,118	0	0	2,721	137,135
Other Local Revenues	411,012	30,065	23,582	1,519	0	466,178
Fees Received From County Officials	711,916	0	0	0	0	711,916
State of Tennessee	1,870,494	104,594	3,072,415	0	134,138	5,181,641
Federal Government	130,710	0	209,699	0	0	340,409
Other Governments and Citizens Groups	188,343	0	0	245,344	47,904	481,591
Total Revenues	\$ 7,158,980	\$ 1,052,111	\$ 3,589,708	\$ 3,000,495	\$ 300,068	\$ 15,101,362
<u>Expenditures</u>						
Current:						
General Government	\$ 1,158,989	\$ 0	\$ 0	\$ 0	\$ 7	\$ 1,158,996
Finance	482,473	0	0	0	0	482,473
Administration of Justice	807,864	0	0	0	2,721	810,585
Public Safety	3,471,621	0	0	0	68,637	3,540,258
Public Health and Welfare	172,301	974,486	0	0	0	1,146,787
Social, Cultural, and Recreational Services	221,325	0	0	0	0	221,325
Agriculture and Natural Resources	102,382	0	0	0	0	102,382
Other Operations	389,225	0	0	0	170,422	559,647
Highways	51,270	0	3,585,120	0	0	3,636,390
Support Services	7,011	0	0	0	0	7,011
Debt Service:						
Principal on Debt	0	0	0	2,190,832	0	2,190,832
Interest on Debt	0	0	0	567,250	0	567,250

(Continued)

Exhibit C-3

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

	Major Funds				Nonmajor Funds	
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>Expenditures (Cont.)</u>						
Debt Service (Cont.)						
Other Debt Service	\$ 0	\$ 0	\$ 0	\$ 151,663	\$ 0	\$ 151,663
Capital Projects	0	0	0	0	962	962
Total Expenditures	<u>\$ 6,864,461</u>	<u>\$ 974,486</u>	<u>\$ 3,585,120</u>	<u>\$ 2,909,745</u>	<u>\$ 242,749</u>	<u>\$ 14,576,561</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 294,519</u>	<u>\$ 77,625</u>	<u>\$ 4,588</u>	<u>\$ 90,750</u>	<u>\$ 57,319</u>	<u>\$ 524,801</u>
<u>Other Financing Sources (Uses)</u>						
Bonds Issued	\$ 0	\$ 0	\$ 0	\$ 4,390,000	\$ 0	\$ 4,390,000
Premiums on Debt Sold	0	0	0	296,525	0	296,525
Insurance Recovery	133,952	7,139	8,358	0	0	149,449
Transfers In	4,147	0	0	76,345	37,629	118,121
Transfers Out	0	0	(76,345)	0	(41,776)	(118,121)
Payments to Refunded Debt Escrow Agent	0	0	0	(4,590,000)	0	(4,590,000)
Total Other Financing Sources (Uses)	<u>\$ 138,099</u>	<u>\$ 7,139</u>	<u>\$ (67,987)</u>	<u>\$ 172,870</u>	<u>\$ (4,147)</u>	<u>\$ 245,974</u>
Net Change in Fund Balances	\$ 432,618	\$ 84,764	\$ (63,399)	\$ 263,620	\$ 53,172	\$ 770,775
Fund Balance, July 1, 2019	<u>2,787,528</u>	<u>250,050</u>	<u>1,742,993</u>	<u>2,068,160</u>	<u>1,049,755</u>	<u>7,898,486</u>
Fund Balance, June 30, 2020	<u>\$ 3,220,146</u>	<u>\$ 334,814</u>	<u>\$ 1,679,594</u>	<u>\$ 2,331,780</u>	<u>\$ 1,102,927</u>	<u>\$ 8,669,261</u>

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

Exhibit C-4

Wayne 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)		\$	770,775
(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	\$	1,167,409	
Less: current-year depreciation expense		(1,259,466)	(92,057)
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			
Less: book value of capital assets disposed			(41,633)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Less: deferred delinquent property taxes and other deferred June 30, 2019	\$	(633,258)	
Add: deferred delinquent property taxes and other deferred June 30, 2020		458,457	(174,801)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:			
Less: bonds proceeds	\$	(4,390,000)	
Less: contributions from the school department for other loans		(140,832)	
Add: change in premium on debt issuances		(148,786)	
Add: bonds refunded		4,590,000	
Add: principal payments on bonds		1,945,000	
Add: principal payments on other loans		140,832	
Add: principal payments on notes		105,000	2,101,214
(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	\$	12,370	
Change in compensated absences payable		(46,418)	
Change in net pension asset		219,121	
Change in deferred outflows of resources related to pensions		(24,315)	
Change in deferred inflows of resources related to pensions		(25,616)	135,142
Change in net position of governmental activities (Exhibit B)		\$	<u>2,698,640</u>

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

Exhibit C-5

Wayne 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)	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	\$ 3,592,882	\$ 0	\$ 3,592,882	\$ 3,566,654	\$ 3,566,654	\$ 26,228
Licenses and Permits	6,224	0	6,224	5,860	5,860	364
Fines, Forfeitures, and Penalties	117,103	0	117,103	146,325	146,325	(29,222)
Charges for Current Services	130,296	0	130,296	93,165	135,345	(5,049)
Other Local Revenues	411,012	0	411,012	268,695	342,299	68,713
Fees Received From County Officials	711,916	0	711,916	684,874	704,834	7,082
State of Tennessee	1,870,494	0	1,870,494	1,788,264	1,955,842	(85,348)
Federal Government	130,710	0	130,710	27,030	140,390	(9,680)
Other Governments and Citizens Groups	188,343	0	188,343	0	164,636	23,707
Total Revenues	\$ 7,158,980	\$ 0	\$ 7,158,980	\$ 6,580,867	\$ 7,162,185	\$ (3,205)
<u>Expenditures</u>						
<u>General Government</u>						
County Commission	\$ 86,461	\$ 2,000	\$ 88,461	\$ 104,977	\$ 104,978	\$ 16,517
County Mayor/Executive	190,181	0	190,181	204,285	204,285	14,104
Election Commission	127,514	0	127,514	139,749	141,374	13,860
Register of Deeds	138,593	0	138,593	154,209	154,209	15,616
County Buildings	546,214	291	546,505	398,088	556,624	10,119
Other General Administration	70,026	0	70,026	112,907	103,357	33,331
<u>Finance</u>						
Property Assessor's Office	153,180	0	153,180	162,688	162,688	9,508
Reappraisal Program	10,898	0	10,898	16,098	16,098	5,200
County Trustee's Office	162,501	0	162,501	170,022	170,022	7,521
County Clerk's Office	155,894	0	155,894	160,689	166,001	10,107
<u>Administration of Justice</u>						
Circuit Court	205,233	0	205,233	212,697	213,080	7,847

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	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 (Cont.)</u>						
General Sessions Court	\$ 250,399	\$ 0	\$ 250,399	\$ 293,098	\$ 290,253	\$ 39,854
Drug Court	0	0	0	8,500	8,500	8,500
Chancery Court	141,993	0	141,993	143,996	146,842	4,849
Juvenile Court	33,601	0	33,601	70,838	71,025	37,424
Judicial Commissioners	65,495	0	65,495	63,840	67,328	1,833
Probation Services	56,289	0	56,289	64,602	64,012	7,723
Courtroom Security	54,854	0	54,854	65,282	65,282	10,428
<u>Public Safety</u>						
Sheriff's Department	1,684,299	0	1,684,299	1,206,160	1,717,383	33,084
Special Patrols	1,485	0	1,485	0	1,485	0
Drug Enforcement	7,146	0	7,146	2,999	7,146	0
Jail	1,576,517	0	1,576,517	1,550,621	1,597,051	20,534
Rural Fire Protection	133,461	0	133,461	89,225	146,300	12,839
Civil Defense	0	0	0	12,030	12,030	12,030
Other Emergency Management	42,392	0	42,392	57,254	57,255	14,863
County Coroner/Medical Examiner	20,188	0	20,188	37,316	37,316	17,128
Public Safety Grants Program	5,434	0	5,434	0	5,600	166
Other Public Safety	699	0	699	1,400	1,400	701
<u>Public Health and Welfare</u>						
Local Health Center	42,655	0	42,655	57,810	57,513	14,858
Nursing Home	0	0	0	681,751	0	0
Alcohol and Drug Programs	2,500	0	2,500	2,500	2,500	0
Other Local Health Services	123,646	0	123,646	156,592	156,592	32,946
Regional Mental Health Center	0	0	0	9,000	9,000	9,000
Other Local Welfare Services	3,500	0	3,500	9,000	9,000	5,500

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	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</u>						
Senior Citizens Assistance	\$ 37,635	\$ 0	\$ 37,635	\$ 36,000	\$ 37,635	\$ 0
Libraries	159,765	0	159,765	175,860	176,859	17,094
Other Social, Cultural, and Recreational	23,925	0	23,925	18,750	25,263	1,338
<u>Agriculture and Natural Resources</u>						
Agricultural Extension Service	56,840	0	56,840	65,218	65,218	8,378
Forest Service	2,000	0	2,000	2,000	2,000	0
Soil Conservation	43,542	0	43,542	47,867	48,508	4,966
<u>Other Operations</u>						
Other Economic and Community Development	35,236	0	35,236	42,400	42,400	7,164
Veterans' Services	15,105	0	15,105	19,053	19,053	3,948
Other Charges	214,317	0	214,317	227,000	227,000	12,683
Contributions to Other Agencies	0	0	0	1,635	0	0
Employee Benefits	44,954	0	44,954	73,500	73,500	28,546
Miscellaneous	79,613	0	79,613	84,857	84,857	5,244
<u>Highways</u>						
Litter and Trash Collection	51,270	0	51,270	53,531	53,531	2,261
<u>Support Services</u>						
Other Programs	7,011	0	7,011	9,720	9,720	2,709
Total Expenditures	\$ 6,864,461	\$ 2,291	\$ 6,866,752	\$ 7,277,614	\$ 7,389,073	\$ 522,321
Excess (Deficiency) of Revenues Over Expenditures	\$ 294,519	\$ (2,291)	\$ 292,228	\$ (696,747)	\$ (226,888)	\$ 519,116
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 133,952	\$ 0	\$ 133,952	\$ 0	\$ 113,457	\$ 20,495

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Other Financing Sources (Uses) (Cont.)</u>						
Transfers In	\$ 4,147	\$ 0	\$ 4,147	\$ 697,501	\$ 100,672	\$ (96,525)
Total Other Financing Sources	\$ 138,099	\$ 0	\$ 138,099	\$ 697,501	\$ 214,129	\$ (76,030)
Net Change in Fund Balance	\$ 432,618	\$ (2,291)	\$ 430,327	\$ 754	\$ (12,759)	\$ 443,086
Fund Balance, July 1, 2019	2,787,528	0	2,787,528	2,074,443	2,074,443	713,085
Fund Balance, June 30, 2020	\$ 3,220,146	\$ (2,291)	\$ 3,217,855	\$ 2,075,197	\$ 2,061,684	\$ 1,156,171

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

Exhibit C-6

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

	Actual (GAAP Basis)	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	\$ 913,334	\$ 0	\$ 913,334	\$ 888,449	\$ 888,449	\$ 24,885
Charges for Current Services	4,118	0	4,118	0	0	4,118
Other Local Revenues	30,065	0	30,065	32,000	39,139	(9,074)
State of Tennessee	104,594	0	104,594	103,000	103,000	1,594
Total Revenues	\$ 1,052,111	\$ 0	\$ 1,052,111	\$ 1,023,449	\$ 1,030,588	\$ 21,523
<u>Expenditures</u>						
<u>Public Health and Welfare</u>						
Other Waste Disposal	\$ 974,486	\$ 2,134	\$ 976,620	\$ 1,018,176	\$ 1,032,452	\$ 55,832
Total Expenditures	\$ 974,486	\$ 2,134	\$ 976,620	\$ 1,018,176	\$ 1,032,452	\$ 55,832
Excess (Deficiency) of Revenues Over Expenditures	\$ 77,625	\$ (2,134)	\$ 75,491	\$ 5,273	\$ (1,864)	\$ 77,355
<u>Other Financing Sources (Uses)</u>						
Insurance Recovery	\$ 7,139	\$ 0	\$ 7,139	\$ 0	\$ 7,139	\$ 0
Total Other Financing Sources	\$ 7,139	\$ 0	\$ 7,139	\$ 0	\$ 7,139	\$ 0
Net Change in Fund Balance	\$ 84,764	\$ (2,134)	\$ 82,630	\$ 5,273	\$ 5,275	\$ 77,355
Fund Balance, July 1, 2019	250,050	0	250,050	169,037	169,037	81,013
Fund Balance, June 30, 2020	\$ 334,814	\$ (2,134)	\$ 332,680	\$ 174,310	\$ 174,312	\$ 158,368

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

Exhibit C-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 284,012	\$ 250,000	\$ 250,000	\$ 34,012
Other Local Revenues	23,582	6,000	6,000	17,582
State of Tennessee	3,072,415	3,447,645	3,447,645	(375,230)
Federal Government	209,699	707,196	762,389	(552,690)
Total Revenues	<u>\$ 3,589,708</u>	<u>\$ 4,410,841</u>	<u>\$ 4,466,034</u>	<u>\$ (876,326)</u>
<u>Expenditures</u>				
<u>Highways</u>				
Administration	\$ 204,285	\$ 246,008	\$ 229,258	\$ 24,973
Highway and Bridge Maintenance	1,954,214	2,032,720	2,171,823	217,609
Operation and Maintenance of Equipment	685,419	850,071	823,861	138,442
Other Charges	260,947	170,200	306,922	45,975
Employee Benefits	3,335	84,122	5,000	1,665
Capital Outlay	476,920	1,027,699	929,149	452,229
Total Expenditures	<u>\$ 3,585,120</u>	<u>\$ 4,410,820</u>	<u>\$ 4,466,013</u>	<u>\$ 880,893</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 4,588</u>	<u>\$ 21</u>	<u>\$ 21</u>	<u>\$ 4,567</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 8,358	\$ 0	\$ 0	\$ 8,358
Transfers Out	(76,345)	(76,345)	(76,345)	0
Total Other Financing Sources	<u>\$ (67,987)</u>	<u>\$ (76,345)</u>	<u>\$ (76,345)</u>	<u>\$ 8,358</u>
Net Change in Fund Balance	\$ (63,399)	\$ (76,324)	\$ (76,324)	\$ 12,925
Fund Balance, July 1, 2019	<u>1,742,993</u>	<u>1,742,486</u>	<u>1,742,486</u>	<u>507</u>
Fund Balance, June 30, 2020	<u><u>\$ 1,679,594</u></u>	<u><u>\$ 1,666,162</u></u>	<u><u>\$ 1,666,162</u></u>	<u><u>\$ 13,432</u></u>

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

Exhibit D-1

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

	Business-type Activities
	Major
	Enterprise Fund
	Public Utility Fund
<u>ASSETS</u>	
Current Assets:	
Equity in Pooled Cash and Investments	\$ 931,478
Accounts Receivable	18,356
Total Current Assets	<u>\$ 949,834</u>
Noncurrent Assets:	
Capital Assets:	
Assets Net of Accumulated Depreciation:	
Infrastructure	\$ 4,862,317
Total Noncurrent Assets	<u>\$ 4,862,317</u>
Total Assets	<u>\$ 5,812,151</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Customer Deposits	\$ 12,500
Total Current Liabilities	<u>\$ 12,500</u>
Noncurrent Liabilities:	
Due Within One Year - Debt	\$ 27,707
Due in More Than One Year - Debt	1,333,223
Total Noncurrent Liabilities	<u>\$ 1,360,930</u>
Total Liabilities	<u>\$ 1,373,430</u>
<u>NET POSITION</u>	
Net Investment in Capital Assets	\$ 3,501,387
Unrestricted	<u>937,334</u>
Total Net Position	<u>\$ 4,438,721</u>

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

Exhibit D-2

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

	Business-type Activities
	Major Enterprise Fund
	Public Utility Fund
<u>Operating Revenues</u>	
Charges for Current Services	\$ 220,257
Total Operating Revenues	<u>\$ 220,257</u>
<u>Operating Expenses</u>	
Other Economic and Community Development	\$ 244,411
Depreciation	148,499
Total Operating Expenses	<u>\$ 392,910</u>
Operating Income (Loss)	<u>\$ (172,653)</u>
<u>Nonoperating Revenues (Expenses)</u>	
Local Taxes	\$ 20,410
Contribution and Gifts	17,230
State Revenue Sharing - TVA	400,000
Interest Expense	(42,057)
Total Nonoperating Revenues (Expenses)	<u>\$ 395,583</u>
Income (Loss) Before Capital Contributions	\$ 222,930
Capital Contributions	<u>5,420</u>
Change in Net Position	\$ 228,350
Net Position, July 1, 2019	<u>4,210,371</u>
Net Position, June 30, 2020	<u><u>\$ 4,438,721</u></u>

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

Exhibit D-3

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

	Business-type Activities
	Major Enterprise Fund
	Public Utility Fund
<u>Cash Flows from Operating Activities</u>	
Receipts from Customers and Users	\$ 219,420
Payments to Vendors	(190,180)
Payments to Employees	(47,160)
Payments for Fringe Benefits	(6,641)
Net Cash Provided By (Used In) Operating Activities	<u>\$ (24,561)</u>
<u>Cash Flows from Capital and Related Financing Activities</u>	
Capital Contributions	\$ 5,420
Principal Paid on Bonds	(26,871)
Interest Paid on Bonds	(42,057)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>\$ (63,508)</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Contributions and Gifts	\$ 17,230
State Sharing Revenue - TVA	400,000
Hotel/Motel Tax	20,410
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>\$ 437,640</u>
Increase (Decrease) In Cash	\$ 349,571
Cash, July 1, 2019	<u>581,907</u>
Cash, June 30, 2020	<u><u>\$ 931,478</u></u>

(Continued)

Exhibit D-3

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

	Business-type Activities
	Major
	Enterprise Fund
	Public Utility Fund
<u>Reconciliation of Net Operating Income (Loss)</u>	
<u>to Net Cash Provided By (Used In) Operating Activities</u>	
Operating Income (Loss)	\$ (172,653)
Adjustments to Reconcile Net Operating Income (Loss)	
to Net Cash Provided By (Used In) Operating Activities:	
Depreciation	148,499
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(837)
Increase (Decrease) in Payroll Deductions Payable	(170)
Increase (Decrease) in Customer Deposits	600
Net Cash Provided By (Used In) Operating Activities	<u>\$ (24,561)</u>

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

Exhibit E

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 359,313
Accounts Receivable	41
Due from Other Governments	<u>109,806</u>
Total Assets	<u><u>\$ 469,160</u></u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 109,806
Due to Litigants, Heirs, and Others	<u>359,354</u>
Total Liabilities	<u><u>\$ 469,160</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Wayne 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 Wayne County:

A. Reporting Entity

Wayne County is a public municipal corporation governed by an elected 14-member board. As required by GAAP, these financial statements present Wayne County (the primary government) and its component units. Although required by GAAP, the financial statements of the Wayne County Assisted Living Facility and the Wayne County Emergency Communications District, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of their omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

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

The Wayne County School Department operates the public school system in the county, and the voters of Wayne 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 Wayne County General Hospital Board of Trustees operates the Wayne County Assisted Living Facility. The board provides health care to the citizens of Wayne County, and the Wayne County Commission appoints the board. Patient charges provide the majority of revenues for the board. Before the issuance of debt instruments, the board must obtain the county commission's approval. The financial statements of the Wayne County Assisted Living Facility were not material to the component units' opinion unit and therefore have been omitted from this report.

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

The Wayne 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 Wayne County Assisted Living Facility and the Wayne County Emergency Communications District can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Wayne County Assisted Living Facility
210 Fairlane Drive
Waynesboro, TN 38485

Wayne County Emergency Communications District
911 Andrew Jackson Drive
P.O. Box 911
Waynesboro, TN 38485

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

B. Government-wide and Fund Financial Statements

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

accountable. The Wayne 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.

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

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

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

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

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and the major enterprise fund 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. Wayne County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

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

Wayne County reports the following major governmental funds:

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

Solid Waste/Sanitation Fund – This special revenue fund accounts for transactions related to the solid waste transfer station. Local taxes are the foundational revenues of this fund.

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

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

Wayne County reports the following major propriety fund:

Public Utility Fund – This fund accounts for water distribution services to areas of the county not served by existing municipal systems.

Additionally, Wayne County reports the following fund types:

Capital Projects Funds – These funds account for 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 Wayne 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 Wayne 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 Wayne 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.

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

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated

resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has one proprietary fund, an enterprise fund used to account for the operations of the Wayne County Rural Water Board. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations.

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

1. Deposits and Investments

For purposes of the Statement of Cash Flows, cash includes cash on deposit with the county trustee.

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

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

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions, including

collateral requirements, as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United States of America.

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

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

2. Receivables and Payables

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

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

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-

end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

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

Most payables are disaggregated on the face of the financial statements.

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 Wayne 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 Wayne County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Wayne 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 and business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$10,000 or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 40
Other Capital Assets	5 - 20
Infrastructure:	
Roads	20
Bridges	40
Water Systems	40

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. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position. These items are for pension changes in experience, assumptions, and proportion; employer contributions made to the pension and OPEB plans after the measurement date; and OPEB changes in assumptions, experience, and proportion.

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

6. Compensated Absences

Primary Government

It is the county's policy to permit employees to accumulate earned but unused vacation, sick leave, and compensatory time benefits. There is no liability for unpaid accumulated vacation and sick leave since Wayne County does not have a policy to pay any amounts when employees separate from service with the government. Payments are made for accumulated balances for compensatory time in excess of 240 hours. A liability for compensated absences is reported in governmental funds only if amounts have matured.

Discretely Presented Wayne County School Department

The school department does not have a policy to permit employees to accumulate earned but unused vacation leave. General policy of the school department for all professional personnel (teachers) permits the unlimited accumulation (maximum of 20 days for support personnel) of unused sick leave days. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

7. Long-term Debt and Long-term Obligations

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

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

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences, termination benefits, 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 and the proprietary fund in the fund financial statements, equity is classified as net position and displayed in three components:

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

The government-wide Statement of Net Position reports \$5,488,090 of restricted net position, of which \$463,700 is restricted by enabling legislation.

As of June 30, 2020, Wayne County had \$7,989,225 in outstanding debt for capital purposes for the discretely presented Wayne County School Department. This debt is a liability of Wayne County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Wayne County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

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

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and 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 Wayne County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Wayne 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 Wayne 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 Benefits (OPEB) Plan

Discretely Presented Wayne 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 Wayne 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 Wayne County School Department

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

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

Primary Government

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

Discretely Presented Wayne County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet

current expenditures. Expenditures and encumbrances may not legally exceed appropriations authorized by the county commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

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

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

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

<u>Funds</u>	<u>Amount</u>
Primary Government:	
Major Funds:	
General	\$ 2,291
Solid/Waste Sanitation	2,134
School Department:	
Major Fund:	
General Purpose School	676,886
Nonmajor Funds:	
School Federal Projects	168,078
Central Cafeteria	7,285

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

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

Investments

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

amortized cost using a floating net asset value. Repurchase agreements must be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

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

<u>Investment</u>	<u>Weighted Average Maturity (days)</u>	<u>Amortized Cost</u>
State Treasurer's Investment Pool	1 to 105	\$ 250,957

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. Wayne 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. Wayne County has no investment policy that would further limit its investment choices. As of June 30, 2020, Wayne County's investment in the State Treasurer's Investment Pool was unrated.

TCRS Stabilization Trust

Legal Provisions. The Wayne 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 Wayne County School Department may not impose any restrictions on investments placed by the trust on their behalf.

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

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

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.
- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.
- Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable.

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

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

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

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

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

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

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

On June 30, 2020, the Wayne 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	\$ 12,381
Developed Market International Equity	N/A	N/A	5,590
Emerging Market International Equity	N/A	N/A	1,598
U.S. Fixed Income	N/A	N/A	7,988
Real Estate	N/A	N/A	3,994
Short-term Securities	N/A	N/A	399
NAV - Private Equity and Strategic Lending	N/A	N/A	7,988
Total			<u>\$ 39,938</u>

		Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV
Investment by Fair Value Level	Fair Value 6-30-20				
U.S. Equity	\$ 12,381	\$ 12,381	\$ 0	\$ 0	0
Developed Market International Equity	5,590	5,590	0	0	0
Emerging Market International Equity	1,598	1,598	0	0	0
U.S. Fixed Income	7,988	0	7,988	0	0
Real Estate	3,994	0	0	3,994	0
Short-term Securities	399	0	399	0	0
Private Equity and Strategic Lending	7,988	0	0	0	7,988
Total	<u>\$ 39,938</u>	<u>\$ 19,569</u>	<u>\$ 8,387</u>	<u>\$ 3,994</u>	<u>\$ 7,988</u>

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

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Wayne 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 Wayne 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. Wayne 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 Wayne 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	\$ 848,377	\$ 3,501	\$ (13,037)	\$ 838,841
Total Capital Assets Not Depreciated	\$ 848,377	\$ 3,501	\$ (13,037)	\$ 838,841
Capital Assets Depreciated:				
Buildings and Improvements	\$ 15,417,570	\$ 0	\$ (45,194)	\$ 15,372,376
Infrastructure	18,132,120	923,062	0	19,055,182
Other Capital Assets	6,377,429	240,846	(85,777)	6,532,498
Total Capital Assets Depreciated	\$ 39,927,119	\$ 1,163,908	\$ (130,971)	\$ 40,960,056
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 6,369,293	\$ 356,088	\$ (16,598)	\$ 6,708,783
Infrastructure	3,750,283	507,236	0	4,257,519
Other Capital Assets	3,230,549	396,142	(85,777)	3,540,914
Total Accumulated Depreciation	\$ 13,350,125	\$ 1,259,466	\$ (102,375)	\$ 14,507,216
Total Capital Assets Depreciated, Net	\$ 26,576,994	\$ (95,558)	\$ (28,596)	\$ 26,452,840
Governmental Activities Capital Assets, Net	\$ 27,425,371	\$ (92,057)	\$ (41,633)	\$ 27,291,681

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

Governmental Activities:

General Government	\$ 15,179
Finance	580
Administration of Justice	136,579
Public Safety	269,136
Public Health and Welfare	112,671
Social, Cultural, and Recreational Services	3,349
Agriculture and Natural Resources	298
Highway/Public Works	<u>721,674</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 1,259,466</u></u>

Business-type Activities:

	Balance 7-1-19	Increases	Balance 6-30-20
Capital Assets Depreciated:			
Infrastructure	<u>\$ 6,416,071</u>	<u>\$ 0</u>	<u>\$ 6,416,071</u>
Total Capital Assets Depreciated	<u>\$ 6,416,071</u>	<u>\$ 0</u>	<u>\$ 6,416,071</u>
Less Accumulated Depreciation for:			
Buildings and Infrastructure	<u>\$ 1,405,255</u>	<u>\$ 148,499</u>	<u>\$ 1,553,754</u>
Total Accumulated Depreciation	<u>\$ 1,405,255</u>	<u>\$ 148,499</u>	<u>\$ 1,553,754</u>
Total Capital Assets Depreciated, Net	<u>\$ 5,010,816</u>	<u>\$ (148,499)</u>	<u>\$ 4,862,317</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 5,010,816</u></u>	<u><u>\$ (148,499)</u></u>	<u><u>\$ 4,862,317</u></u>

There were no decreases in capital assets to report during the year ended June 30, 2020.

Depreciation expense totaled \$148,499 during the year ended June 30, 2020.

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

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 513,442	\$ 0	\$ 0	\$ 513,442
Total Capital Assets Not Depreciated	\$ 513,442	\$ 0	\$ 0	\$ 513,442
Capital Assets Depreciated:				
Buildings and Improvements	\$ 27,356,462	\$ 86,901	\$ 0	\$ 27,443,363
Other Capital Assets	4,226,740	325,582	(184,735)	4,367,587
Total Capital Assets Depreciated	\$ 31,583,202	\$ 412,483	\$ (184,735)	\$ 31,810,950
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 17,876,546	\$ 654,537	\$ 0	\$ 18,531,083
Other Capital Assets	2,886,113	143,008	(184,735)	2,844,386
Total Accumulated Depreciation	\$ 20,762,659	\$ 797,545	\$ (184,735)	\$ 21,375,469
Total Capital Assets Depreciated, Net	\$ 10,820,543	\$ (385,062)	\$ 0	\$ 10,435,481
Governmental Activities Capital Assets, Net	\$ 11,333,985	\$ (385,062)	\$ 0	\$ 10,948,923

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

Governmental Activities:

Instruction	\$ 6,963
Support Services	767,728
Operation of Non-instructional Services	<u>22,854</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 797,545</u>

C. Interfund Receivables, Payables, and Transfers

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

Due to/from Primary Government and Component Units:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:	Component Units:	
Governmental Activities	School Department	\$ 525,475
	Wayne County Assisted	
General	Living Facility	<u>350,401</u>
Total		<u><u>\$ 875,876</u></u>

The Due to Primary Government from the school department is the balance of an other loan issued by the county for the school department. The school department has agreed to contribute the funds necessary to retire the debt. This debt is reflected in the government-wide financial statements.

The Due to Primary Government from the Wayne County Assisted Living Facility is the balance of a repayment agreement wherein Wayne County has provided funds for operating purposes and the assisted living facility has agreed to reimburse the county.

Interfund Transfers:

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

Primary Government

	<u>Transfers In</u>			<u>Purpose</u>
	<u>General</u>	<u>General</u>	<u>Nonmajor</u>	
<u>Transfers Out</u>	<u>Fund</u>	<u>Service</u>	<u>Govern-</u>	
		<u>Fund</u>	<u>mental</u>	
Highway/Public Works	\$ 0	\$ 76,345	\$ 0	Debt retirement
Nonmajor governmental funds	<u>4,147</u>	<u>0</u>	<u>37,629</u>	Drug agent salary; Close fund
Total	<u><u>\$ 4,147</u></u>	<u><u>\$ 76,345</u></u>	<u><u>\$ 37,629</u></u>	

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

D. Long-term Debt

Primary Government

General Obligation Bonds, Notes, and Other Loans

General Obligation Bonds - Wayne County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 20 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Wayne County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. The other loan outstanding was issued for an original term of six years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. The other loan included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

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

Type	Interest Rate		Final Maturity		Original Amount of Issue	Balance 6-30-20
General Obligation Bonds	2.5	%	5-1-31	\$	4,000,000	\$ 3,050,000
General Obligation Bonds - Refunding	2.06 to 3.72		11-1-34		21,290,000	14,215,000
Direct Borrowing and Direct Placement: Other Loans	0.75		2-1-24		781,717	525,475

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 2,025,000	\$ 461,769	\$ 2,486,769
2022	2,100,000	395,363	2,495,363
2023	2,170,000	326,526	2,496,526
2024	2,230,000	255,537	2,485,537
2025	970,000	206,360	1,176,360
2026-2030	5,260,000	625,913	5,885,913
2031-2035	2,510,000	98,936	2,608,936
Total	\$ 17,265,000	\$ 2,370,404	\$ 19,635,404

Year Ending June 30	Other Loans - Direct Placement		
	Principal	Interest	Total
2021	\$ 141,888	\$ 3,456	\$ 145,344
2022	142,956	2,388	145,344
2023	144,036	1,308	145,344
2024	96,595	234	96,829
Total	\$ 525,475	\$ 7,386	\$ 532,861

There is \$2,331,780 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$1,014, based on the 2010 federal census. Total debt per capita, including bonds, other loans, and unamortized debt premiums, totaled \$1,072, based on the 2010 federal census.

The school department is currently contributing funds to service some of the debt issued on its behalf by the primary government as noted in the table below. This debt is reflected in the government-wide financial statements as Due to Primary Government in the financial statements of the school department and as Due from Component Units in the financial statements of the primary government.

Description of Debt	Outstanding 6-30-20
<u>Other Loans Payable - Direct Placement</u>	
<u>Contributions from the General Purpose School Fund</u>	
Energy Efficient Projects	\$ 525,475

Changes in Long-term Debt

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

Governmental Activities:	Notes -		
	Bonds	Direct Placement	Other Loans - Direct Placement
Balance, July 1, 2019	\$ 19,410,000	\$ 105,000	\$ 666,307
Additions	4,390,000	0	0
Reductions	(6,535,000)	(105,000)	(140,832)
Balance, June 30, 2020	<u>\$ 17,265,000</u>	<u>\$ 0</u>	<u>\$ 525,475</u>
Balance Due Within One Year	<u>\$ 2,025,000</u>	<u>\$ 0</u>	<u>\$ 141,888</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 17,790,475
Less: Balance Due Within One Year - Debt	(2,166,888)
Add: Unamortized Premium on Debt	<u>449,482</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 16,073,069</u>

Current Refunding

On October 3, 2019, Wayne County refunded a general obligation bond issue. The county issued \$4,390,000 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were used to satisfy all debt service requirements of the refunded debt. As a result, the refunded bonds are considered defeased, and the liability has been removed from the county's long-term debt. As a result of the refunding, total debt service payments over the next fifteen years will be reduced by \$864,233, and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$731,642 was obtained.

Wayne County Public Utility Fund (enterprise fund)

Revenue Bonds

Bonds - Revenue bonds outstanding were issued for original terms up to 38 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt.

Wayne County has pledged its net revenues from the operation of the public utility as collateral for the bonds. All bonds included in long-term debt as of June 30, 2020, will be retired from the Public Utility Fund.

Revenue bonds outstanding as of June 30, 2020, for business-type activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-20
Revenue Bonds	2.75 to 4.25 %	3-12-52	\$ 1,539,000	\$ 1,360,930

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 27,707	\$ 41,221	\$ 68,928
2022	28,572	40,356	68,928
2023	29,464	39,464	68,928
2024	30,385	38,543	68,928
2025	31,336	37,592	68,928
2026-2030	172,071	172,569	344,640
2031-2035	200,986	143,654	344,640
2036-2040	235,004	109,636	344,640
2041-2045	275,076	69,564	344,640
2046-2050	245,638	28,394	274,032
2051-2052	84,691	2,087	86,778
Total	\$ 1,360,930	\$ 723,080	\$ 2,084,010

Changes in Long-term Debt

Long-term debt activity for the Public Utility Fund (enterprise fund) for the year ended June 30, 2020, was as follows:

Business-type Activities:

	<u>Bonds</u>
Balance, July 1, 2019	\$ 1,387,801
Additions	0
Reductions	<u>(26,871)</u>
Balance, June 30, 2020	<u><u>\$ 1,360,930</u></u>
Balance Due Within One Year	<u><u>\$ 27,707</u></u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 1,360,930
Less: Balance Due Within One Year - Debt	<u>(27,707)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u><u>\$ 1,333,223</u></u>

E. Long-term Obligations

Primary Government

Changes in Long-term Obligations

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

Governmental Activities:	<u>Compensated Absences</u>
Balance, July 1, 2019	\$ 157,667
Additions	248,119
Reductions	<u>(201,701)</u>
Balance, June 30, 2020	<u><u>\$ 204,085</u></u>
Balance Due Within One Year	<u><u>\$ 204,085</u></u>

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$	204,085
Less: Balance Due Within One Year - Other		<u>(204,085)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	\$	<u><u>0</u></u>

Discretely Presented Wayne County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	Termination Benefits	Other Postemployment Benefits
Balance, July 1, 2019	\$ 164,148	\$ 5,611,695
Additions	620,804	458,158
Reductions	<u>(143,720)</u>	<u>(307,129)</u>
Balance, June 30, 2020	<u>\$ 641,232</u>	<u>\$ 5,762,724</u>
Balance Due Within One Year	<u>\$ 150,147</u>	<u>\$ 0</u>

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

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$	6,403,956
Less: Balance Due Within One Year - Other		<u>(150,147)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	\$	<u><u>6,253,809</u></u>

F. On-Behalf Payments – Discretely Presented Wayne County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Wayne County School Department. These payments are made by

the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2020, were \$96,938. 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

It is the policy of the county to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property, casualty, workers' compensation, and employee health and accident. Settled claims have not exceeded this commercial coverage during this fiscal year. Pre-65 age retirees are not allowed to participate in the employee health and accident insurance program.

Discretely Presented Wayne County School Department

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

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

B. Contingent Liabilities

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

C. Joint Ventures

The Joint Economic and Community Development Board is a joint venture between Wayne County and the cities of Clifton, Collinwood, and Waynesboro. The board comprises 11 members as follows: Wayne County executive; mayors of the cities of Waynesboro, Clifton, and Collinwood; and seven appointed members from the private sector. The purpose of the board is to expand and diversify the economy of the cities and county. The cities and county provide the majority of funding for the board based on the percentage of their population compared to the total census of the county. Wayne County made no contributions to the operations of the Joint Economic and Community Development Board during the year ended June 30, 2020.

The Twenty-second Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-second Judicial District, Lawrence, Wayne, Maury, and Wayne counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Wayne County did not contribute any funds to the DTF for the year ended June 30, 2020.

Wayne County does not have an equity interest in the above-noted joint venture. Complete financial statements for the Joint Economic and Community Development Board and the Twenty-second Judicial District DTF can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Joint Economic and Community Development Board
Wayne County Executive
P.O. Box 848
Waynesboro, TN 38485

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

Discretely Presented Wayne County School Department

The discretely presented school department participates in the Volunteer State Cooperative (VOLCO), which represents a cost-sharing arrangement. The

cooperative was established through a contractual agreement between participating county school systems, city school systems, and certain special school districts. The cooperative was authorized through Chapter 49 of *Tennessee Code Annotated* to obtain lower prices for food supplies, materials, equipment, and services by combining the purchasing requirements of each member's school food service systems. The cooperative has contracted with a coordinating district (Dickson County School Department) and a service provider to provide these services. The cooperative is governed by a Representative Committee, comprising one representative from each of the member districts, and an Executive Council, consisting of the chair, vice chair, secretary, treasurer, and a member-at-large from the Representative Committee.

Complete financial statements for the Volunteer State Cooperative can be obtained from its administrative office at the following address:

Administrative Office:

Volunteer State Cooperative
220 McLemore Street
Dickson, TN 37055

D. Jointly Governed Organization

The South Central Tennessee Railroad Authority (SCTRA) was created by Wayne County in conjunction with Hickman, Lewis, and Perry counties and the cities of Centerville, Linden, Hohenwald, and Waynesboro. The SCTRA's board comprises 16 members, who are the elected county executive or city mayor and an appointed member of the county commission or city council from each of the respective counties or cities. Wayne County did not appropriate any funds for this operation during the year, and the county does not have any ongoing financial interest or responsibility for the entity. Funding sources for the SCTRA are lease payments, switching fees, interest earned, and grants.

E. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Wayne County, non-certified employees of the discretely presented Wayne County School Department, and employees of the discretely presented Wayne County Assisted Living Facility are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees

comprise 61.99 percent, the non-certified employees of the discretely presented school department comprise 33.59 percent, and the employees of the discretely presented assisted living facility comprise 4.42 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 nonservice-related disability eligibility. The service-related and nonservice-related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

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

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	211
Inactive Employees Entitled to But Not Yet Receiving Benefits	516
Active Employees	302
Total	<u>1,029</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. Wayne 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 Wayne County was \$438,142 based on a rate of 6.05 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Wayne 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)

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

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

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

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

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

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will

be made at the current rate and that contributions from Wayne 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	\$ 23,662,429	\$ 26,613,110	\$ (2,950,681)
Changes for the Year:			
Service Cost	\$ 620,219	\$ 0	\$ 620,219
Interest	1,712,338	0	1,712,338
Differences Between Expected and Actual Experience	21,081	0	21,081
Contributions-Employer	0	402,075	(402,075)
Contributions-Employees	0	356,948	(356,948)
Net Investment Income	0	1,959,451	(1,959,451)
Benefit Payments, Including Refunds of Employee Contributions	(1,328,393)	(1,328,393)	0
Administrative Expense	0	(25,638)	25,638
Net Changes	\$ 1,025,245	\$ 1,364,443	\$ (339,198)
Balance, June 30, 2019	\$ 24,687,674	\$ 27,977,553	\$ (3,289,879)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	61.99%	\$ 15,303,889	\$ 17,343,285	\$ (2,039,396)
School Department	33.59%	8,292,590	9,397,660	(1,105,070)
Assisted Living	4.42%	1,091,195	1,236,608	(145,413)
Total		\$ 24,687,674	\$ 27,977,553	\$ (3,289,879)

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

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability (Asset)	\$ (465,296)	\$ (3,289,879)	\$ (5,637,818)

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

Pension Expense. For the year ended June 30, 2020, Wayne County recognized pension expense of \$193,277.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, Wayne 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	\$ 16,865	\$ 259,761
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	326,667
Changes in Assumptions	217,186	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	438,142	N/A
Total	<u>\$ 672,193</u>	<u>\$ 586,428</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	\$ 426,717	\$ 363,527
School Department	216,241	196,981
Assisted Living	29,235	25,920
Total	<u>\$ 672,193</u>	<u>\$ 586,428</u>

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

Year Ending June 30	Amount
2021	\$ (87,846)
2022	(200,206)
2023	(58,224)
2024	(6,101)
2025	0
Thereafter	0

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

Discretely Presented Wayne County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Wayne County, non-certified employees of the discretely presented Wayne County School Department, and employees of the discretely presented Wayne County Assisted Living are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 61.99 percent, the non-certified employees of the discretely presented school department comprise 33.59 percent, and employees of the discretely presented Wayne County Assisted Living comprise 4.42 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

Plan Description. Teachers employed by the Wayne County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The

TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except

in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2020, to the Teacher Retirement Plan were \$19,542, which is 2.03 percent of covered payroll. In addition, employer contributions of \$18,964, which is 1.97 percent of covered payroll were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liabilities (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$48,628) 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 .086146 percent. The proportion as of June 30, 2018, was .088953 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$16,034.

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	\$ 2,016	\$ 8,489
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	2,056
Changes in Assumptions	1,690	0
Changes in Proportion of Net Pension Liability (Asset)	8,451	0
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	19,542	N/A
Total	\$ 31,699	\$ 10,545

The school department's employer contributions of \$19,542, 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	\$ (258)
2022	(572)
2023	5
2024	299
2025	382
Thereafter	1,756

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

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

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

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

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

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

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

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

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

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

	1%	Current Discount Rate	1%
School Department's Proportionate Share of the Net Pension Liability (Asset)	Decrease 6.25%	7.25%	Increase 8.25%
	\$ 15,407	\$ (48,628)	\$ (95,962)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

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

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

reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Wayne County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$1,087,161, which is 10.63 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

Pension Liability (Assets). At June 30, 2020, the school department reported a liability (asset) of (\$3,160,316) 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 .307370 percent. The proportion measured as of June 30, 2018, was .292109 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized (negative) pension expense of \$432,152.

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	\$ 153,868	\$ 1,930,383
Changes in Assumptions	425,869	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	902,963
Changes in Proportion of Net Pension Liability (Asset)	63,955	21,805
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	1,087,161	N/A
Total	<u>\$ 1,730,853</u>	<u>\$ 2,855,151</u>

The school department's employer contributions of \$1,087,161 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	\$ (634,436)
2022	(874,887)
2023	(399,940)
2024	(302,196)
2025	0
Thereafter	0

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

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

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

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

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

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

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

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

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

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

	1%	Current Discount Rate	1%
School Department's Proportionate Share of the Net Pension Liability (Asset)	Decrease 6.25%	7.25%	Increase 8.25%
	\$ 6,461,932	\$ (3,160,316)	\$ (10,814,547)

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**

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

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 \$44,489 and teachers contributed \$12,041 to this deferred compensation pension plan.

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

Discretely Presented Wayne County School Department

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

OPEB Provided Through A State Administered Public Entity Risk Pool

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

The school department's total OPEB liability for 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	2.20%
Salary Increases	Salary increases used in the June 30, 2018 TCRS actuarial valuation; 3.44% to 8.72%, including inflation
Discount Rate	3.51%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.03% for pre-65 retirees in the 2019 calendar year, and gradually decreasing over a 10 year period to an ultimate trend rate of 4.5%
Retirees Share of Benefit	
Related Cost	Discussed under each plan

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

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

Unless noted otherwise, the actuarial demographic assumptions used in the June 30, 2019, valuations were the same as those employed in the June 30, 2019 Pension Actuarial Valuation of the TCRS. These assumptions were developed by TCRS based on the results of an actuarial experience study for the period July 1, 2012 - June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

Mortality tables are used to measure the probabilities of participants dying before and after retirement. The mortality rates employed in this valuation are taken from the RP-2014 Healthy Participant Mortality Table for Annuitants for non-disabled post-retirement mortality, with mortality improvement projected to all future years using Scale MP-2016. Post-retirement tables are Blue Collar and adjusted with a 2 percent load for males and a -3 percent load for females. Mortality rates for impaired lives are the same as those used by TCRS and are taken from a gender distinct table published in the IRS Ruling 96-7 for disabled lives with a 10 percent load.

Changes in Assumptions. The discount rate 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.

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

Plan Description. Employees of the Wayne 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 Wayne 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. With at least 25 years of service with the Wayne County School Department or at age 60, retired teachers are eligible to receive a monthly direct subsidy toward the cost of their insurance premiums after age 53 with 30 years of service or after age 60 with 25 years of service. The monthly subsidy for certified teachers ranges from \$251 to \$1,138, based on years of service and the insurance plan selected by the retiree. The

state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees’ premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 25 percent of the scheduled premium. No subsidy is provided by the state for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	19
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	<u>227</u>
Total	<u><u>246</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 \$214,539 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	Share of Collective Liability		
	Wayne County School Department 73.6975%	State of TN 26.3025%	Total OPEB Liability
Balance July 1, 2018	\$ 5,611,695	\$ 2,057,070	\$ 7,668,765
Changes for the Year:			
Service Cost	\$ 248,669	\$ 88,750	\$ 337,419
Interest	209,489	74,766	284,255
Changes in Benefit Terms	(87,987)	(31,402)	(119,389)
Difference between Expected and Actual Experience	390,242	139,277	529,519
Changes in Assumptions	(420,589)	(150,107)	(570,696)
Change in Proportion	39,993	(39,993)	0
Benefit Payments	(228,788)	(81,654)	(310,442)
Net Changes	\$ 151,029	\$ (363)	\$ 150,666
Balance June 30, 2019	\$ 5,762,724	\$ 2,056,707	\$ 7,819,431

The Wayne 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 Wayne County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$101,828 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Wayne County School Department's proportionate share of the collective OPEB liability was 73.6975% and the State of Tennessee's share was 26.3025%.

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

OPEB Expense. For the year ended June 30, 2020, the school department recognized OPEB expense of \$574,508, including the state's share of the expense.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 939,812	\$ 0
Changes of Assumptions/Inputs	109,100	536,525
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	437,969	0
Benefits Paid After the Measurement Date of June 30, 2019	214,539	N/A
Total	<u>\$ 1,701,420</u>	<u>\$ 536,525</u>

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

Year Ending June 30	School Department
2021	\$ 102,509
2022	102,509
2023	102,509
2024	102,509
2025	102,509
Thereafter	437,811

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%	Current	1%
	Decrease	Discount	Increase
	2.51%	Rate	3.51%
Proportionate Share of the Collective Total OPEB Liability	\$ 6,202,673	\$ 5,762,724	\$ 5,342,002

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%	Current	1%
	Decrease	Trend	Increase
	5.03 to 3.5%	Rates	6.03 to 4.5%
Proportionate Share of the Collective Total OPEB Liability	\$ 5,139,566	\$ 5,762,724	\$ 6,490,063

G. Termination Benefits

The discretely presented Wayne County School Department offers a voluntary termination benefit for employees who retire with 30 years of experience in the Wayne County School System or have reached 60 years of age and are eligible for full retirement with the Tennessee Consolidated Retirement System. The employees must also have accumulated sick leave and not be retired from another school system. This incentive consists of a choice of either a cash payment equivalent to 50 percent of the regular daily salary for each day of accumulated sick leave at the retirement date, to be paid out at \$6,000 per year or paid health insurance benefits until the employee reaches the age of 65. Currently, 22 school employees have accepted the board's offer. The estimated cost of the cash payments and insurance benefits reported in the government-wide Statement of Net Position is \$641,232. The estimated cost did not include a discounted rate because the school department felt its effects were immaterial. The effects to the school department's actuarial accrued liability for pension benefits for current, terminated, and retired employees could not be determined.

H. Pollution Remediation

Approximately 40 years ago, Wayne County Highway Department purchased salvaged steel from a Wayne County scrap vendor for the construction of approximately 60 county bridges.

In 2009, mercury was discovered in Beech Creek, and it was determined that the source of the mercury was one of the bridges constructed from the salvaged steel. The ensuing investigation traced the source of the steel to Occidental Chemical Company in Muscle Shoals, Alabama. The steel beams were originally used as troughs in a chemical process to manufacture sodium hydroxide. The steel was coated in a layer of mercury, which was then coated in granite. When the steel was scrapped, the granite and mercury layers were not removed. When Wayne County constructed bridges from the steel, the granite and mercury layers, which were mistaken for concrete, were left on the steel and installed facing downward. Over time, the mercury has leached out of the mixture and dripped into the waterway.

Occidental Chemical Company is owned by Glen Springs Holding Company. Glen Springs has agreed to take all responsibility for the cleanup operation. All of the approximately 60 bridges that have been identified as constructed with the salvaged steel will be removed and replaced with new bridges. The steel will be transported to a landfill in Texas designed to accept this type of hazardous material. Glen Springs will bear the full cost of removal, cleanup, disposal, and replacement of the bridges. Additionally, they have agreed to bear the cost of dredging the creek beds if that process is determined to be necessary.

During the audit period Glen Springs Holding Company satisfied their requirements of this pollution remediation.

I. Purchasing Laws

Office of County Executive

Purchasing procedures for the Office of County Executive are governed by the County Purchasing Law of 1983, Sections 5-14-201 through 5-14-207, *Tennessee Code Annotated (TCA)*, which provide for all purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids.

Office of Commissioner of Highways

Purchasing procedures for the highway department are governed by Chapter 66, Private Acts of 2008, and provisions of the Uniform Road Law, Section 54-7-113, *TCA*, which provides for purchases exceeding \$10,000 to be made after public advertisement and solicitation of competitive bids.

Office of Director of Schools

Purchasing procedures for the school department are governed by purchasing laws applicable to schools as set forth in Section 49-2-203, *TCA*, which provides for the 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 that competitive bids be solicited through newspaper advertisement on all purchases exceeding \$10,000.

J. Subsequent Event

On October 7, 2020, Wayne County issued \$3,020,000 in general obligation refunding bonds.

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit F-1

Wayne 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	\$ 765,019	\$ 658,463	\$ 535,471	\$ 542,888	\$ 594,692	\$ 620,219
Interest	1,599,409	1,535,111	1,571,018	1,600,813	1,659,684	1,712,338
Differences Between Actual and Expected Experience	(1,644,371)	(67,153)	(534,271)	(19,020)	(290,598)	21,081
Change of Assumptions	0	0	0	542,965	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,111,913)	(1,829,720)	(1,219,608)	(1,145,145)	(1,197,706)	(1,328,393)
Net Change in Total Pension Liability	\$ (391,856)	\$ 296,701	\$ 352,610	\$ 1,522,501	\$ 766,072	\$ 1,025,245
Total Pension Liability, Beginning	21,116,401	20,724,545	21,021,246	21,373,856	22,896,357	23,662,429
Total Pension Liability, Ending (a)	\$ 20,724,545	\$ 21,021,246	\$ 21,373,856	\$ 22,896,357	\$ 23,662,429	\$ 24,687,674
Plan Fiduciary Net Position						
Contributions - Employer	\$ 575,164	\$ 386,342	\$ 388,590	\$ 376,406	\$ 392,218	\$ 402,075
Contributions - Employee	452,687	294,312	296,016	337,314	324,146	356,948
Net Investment Income	3,325,792	701,603	600,070	2,574,287	2,059,214	1,959,451
Benefit Payments, Including Refunds of Employee Contributions	(1,111,913)	(1,829,720)	(1,219,608)	(1,145,145)	(1,197,706)	(1,328,393)
Administrative Expense	(15,136)	(14,578)	(21,298)	(24,250)	(26,941)	(25,638)
Other	0	0	12,957	0	0	0
Net Change in Plan Fiduciary Net Position	\$ 3,226,594	\$ (462,041)	\$ 56,727	\$ 2,118,612	\$ 1,550,931	\$ 1,364,443
Plan Fiduciary Net Position, Beginning	20,122,287	23,348,881	22,886,840	22,943,567	25,062,179	26,613,110
Plan Fiduciary Net Position, Ending (b)	\$ 23,348,881	\$ 22,886,840	\$ 22,943,567	\$ 25,062,179	\$ 26,613,110	\$ 27,977,553
Net Pension Liability (Asset), Ending (a - b)	\$ (2,624,336)	\$ (1,865,594)	\$ (1,569,711)	\$ (2,165,822)	\$ (2,950,681)	\$ (3,289,879)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	112.66%	108.87%	107.34%	109.46%	112.47%	113.33%
Covered Payroll	\$ 9,043,479	\$ 5,889,360	\$ 5,922,393	\$ 6,221,581	\$ 6,482,904	\$ 6,645,867
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(29.02)%	(31.68)%	(26.50)%	(34.81)%	(45.51)%	(49.50)%

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

Note 2: 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 the discretely presented Wayne County Assisted Living and the non-certified employees of the discretely presented school department.

Note 3: Changes of assumptions. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, salary growth, and mortality improvements.

Exhibit F-2

Wayne 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	\$ 575,164	\$ 386,342	\$ 388,590	\$ 376,406	\$ 300,158	\$ 307,704	\$ 316,476
Less Contributions in Relation to the Actuarially Determined Contribution	(575,164)	(386,342)	(388,590)	(376,406)	(392,218)	(402,075)	(438,142)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (92,060)	\$ (94,371)	\$ (121,666)
Covered Payroll	\$ 9,043,479	\$ 5,889,360	\$ 5,922,393	\$ 6,221,581	\$ 6,482,904	\$ 6,645,867	\$ 7,242,010
Contributions as a Percentage of Covered Payroll	6.36%	6.56%	6.56%	6.05%	6.05%	6.05%	6.05%

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

Note 2: 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 the discretely presented Wayne County Assisted Living and the non-certified employees of the discretely presented school department.

Exhibit F-3

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

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 15,124	\$ 24,465	\$ 26,942	\$ 12,677	\$ 17,685	\$ 19,542
Less Contributions in Relation to the Contractually Required Contribution	(15,124)	(24,465)	(26,942)	(31,094)	(17,685)	(19,542)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ (18,417)	\$ 0	\$ 0
Covered Payroll	\$ 378,090	\$ 611,628	\$ 698,049	\$ 777,345	\$ 911,594	\$ 962,640
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	3.86%	4.00%	1.94%	2.03%

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

Exhibit F-4

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

	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 946,200	\$ 908,461	\$ 905,570	\$ 922,902	\$ 928,766	\$ 1,078,065	\$ 1,087,161
Less Contributions in Relation to the Contractually Required Contribution	(946,200)	(908,461)	(905,570)	(922,902)	(928,766)	(1,078,065)	(1,087,161)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 10,655,401	\$ 10,049,387	\$ 10,017,358	\$ 10,198,149	\$ 10,228,748	\$ 10,309,429	\$ 10,227,291
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.05%	9.08%	10.46%	10.63%

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

Exhibit F-5

Wayne County, Tennessee
Schedule of Proportionate Share of the Net Pension Liability (Asset)
in the Teacher Retirement Plan of TCRS
Discretely Presented Wayne 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	0.178217%	0.139005%	0.102623%	0.088953%	0.086146%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (7,321)	\$ (14,471)	\$ (27,075)	\$ (40,343)	\$ (48,628)
Covered Payroll	\$ 378,090	\$ 611,628	\$ 698,049	\$ 777,345	\$ 911,594
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(3.88)%	(5.19)%	(5.33)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	127.46%	121.88%	126.81%	126.97%	123.07%

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

Exhibit F-6

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

	2014	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability (Asset)	0.271476%	0.268448%	0.277505%	0.288804%	0.292109%	0.307370%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (44,114)	\$ 109,965	\$ 1,734,252	\$ (94,492)	\$ (1,027,907)	\$ (3,160,316)
Covered Payroll	\$ 10,655,401	\$ 10,049,387	\$ 10,017,358	\$ 10,198,149	\$ 10,228,748	\$ 10,309,429
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%	(30.65)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%

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

Exhibit F-7

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

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 279,690	\$ 256,739	\$ 337,419
Interest	197,907	235,414	284,255
Changes in Benefit Terms	0	(181,000)	(119,389)
Differences Between Actual and Expected Experience	0	980,839	529,519
Changes in Assumptions	(307,079)	181,306	(570,696)
Benefit Payments	(303,837)	(321,089)	(310,442)
Net Change in Total OPEB Liability	\$ (133,319)	\$ 1,152,209	\$ 150,666
Total OPEB Liability, Beginning	6,649,875	6,516,556	7,668,765
Total OPEB Liability, Ending	<u>\$ 6,516,556</u>	<u>\$ 7,668,765</u>	<u>\$ 7,819,431</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 2,249,111	\$ 2,057,070	\$ 2,056,707
Employer Proportionate Share of the Total OPEB Liability	4,267,445	5,611,695	5,762,724
Covered Employee Payroll	\$ 13,690,249	\$ 13,832,953	\$ 13,402,692
Employer Proportionate Share of the Total OPEB Liability as a Percentage of Covered Employee Payroll	31.17%	40.57%	43.00%

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

Note 2: Changes in assumptions.

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

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

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

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

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

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

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

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

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

Methods and assumptions used to determine contribution rates:

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

Changes of Assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.0 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and modified the mortality assumptions.

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

Nonmajor Governmental Funds

Special Revenue Funds

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

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

Other Special Revenue Fund – The Other Special Revenue Fund is used to account for revenues generated by the Tennessee River Resort Act and expended for tourism.

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

Capital Projects Funds

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 various capital projects and capital outlay of the general government.

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

Other Capital Projects Fund – The Other Capital Projects Fund is used to account for various capital projects and capital outlay for the county.

Exhibit G-1

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

	Special Revenue Funds			Capital Projects Funds
	Drug Control	Other Special Revenue	Total	General Capital Projects
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$ 102,476	\$ 93,879	\$ 196,355	\$ 131,432
Total Assets	\$ 102,476	\$ 93,879	\$ 196,355	\$ 131,432
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 5,728	\$ 5,728	\$ 0
Payroll Deductions Payable	0	1,876	1,876	0
Due to State of Tennessee	0	9	9	0
Total Liabilities	\$ 0	\$ 7,613	\$ 7,613	\$ 0
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Public Safety	\$ 102,476	\$ 0	\$ 102,476	\$ 0
Restricted for Social, Cultural, and Recreational Services	0	86,266	86,266	0
Restricted for Highways/Public Works	0	0	0	0
Restricted for Capital Outlay	0	0	0	131,432
Total Fund Balances	\$ 102,476	\$ 86,266	\$ 188,742	\$ 131,432
Total Liabilities and Fund Balances	\$ 102,476	\$ 93,879	\$ 196,355	\$ 131,432

(Continued)

Exhibit G-1

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Highway Capital Projects	Total	
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 782,753	\$ 914,185	\$ 1,110,540
Total Assets	\$ 782,753	\$ 914,185	\$ 1,110,540
<u>LIABILITIES</u>			
Accounts Payable	\$ 0	\$ 0	\$ 5,728
Payroll Deductions Payable	0	0	1,876
Due to State of Tennessee	0	0	9
Total Liabilities	\$ 0	\$ 0	\$ 7,613
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Public Safety	\$ 0	\$ 0	\$ 102,476
Restricted for Social, Cultural, and Recreational Services	0	0	86,266
Restricted for Highways/Public Works	782,753	782,753	782,753
Restricted for Capital Outlay	0	131,432	131,432
Total Fund Balances	\$ 782,753	\$ 914,185	\$ 1,102,927
Total Liabilities and Fund Balances	\$ 782,753	\$ 914,185	\$ 1,110,540

Exhibit G-2

Wayne 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 Projects Funds	
	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Total	General Capital Projects	Highway Capital Projects
<u>Revenues</u>						
Local Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 82	\$ 94,194
Fines, Forfeitures, and Penalties	20,994	0	0	20,994	0	0
Charges for Current Services	0	0	2,721	2,721	0	0
State of Tennessee	0	134,138	0	134,138	0	0
Other Governments and Citizens Groups	0	47,904	0	47,904	0	0
Total Revenues	\$ 20,994	\$ 182,042	\$ 2,721	\$ 205,757	\$ 82	\$ 94,194
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Administration of Justice	0	0	2,721	2,721	0	0
Public Safety	32,837	0	0	32,837	35,800	0
Other Operations	0	170,422	0	170,422	0	0
Capital Projects	0	0	0	0	20	942
Total Expenditures	\$ 32,837	\$ 170,422	\$ 2,721	\$ 205,980	\$ 35,820	\$ 942
Excess (Deficiency) of Revenues Over Expenditures	\$ (11,843)	\$ 11,620	\$ 0	\$ (223)	\$ (35,738)	\$ 93,252
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 0	\$ 0	\$ 0	\$ 0	\$ 37,629	\$ 0
Transfers Out	(4,147)	0	0	(4,147)	0	0
Total Other Financing Sources (Uses)	\$ (4,147)	\$ 0	\$ 0	\$ (4,147)	\$ 37,629	\$ 0

(Continued)

Exhibit G-2

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

	Special Revenue Funds				Capital Projects Funds	
	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Total	General Capital Projects	Highway Capital Projects
Net Change in Fund Balances	\$ (15,990)	\$ 11,620	\$ 0	\$ (4,370)	\$ 1,891	\$ 93,252
Fund Balance, July 1, 2019	118,466	74,646	0	193,112	129,541	689,501
Fund Balance, June 30, 2020	<u>\$ 102,476</u>	<u>\$ 86,266</u>	<u>\$ 0</u>	<u>\$ 188,742</u>	<u>\$ 131,432</u>	<u>\$ 782,753</u>

(Continued)

Exhibit G-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
<u>Revenues</u>			
Local Taxes	\$ 35	\$ 94,311	\$ 94,311
Fines, Forfeitures, and Penalties	0	0	20,994
Charges for Current Services	0	0	2,721
State of Tennessee	0	0	134,138
Other Governments and Citizens Groups	0	0	47,904
Total Revenues	<u>\$ 35</u>	<u>\$ 94,311</u>	<u>\$ 300,068</u>
<u>Expenditures</u>			
Current:			
General Government	\$ 7	\$ 7	\$ 7
Administration of Justice	0	0	2,721
Public Safety	0	35,800	68,637
Other Operations	0	0	170,422
Capital Projects	0	962	962
Total Expenditures	<u>\$ 7</u>	<u>\$ 36,769</u>	<u>\$ 242,749</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 28</u>	<u>\$ 57,542</u>	<u>\$ 57,319</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 0	\$ 37,629	\$ 37,629
Transfers Out	(37,629)	(37,629)	(41,776)
Total Other Financing Sources (Uses)	<u>\$ (37,629)</u>	<u>\$ 0</u>	<u>\$ (4,147)</u>

(Continued)

Exhibit G-2

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

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Other Capital Projects	Total	
Net Change in Fund Balances	\$ (37,601)	\$ 57,542	\$ 53,172
Fund Balance, July 1, 2019	37,601	856,643	1,049,755
Fund Balance, June 30, 2020	\$ 0	\$ 914,185	\$ 1,102,927

Exhibit G-3

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 20,994	\$ 19,685	\$ 19,685	\$ 1,309
Total Revenues	\$ 20,994	\$ 19,685	\$ 19,685	\$ 1,309
<u>Expenditures</u>				
<u>Public Safety</u>				
Drug Enforcement	\$ 32,837	\$ 67,392	\$ 67,392	\$ 34,555
Total Expenditures	\$ 32,837	\$ 67,392	\$ 67,392	\$ 34,555
Excess (Deficiency) of Revenues Over Expenditures	\$ (11,843)	\$ (47,707)	\$ (47,707)	\$ 35,864
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (4,147)	\$ 0	\$ (4,147)	\$ 0
Total Other Financing Sources	\$ (4,147)	\$ 0	\$ (4,147)	\$ 0
Net Change in Fund Balance	\$ (15,990)	\$ (47,707)	\$ (51,854)	\$ 35,864
Fund Balance, July 1, 2019	118,466	96,843	96,843	21,623
Fund Balance, June 30, 2020	\$ 102,476	\$ 49,136	\$ 44,989	\$ 57,487

Exhibit G-4

Wayne County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual and Budget
Other Special Revenue Fund
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
State of Tennessee	\$ 134,138	\$ 130,000	\$ 130,000	\$ 4,138
Other Governments and Citizens Groups	47,904	40,000	44,848	3,056
Total Revenues	<u>\$ 182,042</u>	<u>\$ 170,000</u>	<u>\$ 174,848</u>	<u>\$ 7,194</u>
<u>Expenditures</u>				
<u>Other Operations</u>				
Tourism	\$ 57,663	\$ 59,272	\$ 65,606	\$ 7,943
Tourism - Resort District	72,345	63,000	72,518	173
Other Economic and Community Development	40,414	46,485	41,381	967
Total Expenditures	<u>\$ 170,422</u>	<u>\$ 168,757</u>	<u>\$ 179,505</u>	<u>\$ 9,083</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 11,620</u>	<u>\$ 1,243</u>	<u>\$ (4,657)</u>	<u>\$ 16,277</u>
Net Change in Fund Balance	\$ 11,620	1,243	(4,657)	16,277
Fund Balance, July 1, 2019	<u>74,646</u>	<u>82,886</u>	<u>82,886</u>	<u>(8,240)</u>
Fund Balance, June 30, 2020	<u><u>\$ 86,266</u></u>	<u><u>\$ 84,129</u></u>	<u><u>\$ 78,229</u></u>	<u><u>\$ 8,037</u></u>

Exhibit G-5

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 82	\$ 0	\$ 0	\$ 82
Total Revenues	<u>\$ 82</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 82</u>
<u>Expenditures</u>				
<u>General Government</u>				
County Buildings	\$ 0	\$ 26,900	\$ 1,900	\$ 1,900
<u>Public Safety</u>				
Jail	35,800	0	35,800	0
<u>Capital Projects</u>				
General Administration Projects	20	0	20	0
Total Expenditures	<u>\$ 35,820</u>	<u>\$ 26,900</u>	<u>\$ 37,720</u>	<u>\$ 1,900</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (35,738)</u>	<u>\$ (26,900)</u>	<u>\$ (37,720)</u>	<u>\$ 1,982</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 37,629	\$ 59,247	\$ 59,247	\$ (21,618)
Total Other Financing Sources	<u>\$ 37,629</u>	<u>\$ 59,247</u>	<u>\$ 59,247</u>	<u>\$ (21,618)</u>
Net Change in Fund Balance	\$ 1,891	\$ 32,347	\$ 21,527	\$ (19,636)
Fund Balance, July 1, 2019	<u>129,541</u>	<u>105,572</u>	<u>105,572</u>	<u>23,969</u>
Fund Balance, June 30, 2020	<u><u>\$ 131,432</u></u>	<u><u>\$ 137,919</u></u>	<u><u>\$ 127,099</u></u>	<u><u>\$ 4,333</u></u>

Exhibit G-6

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 94,194	\$ 50,000	\$ 50,000	\$ 44,194
Total Revenues	<u>\$ 94,194</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 44,194</u>
<u>Expenditures</u>				
<u>Capital Projects</u>				
Highway and Street Capital Projects	\$ 942	\$ 1,000	\$ 1,000	\$ 58
Total Expenditures	<u>\$ 942</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 58</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 93,252</u>	<u>\$ 49,000</u>	<u>\$ 49,000</u>	<u>\$ 44,252</u>
Net Change in Fund Balance	\$ 93,252	\$ 49,000	\$ 49,000	\$ 44,252
Fund Balance, July 1, 2019	<u>689,501</u>	<u>224,233</u>	<u>224,233</u>	<u>465,268</u>
Fund Balance, June 30, 2020	<u><u>\$ 782,753</u></u>	<u><u>\$ 273,233</u></u>	<u><u>\$ 273,233</u></u>	<u><u>\$ 509,520</u></u>

Exhibit G-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 35	\$ 0	\$ 0	\$ 35
Total Revenues	\$ 35	\$ 0	\$ 0	\$ 35
<u>Expenditures</u>				
<u>General Government</u>				
County Buildings	\$ 7	\$ 0	\$ 7	\$ 0
Total Expenditures	\$ 7	\$ 0	\$ 7	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ 28	\$ 0	\$ (7)	\$ 35
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (37,629)	\$ 0	\$ (37,629)	\$ 0
Total Other Financing Sources	\$ (37,629)	\$ 0	\$ (37,629)	\$ 0
Net Change in Fund Balance	\$ (37,601)	\$ 0	\$ (37,636)	\$ 35
Fund Balance, July 1, 2019	37,601	59,247	59,247	(21,646)
Fund Balance, June 30, 2020	\$ 0	\$ 59,247	\$ 21,611	\$ (21,611)

Major Governmental Fund

General Debt Service Fund

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

Exhibit H

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 2,753,632	\$ 2,570,912	\$ 2,570,912	\$ 182,720
Other Local Revenues	1,519	0	0	1,519
Other Governments and Citizens Groups	245,344	151,606	296,950	(51,606)
Total Revenues	<u>\$ 3,000,495</u>	<u>\$ 2,722,518</u>	<u>\$ 2,867,862</u>	<u>\$ 132,633</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 590,450	\$ 434,400	\$ 590,450	\$ 0
Highways and Streets	220,300	210,525	271,575	51,275
Education	1,380,082	1,456,350	1,380,082	0
<u>Interest on Debt</u>				
General Government	243,718	284,609	257,140	13,422
Highways and Streets	62,398	46,568	71,190	8,792
Education	261,134	256,296	261,134	0
<u>Other Debt Service</u>				
General Government	141,663	39,426	141,972	309
Highways and Streets	5,000	5,000	5,000	0
Education	5,000	6,500	5,000	0
Total Expenditures	<u>\$ 2,909,745</u>	<u>\$ 2,739,674</u>	<u>\$ 2,983,543</u>	<u>\$ 73,798</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 90,750</u>	<u>\$ (17,156)</u>	<u>\$ (115,681)</u>	<u>\$ 206,431</u>
<u>Other Financing Sources (Uses)</u>				
Bonds Issued	\$ 4,390,000	0	\$ 4,390,000	0
Premiums on Debt Sold	296,525	0	296,525	0
Transfers In	76,345	76,345	76,345	0
Payments to Refunded Debt Escrow Agent	(4,590,000)	0	(4,590,000)	0
Total Other Financing Sources	<u>\$ 172,870</u>	<u>\$ 76,345</u>	<u>\$ 172,870</u>	<u>\$ 0</u>
Net Change in Fund Balance	\$ 263,620	\$ 59,189	\$ 57,189	\$ 206,431
Fund Balance, July 1, 2019	<u>2,068,160</u>	<u>1,932,634</u>	<u>1,932,634</u>	<u>135,526</u>
Fund Balance, June 30, 2020	<u>\$ 2,331,780</u>	<u>\$ 1,991,823</u>	<u>\$ 1,989,823</u>	<u>\$ 341,957</u>

Fiduciary Funds

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

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

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 I-1

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

	Agency Funds		
	Cities - Sales Tax	Constitu- tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 359,313	\$ 359,313
Accounts Receivable	0	41	41
Due from Other Governments	109,806	0	109,806
Total Assets	<u>\$ 109,806</u>	<u>\$ 359,354</u>	<u>\$ 469,160</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 109,806	\$ 0	\$ 109,806
Due to Litigants, Heirs, and Others	0	359,354	359,354
Total Liabilities	<u>\$ 109,806</u>	<u>\$ 359,354</u>	<u>\$ 469,160</u>

Exhibit I-2

Wayne 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	\$ 588,976	\$ 588,976	\$ 0
Due from Other Governments	97,388	109,806	97,388	109,806
Total Assets	\$ 97,388	\$ 698,782	\$ 686,364	\$ 109,806
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 97,388	\$ 698,782	\$ 686,364	\$ 109,806
Total Liabilities	\$ 97,388	\$ 698,782	\$ 686,364	\$ 109,806
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 397,732	\$ 4,624,262	\$ 4,662,681	\$ 359,313
Accounts Receivable	1,128	41	1,128	41
Total Assets	\$ 398,860	\$ 4,624,303	\$ 4,663,809	\$ 359,354
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 398,860	\$ 4,624,303	\$ 4,663,809	\$ 359,354
Total Liabilities	\$ 398,860	\$ 4,624,303	\$ 4,663,809	\$ 359,354
<u>Total - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 397,732	\$ 4,624,262	\$ 4,662,681	\$ 359,313
Equity in Pooled Cash and Investments	0	588,976	588,976	0
Accounts Receivable	1,128	41	1,128	41
Due from Other Governments	97,388	109,806	97,388	109,806
Total Assets	\$ 496,248	\$ 5,323,085	\$ 5,350,173	\$ 469,160
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 97,388	\$ 698,782	\$ 686,364	\$ 109,806
Due to Litigants, Heirs, and Others	398,860	4,624,303	4,663,809	359,354
Total Liabilities	\$ 496,248	\$ 5,323,085	\$ 5,350,173	\$ 469,160

Wayne County School Department

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

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

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

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

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for school department construction, renovation projects, and other capital purchases.

Exhibit J-1

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

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for	Operating	Revenue and
		Services	Grants and	Changes in
			Contributions	Net Position
				Total
				Governmental
				Activities
Governmental Activities:				
Instruction	\$ 12,254,019	\$ 0	\$ 2,961,620	\$ (9,292,399)
Support Services	7,619,119	36,755	89,994	(7,492,370)
Operation of Non-instructional Services	2,351,544	265,917	733,800	(1,351,827)
Total Governmental Activities	<u>\$ 22,224,682</u>	<u>\$ 302,672</u>	<u>\$ 3,785,414</u>	<u>\$ (18,136,596)</u>
General Revenues:				
Taxes:				
Property Taxes Levied for General Purposes				\$ 2,090,478
Local Option Sales Tax				833,125
Other Local Taxes				32,408
Grants and Contributions Not Restricted to Specific Programs				15,623,476
Miscellaneous				37,478
Total General Revenues				<u>\$ 18,616,965</u>
Change in Net Position				\$ 480,369
Net Position, July 1, 2019				<u>11,601,030</u>
Net Position, June 30, 2020				<u>\$ 12,081,399</u>

Exhibit J-2

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

	Major Fund	Nonmajor Funds	
	General	Other	Total
	Purpose	Govern-	Governmental
	School	mental	Funds
		Funds	
<u>ASSETS</u>			
Cash	\$ 0	\$ 555	\$ 555
Equity in Pooled Cash and Investments	2,995,991	702,317	3,698,308
Accounts Receivable	185	2,470	2,655
Due from Other Governments	457,141	400,589	857,730
Property Taxes Receivable	2,045,985	0	2,045,985
Allowance for Uncollectible Property Taxes	(64,702)	0	(64,702)
Restricted Assets	39,938	0	39,938
Total Assets	\$ 5,474,538	\$ 1,105,931	\$ 6,580,469
<u>LIABILITIES</u>			
Payroll Deductions Payable	\$ 904,942	\$ 103,796	\$ 1,008,738
Due to State of Tennessee	3,643	686	4,329
Total Liabilities	\$ 908,585	\$ 104,482	\$ 1,013,067
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Current Property Taxes	\$ 1,900,520	\$ 0	\$ 1,900,520
Deferred Delinquent Property Taxes	69,324	0	69,324
Other Deferred/Unavailable Revenue	70,219	0	70,219
Total Deferred Inflows of Resources	\$ 2,040,063	\$ 0	\$ 2,040,063
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 10,020	\$ 658,412	\$ 668,432
Restricted for Capital Outlay	0	168,037	168,037
Restricted for Hybrid Retirement Stabilization Funds	39,938	0	39,938
Committed:			
Committed for Education	0	175,000	175,000
Assigned:			
Assigned for Education	676,886	0	676,886
Unassigned	1,799,046	0	1,799,046
Total Fund Balances	\$ 2,525,890	\$ 1,001,449	\$ 3,527,339
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,474,538	\$ 1,105,931	\$ 6,580,469

Exhibit J-3

Wayne County, Tennessee

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

Discretely Presented Wayne County School Department

June 30, 2020

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

Total fund balances - balance sheet - governmental funds (Exhibit J-2)		\$	3,527,339
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	513,442	
Add: buildings and improvements net of accumulated depreciation		8,912,280	
Add: other capital assets net of accumulated depreciation		<u>1,523,201</u>	10,948,923
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: termination benefits liability	\$	(641,232)	
Less: contributions due on primary government debt for other loans		(525,475)	
Less: other postemployment benefits liability		<u>(5,762,724)</u>	(6,929,431)
(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	\$	1,978,793	
Less: deferred inflows of resources related to pensions		(3,062,677)	
Add: deferred outflows of resources related to OPEB		1,701,420	
Less: deferred inflows of resources related to OPEB		<u>(536,525)</u>	81,011
(4) Net pension assets of the agent, teacher retirement, and teacher legacy pension plans are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	1,105,070	
Add: net pension asset - teacher retirement plan		48,628	
Add: net pension asset - teacher legacy pension plan		<u>3,160,316</u>	4,314,014
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>139,543</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>12,081,399</u></u>

Exhibit J-4

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

	Major Fund	Nonmajor Funds	
	General Purpose School	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>			
Local Taxes	\$ 2,988,158	\$ 0	\$ 2,988,158
Licenses and Permits	328	0	328
Charges for Current Services	36,755	265,917	302,672
Other Local Revenues	35,534	2,014	37,548
State of Tennessee	16,220,006	7,100	16,227,106
Federal Government	154,527	3,026,859	3,181,386
Total Revenues	<u>\$ 19,435,308</u>	<u>\$ 3,301,890</u>	<u>\$ 22,737,198</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 11,430,171	\$ 1,069,028	\$ 12,499,199
Support Services	6,387,722	533,215	6,920,937
Operation of Non-Instructional Services	988,742	1,368,558	2,357,300
Debt Service:			
Other Debt Service	245,344	0	245,344
Total Expenditures	<u>\$ 19,051,979</u>	<u>\$ 2,970,801</u>	<u>\$ 22,022,780</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 383,329</u>	<u>\$ 331,089</u>	<u>\$ 714,418</u>
<u>Other Financing Sources (Uses)</u>			
Insurance Recovery	\$ 85,764	\$ 0	\$ 85,764
Total Other Financing Sources (Uses)	<u>\$ 85,764</u>	<u>\$ 0</u>	<u>\$ 85,764</u>
Net Change in Fund Balances	\$ 469,093	\$ 331,089	\$ 800,182
Fund Balance, July 1, 2019	2,056,797	670,360	2,727,157
Fund Balance, June 30, 2020	<u><u>\$ 2,525,890</u></u>	<u><u>\$ 1,001,449</u></u>	<u><u>\$ 3,527,339</u></u>

Exhibit J-5

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

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

Net change in fund balances - total governmental funds (Exhibit J-4)		\$	800,182
(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	\$	412,483	
Less: current-year depreciation expense		(797,545)	(385,062)
(2) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Less: deferred delinquent property taxes and other deferred June 30, 2019	\$	(171,690)	
Add: deferred delinquent property taxes and other deferred June 30, 2020		139,543	(32,147)
(3) The contributions of long-term debt (e.g., notes, bonds, leases) by the primary government provide current financial resources to governmental funds, while the contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.			
Add: principal contributions on loans to primary government			140,832
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in other postemployment benefits liability	\$	(151,029)	
Change in deferred outflows of resources related to pensions		(283,500)	
Change in deferred inflows of resources related to pensions		(1,231,241)	
Change in deferred outflows of resources related to OPEB		248,762	
Change in deferred inflows of resources related to OPEB		(355,878)	
Change in net pension asset - agent plan		65,840	
Change in net pension asset - teacher retirement plan		8,285	
Change in net pension asset - teacher legacy pension plan		2,132,409	
Change in termination benefits liability		(477,084)	(43,436)
Change in net position of governmental activities (Exhibit B)		\$	<u>480,369</u>

Exhibit J-6

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

	Special Revenue Funds			Capital Projects Fund	Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	Total	Education Capital Projects	
<u>ASSETS</u>					
Cash	\$ 0	\$ 555	\$ 555	\$ 0	\$ 555
Equity in Pooled Cash and Investments	234,866	299,414	534,280	168,037	702,317
Accounts Receivable	2,455	15	2,470	0	2,470
Due from Other Governments	187,745	212,844	400,589	0	400,589
Total Assets	<u>\$ 425,066</u>	<u>\$ 512,828</u>	<u>\$ 937,894</u>	<u>\$ 168,037</u>	<u>\$ 1,105,931</u>
<u>LIABILITIES</u>					
Payroll Deductions Payable	\$ 75,305	\$ 28,491	\$ 103,796	\$ 0	\$ 103,796
Due to State of Tennessee	293	393	686	0	686
Total Liabilities	<u>\$ 75,598</u>	<u>\$ 28,884</u>	<u>\$ 104,482</u>	<u>\$ 0</u>	<u>\$ 104,482</u>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Education	\$ 174,468	\$ 483,944	\$ 658,412	\$ 0	\$ 658,412
Restricted for Capital Outlay	0	0	0	168,037	168,037
Committed:					
Committed for Education	175,000	0	175,000	0	175,000
Total Fund Balances	<u>\$ 349,468</u>	<u>\$ 483,944</u>	<u>\$ 833,412</u>	<u>\$ 168,037</u>	<u>\$ 1,001,449</u>
Total Liabilities and Fund Balances	<u>\$ 425,066</u>	<u>\$ 512,828</u>	<u>\$ 937,894</u>	<u>\$ 168,037</u>	<u>\$ 1,105,931</u>

Exhibit J-7

Wayne County, Tennessee
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
Discretely Presented Wayne 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	\$ 265,917	\$ 265,917	\$ 0	\$ 265,917
Other Local Revenues	0	2,014	2,014	0	2,014
State of Tennessee	0	7,100	7,100	0	7,100
Federal Government	1,715,187	1,311,672	3,026,859	0	3,026,859
Total Revenues	<u>\$ 1,715,187</u>	<u>\$ 1,586,703</u>	<u>\$ 3,301,890</u>	<u>\$ 0</u>	<u>\$ 3,301,890</u>
<u>Expenditures</u>					
Current:					
Instruction	\$ 1,069,028	\$ 0	\$ 1,069,028	\$ 0	\$ 1,069,028
Support Services	533,215	0	533,215	0	533,215
Operation of Non-Instructional Services	0	1,368,558	1,368,558	0	1,368,558
Total Expenditures	<u>\$ 1,602,243</u>	<u>\$ 1,368,558</u>	<u>\$ 2,970,801</u>	<u>\$ 0</u>	<u>\$ 2,970,801</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 112,944</u>	<u>\$ 218,145</u>	<u>\$ 331,089</u>	<u>\$ 0</u>	<u>\$ 331,089</u>
Net Change in Fund Balances	\$ 112,944	\$ 218,145	\$ 331,089	\$ 0	\$ 331,089
Fund Balance, July 1, 2019	236,524	265,799	502,323	168,037	670,360
Fund Balance, June 30, 2020	<u>\$ 349,468</u>	<u>\$ 483,944</u>	<u>\$ 833,412</u>	<u>\$ 168,037</u>	<u>\$ 1,001,449</u>

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 2,988,158	\$ 0	\$ 0	\$ 2,988,158	\$ 2,774,541	\$ 2,774,541	\$ 213,617
Licenses and Permits	328	0	0	328	400	400	(72)
Charges for Current Services	36,755	0	0	36,755	70,000	70,000	(33,245)
Other Local Revenues	35,534	0	0	35,534	106,500	111,483	(75,949)
State of Tennessee	16,220,006	0	0	16,220,006	15,926,556	16,445,675	(225,669)
Federal Government	154,527	0	0	154,527	29,611	82,111	72,416
Total Revenues	\$ 19,435,308	\$ 0	\$ 0	\$ 19,435,308	\$ 18,907,608	\$ 19,484,210	\$ (48,902)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 9,362,773	\$ (122,427)	\$ 237,267	\$ 9,477,613	\$ 9,680,771	\$ 9,595,471	\$ 117,858
Alternative Instruction Program	100,066	0	0	100,066	101,585	101,685	1,619
Special Education Program	1,313,821	(10,387)	11,732	1,315,166	1,369,600	1,320,600	5,434
Career and Technical Education Program	653,511	(72,185)	11,696	593,022	520,801	638,492	45,470
<u>Support Services</u>							
Attendance	39,529	0	0	39,529	41,130	41,130	1,601
Health Services	327,636	(93,861)	8,684	242,459	266,383	249,818	7,359
Other Student Support	710,639	(7,447)	8,110	711,302	549,393	844,017	132,715
Regular Instruction Program	580,412	(2,563)	7,238	585,087	552,004	598,159	13,072
Special Education Program	284,588	(3,143)	2,421	283,866	302,220	285,720	1,854
Career and Technical Education Program	115,300	0	0	115,300	146,172	125,872	10,572
Technology	186,899	(104,888)	69,562	151,573	133,004	157,254	5,681
Other Programs	96,938	0	0	96,938	0	96,938	0
Board of Education	224,453	0	2,823	227,276	240,854	253,204	25,928
Director of Schools	180,248	(2,437)	1,000	178,811	186,431	192,233	13,422
Office of the Principal	727,182	0	0	727,182	744,268	740,268	13,086
Fiscal Services	75,657	(1,211)	700	75,146	68,051	77,551	2,405
Operation of Plant	1,343,505	(17,191)	16,775	1,343,089	1,440,431	1,374,331	31,242
Maintenance of Plant	407,220	(17,557)	11,375	401,038	354,211	449,848	48,810

(Continued)

Exhibit J-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Transportation	\$ 1,087,516	\$ (183,295)	\$ 269,713	\$ 1,173,934	\$ 1,026,246	\$ 1,206,924	\$ 32,990
<u>Operation of Non-Instructional Services</u>							
Community Services	164,682	0	0	164,682	111,835	167,935	3,253
Early Childhood Education	824,060	(25,633)	17,790	816,217	816,218	816,217	0
<u>Principal on Debt</u>							
Education	0	0	0	0	256,000	0	0
<u>Other Debt Service</u>							
Education	245,344	0	0	245,344	0	256,000	10,656
Total Expenditures	<u>\$ 19,051,979</u>	<u>\$ (664,225)</u>	<u>\$ 676,886</u>	<u>\$ 19,064,640</u>	<u>\$ 18,907,608</u>	<u>\$ 19,589,667</u>	<u>\$ 525,027</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 383,329	\$ 664,225	\$ (676,886)	\$ 370,668	\$ 0	\$ (105,457)	\$ 476,125
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 85,764	\$ 0	\$ 0	\$ 85,764	\$ 0	\$ 43,459	\$ 42,305
Total Other Financing Sources	<u>\$ 85,764</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 85,764</u>	<u>\$ 0</u>	<u>\$ 43,459</u>	<u>\$ 42,305</u>
Net Change in Fund Balance	\$ 469,093	\$ 664,225	\$ (676,886)	\$ 456,432	\$ 0	\$ (61,998)	\$ 518,430
Fund Balance, July 1, 2019	<u>2,056,797</u>	<u>(664,225)</u>	<u>0</u>	<u>1,392,572</u>	<u>2,077,523</u>	<u>2,077,523</u>	<u>(684,951)</u>
Fund Balance, June 30, 2020	<u><u>\$ 2,525,890</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (676,886)</u></u>	<u><u>\$ 1,849,004</u></u>	<u><u>\$ 2,077,523</u></u>	<u><u>\$ 2,015,525</u></u>	<u><u>\$ (166,521)</u></u>

Exhibit J-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Federal Government	\$ 1,715,187	\$ 0	\$ 0	\$ 1,715,187	\$ 1,722,314	\$ 1,925,788	\$ (210,601)
Total Revenues	\$ 1,715,187	\$ 0	\$ 0	\$ 1,715,187	\$ 1,722,314	\$ 1,925,788	\$ (210,601)
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 661,256	\$ (44,169)	\$ 142,320	\$ 759,407	\$ 664,804	\$ 799,630	\$ 40,223
Special Education Program	364,299	0	0	364,299	397,322	418,613	54,314
Career and Technical Education Program	43,473	(2,824)	18,393	59,042	54,218	60,868	1,826
<u>Support Services</u>							
Health Services	10,947	(266)	0	10,681	13,000	13,000	2,319
Other Student Support	96,390	(2,606)	0	93,784	97,300	109,651	15,867
Regular Instruction Program	249,188	(11,133)	5,993	244,048	299,335	310,453	66,405
Special Education Program	142,542	(144)	1,372	143,770	144,387	172,923	29,153
Career and Technical Education Program	2,793	0	0	2,793	3,000	2,793	0
Transportation	31,355	0	0	31,355	48,950	37,857	6,502
Total Expenditures	\$ 1,602,243	\$ (61,142)	\$ 168,078	\$ 1,709,179	\$ 1,722,316	\$ 1,925,788	\$ 216,609
Excess (Deficiency) of Revenues Over Expenditures	\$ 112,944	\$ 61,142	\$ (168,078)	\$ 6,008	\$ (2)	\$ 0	\$ 6,008
Net Change in Fund Balance	\$ 112,944	\$ 61,142	\$ (168,078)	\$ 6,008	\$ (2)	\$ 0	\$ 6,008
Fund Balance, July 1, 2019	236,524	(61,142)	0	175,382	236,524	236,524	(61,142)
Fund Balance, June 30, 2020	\$ 349,468	\$ 0	\$ (168,078)	\$ 181,390	\$ 236,522	\$ 236,524	\$ (55,134)

Exhibit J-10

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Charges for Current Services	\$ 265,917	\$ 0	\$ 0	\$ 265,917	\$ 429,600	\$ 429,600	\$ (163,683)
Other Local Revenues	2,014	0	0	2,014	500	51,478	(49,464)
State of Tennessee	7,100	0	0	7,100	0	17,404	(10,304)
Federal Government	1,311,672	0	0	1,311,672	839,209	915,157	396,515
Total Revenues	<u>\$ 1,586,703</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,586,703</u>	<u>\$ 1,269,309</u>	<u>\$ 1,413,639</u>	<u>\$ 173,064</u>
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 1,368,558	\$ (12,714)	\$ 7,285	\$ 1,363,129	\$ 1,269,309	\$ 1,413,639	\$ 50,510
Total Expenditures	<u>\$ 1,368,558</u>	<u>\$ (12,714)</u>	<u>\$ 7,285</u>	<u>\$ 1,363,129</u>	<u>\$ 1,269,309</u>	<u>\$ 1,413,639</u>	<u>\$ 50,510</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 218,145</u>	<u>\$ 12,714</u>	<u>\$ (7,285)</u>	<u>\$ 223,574</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 223,574</u>
Net Change in Fund Balance	\$ 218,145	\$ 12,714	\$ (7,285)	\$ 223,574	\$ 0	\$ 0	\$ 223,574
Fund Balance, July 1, 2019	<u>265,799</u>	<u>(12,714)</u>	<u>0</u>	<u>253,085</u>	<u>268,961</u>	<u>268,961</u>	<u>(15,876)</u>
Fund Balance, June 30, 2020	<u><u>\$ 483,944</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (7,285)</u></u>	<u><u>\$ 476,659</u></u>	<u><u>\$ 268,961</u></u>	<u><u>\$ 268,961</u></u>	<u><u>\$ 207,698</u></u>

Exhibit J-11

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
<u>Capital Projects</u>				
Education Capital Projects	\$ 0	\$ 168,037	\$ 168,037	\$ 168,037
Total Expenditures	\$ 0	\$ 168,037	\$ 168,037	\$ 168,037
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ (168,037)	\$ (168,037)	\$ 168,037
Net Change in Fund Balance	\$ 0	\$ (168,037)	\$ (168,037)	\$ 168,037
Fund Balance, July 1, 2019	168,037	168,037	168,037	0
Fund Balance, June 30, 2020	\$ 168,037	\$ 0	\$ 0	\$ 168,037

MISCELLANEOUS SCHEDULES

Exhibit K-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Issued During Period	Paid and/or Matured During Period	Debt Refunded	Outstanding 6-30-20
<u>GOVERNMENTAL ACTIVITIES:</u>									
<u>BONDS PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
School Refunding Bonds	\$ 9,495,000	3.72	%	6-3-03	12-1-23	\$ 4,990,000	\$ 0	\$ 915,000	\$ 4,075,000
General Obligation Bond Series 2009	6,500,000	4.13		6-3-09	10-3-19	4,805,000	0	215,000	0
General Obligation Bond Series 2015	4,000,000	2.50		11-5-15	5-1-31	3,295,000	0	245,000	3,050,000
Refunding General Obligation Bond Series 2016	7,405,000	2.50		10-20-16	12-1-30	6,320,000	0	570,000	5,750,000
Refunding General Obligation Bond Series 2019	4,390,000	2.06		10-3-19	11-1-34	0	4,390,000	0	4,390,000
Total Bonds Payable						\$ 19,410,000	\$ 4,390,000	\$ 1,945,000	\$ 17,265,000
<u>NOTES PAYABLE</u>									
<u>Payable through General Debt Service Fund</u>									
Capital Outlay Note, Series 2017	315,000	2.17		3-30-17	3-1-20	\$ 105,000	\$ 0	\$ 105,000	\$ 0
Total Notes Payable						\$ 105,000	\$ 0	\$ 105,000	\$ 0
<u>OTHER LOANS PAYABLE</u>									
<u>Contributions Due by the School Department from the General Purpose School Fund to the General Debt Service Fund</u>									
EESI - Energy Efficient School Initiative	781,717	0.75		3-8-18	2-1-24	\$ 666,307	\$ 0	\$ 140,832	\$ 525,475
Total Other Loans Payable						\$ 666,307	\$ 0	\$ 140,832	\$ 525,475
<u>BUSINESS-TYPE ACTIVITIES:</u>									
<u>BONDS PAYABLE</u>									
<u>Payable through Public Utility Fund</u>									
Water Revenue and Tax Bond Series 2008	332,000	4.25		6-25-08	6-28-46	\$ 282,809	\$ 0	\$ 5,717	\$ 277,092
Water Revenue and Tax Bond Series 2012	1,207,000	2.75		3-12-14	3-12-52	1,104,992	0	21,154	1,083,838
Total Bonds Payable						\$ 1,387,801	\$ 0	\$ 26,871	\$ 1,360,930

Exhibit K-2

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

GOVERNMENTAL ACTIVITIES

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 2,025,000	\$ 461,769	\$ 2,486,769
2022	2,100,000	395,363	2,495,363
2023	2,170,000	326,526	2,496,526
2024	2,230,000	255,537	2,485,537
2025	970,000	206,360	1,176,360
2026	1,000,000	180,460	1,180,460
2027	1,025,000	154,010	1,179,010
2028	1,050,000	126,135	1,176,135
2029	1,080,000	97,423	1,177,423
2030	1,105,000	67,885	1,172,885
2031	1,135,000	40,655	1,175,655
2032	335,000	25,025	360,025
2033	340,000	18,275	358,275
2034	345,000	11,209	356,209
2035	355,000	3,772	358,772
Total	\$ 17,265,000	\$ 2,370,404	\$ 19,635,404

Year Ending June 30	Other Loans		
	Principal	Interest	Total
2021	\$ 141,888	\$ 3,456	\$ 145,344
2022	142,956	2,388	145,344
2023	144,036	1,308	145,344
2024	96,595	234	96,829
Total	\$ 525,475	\$ 7,386	\$ 532,861

(Continued)

Exhibit K-2

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

BUSINESS-TYPE ACTIVITIES

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 27,707	\$ 41,221	\$ 68,928
2022	28,572	40,356	68,928
2023	29,464	39,464	68,928
2024	30,385	38,543	68,928
2025	31,336	37,592	68,928
2026	32,318	36,610	68,928
2027	33,332	35,596	68,928
2028	34,380	34,548	68,928
2029	35,462	33,466	68,928
2030	36,579	32,349	68,928
2031	37,733	31,195	68,928
2032	38,925	30,003	68,928
2033	40,157	28,771	68,928
2034	41,429	27,499	68,928
2035	42,742	26,186	68,928
2036	44,101	24,827	68,928
2037	45,503	23,425	68,928
2038	46,953	21,975	68,928
2039	48,450	20,478	68,928
2040	49,997	18,931	68,928
2041	51,597	17,331	68,928
2042	53,250	15,678	68,928
2043	54,958	13,970	68,928
2044	56,723	12,205	68,928
2045	58,548	10,380	68,928
2046	60,434	8,494	68,928
2047	44,411	6,865	51,276
2048	45,648	5,628	51,276
2049	46,919	4,357	51,276
2050	48,226	3,050	51,276
2051	49,569	1,707	51,276
2052	35,122	380	35,502
Total	\$ 1,360,930	\$ 723,080	\$ 2,084,010

Exhibit K-3

Wayne County, Tennessee
Schedule of Transfers
For the Year Ended June 30, 2020

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
Drug Control	General	Drug agent salary	\$ 4,147
Highway/Public Works	General Debt Service	To retire debt	76,345
Other Capital Projects	General Capital Projects	To close fund	<u>37,629</u>
Total Transfers			<u>\$ 118,121</u>

Exhibit K-4

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

Official	Authorization for Salary	Salary Paid During Period	Bond/ Insurance	Surety
County Executive	Section 8-24-102, <i>TCA</i>	\$ 85,435	\$ 100,000	Western Surety Insurance Company
Commissioner of Highways	Section 8-24-102, <i>TCA</i>	81,368	100,000	"
Director of Schools	State Board of Education and County Board of Education	106,078 (1)	400,000	Tennessee Risk Management Trust
Trustee	Section 8-24-102, <i>TCA</i>	73,971	726,194	Western Surety Insurance Company
Assessor of Property	Section 8-24-102, <i>TCA</i>	73,971	50,000	State Automobile Mutual Insurance Company
County Clerk	Section 8-24-102, <i>TCA</i>	73,971	150,000	Western Surety Insurance Company
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	73,971	100,000	Auto Owners Mutual Insurance Company
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	73,971 (2)	110,000	"
Register of Deeds	Section 8-24-102, <i>TCA</i>	73,971	100,000	Western Surety Insurance Company
Sheriff	Section 8-24-102, <i>TCA</i>	81,368 (3)	100,000	Auto Owners Mutual Insurance Company
Employee Insurance Policies:				
Employee Fidelity - County Departments			150,000	One Beacon Insurance Group, LLC.
Employee Fidelity - School Department			400,000	Tennessee Risk Management Trust

(1) Includes a chief executive officer training supplement of \$1,000 and a Tennessee Executive Development Program supplement of \$2,128.

(2) Does not include special commissioner fees of \$2,721.

(3) Does not include a law enforcement training supplement of \$800.

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 2,896,603	\$ 825,906	\$ 0	\$ 0	\$ 0	\$ 0
Trustee's Collections - Prior Year	116,898	32,533	0	0	0	0
Circuit Clerk/Clerk and Master Collections - Prior Years	58,264	16,479	0	0	0	0
Interest and Penalty	20,491	5,795	0	0	0	0
Payments in-Lieu-of Taxes - T.V.A.	18,759	0	0	0	0	0
Payments in-Lieu-of Taxes - Other	7,791	0	0	0	0	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Wheel Tax	146,309	0	0	0	0	284,012
Litigation Tax - General	38,449	0	0	0	0	0
Litigation Tax - Special Purpose	8,112	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	14,868	0	0	0	0	0
Litigation Tax - Victim-Offender Mediation Center	2,633	0	0	0	0	0
Litigation Tax - Courthouse Security	35,369	0	0	0	0	0
Business Tax	49,667	0	0	0	0	0
Mixed Drink Tax	2,669	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
Other County Local Option Taxes	38,273	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	72,387	0	0	0	0	0
Wholesale Beer Tax	65,340	32,621	0	0	0	0
Total Local Taxes	\$ 3,592,882	\$ 913,334	\$ 0	\$ 0	\$ 0	\$ 284,012

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Marriage Licenses	\$ 328	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cable TV Franchise	4,091	0	0	0	0	0
<u>Permits</u>						
Beer Permits	1,805	0	0	0	0	0
Total Licenses and Permits	<u>\$ 6,224</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 3,514	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Fines for Littering	24	0	0	0	0	0
Officers Costs	2,153	0	1,629	0	0	0
Game and Fish Fines	4	0	0	0	0	0
Drug Control Fines	5,500	0	6,906	0	0	0
Drug Court Fees	1,343	0	0	0	0	0
Jail Fees	1,194	0	0	0	0	0
DUI Treatment Fines	110	0	0	0	0	0
Data Entry Fee - Circuit Court	523	0	0	0	0	0
<u>Criminal Court</u>						
Jail Fees	40	0	0	0	0	0
DUI Treatment Fines	173	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	9,057	0	0	0	0	0
Fines for Littering	76	0	0	0	0	0
Officers Costs	16,837	0	0	0	0	0
Game and Fish Fines	692	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Drug Control Fines	\$ 5,425	\$ 0	\$ 5,912	\$ 0	\$ 0	\$ 0
Drug Court Fees	5,382	0	0	0	0	0
Jail Fees	6,110	0	356	0	0	0
Interpreter Fee	36,852	0	0	0	0	0
DUI Treatment Fines	2,612	0	0	0	0	0
Data Entry Fee - General Sessions Court	5,635	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	361	0	0	0	0	0
Officers Costs	967	0	0	0	0	0
Interpreter Fee	500	0	0	0	0	0
Data Entry Fee - Juvenile Court	204	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	1,302	0	0	0	0	0
Data Entry Fee - Chancery Court	1,283	0	0	0	0	0
<u>Other Courts - In-county</u>						
Interpreter Fee	9,230	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	6,191	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 117,103	\$ 0	\$ 20,994	\$ 0	\$ 0	\$ 0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Surcharge - Waste Tire Disposal	\$ 0	\$ 4,118	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fees</u>						
Copy Fees	75	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
<u>Charges for Current Services (Cont.)</u>						
<u>Fees (Cont.)</u>						
Library Fees	\$ 4,400	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Greenbelt Late Application Fee	450	0	0	0	0	0
Telephone Commissions	43,707	0	0	0	0	0
Special Commissioner Fees/Special Master Fees	0	0	0	0	2,721	0
Data Processing Fee - Register	5,616	0	0	0	0	0
Probation Fees	73,411	0	0	0	0	0
Data Processing Fee - Sheriff	1,312	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	1,160	0	0	0	0	0
Data Processing Fee - County Clerk	165	0	0	0	0	0
Total Charges for Current Services	\$ 130,296	\$ 4,118	\$ 0	\$ 0	\$ 2,721	\$ 0
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 154,748	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Lease/Rentals	73,075	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	0	16
Commissary Sales	110,291	0	0	0	0	0
Sale of Recycled Materials	0	29,830	0	0	0	2,950
Miscellaneous Refunds	51,398	235	0	0	0	20,616
<u>Nonrecurring Items</u>						
Sale of Property	20,500	0	0	0	0	0
Contributions and Gifts	1,000	0	0	0	0	0
Total Other Local Revenues	\$ 411,012	\$ 30,065	\$ 0	\$ 0	\$ 0	\$ 23,582

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 192,891	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	27,079	0	0	0	0	0
General Sessions Court Clerk	85,880	0	0	0	0	0
Clerk and Master	53,969	0	0	0	0	0
Juvenile Court Clerk	11,978	0	0	0	0	0
Register	67,627	0	0	0	0	0
Sheriff	15,072	0	0	0	0	0
Trustee	257,420	0	0	0	0	0
Total Fees Received From County Officials	<u>\$ 711,916</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 13,500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	10,400	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	145,368	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	351,819
Litter Program	55,325	0	0	0	0	0
<u>Other State Revenues</u>						
Resort District Sales Tax	74,142	0	0	74,138	0	0
Beer Tax	18,175	0	0	0	0	0
Vehicle Certificate of Title Fees	534	0	0	0	0	0
Alcoholic Beverage Tax	80,946	0	0	0	0	0

(Continued)

Exhibit K-5

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

	Special Revenue Funds					
	General	Solid Waste / Sanitation	Drug Control	Other Special Revenue	Constitu - tional Officers - Fees	Highway / Public Works
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
State Revenue Sharing - T.V.A.	\$ 382,190	\$ 100,000	\$ 0	\$ 60,000	\$ 0	\$ 0
State Revenue Sharing - Telecommunications	18,166	0	0	0	0	0
Emergency Hospital - Prisoners	21,916	0	0	0	0	0
Prisoner Transportation	1,900	0	0	0	0	0
Contracted Prisoner Boarding	920,586	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	2,708,315
Petroleum Special Tax	0	0	0	0	0	12,281
Registrar's Salary Supplement	18,955	0	0	0	0	0
Other State Grants	77,220	0	0	0	0	0
Other State Revenues	31,171	4,594	0	0	0	0
Total State of Tennessee	<u>\$ 1,870,494</u>	<u>\$ 104,594</u>	<u>\$ 0</u>	<u>\$ 134,138</u>	<u>\$ 0</u>	<u>\$ 3,072,415</u>
<u>Federal Government</u>						
<u>Federal Through State</u>						
Disaster Relief	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 209,699
Homeland Security Grants	17,350	0	0	0	0	0
Other Federal through State	113,360	0	0	0	0	0
Total Federal Government	<u>\$ 130,710</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 209,699</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Prisoner Board	\$ 25,116	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions	163,227	0	0	47,904	0	0
Total Other Governments and Citizens Groups	<u>\$ 188,343</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 47,904</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 7,158,980</u>	<u>\$ 1,052,111</u>	<u>\$ 20,994</u>	<u>\$ 182,042</u>	<u>\$ 2,721</u>	<u>\$ 3,589,708</u>

(Continued)

Exhibit K-5

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

	Debt Service		Capital Projects Funds			
	Fund		General	Highway	Other	
	General		Capital	Capital	Capital	
	Debt		Projects	Projects	Projects	
	Service					Total
<hr/>						
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 1,023,978	\$ 0	\$ 0	\$ 0	\$ 0	4,746,487
Trustee's Collections - Prior Year	39,389	82	0	0	35	188,937
Circuit Clerk/Clerk and Master Collections - Prior Years	20,598	0	0	0	0	95,341
Interest and Penalty	7,244	0	0	0	0	33,530
Payments in-Lieu-of Taxes - T.V.A.	0	0	0	0	0	18,759
Payments in-Lieu-of Taxes - Other	0	0	0	0	0	7,791
<u>County Local Option Taxes</u>						
Local Option Sales Tax	1,190,146	0	0	0	0	1,190,146
Wheel Tax	430,321	0	0	0	0	860,642
Litigation Tax - General	0	0	0	0	0	38,449
Litigation Tax - Special Purpose	0	0	0	0	0	8,112
Litigation Tax - Jail, Workhouse, or Courthouse	41,956	0	0	0	0	56,824
Litigation Tax - Victim-Offender Mediation Center	0	0	0	0	0	2,633
Litigation Tax - Courthouse Security	0	0	0	0	0	35,369
Business Tax	0	0	0	0	0	49,667
Mixed Drink Tax	0	0	0	0	0	2,669
Mineral Severance Tax	0	0	94,194	0	0	94,194
Other County Local Option Taxes	0	0	0	0	0	38,273
<u>Statutory Local Taxes</u>						
Bank Excise Tax	0	0	0	0	0	72,387
Wholesale Beer Tax	0	0	0	0	0	97,961
Total Local Taxes	\$ 2,753,632	\$ 82	\$ 94,194	\$ 35	\$ 0	7,638,171

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds			Total
	General Debt Service	General Capital Projects	Highway Capital Projects	Other Capital Projects	
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 0	\$ 0	\$ 0	\$ 0	328
Cable TV Franchise	0	0	0	0	4,091
<u>Permits</u>					
Beer Permits	0	0	0	0	1,805
Total Licenses and Permits	\$ 0	\$ 0	\$ 0	\$ 0	6,224
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	3,514
Fines for Littering	0	0	0	0	24
Officers Costs	0	0	0	0	3,782
Game and Fish Fines	0	0	0	0	4
Drug Control Fines	0	0	0	0	12,406
Drug Court Fees	0	0	0	0	1,343
Jail Fees	0	0	0	0	1,194
DUI Treatment Fines	0	0	0	0	110
Data Entry Fee - Circuit Court	0	0	0	0	523
<u>Criminal Court</u>					
Jail Fees	0	0	0	0	40
DUI Treatment Fines	0	0	0	0	173
<u>General Sessions Court</u>					
Fines	0	0	0	0	9,057
Fines for Littering	0	0	0	0	76
Officers Costs	0	0	0	0	16,837
Game and Fish Fines	0	0	0	0	692

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds			Total
	General Debt Service	General Capital Projects	Highway Capital Projects	Other Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
Drug Control Fines	\$ 0	\$ 0	\$ 0	\$ 0	11,337
Drug Court Fees	0	0	0	0	5,382
Jail Fees	0	0	0	0	6,466
Interpreter Fee	0	0	0	0	36,852
DUI Treatment Fines	0	0	0	0	2,612
Data Entry Fee - General Sessions Court	0	0	0	0	5,635
<u>Juvenile Court</u>					
Fines	0	0	0	0	361
Officers Costs	0	0	0	0	967
Interpreter Fee	0	0	0	0	500
Data Entry Fee - Juvenile Court	0	0	0	0	204
<u>Chancery Court</u>					
Officers Costs	0	0	0	0	1,302
Data Entry Fee - Chancery Court	0	0	0	0	1,283
<u>Other Courts - In-county</u>					
Interpreter Fee	0	0	0	0	9,230
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	6,191
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	138,097
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Surcharge - Waste Tire Disposal	\$ 0	\$ 0	\$ 0	\$ 0	4,118
<u>Fees</u>					
Copy Fees	0	0	0	0	75

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds			
	General Debt Service	General Capital Projects	Highway Capital Projects	Other Capital Projects	Total
<u>Charges for Current Services (Cont.)</u>					
<u>Fees (Cont.)</u>					
Library Fees	\$ 0	\$ 0	\$ 0	\$ 0	4,400
Greenbelt Late Application Fee	0	0	0	0	450
Telephone Commissions	0	0	0	0	43,707
Special Commissioner Fees/Special Master Fees	0	0	0	0	2,721
Data Processing Fee - Register	0	0	0	0	5,616
Probation Fees	0	0	0	0	73,411
Data Processing Fee - Sheriff	0	0	0	0	1,312
Sexual Offender Registration Fee - Sheriff	0	0	0	0	1,160
Data Processing Fee - County Clerk	0	0	0	0	165
Total Charges for Current Services	\$ 0	\$ 0	\$ 0	\$ 0	137,135
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 0	\$ 0	\$ 0	154,748
Lease/Rentals	0	0	0	0	73,075
Sale of Materials and Supplies	0	0	0	0	16
Commissary Sales	0	0	0	0	110,291
Sale of Recycled Materials	0	0	0	0	32,780
Miscellaneous Refunds	1,519	0	0	0	73,768
<u>Nonrecurring Items</u>					
Sale of Property	0	0	0	0	20,500
Contributions and Gifts	0	0	0	0	1,000
Total Other Local Revenues	\$ 1,519	\$ 0	\$ 0	\$ 0	466,178

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds			Total
	General Debt Service	General Capital Projects	Highway Capital Projects	Other Capital Projects	
<u>Fees Received From County Officials</u>					
<u>Fees In-Lieu-of Salary</u>					
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	192,891
Circuit Court Clerk	0	0	0	0	27,079
General Sessions Court Clerk	0	0	0	0	85,880
Clerk and Master	0	0	0	0	53,969
Juvenile Court Clerk	0	0	0	0	11,978
Register	0	0	0	0	67,627
Sheriff	0	0	0	0	15,072
Trustee	0	0	0	0	257,420
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	711,916
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	13,500
<u>Public Safety Grants</u>					
Law Enforcement Training Programs	0	0	0	0	10,400
<u>Health and Welfare Grants</u>					
Health Department Programs	0	0	0	0	145,368
<u>Public Works Grants</u>					
State Aid Program	0	0	0	0	351,819
Litter Program	0	0	0	0	55,325
<u>Other State Revenues</u>					
Resort District Sales Tax	0	0	0	0	148,280
Beer Tax	0	0	0	0	18,175
Vehicle Certificate of Title Fees	0	0	0	0	534
Alcoholic Beverage Tax	0	0	0	0	80,946

(Continued)

Exhibit K-5

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

	Debt Service Fund	Capital Projects Funds			Total
	General Debt Service	General Capital Projects	Highway Capital Projects	Other Capital Projects	
<u>State of Tennessee (Cont.)</u>					
<u>Other State Revenues (Cont.)</u>					
State Revenue Sharing - T.V.A.	\$ 0	\$ 0	\$ 0	\$ 0	542,190
State Revenue Sharing - Telecommunications	0	0	0	0	18,166
Emergency Hospital - Prisoners	0	0	0	0	21,916
Prisoner Transportation	0	0	0	0	1,900
Contracted Prisoner Boarding	0	0	0	0	920,586
Gasoline and Motor Fuel Tax	0	0	0	0	2,708,315
Petroleum Special Tax	0	0	0	0	12,281
Registrar's Salary Supplement	0	0	0	0	18,955
Other State Grants	0	0	0	0	77,220
Other State Revenues	0	0	0	0	35,765
Total State of Tennessee	\$ 0	\$ 0	\$ 0	\$ 0	5,181,641
<u>Federal Government</u>					
<u>Federal Through State</u>					
Disaster Relief	\$ 0	\$ 0	\$ 0	\$ 0	209,699
Homeland Security Grants	0	0	0	0	17,350
Other Federal through State	0	0	0	0	113,360
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 0	340,409
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Prisoner Board	\$ 0	\$ 0	\$ 0	\$ 0	25,116
Contributions	245,344	0	0	0	456,475
Total Other Governments and Citizens Groups	\$ 245,344	\$ 0	\$ 0	\$ 0	481,591
Total	\$ 3,000,495	\$ 82	\$ 94,194	\$ 35	15,101,362

Exhibit K-6

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

	General Purpose School	Special Revenue Funds		Total
		School Federal Projects	Central Cafeteria	
<u>Local Taxes</u>				
<u>County Property Taxes</u>				
Current Property Tax	\$ 1,989,431	\$ 0	\$ 0	\$ 1,989,431
Trustee's Collections - Prior Year	79,099	0	0	79,099
Circuit Clerk/Clerk and Master Collections - Prior Years	40,020	0	0	40,020
Interest and Penalty	14,075	0	0	14,075
<u>County Local Option Taxes</u>				
Local Option Sales Tax	833,125	0	0	833,125
<u>Statutory Local Taxes</u>				
Coal Severance Tax	32,408	0	0	32,408
Total Local Taxes	<u>\$ 2,988,158</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,988,158</u>
<u>Licenses and Permits</u>				
<u>Licenses</u>				
Marriage Licenses	\$ 328	\$ 0	\$ 0	\$ 328
Total Licenses and Permits	<u>\$ 328</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 328</u>
<u>Charges for Current Services</u>				
<u>Education Charges</u>				
Lunch Payments - Children	\$ 0	\$ 0	\$ 137,607	\$ 137,607
Lunch Payments - Adults	0	0	25,345	25,345
Income from Breakfast	0	0	40,817	40,817
Special Milk Sales	0	0	4,218	4,218
A la Carte Sales	0	0	57,930	57,930
Receipts from Individual Schools	36,755	0	0	36,755
Total Charges for Current Services	<u>\$ 36,755</u>	<u>\$ 0</u>	<u>\$ 265,917</u>	<u>\$ 302,672</u>

(Continued)

Exhibit K-6

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

	General Purpose School	Special Revenue Funds		Total
		School Federal Projects	Central Cafeteria	
<u>Other Local Revenues</u>				
<u>Recurring Items</u>				
Investment Income	\$ 1,266	\$ 0	\$ 74	\$ 1,340
Lease/Rentals	540	0	0	540
Sale of Materials and Supplies	39	0	0	39
Rebates	0	0	1,392	1,392
Miscellaneous Refunds	33,039	0	96	33,135
<u>Nonrecurring Items</u>				
Sale of Equipment	0	0	452	452
Contributions and Gifts	580	0	0	580
<u>Other Local Revenues</u>				
Other Local Revenues	70	0	0	70
Total Other Local Revenues	\$ 35,534	\$ 0	\$ 2,014	\$ 37,548
<u>State of Tennessee</u>				
<u>General Government Grants</u>				
On-behalf Contributions for OPEB	\$ 96,938	\$ 0	\$ 0	\$ 96,938
<u>State Education Funds</u>				
Basic Education Program	14,742,379	0	0	14,742,379
Early Childhood Education	816,217	0	0	816,217
Driver Education	14,546	0	0	14,546
Other State Education Funds	86,374	0	0	86,374
Coordinated School Health	89,994	0	0	89,994
Family Resource Centers	29,612	0	0	29,612
Career Ladder Program	48,969	0	0	48,969

(Continued)

Exhibit K-6

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

	General Purpose School	Special Revenue Funds		Total
		School Federal Projects	Central Cafeteria	
<u>State of Tennessee (Cont.)</u>				
<u>Other State Revenues</u>				
Other State Grants	\$ 238,227	\$ 0	\$ 7,100	\$ 245,327
Safe Schools	56,750	0	0	56,750
Total State of Tennessee	\$ 16,220,006	\$ 0	\$ 7,100	\$ 16,227,106
<u>Federal Government</u>				
<u>Federal Through State</u>				
USDA School Lunch Program	\$ 0	\$ 0	\$ 466,563	\$ 466,563
USDA - Commodities	0	0	75,948	75,948
Breakfast	0	0	185,751	185,751
USDA - Other	0	0	5,538	5,538
Vocational Education - Basic Grants to States	0	74,754	0	74,754
Title I Grants to Local Education Agencies	0	783,831	0	783,831
Special Education - Grants to States	0	524,058	0	524,058
Special Education Preschool Grants	0	17,753	0	17,753
Rural Education	0	37,857	0	37,857
Eisenhower Professional Development State Grants	0	85,880	0	85,880
COVID-19 Grant #1	0	0	577,872	577,872
Other Federal through State	154,527	191,054	0	345,581
Total Federal Government	\$ 154,527	\$ 1,715,187	\$ 1,311,672	\$ 3,181,386
Total	\$ 19,435,308	\$ 1,715,187	\$ 1,586,703	\$ 22,737,198

Exhibit K-7

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

General FundGeneral GovernmentCounty Commission

Other Salaries and Wages	\$	5,715	
Board and Committee Members Fees		9,120	
In-service Training		250	
Social Security		920	
Pensions		346	
Unemployment Compensation		42	
Employer Medicare		215	
Advertising		763	
Audit Services		6,468	
Communication		14,532	
Dues and Memberships		1,550	
Legal Services		12,132	
Postal Charges		18,899	
Travel		3,074	
Other Supplies and Materials		30	
Judgments		10,000	
Other Charges		2,405	
Total County Commission			\$ 86,461

County Mayor/Executive

County Official/Administrative Officer	\$	85,435	
Accountants/Bookkeepers		26,835	
Purchasing Personnel		21,885	
Educational Incentive - Other County Employees		1,500	
Longevity Pay		300	
In-service Training		1,415	
Social Security		8,416	
Pensions		8,225	
Employee and Dependent Insurance		210	
Unemployment Compensation		97	
Employer Medicare		1,968	
Communication		1,430	
Data Processing Services		19,672	
Dues and Memberships		1,550	
Printing, Stationery, and Forms		547	
Rentals		25	
Travel		2,615	
Gasoline		806	
Other Charges		82	
Office Equipment		7,168	
Total County Mayor/Executive			190,181

Election Commission

County Official/Administrative Officer	\$	66,574
Part-time Personnel		11,680
Longevity Pay		275
Election Commission		2,605

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission (Cont.)

Election Workers	\$	11,720	
Social Security		5,203	
Pensions		4,028	
Employee and Dependent Insurance		165	
Unemployment Compensation		113	
Employer Medicare		1,217	
Advertising		1,203	
Communication		1,131	
Data Processing Services		15,845	
Dues and Memberships		400	
Maintenance and Repair Services - Equipment		119	
Printing, Stationery, and Forms		335	
Rentals		500	
Travel		1,650	
Office Supplies		369	
Other Supplies and Materials		449	
Other Charges		308	
Office Equipment		1,625	
Total Election Commission			\$ 127,514

Register of Deeds

County Official/Administrative Officer	\$	73,971	
Clerical Personnel		21,561	
Part-time Personnel		3,858	
Longevity Pay		250	
In-service Training		150	
Social Security		6,109	
Pensions		5,783	
Employee and Dependent Insurance		35	
Unemployment Compensation		110	
Employer Medicare		1,429	
Advertising		182	
Communication		1,437	
Data Processing Services		5,758	
Dues and Memberships		15	
Maintenance Agreements		248	
Printing, Stationery, and Forms		2,825	
Rentals		116	
Office Supplies		202	
Other Charges		201	
Office Equipment		14,353	
Total Register of Deeds			138,593

County Buildings

Supervisor/Director	\$	32,136
Custodial Personnel		21,528
Maintenance Personnel		10,231

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Longevity Pay	\$	650	
Social Security		3,962	
Pensions		3,286	
Employee and Dependent Insurance		195	
Unemployment Compensation		113	
Employer Medicare		927	
Communication		725	
Contracts with Private Agencies		20,740	
Maintenance and Repair Services - Buildings		53,337	
Maintenance and Repair Services - Equipment		7,296	
Maintenance and Repair Services - Vehicles		1,810	
Custodial Supplies		8,433	
Electricity		142,601	
Gasoline		3,450	
Utilities		73,217	
Other Supplies and Materials		362	
Other Charges		2,405	
Building Improvements		2,557	
Other Equipment		9,350	
Other Capital Outlay		146,903	
Total County Buildings			\$ 546,214

Other General Administration

Part-time Personnel	\$	45,744	
Longevity Pay		350	
Social Security		2,720	
Pensions		2,789	
Unemployment Compensation		42	
Employer Medicare		636	
Dues and Memberships		3,493	
Maintenance and Repair Services - Office Equipment		2,350	
Office Supplies		8,675	
Other Equipment		3,227	
Total Other General Administration			70,026

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	73,971	
Clerical Personnel		43,056	
Longevity Pay		450	
Board and Committee Members Fees		1,050	
In-service Training		150	
Social Security		7,151	
Pensions		7,073	
Employee and Dependent Insurance		195	
Unemployment Compensation		132	
Employer Medicare		1,672	

(Continued)

Exhibit K-7

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

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

Advertising	\$	71	
Communication		1,806	
Contracts with Government Agencies		8,041	
Contracts with Private Agencies		6,925	
Printing, Stationery, and Forms		296	
Other Charges		112	
Office Equipment		1,029	
Total Property Assessor's Office			\$ 153,180

Reappraisal Program

Contracts with Private Agencies	\$	10,898	
Total Reappraisal Program			10,898

County Trustee's Office

County Official/Administrative Officer	\$	73,971	
Clerical Personnel		43,056	
Longevity Pay		100	
Social Security		7,194	
Pensions		7,086	
Employee and Dependent Insurance		180	
Unemployment Compensation		126	
Employer Medicare		1,682	
Advertising		145	
Communication		1,526	
Data Processing Services		11,819	
Dues and Memberships		674	
Printing, Stationery, and Forms		7,639	
Rentals		45	
Travel		134	
Other Supplies and Materials		154	
Premiums on Corporate Surety Bonds		4,252	
Office Equipment		2,718	
Total County Trustee's Office			162,501

County Clerk's Office

County Official/Administrative Officer	\$	73,971	
Deputy(ies)		43,056	
Part-time Personnel		1,027	
Longevity Pay		200	
Social Security		7,171	
Pensions		7,154	
Employee and Dependent Insurance		375	
Unemployment Compensation		133	
Employer Medicare		1,677	
Communication		1,543	
Dues and Memberships		184	
Maintenance Agreements		12,727	

(Continued)

Exhibit K-7

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

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

Maintenance and Repair Services - Equipment	\$	4,666	
Printing, Stationery, and Forms		1,269	
Rentals		19	
Other Supplies and Materials		327	
Other Charges		395	
Total County Clerk's Office			\$ 155,894

Administration of JusticeCircuit Court

County Official/Administrative Officer	\$	73,971	
Deputy(ies)		63,425	
Part-time Personnel		9,536	
Longevity Pay		600	
Jury and Witness Expense		8,052	
Social Security		9,132	
Pensions		6,924	
Employee and Dependent Insurance		180	
Unemployment Compensation		251	
Employer Medicare		2,136	
Advertising		255	
Communication		3,935	
Data Processing Services		16,020	
Printing, Stationery, and Forms		3,473	
Rentals		139	
Other Contracted Services		1,958	
Office Supplies		4,031	
Other Supplies and Materials		1,135	
Office Equipment		80	
Total Circuit Court			205,233

General Sessions Court

Judge(s)	\$	97,865	
Secretary(ies)		25,983	
Attendants		29,151	
Longevity Pay		1,050	
Other Salaries and Wages		40,452	
In-service Training		277	
Social Security		12,038	
Pensions		11,349	
Employee and Dependent Insurance		195	
Unemployment Compensation		203	
Employer Medicare		2,815	
Communication		3,678	
Contracts with Private Agencies		1,771	
Data Processing Services		4,628	
Dues and Memberships		150	
Printing, Stationery, and Forms		487	

(Continued)

Exhibit K-7

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

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

Rentals	\$	110	
Travel		1,164	
Custodial Supplies		983	
Office Supplies		47	
Uniforms		500	
Software		12,600	
Other Supplies and Materials		242	
In Service/Staff Development		1,798	
Other Charges		743	
Office Equipment		120	
Total General Sessions Court			\$ 250,399

Chancery Court

County Official/Administrative Officer	\$	73,971	
Deputy(ies)		21,528	
Part-time Personnel		6,515	
In-service Training		300	
Social Security		6,325	
Pensions		5,778	
Unemployment Compensation		126	
Employer Medicare		1,479	
Advertising		526	
Communication		2,337	
Data Processing Services		11,960	
Dues and Memberships		160	
Printing, Stationery, and Forms		4,188	
Rentals		121	
Office Supplies		983	
Premiums on Corporate Surety Bonds		223	
Other Charges		1,282	
Office Equipment		1,876	
Other Equipment		2,315	
Total Chancery Court			141,993

Juvenile Court

Youth Service Officer(s)	\$	25,332	
In-service Training		155	
Social Security		1,565	
Pensions		708	
Unemployment Compensation		38	
Employer Medicare		366	
Data Processing Services		4,628	
Travel		809	
Total Juvenile Court			33,601

Judicial Commissioners

County Official/Administrative Officer	\$	56,352	
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(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Judicial Commissioners (Cont.)

Longevity Pay	\$	1,175	
Social Security		3,567	
Pensions		3,291	
Unemployment Compensation		126	
Employer Medicare		834	
Dues and Memberships		150	
Total Judicial Commissioners			\$ 65,495

Probation Services

Probation Officer(s)	\$	45,000	
Social Security		2,748	
Pensions		2,722	
Unemployment Compensation		42	
Employer Medicare		643	
Communication		366	
Drugs and Medical Supplies		751	
Office Supplies		240	
Other Charges		2,602	
Building Improvements		449	
Office Equipment		726	
Total Probation Services			56,289

Courtroom Security

Deputy(ies)	\$	785	
Lieutenant(s)		47,427	
Social Security		2,988	
Pensions		2,917	
Unemployment Compensation		38	
Employer Medicare		699	
Total Courtroom Security			54,854

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	81,368	
Supervisor/Director		50,310	
Deputy(ies)		482,750	
Investigator(s)		82,012	
Lieutenant(s)		331	
Sergeant(s)		74,099	
Salary Supplements		10,400	
Dispatchers/Radio Operators		164,600	
Temporary Personnel		9,550	
Part-time Personnel		2,855	
Educational Incentive - Other County Employees		1,500	
Longevity Pay		2,326	
In-service Training		31,714	
Social Security		60,243	

(Continued)

Exhibit K-7

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

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

Pensions	\$	54,927	
Employee and Dependent Insurance		299	
Unemployment Compensation		1,427	
Employer Medicare		14,089	
Advertising		1,758	
Communication		28,606	
Data Processing Services		728	
Dues and Memberships		1,800	
Evaluation and Testing		1,320	
Maintenance Agreements		12,708	
Maintenance and Repair Services - Buildings		1,534	
Maintenance and Repair Services - Equipment		3,062	
Maintenance and Repair Services - Office Equipment		3,644	
Maintenance and Repair Services - Vehicles		69,586	
Postal Charges		146	
Printing, Stationery, and Forms		1,542	
Travel		5,554	
Data Processing Supplies		2,210	
Electricity		423	
Food Supplies		148	
Gasoline		69,442	
Law Enforcement Supplies		2,171	
Office Supplies		7,814	
Uniforms		41,783	
Other Supplies and Materials		1,521	
Other Charges		15,794	
Data Processing Equipment		8,524	
Law Enforcement Equipment		50,015	
Motor Vehicles		227,666	
Total Sheriff's Department			\$ 1,684,299

Special Patrols

In-service Training	\$	1,485	
Total Special Patrols			1,485

Drug Enforcement

Other Salaries and Wages	\$	6,341	
Social Security		393	
Pensions		305	
Unemployment Compensation		15	
Employer Medicare		92	
Total Drug Enforcement			7,146

Jail

Assistant(s)	\$	34,160	
Supervisor/Director		39,292	
Deputy(ies)		273	

(Continued)

Exhibit K-7

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

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

Lieutenant(s)	\$	60,305	
Sergeant(s)		114,936	
Dispatchers/Radio Operators		608	
Guards		490,125	
Clerical Personnel		26,302	
Educational Incentive - Other County Employees		1,500	
Longevity Pay		4,550	
In-service Training		5,190	
Social Security		47,263	
Pensions		42,412	
Employee and Dependent Insurance		1,065	
Unemployment Compensation		1,634	
Employer Medicare		11,053	
Communication		28,902	
Maintenance Agreements		4,421	
Maintenance and Repair Services - Buildings		32,806	
Maintenance and Repair Services - Equipment		14,019	
Maintenance and Repair Services - Office Equipment		1,034	
Maintenance and Repair Services - Vehicles		74	
Medical and Dental Services		308,412	
Transportation - Other than Students		2,700	
Travel		3,284	
Other Contracted Services		214,160	
Custodial Supplies		21,436	
Data Processing Supplies		1,799	
Drugs and Medical Supplies		14,432	
Electricity		345	
Food Supplies		2,177	
Office Supplies		6,227	
Prisoners Clothing		15,031	
Uniforms		7,836	
Other Supplies and Materials		12,696	
Other Charges		606	
Data Processing Equipment		1,164	
Law Enforcement Equipment		1,650	
Other Equipment		638	
Total Jail			\$ 1,576,517

Rural Fire Protection

Maintenance and Repair Services - Equipment	\$	54	
Maintenance and Repair Services - Vehicles		14,547	
Matching Share		5,239	
Fuel Oil		638	
Gasoline		6,279	
Liability Insurance		50,121	
Other Charges		1,583	
Motor Vehicles		55,000	
Total Rural Fire Protection			133,461

(Continued)

Exhibit K-7

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

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

Longevity Pay	\$	575	
Other Salaries and Wages		17,124	
Social Security		1,077	
Pensions		1,071	
Employee and Dependent Insurance		180	
Unemployment Compensation		42	
Employer Medicare		252	
Communication		2,305	
Other Contracted Services		10,000	
Electricity		4,014	
Office Supplies		162	
Utilities		578	
Other Charges		5,012	
Total Other Emergency Management			\$ 42,392

County Coroner/Medical Examiner

Social Security	\$	135	
Unemployment Compensation		14	
Employer Medicare		32	
Medical and Dental Services		18,785	
Travel		255	
Other Supplies and Materials		967	
Total County Coroner/Medical Examiner			20,188

Public Safety Grants Program

Deputy(ies)	\$	4,783	
Social Security		294	
Pensions		286	
Unemployment Compensation		2	
Employer Medicare		69	
Total Public Safety Grants Program			5,434

Other Public Safety

Communication	\$	699	
Total Other Public Safety			699

Public Health and WelfareLocal Health Center

Custodial Personnel	\$	8,858	
Longevity Pay		825	
Social Security		600	
Unemployment Compensation		46	
Employer Medicare		140	
Communication		2,347	
Contracts with Government Agencies		14,474	
Dues and Memberships		200	
Maintenance and Repair Services - Buildings		575	

(Continued)

Exhibit K-7

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

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

Maintenance and Repair Services - Office Equipment	\$	35	
Pest Control		1,134	
Electricity		7,079	
Utilities		3,896	
Other Supplies and Materials		206	
Other Charges		2,240	
Total Local Health Center			\$ 42,655

Alcohol and Drug Programs

Contributions	\$	2,500	
Total Alcohol and Drug Programs			2,500

Other Local Health Services

Longevity Pay	\$	1,500	
Other Salaries and Wages		87,864	
Social Security		5,472	
Pensions		5,406	
Employee and Dependent Insurance		195	
Unemployment Compensation		126	
Employer Medicare		1,280	
Travel		1,721	
Other Supplies and Materials		74	
Other Charges		20,008	
Total Other Local Health Services			123,646

Other Local Welfare Services

Contributions	\$	3,500	
Total Other Local Welfare Services			3,500

Social, Cultural, and Recreational ServicesSenior Citizens Assistance

Contributions	\$	37,635	
Total Senior Citizens Assistance			37,635

Libraries

Supervisor/Director	\$	33,515	
Deputy(ies)		17,945	
Part-time Personnel		21,564	
Longevity Pay		3,075	
Other Salaries and Wages		34,270	
In-service Training		250	
Social Security		6,756	
Pensions		6,012	
Employee and Dependent Insurance		480	
Unemployment Compensation		242	
Employer Medicare		1,580	
Communication		7,175	

(Continued)

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Data Processing Services	\$	1,202	
Dues and Memberships		60	
Maintenance and Repair Services - Buildings		172	
Maintenance and Repair Services - Office Equipment		60	
Printing, Stationery, and Forms		710	
Rentals		318	
Travel		1,733	
Electricity		3,647	
Library Books/Media		14,804	
Periodicals		146	
Utilities		432	
Water and Sewer		929	
Other Supplies and Materials		2,135	
Office Equipment		375	
Other Equipment		178	
Total Libraries			\$ 159,765

Other Social, Cultural, and Recreational

Communication	\$	1,217	
Contributions		16,000	
Other Charges		6,708	
Total Other Social, Cultural, and Recreational			23,925

Agriculture and Natural Resources

Agricultural Extension Service

Custodial Personnel	\$	2,981	
Longevity Pay		1,350	
Other Salaries and Wages		34,875	
Social Security		2,482	
Pensions		2,370	
Unemployment Compensation		27	
Employer Medicare		386	
Other Fringe Benefits		8,252	
Communication		1,217	
Dues and Memberships		410	
Other Supplies and Materials		2,490	
Total Agricultural Extension Service			56,840

Forest Service

Forest Resource Services	\$	2,000	
Total Forest Service			2,000

Soil Conservation

Clerical Personnel	\$	37,565	
Longevity Pay		150	
Social Security		2,338	
Pensions		2,282	

(Continued)

Exhibit K-7

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

General Fund (Cont.)Agriculture and Natural Resources (Cont.)Soil Conservation (Cont.)

Unemployment Compensation	\$	42	
Employer Medicare		547	
Communication		618	
Total Soil Conservation			\$ 43,542

Other OperationsOther Economic and Community Development

Secretary(ies)	\$	10,289	
Social Security		632	
Pensions		623	
Unemployment Compensation		11	
Employer Medicare		148	
Communication		1,272	
Other Contracted Services		21,500	
Other Supplies and Materials		761	
Total Other Economic and Community Development			35,236

Veterans' Services

Supervisor/Director	\$	9,661	
Longevity Pay		275	
Social Security		616	
Unemployment Compensation		12	
Employer Medicare		144	
Communication		318	
Maintenance and Repair Services - Vehicles		60	
Travel		738	
Gasoline		1,097	
Other Charges		2,184	
Total Veterans' Services			15,105

Other Charges

Liability Insurance	\$	139,766	
Workers' Compensation Insurance		74,551	
Total Other Charges			214,317

Employee Benefits

Medical Insurance	\$	44,954	
Total Employee Benefits			44,954

Miscellaneous

Trustee's Commission	\$	79,613	
Total Miscellaneous			79,613

HighwaysLitter and Trash Collection

Foremen	\$	20,672	
In-service Training		535	

(Continued)

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

General Fund (Cont.)

Highways (Cont.)

Litter and Trash Collection (Cont.)

Social Security	\$	1,742	
Handling Charges and Administrative Costs		4,500	
Pensions		1,700	
Unemployment Compensation		23	
Employer Medicare		408	
Advertising		294	
Maintenance and Repair Services - Vehicles		2,674	
Travel		594	
Gasoline		6,084	
Instructional Supplies and Materials		11,179	
Other Supplies and Materials		865	
Total Litter and Trash Collection			\$ 51,270

Support Services

Other Programs

Teachers	\$	6,500	
Social Security		403	
Unemployment Compensation		14	
Employer Medicare		94	
Total Other Programs			<u>7,011</u>

Total General Fund \$ 6,864,461

Solid Waste/Sanitation Fund

Public Health and Welfare

Other Waste Disposal

Supervisor/Director	\$	35,515
Salary Supplements		2,000
Educational Incentive - Other County Employees		1,500
Longevity Pay		4,450
Other Salaries and Wages		264,952
In-service Training		300
Social Security		18,850
Pensions		14,932
Employee and Dependent Insurance		571
Unemployment Compensation		704
Employer Medicare		4,409
Advertising		635
Communication		2,602
Contracts with Private Agencies		510,879
Dues and Memberships		625
Evaluation and Testing		1,772
Maintenance and Repair Services - Buildings		2,019
Maintenance and Repair Services - Equipment		16,119
Maintenance and Repair Services - Vehicles		19,480
Pest Control		770
Rentals		3,162

(Continued)

Exhibit K-7

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

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

Disposal Fees	\$	198	
Permits		2,800	
Custodial Supplies		1,765	
Electricity		8,900	
Fuel Oil		2,147	
Gasoline		14,059	
Lubricants		743	
Office Supplies		367	
Uniforms		16,224	
Water and Sewer		882	
Other Supplies and Materials		1,239	
Trustee's Commission		18,547	
Other Charges		369	
Total Other Waste Disposal			<u>\$ 974,486</u>

Total Solid Waste/Sanitation Fund \$ 974,486

Drug Control FundPublic SafetyDrug Enforcement

Contracts with Private Agencies	\$	650	
Dues and Memberships		110	
Veterinary Services		690	
Animal Food and Supplies		1,288	
Data Processing Supplies		6,500	
Law Enforcement Supplies		8,985	
Trustee's Commission		210	
Other Charges		2,520	
Law Enforcement Equipment		9,451	
Motor Vehicles		2,433	
Total Drug Enforcement			<u>\$ 32,837</u>

Total Drug Control Fund 32,837

Other Special Revenue FundOther OperationsTourism

Supervisor/Director	\$	6,154	
Part-time Personnel		7,800	
Longevity Pay		100	
Other Salaries and Wages		23,856	
Social Security		2,332	
Pensions		1,816	
Employee and Dependent Insurance		165	
Unemployment Compensation		53	
Employer Medicare		545	
Advertising		1,580	

(Continued)

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

Other Special Revenue Fund (Cont.)

Other Operations (Cont.)

Tourism (Cont.)

Communication	\$	599	
Contributions		6,500	
Dues and Memberships		500	
Utilities		4,256	
Other Supplies and Materials		66	
Trustee's Commission		1,341	
Total Tourism			\$ 57,663

Tourism - Resort District

Contributions	\$	72,345	
Total Tourism - Resort District			72,345

Other Economic and Community Development

Supervisor/Director	\$	35,046	
Longevity Pay		550	
Social Security		2,125	
Pensions		2,124	
Employee and Dependent Insurance		30	
Unemployment Compensation		42	
Employer Medicare		497	
Total Other Economic and Community Development			40,414

Total Other Special Revenue Fund \$ 170,422

Constitutional Officers - Fees Fund

Administration of Justice

Chancery Court

Special Commissioner Fees/Special Master Fees	\$	2,721	
Total Chancery Court			\$ 2,721

Total Constitutional Officers - Fees Fund 2,721

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	81,368	
Secretary(ies)		73,107	
Social Security		9,503	
Pensions		9,273	
Unemployment Compensation		630	
Employer Medicare		2,222	
Dues and Memberships		4,030	
Legal Notices, Recording, and Court Costs		626	
Maintenance and Repair Services - Buildings		1,369	
Postal Charges		440	
Printing, Stationery, and Forms		366	
Other Contracted Services		7,572	

(Continued)

Exhibit K-7

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

Highway/Public Works Fund (Cont.)Highways (Cont.)Administration (Cont.)

Custodial Supplies	\$	999	
Office Supplies		1,949	
Other Charges		946	
Data Processing Equipment		9,194	
Other Equipment		691	
Total Administration			\$ 204,285

Highway and Bridge Maintenance

Foremen	\$	74,462	
Equipment Operators		311,016	
Truck Drivers		205,048	
Laborers		300,119	
Social Security		54,982	
Pensions		48,898	
Unemployment Compensation		9,341	
Employer Medicare		12,859	
Other Contracted Services		172	
Asphalt		20,642	
Asphalt - Cold Mix		28,577	
Asphalt - Liquid		570,178	
Concrete		7,885	
Crushed Stone		218,021	
Pipe		60,761	
Pipe - Metal		13,996	
Road Signs		6,852	
Small Tools		152	
Structural Steel		702	
Wood Products		6,240	
Other Supplies and Materials		3,311	
Total Highway and Bridge Maintenance			1,954,214

Operation and Maintenance of Equipment

Foremen	\$	37,038	
Mechanic(s)		92,081	
Laborers		90	
Social Security		7,927	
Pensions		7,173	
Unemployment Compensation		1,150	
Employer Medicare		1,854	
Freight Expenses		696	
Maintenance and Repair Services - Equipment		24,361	
Maintenance and Repair Services - Vehicles		312	
Diesel Fuel		193,040	
Equipment Parts - Light		22,215	
Equipment and Machinery Parts		167,212	
Garage Supplies		14,172	
Gasoline		33,564	

(Continued)

Exhibit K-7

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

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

Lubricants	\$	16,447	
Small Tools		374	
Tires and Tubes		48,247	
Uniforms		13,412	
Other Supplies and Materials		3,366	
Other Charges		688	
Total Operation and Maintenance of Equipment			\$ 685,419

Other Charges

Communication	\$	21,511	
Electricity		15,071	
Food Supplies		18,978	
Utilities		1,396	
Water and Sewer		1,598	
Trustee's Commission		30,220	
Vehicle and Equipment Insurance		117,300	
Workers' Compensation Insurance		51,068	
Liability Claims		139	
Other Charges		3,666	
Total Other Charges			260,947

Employee Benefits

Employee and Dependent Insurance	\$	3,335	
Total Employee Benefits			3,335

Capital Outlay

Engineering Services	\$	1,427	
Bridge Construction		365,743	
Highway Equipment		75,500	
Motor Vehicles		34,250	
Total Capital Outlay			476,920

Total Highway/Public Works Fund \$ 3,585,120

General Debt Service FundPrincipal on DebtGeneral Government

Principal on Bonds	\$	485,450	
Principal on Notes		105,000	
Total General Government			\$ 590,450

Highways and Streets

Principal on Bonds	\$	220,300	
Total Highways and Streets			220,300

Education

Principal on Bonds	\$	1,239,250	
Principal on Other Loans		140,832	
Total Education			1,380,082

(Continued)

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

General Debt Service Fund (Cont.)

Interest on Debt

General Government

Interest on Bonds	\$ 241,439	
Interest on Notes	<u>2,279</u>	
Total General Government		\$ 243,718

Highways and Streets

Interest on Bonds	\$ 62,398	
Total Highways and Streets		62,398

Education

Interest on Bonds	\$ 256,622	
Interest on Other Loans	<u>4,512</u>	
Total Education		261,134

Other Debt Service

General Government

Fiscal Agent Charges	\$ 5,000	
Trustee's Commission	30,173	
Underwriter's Discount	49,730	
Other Debt Issuance Charges	<u>56,760</u>	
Total General Government		141,663

Highways and Streets

Fiscal Agent Charges	\$ 5,000	
Total Highways and Streets		5,000

Education

Fiscal Agent Charges	\$ 5,000	
Total Education		<u>5,000</u>

Total General Debt Service Fund \$ 2,909,745

General Capital Projects Fund

Public Safety

Jail

Law Enforcement Equipment	\$ 35,800	
Total Jail		\$ 35,800

Capital Projects

General Administration Projects

Trustee's Commission	\$ 20	
Total General Administration Projects		<u>20</u>

Total General Capital Projects Fund 35,820

(Continued)

Exhibit K-7

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

Highway Capital Projects FundCapital ProjectsHighway and Street Capital Projects

Trustee's Commission

\$ 942

Total Highway and Street Capital Projects

\$ 942

Total Highway Capital Projects Fund

\$ 942

Other Capital Projects FundGeneral GovernmentCounty Buildings

Trustee's Commission

\$ 7

Total County Buildings

\$ 7

Total Other Capital Projects Fund

7

Total Governmental Funds - Primary Government

\$ 14,576,561

Exhibit K-8

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

General Purpose School FundInstructionRegular Instruction Program

Teachers	\$ 6,537,189	
Career Ladder Program	49,627	
Homebound Teachers	4,600	
Educational Assistants	258,125	
Other Salaries and Wages	207,675	
Certified Substitute Teachers	16,888	
Non-certified Substitute Teachers	87,989	
Social Security	404,365	
Pensions	711,187	
Medical Insurance	684,480	
Dental Insurance	5,584	
Disability Insurance	19,312	
Unemployment Compensation	4,246	
Employer Medicare	94,568	
Travel	800	
Other Contracted Services	6,089	
Instructional Supplies and Materials	40,473	
Textbooks - Bound	90,794	
Other Supplies and Materials	30,420	
Other Charges	24,789	
Regular Instruction Equipment	83,573	
Total Regular Instruction Program		\$ 9,362,773

Alternative Instruction Program

Teachers	\$ 81,118	
Social Security	4,592	
Pensions	8,623	
Medical Insurance	4,126	
Unemployment Compensation	34	
Employer Medicare	1,074	
Instructional Supplies and Materials	299	
Other Supplies and Materials	200	
Total Alternative Instruction Program		100,066

Special Education Program

Teachers	\$ 840,762	
Homebound Teachers	11,539	
Educational Assistants	93,259	
Speech Pathologist	50,843	
Certified Substitute Teachers	4,536	
Non-certified Substitute Teachers	8,170	
Social Security	58,386	
Pensions	97,217	
Medical Insurance	62,976	
Dental Insurance	944	
Disability Insurance	2,361	

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Unemployment Compensation	\$	628	
Employer Medicare		13,698	
Contracts with Private Agencies		35,601	
Other Contracted Services		14,686	
Instructional Supplies and Materials		5,618	
Other Supplies and Materials		10,615	
Other Charges		1,413	
Other Equipment		569	
Total Special Education Program			\$ 1,313,821

Career and Technical Education Program

Teachers	\$	377,401	
Other Salaries and Wages		153	
Certified Substitute Teachers		3,959	
Non-certified Substitute Teachers		9,115	
Social Security		21,409	
Pensions		37,782	
Medical Insurance		34,397	
Disability Insurance		962	
Unemployment Compensation		242	
Employer Medicare		5,007	
Maintenance and Repair Services - Equipment		92,450	
Other Contracted Services		15,110	
Instructional Supplies and Materials		12,092	
Other Supplies and Materials		1,600	
Vocational Instruction Equipment		41,832	
Total Career and Technical Education Program			653,511

Support Services

Attendance

Supervisor/Director	\$	30,095	
Social Security		1,565	
Pensions		3,199	
Medical Insurance		4,294	
Unemployment Compensation		10	
Employer Medicare		366	
Total Attendance			39,529

Health Services

Supervisor/Director	\$	54,828	
Medical Personnel		42,238	
Other Salaries and Wages		91,378	
Social Security		10,785	
Pensions		15,999	
Medical Insurance		3,378	
Dental Insurance		216	

(Continued)

Exhibit K-8

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

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

Disability Insurance	\$	1,307	
Unemployment Compensation		214	
Employer Medicare		2,522	
Travel		2,388	
Other Contracted Services		2,261	
Drugs and Medical Supplies		2,853	
Other Supplies and Materials		3,568	
Other Charges		86,901	
Health Equipment		6,800	
Total Health Services			\$ 327,636

Other Student Support

Guidance Personnel	\$	350,117	
Other Salaries and Wages		47,394	
Social Security		23,283	
Pensions		40,857	
Medical Insurance		17,140	
Dental Insurance		817	
Disability Insurance		657	
Unemployment Compensation		225	
Employer Medicare		5,447	
Evaluation and Testing		7,704	
Travel		10,453	
Other Contracted Services		164,062	
Other Supplies and Materials		11,159	
Other Charges		7,265	
Regular Instruction Equipment		24,059	
Total Other Student Support			710,639

Regular Instruction Program

Supervisor/Director	\$	78,344	
Librarians		340,630	
Other Salaries and Wages		28,582	
Social Security		25,405	
Pensions		49,297	
Medical Insurance		31,316	
Dental Insurance		593	
Disability Insurance		1,174	
Unemployment Compensation		221	
Employer Medicare		5,942	
Travel		1,118	
Library Books/Media		16,311	
In Service/Staff Development		1,479	
Total Regular Instruction Program			580,412

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Special Education Program

Supervisor/Director	\$	78,344	
Psychological Personnel		20,593	
Assessment Personnel		78,996	
Other Salaries and Wages		4,000	
Social Security		11,875	
Pensions		15,433	
Dental Insurance		550	
Disability Insurance		456	
Unemployment Compensation		96	
Employer Medicare		2,543	
Travel		3,340	
Other Contracted Services		61,481	
Other Supplies and Materials		850	
In Service/Staff Development		5,450	
Other Equipment		581	
Total Special Education Program			\$ 284,588

Career and Technical Education Program

Supervisor/Director	\$	75,231	
Other Salaries and Wages		19,681	
Social Security		5,570	
Pensions		8,591	
Medical Insurance		2,757	
Dental Insurance		92	
Disability Insurance		43	
Unemployment Compensation		56	
Employer Medicare		1,303	
Travel		548	
Other Charges		1,428	
Total Career and Technical Education Program			115,300

Technology

Supervisor/Director	\$	62,730	
Social Security		3,405	
Pensions		6,668	
Medical Insurance		6,324	
Unemployment Compensation		19	
Employer Medicare		796	
Internet Connectivity		28,020	
Other Contracted Services		19,935	
Other Charges		435	
Other Equipment		58,567	
Total Technology			186,899

Other Programs

On-behalf Payments to OPEB	\$	96,938	
Total Other Programs			96,938

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education

Board and Committee Members Fees	\$	10,375	
Social Security		582	
Medical Insurance		634	
Unemployment Compensation		31	
Employer Medicare		136	
Audit Services		19,000	
Communication		199	
Dues and Memberships		8,991	
Legal Services		9,118	
Travel		277	
Trustee's Commission		78,649	
Workers' Compensation Insurance		80,797	
In Service/Staff Development		461	
Other Charges		15,203	
Total Board of Education			\$ 224,453

Director of Schools

County Official/Administrative Officer	\$	106,078	
Career Ladder Program		1,000	
Secretary(ies)		23,243	
Social Security		6,924	
Pensions		12,572	
Medical Insurance		14,049	
Unemployment Compensation		48	
Employer Medicare		1,619	
Communication		7,061	
Dues and Memberships		1,692	
Maintenance and Repair Services - Equipment		64	
Postal Charges		1,584	
Travel		1,567	
Other Contracted Services		1,845	
Office Supplies		468	
Other Supplies and Materials		434	
Total Director of Schools			180,248

Office of the Principal

Principals	\$	475,339	
Secretary(ies)		115,865	
Social Security		34,236	
Pensions		57,537	
Medical Insurance		33,429	
Dental Insurance		1,672	
Disability Insurance		764	
Unemployment Compensation		333	
Employer Medicare		8,007	
Total Office of the Principal			727,182

(Continued)

Exhibit K-8

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

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

Accountants/Bookkeepers	\$	45,423	
Social Security		2,733	
Pensions		2,674	
Unemployment Compensation		24	
Employer Medicare		639	
Data Processing Services		19,990	
Data Processing Supplies		2,065	
Office Supplies		829	
In Service/Staff Development		1,280	
Total Fiscal Services			\$ 75,657

Operation of Plant

Custodial Personnel	\$	294,321	
Other Salaries and Wages		6,566	
Social Security		17,535	
Pensions		14,530	
Medical Insurance		24,010	
Dental Insurance		1,253	
Disability Insurance		1,418	
Unemployment Compensation		590	
Employer Medicare		4,101	
Other Contracted Services		88,123	
Custodial Supplies		59,188	
Electricity		449,384	
Natural Gas		131,429	
Water and Sewer		85,087	
Building and Contents Insurance		165,970	
Total Operation of Plant			1,343,505

Maintenance of Plant

Maintenance Personnel	\$	129,754	
Social Security		7,354	
Pensions		7,731	
Medical Insurance		11,518	
Disability Insurance		566	
Unemployment Compensation		94	
Employer Medicare		1,720	
Maintenance and Repair Services - Buildings		124,217	
Maintenance and Repair Services - Equipment		28,580	
Other Contracted Services		79,456	
Custodial Supplies		205	
Other Supplies and Materials		7,375	
Other Charges		8,650	
Total Maintenance of Plant			407,220

(Continued)

Exhibit K-8

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

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

Supervisor/Director	\$	36,783	
Mechanic(s)		86,248	
Bus Drivers		445,585	
Other Salaries and Wages		17,410	
Social Security		33,822	
Pensions		37,310	
Medical Insurance		18,496	
Dental Insurance		2,561	
Disability Insurance		5,418	
Unemployment Compensation		790	
Employer Medicare		8,021	
Maintenance and Repair Services - Vehicles		283	
Medical and Dental Services		480	
Travel		77	
Other Contracted Services		27,254	
Diesel Fuel		96,274	
Garage Supplies		1,479	
Gasoline		15,207	
Lubricants		6,533	
Tires and Tubes		11,992	
Vehicle Parts		88,455	
Other Supplies and Materials		1,408	
In Service/Staff Development		211	
Other Charges		7,279	
Transportation Equipment		138,140	
Total Transportation			\$ 1,087,516

Operation of Non-Instructional ServicesCommunity Services

Supervisor/Director	\$	26,500	
Teachers		75,000	
Other Salaries and Wages		27,243	
Social Security		7,356	
Pensions		13,486	
Medical Insurance		4,337	
Unemployment Compensation		15	
Employer Medicare		1,720	
Travel		1,085	
Instructional Supplies and Materials		1,501	
Other Supplies and Materials		5,002	
In Service/Staff Development		1,235	
Other Charges		202	
Total Community Services			164,682

Early Childhood Education

Supervisor/Director	\$	36,616
---------------------	----	--------

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Early Childhood Education (Cont.)

Teachers	\$	380,717	
Clerical Personnel		4,383	
Educational Assistants		105,377	
Other Salaries and Wages		95,839	
Certified Substitute Teachers		701	
Non-certified Substitute Teachers		6,352	
Social Security		35,227	
Pensions		53,934	
Medical Insurance		52,148	
Dental Insurance		1,090	
Unemployment Compensation		540	
Employer Medicare		8,239	
Other Fringe Benefits		4,176	
Travel		1,084	
Instructional Supplies and Materials		13,217	
In Service/Staff Development		2,812	
Other Charges		21,608	
Total Early Childhood Education			\$ 824,060

Other Debt Service

Education

Debt Service Contribution to Primary Government	\$	245,344	
Total Education			245,344

Total General Purpose School Fund \$ 19,051,979

School Federal Projects Fund

Instruction

Regular Instruction Program

Educational Assistants	\$	54,255	
Other Salaries and Wages		410,080	
Certified Substitute Teachers		118	
Non-certified Substitute Teachers		1,320	
Social Security		26,152	
Pensions		43,088	
Life Insurance		3,058	
Medical Insurance		31,583	
Unemployment Compensation		356	
Employer Medicare		6,116	
Other Contracted Services		12,507	
Instructional Supplies and Materials		33,235	
Textbooks - Bound		328	
Other Charges		5,995	
Regular Instruction Equipment		33,065	
Total Regular Instruction Program			\$ 661,256

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Special Education Program

Teachers	\$	42,646	
Educational Assistants		240,773	
Certified Substitute Teachers		440	
Non-certified Substitute Teachers		1,348	
Social Security		15,586	
Pensions		19,015	
Life Insurance		2,266	
Medical Insurance		29,639	
Dental Insurance		948	
Unemployment Compensation		498	
Employer Medicare		3,602	
Instructional Supplies and Materials		1,009	
Other Supplies and Materials		5,645	
Special Education Equipment		884	
Total Special Education Program			\$ 364,299

Career and Technical Education Program

Educational Assistants	\$	800	
Social Security		50	
Pensions		48	
Employer Medicare		12	
Instructional Supplies and Materials		172	
Other Supplies and Materials		225	
Vocational Instruction Equipment		42,166	
Total Career and Technical Education Program			43,473

Support Services

Health Services

Other Supplies and Materials	\$	10,263	
In Service/Staff Development		684	
Total Health Services			10,947

Other Student Support

Other Salaries and Wages	\$	4,868	
Social Security		301	
Pensions		423	
Unemployment Compensation		2	
Employer Medicare		70	
Travel		1,303	
Other Contracted Services		76,225	
Other Supplies and Materials		6,198	
In Service/Staff Development		5,953	
Other Charges		1,047	
Total Other Student Support			96,390

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program

Supervisor/Director	\$	36,616	
Secretary(ies)		23,275	
Other Salaries and Wages		113,018	
Non-certified Substitute Teachers		522	
Social Security		10,648	
Pensions		16,294	
Life Insurance		129	
Unemployment Compensation		86	
Employer Medicare		2,490	
Other Contracted Services		18,922	
Other Supplies and Materials		3,476	
In Service/Staff Development		15,181	
Other Equipment		8,531	
Total Regular Instruction Program			\$ 249,188

Special Education Program

Assessment Personnel	\$	62,490	
Other Salaries and Wages		13,345	
Social Security		3,626	
Pensions		5,171	
Life Insurance		470	
Medical Insurance		533	
Dental Insurance		293	
Unemployment Compensation		60	
Employer Medicare		1,082	
Communication		658	
Contracts with Private Agencies		13,982	
Postal Charges		1,180	
Travel		2,345	
Other Contracted Services		28,049	
Other Supplies and Materials		4,540	
In Service/Staff Development		4,234	
Other Equipment		484	
Total Special Education Program			142,542

Career and Technical Education Program

Travel	\$	780	
Other Supplies and Materials		198	
In Service/Staff Development		1,815	
Total Career and Technical Education Program			2,793

Transportation

Bus Drivers	\$	24,642	
Social Security		1,339	
Pensions		1,444	
Dental Insurance		289	

(Continued)

Exhibit K-8

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

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

Unemployment Compensation	\$	33	
Employer Medicare		310	
Contracts with Parents		571	
Other Contracted Services		1,000	
Diesel Fuel		720	
Gasoline		15	
Vehicle Parts		992	
Total Transportation			<u>\$ 31,355</u>

Total School Federal Projects Fund \$ 1,602,243

Central Cafeteria FundOperation of Non-Instructional ServicesFood Service

Supervisor/Director	\$	45,670	
Cafeteria Personnel		398,704	
Other Salaries and Wages		200	
Social Security		25,772	
Pensions		26,829	
Medical Insurance		26,617	
Dental Insurance		1,686	
Disability Insurance		7,395	
Unemployment Compensation		931	
Employer Medicare		6,027	
Communication		2,762	
Maintenance and Repair Services - Equipment		1,996	
Travel		1,529	
Other Contracted Services		52,791	
Food Preparation Supplies		53,743	
Food Supplies		617,808	
Office Supplies		3,798	
USDA - Commodities		75,948	
Other Supplies and Materials		4,509	
Refunds		394	
Other Charges		795	
Food Service Equipment		12,654	
Total Food Service			<u>\$ 1,368,558</u>

Total Central Cafeteria Fund 1,368,558

Total Governmental Funds - Wayne County School Department \$ 22,022,780

Exhibit K-9

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

	Primary Government Business-type Activities Enterprise Fund Public Utility Fund
<u>Revenues</u>	
Operating Revenues	
<u>Charges for Current Services</u>	
General Service Charges	
Water Sales	\$ 214,802
Water Tap Sales	4,380
Service Charges	1,075
Total Charges for Current Services	<u>\$ 220,257</u>
Total Operating Revenues	<u>\$ 220,257</u>
<u>Nonoperating Revenues</u>	
Hotel/Motel Tax	\$ 20,410
Contribution and Gifts	17,230
State Revenue Sharing - TVA	400,000
Total Nonoperating Revenues	<u>\$ 437,640</u>
Total Revenues	<u><u>\$ 657,897</u></u>
<u>Expenses</u>	
<u>Operating Expenses</u>	
<u>Other Economic and Community Development</u>	
Supervisor/Director	\$ 43,260
Secretary	3,900
Social Security	2,904
Unemployment Compensation	46
Pensions	2,842
Employer Medicare	679
Audit Services	210
Contracts with Government Agencies	135,488
Contracts with Private Agencies	6,858
Dues and Memberships	1,697
Evaluation and Testing	4,700
Maintenance and Repair Services - Equipment	3,838
Postal Charges	208
Other Contracted Services	11,876
Electricity	1,821
Small Tools	440
Office Supplies	316
Utilities	786
Indirect Cost	18,034
Refunds	51
Trustee's Commission	1,849
Depreciation	148,499
Other Charges	14
Other Construction	2,594
Total Other Economic and Community Development	<u>\$ 392,910</u>
Total Operating Expenses	<u>\$ 392,910</u>
<u>Nonoperating Expenses</u>	
<u>General Government Debt Service</u>	
Interest on Bonds	\$ 42,057
Total Nonoperating Expenses	<u>\$ 42,057</u>
Total Expenses	<u><u>\$ 434,967</u></u>

Exhibit K-10

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

	Cities - Sales Tax Fund
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 588,976
Total Cash Receipts	<u>\$ 588,976</u>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 581,506
Trustee's Commission	7,470
Total Cash Disbursements	<u>\$ 588,976</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0
Cash, July 1, 2019	<u>0</u>
Cash, June 30, 2020	<u><u>\$ 0</u></u>

STATUTORY SECTION

This part of Wayne County’s annual financial report presents detailed information required by state statute for the Wayne County Rural Water Board. This information is presented solely for the purposes of statutory compliance and additional analysis and is not a required part of the financial statements. This information is unaudited. It has not been subjected to any auditing procedures.

	Table(s)	Page(s)
Demographic and Economic Information:		
These schedules offer water rates and water loss reports required by state statute to help the reader understand how well the utility is performing.	1-5	192-200

Sources: Wayne County Rural Water Board Management.

Table 1

Wayne County, Tennessee
Schedule of Utility Rates
Proprietary Fund
For the Year Ended June 30, 2020

Utility Rates in Effect for PWSID 0934 (Hwy 69)

First 2,000 gallons	\$	48.00 minimum
Over 2,001 to 5,000 gallons		5.50 per 1,000 gallons
Over 5,001 to 10,000 gallons		4.50 per 1,000 gallons
All over 10,001 gallons		3.50 per 1,000 gallons
Number of Customers		37

Utility Rates in Effect for PWSID 8275 (Hwy 13 N. and Natural Bridge Rd.)

First 2,000 gallons	\$	48.00 minimum
All over 2,001 gallons		6.50 per 1,000 gallons
Number of Customers		51

Utility Rates in Effect for PWSID 8276 (Beech Creek and Hwy 64 W.)

First 2,000 gallons	\$	48.00 minimum
Over 2,001 to 5,000 gallons		9.80 per 1,000 gallons
Over 5,001 to 10,000 gallons		8.40 per 1,000 gallons
Over 10,001 to 20,000 gallons		6.40 per 1,000 gallons
Over 20,001 to 100,000 gallons		6.00 per 1,000 gallons
All over 100,001 gallons		5.00 per 1,000 gallons
Number of Customers		38

Utility Rates in Effect for PWSID 8282 (Hwy 13 S. and Eagle Truss)

First 2,000 gallons	\$	48.00 minimum
Over 2,001 to 5,000 gallons		9.80 per 1,000 gallons
Over 5,001 to 10,000 gallons		8.40 per 1,000 gallons
Over 10,001 to 20,000 gallons		6.40 per 1,000 gallons
Over 20,001 to 100,000 gallons		6.00 per 1,000 gallons
All over 100,001 gallons		5.00 per 1,000 gallons
Number of Customers		125

Table 2

Wayne County, Tennessee
 Schedule of Unaccounted for Water - PWSID 0934
 Proprietary Fund
 For the Year Ended June 30, 2020

**AWWA Free Water Audit Software:
Reporting Worksheet**

WAS v5.0
American Water Works Association
Copyright © 2014, All Rights Reserved.

Water Audit Report for: **Wayne County Rural Water (0000934)**
 Reporting Year: **2019-2020** **7/2019 - 6/2020**

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

<----- Enter grading in column 'E' and 'J' ----->

WATER SUPPLIED

Volume from own sources:	+ ?	n/a		MG/Yr					
Water imported:	+ ?	6		5.478	MG/Yr				
Water exported:	+ ?				MG/Yr				

Master Meter and Supply Error Adjustments

Pcnt: Value: MG/Yr

Enter negative % or value for under-registration
 Enter positive % or value for over-registration

WATER SUPPLIED: **5.478** MG/Yr

AUTHORIZED CONSUMPTION

Billed metered:	+ ?	7		2.493	MG/Yr				
Billed unmetered:	+ ?				MG/Yr				
Unbilled metered:	+ ?	7		0.029	MG/Yr				
Unbilled unmetered:	+ ?			0.068	MG/Yr				

Enter a positive value, otherwise a default percentage of 1.25% (of billed metered) is applied and a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: **2.590** MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption) **2.888** MG/Yr

Apparent Losses

Unauthorized consumption:	+ ?			0.014	MG/Yr				
---------------------------	-----	--	--	-------	-------	--	--	--	--

Enter a positive value, otherwise a default percentage of 0.25% is applied and a grading of 5 is applied but not displayed

Customer metering inaccuracies:	+ ?	6		0.000	MG/Yr				
Systematic data handling errors:	+ ?			0.006	MG/Yr				

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: **0.020** MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: **2.868** MG/Yr

WATER LOSSES: **2.888** MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: **2.985** MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	+ ?	8		3.4	miles				
Number of active AND inactive service connections:	+ ?	6		44					
Service connection density:	+ ?			13	conn./mile main				

Are customer meters typically located at the curbstop or property line? Yes

Average length of customer service line: (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: 60.0 psi

COST DATA

Total annual cost of operating water system:	+ ?	6		\$22,168	\$/Year				
Customer retail unit cost (applied to Apparent Losses):	+ ?	10		\$2.00	\$/1000 gallons (US)				
Variable production cost (applied to Real Losses):	+ ?	6		\$1,374.00	\$/Million gallon				

Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 64 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Water imported
- 2: Billed metered
- 3: Customer metering inaccuracies

Table 2a

Wayne County, Tennessee
 Schedule of Unaccounted for Water - PWSID 0934
 Proprietary Fund
 For the Year Ended June 30, 2020

AWWA Free Water Audit Software:
System Attributes and Performance Indicators

WAS v6.0
 American Water Works Association
 Copyright © 2014. All Rights Reserved.

Water Audit Report for: **Wayne County Rural Water (0000934)**
 Reporting Year: **2019-2020** **7/2019 - 6/2020**

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 64 out of 100 ***

System Attributes:

Apparent Losses:	0.020	MG/Yr
+ Real Losses:	2.868	MG/Yr
= Water Losses:	2.888	MG/Yr

? Unavoidable Annual Real Losses (UARL): **See limits in definition** MG/Yr

Annual cost of Apparent Losses: **\$40**

Annual cost of Real Losses: **\$3,941** Valued at **Variable Production Cost**
 Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	{	Non-revenue water as percent by volume of Water Supplied:	54.5%		
		Non-revenue water as percent by cost of operating system:	18.6%		

Operational Efficiency:	{	Apparent Losses per service connection per day:	1.24	gallons/connection/day
		Real Losses per service connection per day:	N/A	gallons/connection/day
		Real Losses per length of main per day*:	2,311.04	gallons/mile/day
		Real Losses per service connection per day per psi pressure:	N/A	gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): **2.87** million gallons/year

? Infrastructure Leakage Index (ILI) [CARL/UARL]:

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Table 3

Wayne County, Tennessee
 Schedule of Unaccounted for Water - PWSID 8275
 Proprietary Fund
 For the Year Ended June 30, 2020

**AWWA Free Water Audit Software:
Reporting Worksheet**

WAS v5.0
American Water Works Association
Copyright ©2014, All Rights Reserved.

Water Audit Report for: **Wayne County Rural Water (0008275)**
 Reporting Year: **2019-2020** 7/2019 - 6/2020

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

<----- Enter grading in column 'E' and 'J' ----->

WATER SUPPLIED

Volume from own sources: MG/Yr
 Water imported: 6,495.000 MG/Yr
 Water exported: MG/Yr

Master Meter and Supply Error Adjustments

Pcnt: Value: MG/Yr
 Pcnt: Value: MG/Yr
 Pcnt: Value: MG/Yr

Enter negative % or value for under-registration
 Enter positive % or value for over-registration

WATER SUPPLIED: 6,495.000 MG/Yr

AUTHORIZED CONSUMPTION

Billed metered: 4.989 MG/Yr
 Billed unmetered: MG/Yr
 Unbilled metered: 0.025 MG/Yr
 Unbilled unmetered: 81.188 MG/Yr

Enter a positive value, otherwise a default percentage of 1.25% (of billed metered) is applied and a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: 86.202 MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption) 6,408.799 MG/Yr

Apparent Losses

Unauthorized consumption: 16.238 MG/Yr

Enter a positive value, otherwise a default percentage of 0.25% is applied and a grading of 5 is applied but not displayed

Customer metering inaccuracies: 0.000 MG/Yr
 Systematic data handling errors: 0.012 MG/Yr

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: 16.250 MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: 6,392.549 MG/Yr

WATER LOSSES: 6,408.799 MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: 6,490.011 MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains: 13.0 miles
 Number of active AND inactive service connections: 55
 Service connection density: 4 conn./mile main
 Are customer meters typically located at the curbside or property line? (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line: (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: 60.0 psi

COST DATA

Total annual cost of operating water system: \$128,040 \$/Year
 Customer retail unit cost (applied to Apparent Losses): \$24.00 \$/1000 gallons (US)
 Variable production cost (applied to Real Losses): \$/Million gallon ☐ Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 70 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

1: Water imported
 2: Customer metering inaccuracies
 3: Billed metered

Table 3a

Wayne County, Tennessee
 Schedule of Unaccounted for Water - PWSID 8275
 Proprietary Fund
 For the Year Ended June 30, 2020

AWWA Free Water Audit Software: System Attributes and Performance Indicators		WAS v5.0 American Water Works Association Copyright © 2014, All Rights Reserved.
Water Audit Report for: Wayne County Rural Water (0008275)		
Reporting Year: 2019-2020 7/2019 - 6/2020		
*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 70 out of 100 ***		
System Attributes:		
	Apparent Losses:	16.250 MG/Yr
+	Real Losses:	6,392.549 MG/Yr
=	Water Losses:	6,408.799 MG/Yr
?	Unavoidable Annual Real Losses (UARL):	See limits in definition MG/Yr
	Annual cost of Apparent Losses:	\$389,999
	Annual cost of Real Losses:	Valued at Variable Production Cost Return to Reporting Worksheet to change this assumption
Performance Indicators:		
Financial:	Non-revenue water as percent by volume of Water Supplied:	99.9%
	Non-revenue water as percent by cost of operating system:	304.6% Real Losses valued at Variable Production Cost
Operational Efficiency:	Apparent Losses per service connection per day:	809.46 gallons/connection/day
	Real Losses per service connection per day:	N/A gallons/connection/day
	Real Losses per length of main per day*:	1,347,217.81 gallons/mile/day
	Real Losses per service connection per day per psi pressure:	N/A gallons/connection/day/psi
	From Above, Real Losses = Current Annual Real Losses (CARL):	6,392.55 million gallons/year
?	Infrastructure Leakage Index (ILI) [CARL/UARL]:	
* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline		

Table 4

Wayne County, Tennessee
 Schedule of Unaccounted for Water - PWSID 8276
 Proprietary Fund
 For the Year Ended June 30, 2020

AWWA Free Water Audit Software:
Reporting Worksheet

WAS v5.0
 American Water Works Association
 Copyright © 2014, All Rights Reserved.

Water Audit Report for: **Wayne County Rural Water (0008276)**
 Reporting Year: **2019-2020** 7/2019 - 6/2020

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below

<----- Enter grading in column 'E' and 'J' ----->

WATER SUPPLIED

Volume from own sources:	+ ?	n/a		MG/Yr					
Water imported:	+ ?	5	1.769	MG/Yr					
Water exported:	+ ?			MG/Yr					

Master Meter and Supply Error Adjustments

Pcnt:		Value:	

Enter negative % or value for under-registration
 Enter positive % or value for over-registration

WATER SUPPLIED: **1.769** MG/Yr

AUTHORIZED CONSUMPTION

Billed metered:	+ ?	6	1.216	MG/Yr
Billed unmetered:	+ ?			MG/Yr
Unbilled metered:	+ ?	5	0.043	MG/Yr
Unbilled unmetered:	+ ?		0.022	MG/Yr

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: **1.281** MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption) **0.488** MG/Yr

Apparent Losses

Unauthorized consumption:	+ ?		0.004	MG/Yr
Customer metering inaccuracies:	+ ?	4	0.000	MG/Yr
Systematic data handling errors:	+ ?		0.003	MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: **0.007** MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: **0.480** MG/Yr

WATER LOSSES: **0.488** MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: **0.553** MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	+ ?	8	9.0	miles
Number of active AND inactive service connections:	+ ?	6	44	
Service connection density:	+ ?		5	conn./mile main

Are customer meters typically located at the curbstop or property line? **Yes** (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line: **0** (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: **3** 60.0 psi

COST DATA

Total annual cost of operating water system:	+ ?	6	\$30,400	\$/Year
Customer retail unit cost (applied to Apparent Losses):	+ ?	6	\$4.16	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	+ ?	6	\$1,627.00	\$/Million gallons

Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 53 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Water imported
- 2: Customer metering inaccuracies
- 3: Billed metered

Table 4a

Wayne County, Tennessee
 Schedule of Unaccounted for Water - PWSID 8276
 Proprietary Fund
 For the Year Ended June 30, 2020

AWWA Free Water Audit Software: System Attributes and Performance Indicators		WAS v5.0 American Water Works Association. Copyright © 2014. All Rights Reserved.
Water Audit Report for: Wayne County Rural Water (0008276)		
Reporting Year: 2019-2020 7/2019 - 6/2020		
*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 53 out of 100 ***		
System Attributes:		
	Apparent Losses:	0.007 MG/Yr
+	Real Losses:	0.480 MG/Yr
=	Water Losses:	0.488 MG/Yr
? Unavoidable Annual Real Losses (UARL):	See limits in definition MG/Yr	
Annual cost of Apparent Losses:		\$31
Annual cost of Real Losses:		\$782 Valued at Variable Production Cost
<small>Return to Reporting Worksheet to change this assumption</small>		
Performance Indicators:		
Financial:	Non-revenue water as percent by volume of Water Supplied:	31.3%
	Non-revenue water as percent by cost of operating system:	3.0% Real Losses valued at Variable Production Cost
Operational Efficiency:	Apparent Losses per service connection per day:	0.46 gallons/connection/day
	Real Losses per service connection per day:	N/A gallons/connection/day
	Real Losses per length of main per day*:	146.25 gallons/mile/day
	Real Losses per service connection per day per psi pressure:	N/A gallons/connection/day/psi
From Above, Real Losses = Current Annual Real Losses (CARL):		0.48 million gallons/year
? Infrastructure Leakage Index (ILI) [CARL/UARL]:		
<small>* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline</small>		

Table 5

Wayne County, Tennessee
 Schedule of Unaccounted for Water - PWSID 8282
 Proprietary Fund
 For the Year Ended June 30, 2020

**AWWA Free Water Audit Software:
Reporting Worksheet**

WAS v6.0
American Water Works Association.
Copyright © 2014. All Rights Reserved.

Water Audit Report for: **Wayne County Rural Water (0008282)**
 Reporting Year: **2019-2020** **7/2019 - 6/2020**

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

<----- Enter grading in column 'E' and 'J' ----->

WATER SUPPLIED

Volume from own sources:	+ ?	n/a	MG/Yr		
Water imported:	+ ?	6	MG/Yr	5.864	
Water exported:	+ ?		MG/Yr		

Master Meter and Supply Error Adjustments

Pcnt: ☐ Value: MG/Yr

Enter negative % or value for under-registration
 Enter positive % or value for over-registration

WATER SUPPLIED: **5.864** MG/Yr

AUTHORIZED CONSUMPTION

Billed metered:	+ ?	7	MG/Yr	6.311	
Billed unmetered:	+ ?		MG/Yr		
Unbilled metered:	+ ?	5	MG/Yr	0.020	
Unbilled unmetered:	+ ?		MG/Yr	0.073	

Enter a positive value, otherwise a default percentage of 1.25% (of billed metered) is applied and a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: **6.404** MG/Yr

Check input values; WATER SUPPLIED should be greater than AUTHORIZED CONSUMPTION

WATER LOSSES (Water Supplied - Authorized Consumption) **-0.540** MG/Yr

Apparent Losses

Unauthorized consumption:	+ ?		MG/Yr	0.015	
Customer metering inaccuracies:	+ ?	4	MG/Yr	0.000	
Systematic data handling errors:	+ ?		MG/Yr	0.016	

Enter a positive value, otherwise a default percentage of 0.25% is applied and a grading of 5 is applied but not displayed

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: **0.030** MG/Yr

Check input values; APPARENT LOSSES should be less than WATER LOSSES

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: **-0.571** MG/Yr

WATER LOSSES: **-0.540** MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: **-0.447** MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	+ ?	6	12.3	miles
Number of active AND inactive service connections:	+ ?	6	164	
Service connection density:	+ ?		13	conn./mile main
Are customer meters typically located at the curbstop or property line?	+ ?		Yes	

Average length of customer service line: **0.25%** (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: **3** 60.0 psi

COST DATA

Total annual cost of operating water system:	+ ?	6	\$216,807	\$/Year
Customer retail unit cost (applied to Apparent Losses):	+ ?	6	\$13.05	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	+ ?	6		\$/Million gallon <input type="checkbox"/> Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 58 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Water imported
- 2: Customer metering inaccuracies
- 3: Unbilled metered

Table 5a

Wayne County, Tennessee
 Schedule of Unaccounted for Water - PWSID 8282
 Proprietary Fund
 For the Year Ended June 30, 2020

WAS v6.0
 American Water Works Association
 Copyright © 2014. All Rights Reserved.

**AWWA Free Water Audit Software:
 System Attributes and Performance Indicators**

Water Audit Report for: **Wayne County Rural Water (0008282)**
 Reporting Year: **2019-2020** **7/2019 - 6/2020**

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 58 out of 100 ***

System Attributes:

Apparent Losses:	0.030	MG/Yr
+	Real Losses:	(0.571) MG/Yr
=	Water Losses:	(0.540) MG/Yr

Unavoidable Annual Real Losses (UARL): [See limits in definition](#) MG/Yr

Annual cost of Apparent Losses: **\$397**

Annual cost of Real Losses: **Valued at Variable Production Cost**
 Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial: { Non-revenue water as percent by volume of Water Supplied: **-7.6%**
 Non-revenue water as percent by cost of operating system: **0.2%** Real Losses valued at Variable Production Cost

Operational Efficiency: { Apparent Losses per service connection per day: **0.51** gallons/connection/day
 Real Losses per service connection per day: **N/A** gallons/connection/day
 Real Losses per length of main per day*: **-127.13** gallons/mile/day
 Real Losses per service connection per day per psi pressure: **N/A** gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): **-0.57** million gallons/year

Infrastructure Leakage Index (ILI) [CARL/UARL]:

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

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

Wayne County Executive and
Board of County Commissioners
Wayne 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wayne County, Tennessee as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Wayne County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated November 23, 2020.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be

material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2020-003, 2020-004, 2020-005, and 2020-006.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wayne County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2020-001 and 2020-002.

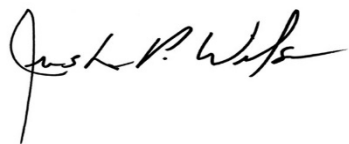
Wayne County's Responses to the Findings

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

Purpose of this Report

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

November 23, 2020

JPW/yu



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

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

Independent Auditor's Report

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

To the County Executive and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

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

Opinion on Each Major Federal Program

In our opinion, Wayne 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 Wayne 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 Wayne 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 Wayne County's internal control over compliance.

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

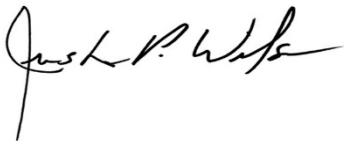
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wayne County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Wayne County's basic financial statements. We issued our report thereon dated November 23, 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

November 23, 2020

JPW/yu

Wayne County, Tennessee and the Wayne 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	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	(4)	\$ 185,751 (6)
COVID 19 - School Breakfast Program	10.553	(4)	240,418 (6)
National School Lunch Program	10.555	(4)	466,563 (6)
COVID 19 - National School Lunch Program	10.555	(4)	337,454 (6)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(4)	75,948 (6)
Passed-through State Department of Human Services:			
Child Nutrition Cluster: (5)			
Summer Food Service Program for Children	10.559	(4)	5,538
Total U.S. Department of Agriculture			<u>\$ 1,311,672</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	(4)	\$ 113,360
Total U.S. Department of Housing and Urban Development			<u>\$ 113,360</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	(4)	\$ 879,898
Special Education Cluster: (5)			
Special Education - Grants to States	84.027	(4)	518,068
Special Education - Preschool Grants	84.173	(4)	16,772
Career and Technical Education - Basic Grants to States	84.048	(4)	58,919
Twenty-first Century Community Learning Centers	84.287	(4)	52,120
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	(4)	97,007
Rural Education	84.358	(4)	28,751
Supporting Effective Instruction State Grant	84.367	(4)	68,269
Student Support and Academic Enrichment	84.424	(4)	18,477
Total U.S. Department of Education			<u>\$ 1,738,281</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
COVID 19 - Election Security Grants (Noncash Assistance)	90.404	(4)	\$ 1,052
Total U.S. Election Assistance Commission			<u>\$ 1,052</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Human Services:			
CCDF Cluster: (5)			
Child Care and Development Block Grant	93.575	(4)	\$ 7,278
Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in School	93.981	(4)	11,211
Total U.S. Department of Health and Human Services			<u>\$ 18,489</u>

(Continued)

Wayne County, Tennessee and the Wayne 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	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Homeland Security:			
Passed-through State Department of Military:			
COVID 19 - Personal Protective Equipment Distribution - (Noncash Assistance)	97.036	(4)	\$ 4,803 (6)
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	(4)	209,699 (6)
Homeland Security Grant Program	97.067	(4)	17,350
U.S. Department of Homeland Security			<u>\$ 231,852</u>
Total Expenditures of Federal Awards			<u><u>\$ 3,414,706</u></u>

		Contract Number	
<u>State Grants</u>			
Juvenile Justice and Delinquency Prevention - State Commission on Children and Youth	N/A	(4)	\$ 13,500
Alternative Breakfast Grant - State Department of Education	N/A	(4)	7,100
Asset Based Enhancement Grant - State Department of Economic and Community Development	N/A	(4)	57,400
Library Technology Grant - Tennessee Secretary of State	N/A	(4)	745
Litter Program - State Department of Transportation	N/A	(4)	55,325
Early Postsecondary Expansion Grant - State Department of Education	N/A	(4)	10,000
Lottery for Education Afterschool Program - State Department of Education	N/A	(4)	76,374
Rural Local Health Services - State Department of Health	N/A	(4)	145,368
CTE Equipment Grant - State Department of Education	N/A	(4)	75,000
Early Childhood Education - State Department of Education	N/A	(4)	816,217
COVID 19 - Personal Protective Equipment Distribution - (Noncash Assistance) - State Department of Military	N/A	(4)	1,601
Coordinated School Health - State Department of Education	N/A	(4)	89,994
Family Resource Center - State Department of Education	N/A	(4)	29,612
Safe Schools Act - State Department of Education	N/A	(4)	56,750
School Resource Officers Grant - State Department of Education	N/A	(4)	163,227
Three Star Economic Development Projects - State Department of Economic and Community Development	N/A	(4)	19,075
Total State Grants			<u><u>\$ 1,617,288</u></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) Wayne County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Information not available.
- (5) Child Nutrition Cluster total is \$1,311,672; Special Education Cluster total is \$534,840; CCDF Cluster total is \$7,278.
- (6) Total for CFDA No. 10.553 is \$426,169; Total for CFDA No. 10.555 is \$879,965; Total for CFDA No. 97.036 is \$214,502.

Wayne 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 Wayne 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	215	2019-001	Revenues Unrelated to Operations were Allocated to the Public Utility Fund	N/A	Not Corrected - See Explanation on Corrective Action Plan
2019	215	2019-002	Duties were not Segregated Adequately	N/A	Not Corrected - See Explanation on Corrective Action Plan
<u>OFFICE OF TRUSTEE</u>					
2019	216	2019-003	The Trustee did not Require a Depository to Adequately Collateralize Funds	N/A	Corrected
<u>OFFICE OF CIRCUIT, GENERAL SESSIONS, AND JUVENILE COURTS CLERK</u>					
2019	216	2019-004	Multiple Employees Operated from the Same Cash Drawer	N/A	Not Corrected - See Explanation on Corrective Action Plan

Prior-year Federal Awards Findings

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

WAYNE 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 Wayne County is unmodified.
2. Internal Control Over Financial Reporting:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **YES**

Federal Awards:

4. Internal Control Over Major Federal Programs:
 - * Material weakness identified? **NO**
 - * Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
 - * CFDA Numbers: 10.553, 10.555, and 10.559 Nutrition Cluster: School Breakfast Program, National School Lunch Program, and Summer Food Service Program for Children
 - * CFDA Numbers: 84.027 and 84.173 Special Education Cluster: Special Education - Grants to States and Special Education - Preschool Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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

OFFICE OF COUNTY EXECUTIVE

FINDING 2020-001

REVENUES UNRELATED TO OPERATIONS WERE ALLOCATED TO THE PUBLIC UTILITY FUND

(Material Noncompliance Under *Government Auditing Standards*)

Wayne County management allocated revenues (\$437,640) to the Public Utility Fund, which were unrelated to the utility's operations, to provide cash flow for operating expenses. Section 7-34-115, *Tennessee Code Annotated*, requires water systems to "...be operated on sound business principles as self-sufficient entities." This deficiency resulted from management's failure to correct the finding noted in prior-year audit reports and management's failure to implement their corrective action plan.

RECOMMENDATION

Wayne County management should not allocate revenues that are unrelated to the utility's operation to the Public Utility Fund. The Public Utility Fund should adjust its charges accordingly to enable the fund to be self-sufficient.

MANAGEMENT'S RESPONSE – COUNTY EXECUTIVE

We concur with this finding. See corrective action plan.

FINDING 2020-002

WAYNE COUNTY HAS A MATERIAL RECURRING AUDIT FINDING

(Material Noncompliance Under *Government Auditing Standards*)

Wayne County has a material audit finding that has been reported in its annual financial report for three or more consecutive years. This recurring material finding listed below is a material deviation from the requirements of state statutes:

<u>Finding Numbers</u>	<u>Description</u>
2018-002, 2019-001, 2020-001	Revenues unrelated to operations were allocated to the Public Utility Fund

The recurring nature of the above-noted finding indicates that management is either unwilling or unable to address the deficiency. Wayne County established an Audit Committee on April 21, 2014, to address financial and other reporting practices, the design and implementation of a system internal control, compliance with laws and regulations, and ethics.

RECOMMENDATION

The county executive should work directly with the Audit Committee to correct the above-noted material noncompliance.

FINDING 2020-003 **DUTIES WERE NOT SEGREGATED ADEQUATELY** (Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Duties were not segregated adequately among the employees in the Office of County Executive. Employees responsible for maintaining the accounting records in the office were also involved in receipting, depositing, and/or disbursing funds. Sound business practices dictate that management is responsible for designing internal controls to give reasonable assurance of the reliability of financial reporting and of the effectiveness and efficiency of operations. This lack of segregation of duties is the result of management's decisions based on the availability of financial resources and is a significant deficiency in internal controls that increases the risk of unauthorized transactions. Also, this deficiency is the result of management's failure to correct the finding noted in the prior-year audit report and management's failure to implement their corrective action plan.

RECOMMENDATION

The county executive should segregate duties to the extent possible using available resources.

MANAGEMENT'S RESPONSE – COUNTY EXECUTIVE

We concur with this finding. See corrective action plan.

FINDING 2020-004

EMPLOYEES SHARED USERNAMES AND PASSWORDS

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

Although each employee had been assigned a unique username and password for accessing the office's accounting software, employees disclosed their username and password to each other. If inappropriate activity were to occur, the employee responsible for this activity would not be easily identified because of the shared username and password. Sound business practices dictate that each transaction be identified to the individual creating the transaction. This deficiency was the result of a lack of management oversight.

RECOMMENDATION

Each employee should access the software application using his or her unique username and password to ensure that transactions are properly identified to that employee. Usernames and passwords should remain confidential and should not be shared among employees.

MANAGEMENT'S RESPONSE – COUNTY EXECUTIVE

When we were informed, we corrected the problem.

FINDING 2020-005

THE OFFICE DID NOT REVIEW ITS SOFTWARE AUDIT LOGS FOR THE PUBLIC UTILITY FUND

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

The software application used by the office for the Public Utility Fund generated audit logs that displayed changes made by users. Since these logs provide the only audit trail of these changes, they should be routinely reviewed for inappropriate activity. Because they were not aware of their importance, management did not consistently review the logs. Without knowledge of system activity, errors and improper changes could occur and go undetected. This deficiency was the result of a lack of management oversight.

RECOMMENDATION

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

MANAGEMENT'S RESPONSE – COUNTY EXECUTIVE

When we were informed, we corrected the problem.

OFFICE OF CIRCUIT, GENERAL SESSIONS, AND JUVENILE COURTS CLERK

FINDING 2020-006

MULTIPLE EMPLOYEES OPERATED FROM THE SAME CASH DRAWER

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

All employees operated from the same cash drawer in the Office of Circuit, General Sessions, and Juvenile Courts Clerk. Good internal controls dictate that each employee have their own cash drawer, start the day with a standard fixed amount of cash, and remove all but that beginning amount at the end of the day. This amount should be verified to the employee's receipts at the end of each day. Failure to adhere to this control regimen greatly increases the risk that a cash shortage may not be detected in a timely manner. Furthermore, in the event of a cash shortage, the official would not be able to determine who was responsible for the shortage because multiple employees were working from one cash drawer. This deficiency in internal controls was the result of a lack of management oversight over risks related to safeguarding assets and management's failure to correct the finding noted in the prior-year audit report.

RECOMMENDATION

The official should assign each employee their own cash drawer.

MANAGEMENT'S RESPONSE – CIRCUIT, GENERAL SESSIONS, AND JUVENILE COURTS CLERK

This office only has two full-time employees and six part-time employees. Our office is not set up for the public to come to each one of our desks, we must go the window to wait on the public. One cash drawer is our answer.

AUDITOR'S COMMENT

Good internal controls dictate that each employee have their own cash drawer. In the event of a cash shortage, the official would not be able to determine who was responsible for the shortage because multiple employees were working from one cash drawer.

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.

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

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

Finding Number	Title of Finding	Corrective Action Plan Page Number
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OFFICE OF COUNTY EXECUTIVE

2020-001	Revenues Unrelated to Operations were Allocated to the Public Utility Fund	217
2020-003	Duties were not Segregated Adequately	217
2020-004	Employees Shared Usernames and Passwords	219
2020-005	The Office did not Review Its Software Audit Logs for the Public Utility Fund	220

OFFICE OF CIRCUIT, GENERAL SESSIONS, AND JUVENILE COURTS CLERK

2020-006	Multiple Employees Operated from the Same Cash Drawer	221
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Wayne County Courthouse

Jaime T. Mangubat, County Executive

100 Court Circle, Suite 300
Waynesboro, Tennessee 38485

Corrective Action Plan

FINDING: REVENUES UNRELATED TO OPERATIONS WERE ALLOCATED TO THE PUBLIC UTILITY FUND

Response and Corrective Action Plan Prepared by:
Jim Mangubat, County Executive

Person Responsible for Implementing the Corrective Action:
Jim Mangubat, County Executive

Anticipated Completion Date of Corrective Action:
To be determined

Repeat Finding:
Yes

Reason Corrective Action was Not Taken in the Prior Year:
Nonoperating revenues were necessary to provide cash flow for the operations of the Public Utility while officials evaluate customer water rates.

Planned Corrective Action:
The Wayne County Rural Water Board will evaluate customer water rates to determine the need for necessary rate increases to cover operation expenses.

FINDING: DUTIES WERE NOT SEGREGATED ADEQUATELY

Response and Corrective Action Plan Prepared by:
Jim Mangubat, County Executive

Person Responsible for Implementing the Corrective Action:
Jim Mangubat, County Executive

Anticipated Completion Date of Corrective Action:
June 30, 2021

Repeat Finding:
Yes

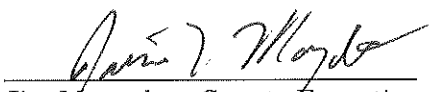
Reason Corrective Action was Not Taken in the Prior Year:

Part-time help was acquired to assist with the billing and collections responsibilities of the Public Utility; however, a full-time position could not be provided.

Planned Corrective Action:

With the addition of new personnel, we will utilize the segregation of duties checklist on the Division of Local Government Audit's website as a guide for how to adequately segregate duties in small offices.

Signature:



Jim Mangubat, County Executive

**WAYNE COUNTY COURTHOUSE
JIM MANGUBAT, COUNTY EXECUTIVE
100 COURT CIRCLE, STE 300
WAYNESBORO, TN 38485
931-722-3653**

Corrective Action Plan

FINDING 2020-001: EMPLOYEES SHARED USERNAMES AND
PASSWORDS

Response and Corrective Action Plan Prepared by:
Jim Mangubat, County Executive

Person Responsible for Implementing the Corrective Action:
Jim Mangubat, County Executive

Anticipated Completion Date of Corrective Action:
April 2020

Repeat Finding:
No

Planned Corrective Action:
When we were informed, we corrected this problem.

Jim Mangubat County Executive

FINDING 2020-002: THE OFFICE DID NOT REVIEW ITS SOFTWARE
AUDIT LOGS FOR THE PUBLIC UTILITY FUND

Response and Corrective Action Plan Prepared by:
Jim Mangubat, County Executive

Person Responsible for Implementing the Corrective Action:
Jim Mangubat, County Executive

Anticipated Completion Date of Corrective Action:
April 2020

Repeat Finding:
No

Planned Corrective Action:
When we were informed, we corrected this problem.

Signature: Jim Mangubat County Executive

Wayne County Circuit court
P.O. Box 869
Waynesboro, Tn. 38485
931-722-5519

Corrective Action Plan

FINDING: MULTIPLE EMPLOYEES WORK FROM THE SAME CASH
DRAWER

Response and Corrective Action Plan Prepared by
Bill Crews Circuit Court Clerk

Person Responsible for Implementing the Corrective Action:
Bill Crews Circuit Court Clerk

Anticipated Completion Date of Corrective Action:
Unknown

Repeat Finding:
Yes

Reason Corrective Action was Not Taken in the Prior Year:
This office only has two full time employees and two part time employees. Our
office is not set up for the public to come to each one of our desks, we have to go to
the window to wait on the public. Therefore one drawer is the answer.

Planned Corrective Action:
To keep this office running as effective and safely as I can.

Signature: Bill Crews

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 Wayne County.

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

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