

ANNUAL FINANCIAL REPORT
FRANKLIN COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2020



DIVISION OF LOCAL GOVERNMENT AUDIT



**ANNUAL FINANCIAL REPORT
FRANKLIN COUNTY, TENNESSEE
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

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Summary of Audit Findings

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

Scope

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

Results

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

Our audit resulted in two findings and recommendations, which we have reviewed with Franklin 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 SHERIFF

- ◆ Some funds were not deposited within three days of collection.
- ◆ Duties were not segregated adequately.

INTRODUCTORY SECTION

Franklin County Officials

June 30, 2020

Officials

David Alexander, County Mayor
Luke McCurry, Superintendent of Highways
Stanley Bean, Director of Schools
Randy Kelly, Trustee
Bruce Spencer, Assessor of Property
Phillip Custer, County Clerk
Robert Baggett, Circuit, General Sessions, and Juvenile Courts Clerk
Tappy Bailey, Clerk and Master
Denise Ingle Marshall, Register of Deeds
Tim Fuller, Sheriff
Andrea Smith, Finance Director

Board of County Commissioners

David Alexander, County Mayor, Chairman	
Adam Casey	Greg King
David Eldridge, Jr.	Carolyn Montoye-Wiseman
Barbara Finney	Scottie Riddle
Angie Fuller	Dale Schultz
Doug Goodman	Christopher Smith
Sam Hiles	Gene Snead, Jr.
Johnny Hughes	Helen Stapleton
Lydia Curtis Johnson	Charles Stines

Highway Commission

Chuck Tipps, Chairman	Wade Hill
Bobby Clark	Joe David McBee

Board of Education

Clei Jo Walker, Chairman	Sara Liechty
Chris Guess	Sarah Marhevsky
Christine Hopkins	Caycee Roberts
Linda Moore Jones	Lance Williams

Franklin County Officials (Cont.)

Financial Management Committee

David Alexander, County Mayor, Chairman
Luke McCurry, Superintendent of Highways
Stanley Bean, Director of Schools

David Eldridge
Barbara Finney
Carolyn Montoye-Wiseman
Scottie Riddle

Audit Committee

Gene Seaton, Chairman
Jackie Axt
Glen Glasner

Margaret Lynch
Ron Schlagheck

FINANCIAL SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedules of school's proportionate share of the net pension liability (asset), and schedules of county and school total other post-employment benefit liabilities 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 Franklin 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 Franklin County School Department (a discretely presented component unit), miscellaneous schedules and other information such as the introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200,

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the basic financial statements.

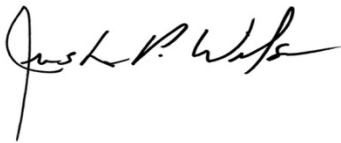
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Franklin County School Department (a discretely presented component unit), schedule 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 Franklin County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2020, on our consideration of Franklin 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 Franklin 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 Franklin County’s internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson
Comptroller of the Treasury
Nashville, Tennessee

November 9, 2020

JPW/tg

BASIC FINANCIAL STATEMENTS

Exhibit A

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

	Primary Governmental Activities	Component Unit Franklin County School Department
<u>ASSETS</u>		
Cash	\$ 11,102	\$ 1,634
Equity in Pooled Cash and Investments	19,119,292	19,903,173
Accounts Receivable	97,942	16,467
Due from Other Governments	2,423,827	1,274,797
Property Taxes Receivable	18,486,578	11,184,013
Allowance for Uncollectible Property Taxes	(526,470)	(315,942)
Prepaid Items	3,903	329,690
Net Pension Asset - Agent Plan	1,942,927	1,373,780
Net Pension Asset - Teacher Retirement Plan	0	163,280
Net Pension Asset - Teacher Legacy Pension Plan	0	5,833,229
Restricted Assets:		
Amounts Accumulated for Pension Benefits	0	136,053
Capital Assets:		
Assets Not Depreciated:		
Land	28,250,003	5,469,959
Construction in Progress	15,517,279	40,381,416
Assets Net of Accumulated Depreciation:		
Buildings and Improvements	20,261,932	27,838,739
Infrastructure	13,592,187	0
Other Capital Assets	7,340,530	2,721,840
Total Assets	<u>\$ 126,521,032</u>	<u>\$ 116,312,128</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Pension Changes in Experience	\$ 113,726	\$ 371,187
Pension Changes in Assumptions	270,210	982,788
Pension Changes in Proportion	0	71,575
Pension Contributions After Measurement Date	1,153,747	2,811,905
OPEB Changes in Experience	237,618	0
OPEB Changes in Assumptions	33,677	151,423
OPEB Changes in Proportion	0	41,090
OPEB Contributions After Measurement Date	26,994	302,269
Total Deferred Outflows of Resources	<u>\$ 1,835,972</u>	<u>\$ 4,732,237</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 153,644	\$ 474,766
Accrued Payroll	221,164	18,518
Payroll Deductions Payable	40,102	0
Contracts Payable	915,950	919,090
Retainage Payable	2,902	48,373
Accrued Interest Payable	508,723	0
Due to State of Tennessee	17,683	0
Due to Litigants, Heirs and Others	23,351	0
Noncurrent Liabilities:		
Due Within One Year - Debt	4,302,761	0
Due Within One Year - Other	790,931	0
Due in More Than One Year - Debt	68,491,396	0
Due in More Than One Year - Other	1,881,754	7,356,272
Total Liabilities	<u>\$ 77,350,361</u>	<u>\$ 8,817,019</u>

(Continued)

Exhibit A

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

	<u>Primary Governmental Activities</u>	<u>Component Units Franklin County School Department</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Current Property Taxes	\$ 17,412,310	\$ 10,558,490
Pension Changes in Experience	97,230	3,660,304
Pension Changes in Investment Earnings	362,175	1,929,651
Pension Changes in Proportion	0	44,602
OPEB Changes in Experience	107,213	1,338,444
OPEB Change in Assumptions	243,319	716,988
OPEB Changes in Proportion	0	649,549
Total Deferred Inflows of Resources	<u>\$ 18,222,247</u>	<u>\$ 18,898,028</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 63,459,765	\$ 77,088,154
Restricted for:		
General Government	915	0
Public Safety	493,087	0
Public Health and Welfare	875,183	0
Social, Cultural, and Recreational Services	183,314	0
Highways/Public Works	2,518,038	0
Debt Service	3,997,642	0
Capital Projects	1,177,549	7,131,900
Education	0	9,703,687
Pensions	1,942,927	136,053
Unrestricted	<u>(41,864,024)</u>	<u>(730,476)</u>
Total Net Position	<u>\$ 32,784,396</u>	<u>\$ 93,329,318</u>

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

Exhibit B

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Component Unit	
					Primary Government Total Governmental Activities	Franklin County School Department
Primary Government:						
Governmental Activities:						
General Government	\$ 4,323,961	\$ 527,747	\$ 296,211	\$ 4,809,910	\$ 1,309,907	\$ 0
Finance	2,184,427	1,233,253	65,101	0	(886,073)	0
Administration of Justice	2,606,421	1,071,260	483,658	39,626	(1,011,877)	0
Public Safety	9,133,655	1,561,726	302,382	0	(7,269,547)	0
Public Health and Welfare	2,647,218	252,992	240,920	20,000	(2,133,306)	0
Social, Cultural, and Recreational Services	494,980	71,297	36,132	0	(387,551)	0
Agriculture and Natural Resources	196,838	0	0	0	(196,838)	0
Highways/Public Works	3,618,425	11,294	2,697,529	306,580	(603,022)	0
Education	900	0	0	1,693	793	0
Interest on Long-term Debt	2,716,388	0	0	0	(2,716,388)	0
Total Primary Government	\$ 27,923,213	\$ 4,729,569	\$ 4,121,933	\$ 5,177,809	\$ (13,893,902)	\$ 0
Component Unit:						
Franklin County School Department	\$ 50,577,221	\$ 921,878	\$ 7,945,638	\$ 517,659	\$ 0	\$ (41,192,046)
Total Component Unit	\$ 50,577,221	\$ 921,878	\$ 7,945,638	\$ 517,659	\$ 0	\$ (41,192,046)

(Continued)

Exhibit B

Franklin County, Tennessee
Statement of Activities (Cont.)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Component Unit	
					Primary Governmental Total Activities	Franklin County School Department
General Revenues:						
Taxes:						
Property Taxes Levied for General Purposes					\$ 15,380,620	\$ 10,780,726
Property Taxes Levied for Debt Service					3,774,453	0
Local Option Sales Taxes					933,348	5,334,609
Hotel/Motel Tax					297,364	0
Litigation Taxes					389,048	0
Mixed Drink Tax					32,153	32,153
Business Tax					464,862	0
Mineral Severance Tax					58,207	0
Wholesale Beer Tax					217,819	0
Other Local Taxes					1,011	0
Grants and Contributions Not Restricted to Specific Programs					1,681,349	27,248,387
Unrestricted Investment Earnings					400,285	30,569
Miscellaneous					60,010	58,068
Sale of Equipment					94,296	0
Donated Capital Assets					488,020	0
Amortized Premium					237,202	0
Total General Revenues					<u>\$ 24,510,047</u>	<u>\$ 43,484,512</u>
Insurance Recovery					<u>\$ 0</u>	<u>\$ 23,527</u>
Change in Net Position					\$ 10,616,145	\$ 2,315,993
Net Position, July 1, 2019					<u>22,168,251</u>	<u>91,013,325</u>
Net Position, June 30, 2020					<u>\$ 32,784,396</u>	<u>\$ 93,329,318</u>

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

Exhibit C-1

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

	Major Funds				
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects
<u>ASSETS</u>					
Cash	\$ 0	\$ 2,380	\$ 5,620	\$ 0	\$ 0
Equity in Pooled Cash and Investments	8,261,857	1,075,784	3,183,403	4,199,037	1,287,290
Accounts Receivable	63,085	13	26	11,969	0
Due from Other Governments	1,783,579	0	446,135	184,239	0
Due from Other Funds	7,529	0	4,519	0	0
Property Taxes Receivable	12,527,945	1,829,525	636,706	2,759,956	0
Allowance for Uncollectible Property Taxes	(353,907)	(54,245)	(18,117)	(77,967)	0
Prepaid Items	915	300	2,688	0	0
Total Assets	\$ 22,291,003	\$ 2,853,757	\$ 4,260,980	\$ 7,077,234	\$ 1,287,290
<u>LIABILITIES</u>					
Accounts Payable	\$ 106,432	\$ 41,428	\$ 5,287	\$ 150	\$ 0
Accrued Payroll	189,708	16,890	10,088	0	0
Payroll Deductions Payable	34,479	2,277	2,566	0	0
Contracts Payable	809,111	0	0	0	106,839
Retainage Payable	0	0	0	0	2,902
Due to Other Funds	4,519	3,168	0	0	0
Due to State of Tennessee	17,660	20	0	0	0
Due to Litigants, Heirs, and Others	0	2,380	5,620	0	0
Total Liabilities	\$ 1,161,909	\$ 66,163	\$ 23,561	\$ 150	\$ 109,741
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 11,827,256	\$ 1,702,813	\$ 599,854	\$ 2,605,592	\$ 0

(Continued)

Exhibit C-1

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

	Major Funds				
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Deferred Delinquent Property Taxes	\$ 286,985	\$ 59,970	\$ 15,504	\$ 63,224	\$ 0
Other Deferred/Unavailable Revenue	265,833	0	217,468	85,000	0
Total Deferred Inflows of Resources	<u>\$ 12,380,074</u>	<u>\$ 1,762,783</u>	<u>\$ 832,826</u>	<u>\$ 2,753,816</u>	<u>\$ 0</u>
<u>FUND BALANCES</u>					
Nonspendable:					
Prepaid Items	\$ 915	\$ 300	\$ 2,688	\$ 0	\$ 0
Restricted:					
Restricted for Public Safety	0	0	0	0	0
Restricted for Public Health and Welfare	0	901,534	0	0	0
Restricted for Social, Cultural, and Recreational Services	0	0	0	0	0
Restricted for Highways/Public Works	0	0	2,486,211	0	0
Restricted for Debt Service	0	0	0	4,323,268	0
Restricted for Capital Projects	0	0	0	0	1,177,549
Committed:					
Committed for Public Health and Welfare	0	122,977	0	0	0
Committed for Social, Cultural, and Recreational Services	0	0	0	0	0
Committed for Other Purposes	4,000,000	0	0	0	0
Assigned:					
Assigned for General Government	107,086	0	0	0	0
Assigned for Finance	42,212	0	0	0	0
Assigned for Administration of Justice	12,169	0	0	0	0
Assigned for Public Safety	413,293	0	0	0	0
Assigned for Public Health and Welfare	11,763	0	0	0	0
Assigned for Social, Cultural, and Recreational Services	5,958	0	0	0	0

(Continued)

Exhibit C-1

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

	Major Funds				
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects
<u>FUND BALANCES (Cont.)</u>					
Assigned (Cont.):					
Assigned for Agriculture and Natural Resources	\$ 34	\$ 0	\$ 0	\$ 0	\$ 0
Assigned for Other Operations	818,501	0	159,694	0	0
Assigned for Capital Outlay	0	0	756,000	0	0
Assigned for Capital Projects	181,120	0	0	0	0
Unassigned	3,155,969	0	0	0	0
Total Fund Balances	<u>\$ 8,749,020</u>	<u>\$ 1,024,811</u>	<u>\$ 3,404,593</u>	<u>\$ 4,323,268</u>	<u>\$ 1,177,549</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 22,291,003</u>	<u>\$ 2,853,757</u>	<u>\$ 4,260,980</u>	<u>\$ 7,077,234</u>	<u>\$ 1,287,290</u>

(Continued)

Exhibit C-1

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

	<u>Nonmajor Funds</u>		<u>Other Govern- mental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>				
Cash	\$	3,102	\$	11,102
Equity in Pooled Cash and Investments		1,111,093		19,118,464
Accounts Receivable		22,849		97,942
Due from Other Governments		9,874		2,423,827
Due from Other Funds		0		12,048
Property Taxes Receivable		732,446		18,486,578
Allowance for Uncollectible Property Taxes		(22,234)		(526,470)
Prepaid Items		0		3,903
		<hr/>		<hr/>
Total Assets	\$	1,857,130	\$	39,627,394
<u>LIABILITIES</u>				
Accounts Payable	\$	347	\$	153,644
Accrued Payroll		4,478		221,164
Payroll Deductions Payable		780		40,102
Contracts Payable		0		915,950
Retainage Payable		0		2,902
Due to Other Funds		3,533		11,220
Due to State of Tennessee		3		17,683
Due to Litigants, Heirs, and Others		15,351		23,351
Total Liabilities	\$	24,492	\$	1,386,016
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$	676,795	\$	17,412,310

(Continued)

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

DEFERRED INFLOWS OF RESOURCES (Cont.)

Deferred Delinquent Property Taxes
 Other Deferred/Unavailable Revenue
 Total Deferred Inflows of Resources

Nonmajor Funds	Other Govern- mental Funds	Total Governmental Funds
\$ 27,656		\$ 453,339
	0	568,301
<u>\$ 704,451</u>		<u>\$ 18,433,950</u>

FUND BALANCES

Nonspendable:
 Prepaid Items
 Restricted:
 Restricted for Public Safety
 Restricted for Public Health and Welfare
 Restricted for Social, Cultural, and Recreational Services
 Restricted for Highways/Public Works
 Restricted for Debt Service
 Restricted for Capital Projects
 Committed:
 Committed for Public Health and Welfare
 Committed for Social, Cultural, and Recreational Services
 Committed for Other Purposes
 Assigned:
 Assigned for General Government
 Assigned for Finance
 Assigned for Administration of Justice
 Assigned for Public Safety
 Assigned for Public Health and Welfare
 Assigned for Social, Cultural, and Recreational Services

\$ 0		\$ 3,903
493,087		493,087
0		901,534
193,415		193,415
0		2,486,211
33,832		4,357,100
0		1,177,549
0		122,977
23,905		23,905
0		4,000,000
0		107,086
0		42,212
0		12,169
383,948		797,241
0		11,763
0		5,958

(Continued)

Exhibit C-1

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

FUND BALANCES (Cont.)

Assigned (Cont.):

Assigned for Agriculture and Natural Resources
Assigned for Other Operations
Assigned for Capital Outlay
Assigned for Capital Projects

Unassigned

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

<u>Nonmajor Funds</u>		<u>Total Governmental Funds</u>
Other	Govern- mental Funds	
\$ 0	\$ 34	
0	978,195	
0	756,000	
0	181,120	
0	3,155,969	
<u>\$ 1,128,187</u>	<u>\$ 19,807,428</u>	
<u>\$ 1,857,130</u>	<u>\$ 39,627,394</u>	

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

Exhibit C-2

Franklin 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)		\$ 19,807,428
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$ 28,250,003	
Add: construction in progress	15,517,279	
Add: buildings and improvements net of accumulated depreciation	20,261,932	
Add: infrastructure net of accumulated depreciation	13,592,187	
Add: other capital assets net of accumulated depreciation	<u>7,340,530</u>	84,961,931
(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	\$ (66,455,000)	
Less: notes payable	(2,991,883)	
Less: compensated absences payable	(768,581)	
Less: landfill closure/postclosure care costs	(304,693)	
Less: accrued interest on bonds and notes	(508,723)	
Less: unamortized premium on debt	(3,347,274)	
Less: net OPEB liability	<u>(1,599,411)</u>	(75,975,565)
(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	\$ 1,537,683	
Less: deferred inflows of resources related to pensions	(459,405)	
Add: deferred outflows of resources related to OPEB	298,289	
Less: deferred inflows of resources related to OPEB	<u>(350,532)</u>	1,026,035
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.		1,942,927
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>1,021,640</u>
Net position of governmental activities (Exhibit A)		<u>\$ 32,784,396</u>

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

Exhibit C-3

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

	Major Funds				
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects -
<u>Revenues</u>					
Local Taxes	\$ 13,122,941	\$ 1,786,192	\$ 722,438	\$ 4,817,284	\$ 0
Licenses and Permits	116,246	13,369	3,462	12,781	0
Fines, Forfeitures, and Penalties	199,778	0	0	0	0
Charges for Current Services	550,951	142,146	10,478	0	0
Other Local Revenues	362,903	104,515	3,094	343,674	50,447
Fees Received From County Officials	2,094,309	0	0	0	0
State of Tennessee	2,811,340	92,786	2,987,730	0	0
Federal Government	5,737,608	0	0	0	0
Other Governments and Citizens Groups	199,616	0	17,379	72,918	0
Total Revenues	\$ 25,195,692	\$ 2,139,008	\$ 3,744,581	\$ 5,246,657	\$ 50,447
<u>Expenditures</u>					
Current:					
General Government	\$ 2,501,203	\$ 0	\$ 0	\$ 0	\$ 0
Finance	2,183,350	0	0	0	0
Administration of Justice	2,591,065	0	0	0	0
Public Safety	8,392,433	0	0	0	0
Public Health and Welfare	581,544	2,121,925	0	0	0
Social, Cultural, and Recreational Services	69,187	0	0	0	0
Agriculture and Natural Resources	186,534	0	0	0	0
Other Operations	6,533,667	98,187	0	0	614
Highways	0	0	3,670,356	0	0
Debt Service:					
Principal on Debt	0	0	15,807	4,144,529	0
Interest on Debt	0	0	3,315	2,777,357	0
Other Debt Service	0	0	0	90,792	0

(Continued)

Exhibit C-3

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

	Major Funds				
	General	Solid Waste / Sanitation	Highway / Public Works	General Debt Service	Other Capital Projects -
<u>Expenditures (Cont.)</u>					
Capital Projects	\$ 286,325	\$ 0	\$ 0	\$ 0	\$ 4,279,776
Total Expenditures	<u>\$ 23,325,308</u>	<u>\$ 2,220,112</u>	<u>\$ 3,689,478</u>	<u>\$ 7,012,678</u>	<u>\$ 4,280,390</u>
<u>Excess (Deficiency) of Revenues</u>					
Over Expenditures	\$ 1,870,384	\$ (81,104)	\$ 55,103	\$ (1,766,021)	\$ (4,229,943)
<u>Other Financing Sources (Uses)</u>					
Notes Issued	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,000,000
Transfers In	105,606	0	0	3,726,415	0
Transfers Out	0	(48,803)	(53,803)	0	0
Total Other Financing Sources (Uses)	<u>\$ 105,606</u>	<u>\$ (48,803)</u>	<u>\$ (53,803)</u>	<u>\$ 3,726,415</u>	<u>\$ 2,000,000</u>
<u>Net Change in Fund Balances</u>					
Fund Balance, July 1, 2019	\$ 1,975,990	\$ (129,907)	\$ 1,300	\$ 1,960,394	\$ (2,229,943)
	<u>6,773,030</u>	<u>1,154,718</u>	<u>3,403,293</u>	<u>2,362,874</u>	<u>3,407,492</u>
Fund Balance, June 30, 2020	<u>\$ 8,749,020</u>	<u>\$ 1,024,811</u>	<u>\$ 3,404,593</u>	<u>\$ 4,323,268</u>	<u>\$ 1,177,549</u>

(Continued)

Exhibit C-3

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

	Nonmajor Funds		Total Governmental Funds
	Other	Govern- mental Funds	
<hr/>			
<u>Revenues</u>			
Local Taxes	\$ 1,279,820		\$ 21,728,675
Licenses and Permits	26,056		171,914
Fines, Forfeitures, and Penalties	91,252		291,030
Charges for Current Services	13,778		717,353
Other Local Revenues	91,059		955,692
Fees Received From County Officials	0		2,094,309
State of Tennessee	0		5,891,856
Federal Government	4,032		5,741,640
Other Governments and Citizens Groups	30,794		320,707
Total Revenues	<u>\$ 1,536,791</u>		<u>\$ 37,913,176</u>
<u>Expenditures</u>			
Current:			
General Government	\$ 111		\$ 2,501,314
Finance	0		2,183,350
Administration of Justice	0		2,591,065
Public Safety	743,694		9,136,127
Public Health and Welfare	0		2,703,469
Social, Cultural, and Recreational Services	373,149		442,336
Agriculture and Natural Resources	0		186,534
Other Operations	42,046		6,674,514
Highways	0		3,670,356
Debt Service:			
Principal on Debt	0		4,160,336
Interest on Debt	0		2,780,672
Other Debt Service	0		90,792

(Continued)

Exhibit C-3

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

	<u>Nonmajor Funds</u>		<u>Other Govern- mental Funds</u>	<u>Total Governmental Funds</u>
<hr/>				
<u>Expenditures (Cont.)</u>				
Capital Projects	\$	2,000	\$	4,568,101
Total Expenditures	\$	<u>1,161,000</u>	\$	<u>41,688,966</u>
 Excess (Deficiency) of Revenues Over Expenditures	 \$	 375,791	 \$	 <u>(3,775,790)</u>
 <u>Other Financing Sources (Uses)</u>				
Notes Issued	\$	0	\$	2,000,000
Transfers In		0		3,832,021
Transfers Out		<u>(3,729,415)</u>		<u>(3,832,021)</u>
Total Other Financing Sources (Uses)	\$	<u>(3,729,415)</u>	\$	<u>2,000,000</u>
 Net Change in Fund Balances	 \$	 (3,353,624)	 \$	 (1,775,790)
Fund Balance, July 1, 2019		<u>4,481,811</u>		<u>21,583,218</u>
 Fund Balance, June 30, 2020	 \$	 <u>1,128,187</u>	 \$	 <u>19,807,428</u>

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

Exhibit C-4

Franklin 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)		\$ (1,775,790)
<p>(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:</p>		
Add: capital assets purchased in the current period	\$ 11,605,765	
Less: current-year depreciation expense	<u>(2,290,164)</u>	9,315,601
<p>(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.</p>		
Add: assets donated and capitalized	\$ 488,020	
Less: book value of capital assets disposed	<u>(5,157)</u>	482,863
<p>(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.</p>		
Add: deferred delinquent property taxes and other deferred June 30, 2020	\$ 1,021,640	
Less: deferred delinquent property taxes and other deferred June 30, 2019	<u>(1,038,227)</u>	(16,587)
<p>(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Less: note proceeds	\$ (2,000,000)	
Add: principal payments on bonds	3,355,000	
Add: principal payments on notes	734,111	
Add: principal payments on capital leases	71,225	
Add: change in premium on debt issuance	237,202	
Less: contributions from the school department for capital leases	<u>(71,225)</u>	2,326,313
<p>(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.</p>		
Change in accrued interest payable	\$ 64,284	
Change in OPEB liability	(403,301)	
Change in deferred outflows related to OPEB	274,594	
Change in deferred inflows related to OPEB	33,103	
Change in net pension liability/asset	791,671	
Change in deferred outflows related to pensions	(285,215)	
Change in deferred inflows related to pensions	(166,354)	
Change in compensated absences payable	(26,602)	
Change in landfill closure/postclosure care costs	<u>1,565</u>	<u>283,745</u>
Change in net position of governmental activities (Exhibit B)		<u><u>\$ 10,616,145</u></u>

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

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 13,122,941	\$ 0	\$ 0	\$ 13,122,941	\$ 13,055,245	\$ 13,053,745	\$ 69,196
Licenses and Permits	116,246	0	0	116,246	112,000	112,526	3,720
Fines, Forfeitures, and Penalties	199,778	0	0	199,778	239,445	216,445	(16,667)
Charges for Current Services	550,951	0	0	550,951	425,210	538,610	12,341
Other Local Revenues	362,903	0	0	362,903	140,150	357,757	5,146
Fees Received From County Officials	2,094,309	0	0	2,094,309	2,098,000	2,216,000	(121,691)
State of Tennessee	2,811,340	0	0	2,811,340	3,329,032	3,360,852	(549,512)
Federal Government	5,737,608	0	0	5,737,608	5,388,765	6,403,938	(666,330)
Other Governments and Citizens Groups	199,616	0	0	199,616	193,000	200,288	(672)
Total Revenues	\$ 25,195,692	\$ 0	\$ 0	\$ 25,195,692	\$ 24,980,847	\$ 26,460,161	\$ (1,264,469)
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 311,872	\$ (18,684)	\$ 7,907	\$ 301,095	\$ 332,332	\$ 349,990	\$ 48,895
Beer Board	487	0	0	487	525	525	38
County Mayor/Executive	192,734	(413)	60	192,381	197,422	197,396	5,015
County Attorney	10,800	0	0	10,800	10,800	10,800	0
Election Commission	247,741	(375)	846	248,212	251,355	276,355	28,143
Register of Deeds	329,385	0	13,523	342,908	356,734	356,734	13,826
Planning	158,462	(871)	308	157,899	165,657	165,657	7,758
County Buildings	1,172,098	(159,011)	80,417	1,093,504	1,407,927	1,212,998	119,494
Other General Administration	77,624	(3,954)	4,026	77,696	83,450	83,450	5,754
<u>Finance</u>							
Property Assessor's Office	517,055	(22,209)	38,186	533,032	592,549	582,549	49,517
County Trustee's Office	332,195	0	0	332,195	346,685	346,685	14,490
County Clerk's Office	614,124	(148)	319	614,295	630,962	626,462	12,167
Other Finance	719,976	(2,586)	3,707	721,097	745,161	735,643	14,546
<u>Administration of Justice</u>							
Circuit Court	992,267	(743)	1,152	992,676	1,026,570	1,018,670	25,994
General Sessions Court	316,328	0	341	316,669	321,677	321,677	5,008

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Administration of Justice (Cont.)</u>							
Drug Court	\$ 101,227	\$ 0	\$ 0	\$ 101,227	\$ 102,701	\$ 102,701	\$ 1,474
Chancery Court	232,966	0	422	233,388	240,404	240,404	7,016
Juvenile Court	134,296	0	0	134,296	140,043	140,043	5,747
Judicial Commissioners	151,459	0	36	151,495	173,407	160,757	9,262
Other Administration of Justice	478,247	(59,799)	10,219	428,667	215,000	623,053	194,386
Probation Services	144,649	0	0	144,649	159,145	150,145	5,496
Courtroom Security	39,626	0	0	39,626	0	39,626	0
<u>Public Safety</u>							
Sheriff's Department	4,156,858	(30,794)	209,748	4,335,812	4,305,500	4,440,871	105,059
Administration of the Sexual Offender Registry	11,929	0	0	11,929	15,593	15,593	3,664
Jail	2,787,438	(63,522)	193,088	2,917,004	3,314,055	3,086,115	169,111
Correctional Incentive Program Improvements	252,138	0	216	252,354	246,986	316,164	63,810
Juvenile Services	104,731	(24,613)	3,478	83,596	142,500	142,500	58,904
Civil Defense	160,156	(536)	599	160,219	166,877	167,825	7,606
Rescue Squad	47,123	(996)	616	46,743	35,000	47,906	1,163
Other Emergency Management	806,527	(409)	5,547	811,665	875,528	819,528	7,863
County Coroner/Medical Examiner	40,637	0	0	40,637	37,000	46,450	5,813
Public Safety Grants Program	24,896	0	0	24,896	30,593	31,721	6,825
<u>Public Health and Welfare</u>							
Local Health Center	31,464	(8,290)	1,400	24,574	33,450	36,150	11,576
Rabies and Animal Control	262,358	(31,825)	2,330	232,863	250,800	244,444	11,581
Other Local Health Services	84,874	(2,434)	5,385	87,825	260,999	260,999	173,174
Appropriation to State	27,946	0	0	27,946	30,646	27,946	0
General Welfare Assistance	17,775	0	0	17,775	17,775	17,775	0
Waste Pickup	92,221	(1,172)	117	91,166	100,183	100,183	9,017
Other Waste Collection	43,050	(600)	104	42,554	44,048	44,047	1,493
Other Public Health and Welfare	21,856	(528)	2,426	23,754	21,848	24,282	528
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	30,977	0	4,500	35,477	37,500	37,500	2,023

(Continued)

Exhibit C-5

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Social, Cultural, and Recreational Services (Cont.)</u>							
Parks and Fair Boards	\$ 38,210	\$ (277)	\$ 1,458	\$ 39,391	\$ 41,710	\$ 41,710	\$ 2,319
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	105,299	0	34	105,333	111,316	111,316	5,983
Soil Conservation	81,235	0	0	81,235	91,597	84,597	3,362
<u>Other Operations</u>							
Industrial Development	331,151	(47,861)	160,779	444,069	551,854	546,734	102,665
Other Economic and Community Development	4,958,105	0	14,224	4,972,329	5,384,977	5,384,977	412,648
Airport	265,090	(70,875)	0	194,215	0	213,179	18,964
Veterans' Services	87,659	(597)	722	87,784	92,433	93,303	5,519
Other Charges	844,341	(280)	307	844,368	952,613	975,825	131,457
COVID-19 Grant #2	33,500	0	0	33,500	0	33,500	0
COVID-19 Grant #6	13,821	0	0	13,821	0	13,821	0
<u>Capital Projects</u>							
Other General Government Projects	154,062	(2,000)	9,525	161,587	210,000	170,000	8,413
Highway and Street Capital Projects	132,263	(128,725)	171,595	175,133	140,000	184,426	9,293
Total Expenditures	\$ 23,325,308	\$ (685,127)	\$ 949,667	\$ 23,589,848	\$ 25,043,887	\$ 25,503,707	\$ 1,913,859
Excess (Deficiency) of Revenues							
Over Expenditures	\$ 1,870,384	\$ 685,127	\$ (949,667)	\$ 1,605,844	\$ (63,040)	\$ 956,454	\$ 649,390
<u>Other Financing Sources (Uses)</u>							
Transfers In	\$ 105,606	\$ 0	\$ 0	\$ 105,606	\$ 105,606	\$ 105,606	\$ 0
Total Other Financing Sources	\$ 105,606	\$ 0	\$ 0	\$ 105,606	\$ 105,606	\$ 105,606	\$ 0
Net Change in Fund Balance							
Fund Balance, July 1, 2019	\$ 1,975,990	\$ 685,127	\$ (949,667)	\$ 1,711,450	\$ 42,566	\$ 1,062,060	\$ 649,390
	6,773,030	(685,127)	0	6,087,903	6,047,854	6,047,854	40,049
Fund Balance, June 30, 2020							
	\$ 8,749,020	\$ 0	\$ (949,667)	\$ 7,799,353	\$ 6,090,420	\$ 7,109,914	\$ 689,439

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

Exhibit C-6

Franklin 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)	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	\$ 1,786,192	\$ 0	\$ 0	\$ 1,786,192	\$ 1,793,110	\$ 1,783,110	\$ 3,082
Licenses and Permits	13,369	0	0	13,369	15,660	15,660	(2,291)
Charges for Current Services	142,146	0	0	142,146	141,000	141,000	1,146
Other Local Revenues	104,515	0	0	104,515	142,000	107,000	(2,485)
State of Tennessee	92,786	0	0	92,786	100,719	93,556	(770)
Total Revenues	\$ 2,139,008	\$ 0	\$ 0	\$ 2,139,008	\$ 2,192,489	\$ 2,140,326	\$ (1,318)
<u>Expenditures</u>							
<u>Public Health and Welfare</u>							
Sanitation Education/Information	\$ 2,727	\$ 0	\$ 0	\$ 2,727	\$ 3,200	\$ 3,200	\$ 473
Convenience Centers	452,578	(93,593)	2,991	361,976	398,940	377,330	15,354
Transfer Stations	1,659,668	(97,773)	62,938	1,624,833	1,600,880	1,663,880	39,047
Postclosure Care Costs	6,952	0	3,084	10,036	13,500	13,500	3,464
<u>Other Operations</u>							
Other Charges	98,187	(48)	62	98,201	108,540	108,540	10,339
Total Expenditures	\$ 2,220,112	\$ (191,414)	\$ 69,075	\$ 2,097,773	\$ 2,125,060	\$ 2,166,450	\$ 68,677
Excess (Deficiency) of Revenues Over Expenditures	\$ (81,104)	\$ 191,414	\$ (69,075)	\$ 41,235	\$ 67,429	\$ (26,124)	\$ 67,359
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (48,803)	\$ 0	\$ 0	\$ (48,803)	\$ (48,803)	\$ (48,803)	\$ 0
Total Other Financing Sources	\$ (48,803)	\$ 0	\$ 0	\$ (48,803)	\$ (48,803)	\$ (48,803)	\$ 0
Net Change in Fund Balance	\$ (129,907)	\$ 191,414	\$ (69,075)	\$ (7,568)	\$ 18,626	\$ (74,927)	\$ 67,359
Fund Balance, July 1, 2019	1,154,718	(191,414)	0	963,304	889,238	889,238	74,066
Fund Balance, June 30, 2020	\$ 1,024,811	\$ 0	\$ (69,075)	\$ 955,736	\$ 907,864	\$ 814,311	\$ 141,425

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

Exhibit C-7

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	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	\$ 722,438	\$ 0	\$ 0	\$ 722,438	\$ 720,470	\$ 721,200	\$ 1,238
Licenses and Permits	3,462	0	0	3,462	3,540	3,540	(78)
Charges for Current Services	10,478	0	0	10,478	15,065	15,065	(4,587)
Other Local Revenues	3,094	0	0	3,094	10,500	12,448	(9,354)
State of Tennessee	2,987,730	0	0	2,987,730	2,629,622	2,974,421	13,309
Other Governments and Citizens Groups	17,379	0	0	17,379	17,666	17,666	(287)
Total Revenues	\$ 3,744,581	\$ 0	\$ 0	\$ 3,744,581	\$ 3,396,863	\$ 3,744,340	\$ 241
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 444,377	\$ (235)	\$ 988	\$ 445,130	\$ 352,509	\$ 488,013	\$ 42,883
Highway and Bridge Maintenance	953,637	(53)	1,200	954,784	989,596	989,596	34,812
Operation and Maintenance of Equipment	259,339	(10,564)	21,760	270,535	399,690	354,690	84,155
Quarry Operations	249,125	(6,846)	5,946	248,225	397,074	294,074	45,849
Other Charges	202,839	(453)	1,367	203,753	248,907	239,907	36,154
Capital Outlay	1,561,039	0	407,997	1,969,036	1,734,730	2,042,345	73,309
<u>Principal on Debt</u>							
Highways and Streets	15,807	0	0	15,807	15,807	15,807	0
<u>Interest on Debt</u>							
Highways and Streets	3,315	0	0	3,315	3,315	3,315	0
Total Expenditures	\$ 3,689,478	\$ (18,151)	\$ 439,258	\$ 4,110,585	\$ 4,141,628	\$ 4,427,747	\$ 317,162
Excess (Deficiency) of Revenues Over Expenditures	\$ 55,103	\$ 18,151	\$ (439,258)	\$ (366,004)	\$ (744,765)	\$ (683,407)	\$ 317,403
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (53,803)	\$ 0	\$ 0	\$ (53,803)	\$ (53,803)	\$ (53,803)	\$ 0
Total Other Financing Sources	\$ (53,803)	\$ 0	\$ 0	\$ (53,803)	\$ (53,803)	\$ (53,803)	\$ 0

(Continued)

Exhibit C-7

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
Net Change in Fund Balance	\$ 1,300	\$ 18,151	\$ (439,258)	\$ (419,807)	\$ (798,568)	\$ (737,210)	\$ 317,403
Fund Balance, July 1, 2019	3,403,293	(18,151)	0	3,385,142	3,114,146	3,114,146	270,996
Fund Balance, June 30, 2020	<u>\$ 3,404,593</u>	<u>\$ 0</u>	<u>\$ (439,258)</u>	<u>\$ 2,965,335</u>	<u>\$ 2,315,578</u>	<u>\$ 2,376,936</u>	<u>\$ 588,399</u>

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

Exhibit D

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

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 1,550,528
Due from Other Governments	<u>780,435</u>
Total Assets	<u><u>\$ 2,330,963</u></u>
<u>LIABILITIES</u>	
Due to Other Taxing Units	\$ 780,435
Due to Litigants, Heirs, and Others	<u>1,550,528</u>
Total Liabilities	<u><u>\$ 2,330,963</u></u>

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Franklin 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 Franklin County:

A. Reporting Entity

Franklin County is a public municipal corporation governed by an elected 16-member board. As required by GAAP, these financial statements present Franklin County (the primary government) and its component units. The financial statements of the Franklin County Emergency Communications District, a component unit 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 Franklin County School Department operates the public school system in the county, and the voters of Franklin 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 Franklin County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Franklin County, and the Franklin 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 Franklin County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Franklin 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 Franklin County Emergency Communications District can be obtained from its administrative office at the following address:

Administrative Office:

Franklin County Emergency Communications District
305 Edgewater Drive
Winchester, TN 37398

Related Organization – The Franklin County Health and Educational Facilities Board is a related organization of Franklin County. The Franklin County Commission appoints the 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 the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. However, the primary government of Franklin County does not have any business-type activities to report. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The Franklin 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.

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund 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 Franklin County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. Franklin County has no proprietary funds to report.

Separate financial statements are provided for governmental funds and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. 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. Franklin County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are

recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

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

Fiduciary fund financial statements are reported using the economic resources measurement focus 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.

Franklin 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 relating to the disposal of Franklin County’s solid waste. Local taxes and general service charges are the foundational revenues of this fund.

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

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

Other Capital Projects Fund - The Other Capital Projects Fund is used to account for improvements, renovations, equipping of county buildings and facilities.

Additionally, Franklin County reports the following fund type:

Agency Funds – These funds account for amounts collected in an agency capacity by the constitutional officers and local sales taxes received from the state to be forwarded to the various cities in Franklin County, and assets held in a custodial capacity for the emergency communications district. 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 Franklin County School Department reports the following major governmental funds:

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

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

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

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

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

D. Assets, Liabilities, Deferred Outflow/Inflow of Resources, and Net Position/Fund Balance

1. Deposits and Investments

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

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented Franklin 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 Solid Waste/Sanitation and General Debt Service Funds. Franklin 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. Franklin County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value.

2. Receivables and Payables

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

All property taxes receivable are shown with an allowance for uncollectibles. The allowance for uncollectible property taxes is equal to 2.5 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.

Retainage payable in the primary government's Other Capital Projects Fund and the discretely presented school department's Education Capital Projects Fund represents amounts withheld from payments made on construction contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the respective funds.

3. **Prepaid Items**

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

4. **Restricted Assets**

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Franklin 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 Franklin County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Franklin County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

5. **Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 (land improvements \$25,000; buildings, improvements, and infrastructure \$50,000) or more and an estimated useful life exceeding three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	25 - 40
Other Capital Assets	5 - 20
Infrastructure:	
Roads	20
Bridges	40

6. Deferred Outflows/Inflows of Resources

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

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

recognized as an inflow of resources in the period that the amounts become available.

7. Compensated Absences

It is the policy of the general government (excluding the highway department) to permit its employees to accumulate the following hours of vacation leave based on length of employment:

<u>Years of Service</u>	<u>Hours</u>
One	40
Two through Eight	80
Nine and Over	120

It is the policy of the highway department to permit its employees to accumulate the following days of vacation leave based on length of employment:

<u>Years of Service</u>	<u>Days</u>
One	5
Two through Nine	10
Ten and Over	15

In the general government, earned but unused vacation leave will be paid to the employee upon retirement, resignation, or termination. On each employee's anniversary date, all accumulated unused vacation leave will be converted to sick leave. In the highway department, employees are required to take at least five days of vacation per fiscal year. Any accumulated unused vacation leave is paid to the employee on June 30 of each year. All vacation leave is accrued when incurred in the government-wide statements for the general county government. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded.

It is the policy of the discretely presented Franklin County School Department to permit its 11- and 12-month employees to accumulate up to a maximum of 30 days over a two-year period of earned but unused vacation leave, which will be paid upon retirement, resignation, or termination. Any accumulated unused vacation leave in excess of two years is forfeited. All vacation leave for 11- and 12-month employees is accrued when incurred in the government-wide statements for the school department. The policy of the school department does not allow their ten-month employees to accumulate vacation days beyond June 30. The granting of sick leave has no guaranteed payment attached and therefore is not required to be accrued or recorded. A liability for vacation leave is reported in governmental funds only if

amounts have matured, for example, as a result of employee resignations and retirements.

8. Long-term Debt and Long-term Obligations

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

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

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

9. Net Position and Fund Balance

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2020, Franklin County has \$49,795,000 in outstanding debt for capital purposes for the discretely presented Franklin County School Department. This debt is a liability of Franklin County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Franklin 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 Financial Management Committee to make assignments for the general government. The Board of Education makes assignments for the school department.

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

10. Minimum Fund Balance Policy

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

Primary Government

General Fund – 2.5 percent of current-year expenditures and transfers to other funds.

Courthouse and Jail Maintenance, Public Library, Solid Waste/Sanitation, Local Purpose Tax, and Highway/Public Works funds – five percent of current-year expenditures and transfers to other funds.

Debt Service Funds – the county will typically have at least one-half year of future principal and interest payments as fund balance.

Discretely Presented Franklin County School Department

Central Cafeteria Fund – five percent of current-year expenditures and transfers to other 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 Franklin County's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from Franklin 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 Franklin County School Department

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

F. Other Postemployment Benefit (OPEB) Plans

Primary Government

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

Discretely Presented Franklin 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 Franklin 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 Franklin County School Department

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

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

Primary Government

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

Discretely Presented Franklin County School Department

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

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

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

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

The county's budgetary basis of accounting is consistent with GAAP, except instances in which encumbrances are treated as budgeted expenditures. The difference between

the budgetary basis and GAAP basis is presented on the face of each budgetary schedule.

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

<u>Fund</u>	<u>Amount</u>
Primary Government:	
Major Funds:	
General	\$ 949,667
Solid Waste/Sanitation	69,075
Highway/Public Works	439,258
Nonmajor Funds:	
Public Library	6,178
Drug Control	4,639
School Department:	
Major Fund:	
General Purpose School	915,768
Nonmajor Fund:	
Central Cafeteria	116,499

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Deposits

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

agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

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

Investments

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

Investment Balances. As of June 30, 2020, Franklin 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 Franklin

County and the discretely presented Franklin County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity	Maturities	Amortized Cost
State Treasurer's Investment Pool	1 to 105 days	N/A	\$ 11,407,841

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

TCRS Stabilization Trust

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

Investment Balances. Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool’s underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of

participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares.

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

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

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

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

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

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the

measurement date. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

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

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

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

At June 30, 2020, the Franklin 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	\$ 42,177
Developed Market International Equity	N/A	N/A	19,046
Emerging Market International Equity	N/A	N/A	5,442
U.S. Fixed Income	N/A	N/A	27,211
Real Estate	N/A	N/A	13,605
Short-term Securities	N/A	N/A	1,361
NAV - Private Equity and Strategic Lending	N/A	N/A	27,211
Total			\$ 136,053

Investment by Fair Value Level	Fair Value Measurements Using				NAV
	Fair Value 6-30-20	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
U.S. Equity	\$ 42,177	\$ 42,177	\$ 0	\$ 0	0
Developed Market					
International Equity	19,046	19,046	0	0	0
Emerging Market					
International Equity	5,442	5,442	0	0	0
U.S. Fixed Income	27,211	0	27,211	0	0
Real Estate	13,605	0	0	13,605	0
Short-term Securities	1,361	0	1,361	0	0
Private Equity and Strategic Lending	27,211	0	0	0	27,211
Total	\$ 136,053	\$ 66,665	\$ 28,572	\$ 13,605	27,211

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 Franklin 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 Franklin 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. Franklin 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 Franklin 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	\$ 28,250,003	\$ 0	\$ 0	\$ 28,250,003
Construction in Progress	16,420,523	3,759,620	(4,662,864)	15,517,279
Total Capital Assets Not Depreciated	\$ 44,670,526	\$ 3,759,620	\$ (4,662,864)	\$ 43,767,282
Capital Assets Depreciated:				
Buildings and Improvements	\$ 20,653,485	\$ 8,987,043	\$ 0	\$ 29,640,528
Infrastructure	47,217,602	1,302,077	0	48,519,679
Other Capital Assets	13,962,321	2,707,909	(58,758)	16,611,472
Total Capital Assets Depreciated	\$ 81,833,408	\$ 12,997,029	\$ (58,758)	\$ 94,771,679
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 8,927,541	\$ 451,055	\$ 0	\$ 9,378,596
Infrastructure	33,949,205	978,287	0	34,927,492
Other Capital Assets	8,463,721	860,822	(53,601)	9,270,942
Total Accumulated Depreciation	\$ 51,340,467	\$ 2,290,164	\$ (53,601)	\$ 53,577,030
Total Capital Assets Depreciated, Net	\$ 30,492,941	\$ 10,706,865	\$ (5,157)	\$ 41,194,649
Governmental Activities Capital Assets, Net	\$ 75,163,467	\$ 14,466,485	\$ (4,668,021)	\$ 84,961,931

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

Governmental Activities:

General Government	\$	243,709
Finance		25,287
Administration of Justice		8,112
Public Safety		471,138
Public Health and Welfare		221,027
Social, Cultural, and Recreational Services		29,077
Agriculture and Natural Resources		9,862
Highways/Public Works		<u>1,281,952</u>
Total Depreciation Expense - Governmental Activities	\$	<u><u>2,290,164</u></u>

Discretely Presented Franklin County School Department

Governmental Activities:

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 5,469,959	\$ 0	\$ 0	\$ 5,469,959
Construction in Progress	2,594,105	37,880,511	(93,200)	<u>40,381,416</u>
Total Capital Assets Not Depreciated	<u>\$ 8,064,064</u>	<u>\$ 37,880,511</u>	<u>\$ (93,200)</u>	<u>\$ 45,851,375</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 60,409,102	\$ 252,024	\$ (3,823,238)	\$ 56,837,888
Other Capital Assets	9,948,833	275,441	(1,903,206)	<u>8,321,068</u>
Total Capital Assets Depreciated	<u>\$ 70,357,935</u>	<u>\$ 527,465</u>	<u>\$ (5,726,444)</u>	<u>\$ 65,158,956</u>
Less Accumulated Depreciated For:				
Buildings and Improvements	\$ 31,425,611	\$ 1,309,523	\$ (3,735,985)	\$ 28,999,149
Other Capital Assets	6,903,532	369,577	(1,673,881)	<u>5,599,228</u>
Total Accumulated Depreciation	<u>\$ 38,329,143</u>	<u>\$ 1,679,100</u>	<u>\$ (5,409,866)</u>	<u>\$ 34,598,377</u>
Total Capital Assets Depreciated, Net	<u>\$ 32,028,792</u>	<u>\$ (1,151,635)</u>	<u>\$ (316,578)</u>	<u>\$ 30,560,579</u>
Governmental Activities Capital Assets, Net	<u>\$ 40,092,856</u>	<u>\$ 36,728,876</u>	<u>\$ (409,778)</u>	<u>\$ 76,411,954</u>

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

Governmental Activities:

Instruction	\$ 1,278,640
Support Services	318,051
Operation of Non-instructional Services	<u>82,409</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 1,679,100</u></u>

C. Construction Commitments

Primary Government

At June 30, 2020, the county had uncompleted construction contracts of approximately \$824,596 for a jail expansion project. Funding has been received for these future expenditures.

Discretely Presented Franklin County School Department

At June 30, 2020, the discretely presented Franklin County School Department had uncompleted construction contracts of approximately \$4,141,247 for construction and renovation projects at two middle schools. Funding has been received for these future expenditures.

D. Interfund Receivables, Payables, and Transfers

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

Due to/from Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Primary Government:		
General	Solid Waste/Sanitation	\$ 3,974
"	Nonmajor governmental	3,555
Highway/Public Works	General	4,519

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

Receivables in the General Fund totaling \$828 were in transit from the Solid Waste/Sanitation Fund (\$806) and the Public Library Fund (\$22) at June 30, 2020.

Interfund Transfers:

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

Primary Government

Transfers Out	Transfers In		Purpose
	General Fund	General Debt Service	
Solid Waste/Sanitation	\$ 48,803	\$ 0	Reimbursement
Highway/Public Works	53,803	0	"
Nonmajor governmental funds	3,000	0	"
"	0	170,000	Debt Payment
"	0	3,556,415	Close Fund
Total	\$ 105,606	\$ 3,726,415	

Discretely Presented Franklin County School Department

Transfer Out	Transfer In		Purpose
	Nonmajor Governmental Fund		
General Purpose School Fund	\$ 100,000		One-time transfer for cash flow

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

E. Capital Lease

On October 1, 2010, Franklin County entered into a ten-year lease-purchase agreement for the school department for an energy efficient lighting system for some school buildings. The terms of the original agreement required total lease payments of \$581,879 plus interest of five percent. Title to the energy efficient lighting system transfers to the school department at the end of the lease period. The General Purpose School Fund contributed the lease payments through the General Debt Service Fund. The lease was retired during the year.

F. Long-term Debt

Primary Government

General Obligation Bonds and Notes

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

Direct Borrowing and Direct Placements – Franklin County issues capital outlay notes to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes outstanding were issued for original terms of up to 12 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes included in long-term debt as of June 30, 2020, will be retired from the General Debt Service and Highway/Public Works funds.

General obligation bonds and notes 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 to 5 %	5-1-44	\$ 62,425,000	\$ 61,075,000
General Obligation Bonds - Refunding	1.23 to 5	6-1-38	22,850,000	5,380,000
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	2.23 to 4.875	6-1-31	6,449,666	2,991,883

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 3,565,000	\$ 2,396,350	\$ 5,961,350
2022	2,995,000	2,248,525	5,243,525
2023	3,120,000	2,098,775	5,218,775
2024	2,730,000	1,985,075	4,715,075
2025	2,570,000	1,891,775	4,461,775
2026-2030	14,735,000	7,576,425	22,311,425
2031-2035	13,835,000	4,875,478	18,710,478
2036-2040	12,025,000	3,003,515	15,028,515
2041-2044	10,880,000	933,187	11,813,187
Total	\$ 66,455,000	\$ 27,009,105	\$ 93,464,105

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 737,761	\$ 84,259	\$ 822,020
2022	675,890	63,596	739,486
2023	173,232	46,597	219,829
2024	160,000	41,167	201,167
2025	160,000	36,479	196,479
2026-2030	890,000	108,702	998,702
2031	195,000	5,714	200,714
Total	\$ 2,991,883	\$ 386,514	\$ 3,378,397

There is \$4,323,268 available in the General Debt Service to service long-term debt. Bonded debt per capita totaled \$1,619, based on the 2010 federal census. Total debt per capita, including bonds, notes, and unamortized debt premiums, totaled \$1,773, based on the 2010 federal census.

Changes in Long-term Debt

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

Governmental Activities:

	Bonds	Notes - Direct Placement	Capital Leases - Direct Placement
Balance, July 1, 2019	\$ 69,810,000	\$ 1,725,994	\$ 71,225
Additions	0	2,000,000	0
Reductions	(3,355,000)	(734,111)	(71,225)
Balance, June 30, 2020	<u>\$ 66,455,000</u>	<u>\$ 2,991,883</u>	<u>\$ 0</u>
Balance Due Within One Year	<u>\$ 3,565,000</u>	<u>\$ 737,761</u>	<u>\$ 0</u>

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 69,446,883
Less: Balance Due Within One Year - Debt	(4,302,761)
Add: Unamortized Premium on Debt	<u>3,347,274</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 68,491,396</u>

G. Long-term Obligations

Changes in Long-term Obligations

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

Governmental Activities:

	Landfill Postclosure Care Costs	Other Postemployment Benefits	Compensated Absences
Balance, July 1, 2019	\$ 306,258	\$ 1,196,110	\$ 741,979
Additions	5,387	426,996	638,475
Reductions	(6,952)	(23,695)	(611,873)
Balance, June 30, 2020	<u>\$ 304,693</u>	<u>\$ 1,599,411</u>	<u>\$ 768,581</u>
Balance Due Within One Year	<u>\$ 22,350</u>	<u>\$ 0</u>	<u>\$ 768,581</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 2,672,685
Less: Balance Due Within One Year - Other	<u>(790,931)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 1,881,754</u>

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

Discretely Presented Franklin County School Department

Changes in Long-term Obligations

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

Governmental Activities:

	<u>Compensated Absences</u>	<u>Other Post-employment Benefits</u>
Balance, July 1, 2019	\$ 182,321	\$ 8,447,305
Additions	154,207	704,525
Reductions	<u>(129,344)</u>	<u>(2,002,742)</u>
Balance, June 30, 2020	<u>\$ 207,184</u>	<u>\$ 7,149,088</u>
Balance Due Within One Year	<u>\$ 0</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 7,356,272
Less: Balance Due Within One Year - Other	<u>0</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 7,356,272</u>

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

H. On-Behalf Payments

Discretely Presented Franklin County School Department

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Franklin County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are 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 and the Medicare Supplement Plan for the year ended June 30, 2020, were \$104,632 and \$65,393, respectively. 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

Franklin County and the discretely presented Franklin County School Department participate 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 county and the school department pay annual premiums to the TN-RMT for their general liability, property, and casualty coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

The county carries commercial insurance for risks of loss relating to workers' compensation. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The county does not insure against environmental claims or losses.

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

The school department's risks of loss relating to workers' compensation are covered by participation in a public entity risk pool. The school department is a member of 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 annual premiums to the TN-RMT for its workers' compensation coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

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

B. Contingent Liabilities

The county is involved in several pending lawsuits. Attorneys for the county and officials with the school department estimate 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. Change in Administration

John Woodall left the Office of Superintendent of Highways on January 2, 2020, and was succeeded by Luke McCurry.

D. Landfill Postclosure Care Costs

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

State and federal laws and regulations require the county to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Franklin County closed its sanitary landfill in 1995. The \$304,693 reported as landfill postclosure care liability at June 30, 2020, represents amounts based on what it would cost to perform all postclosure care in 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

E. Joint Ventures

The Interlocal Solid Waste Authority is jointly operated by the counties of Bedford, Franklin, Lincoln, and Moore and the municipalities of Tullahoma and Fayetteville for the purpose of developing a solid waste regional plan. Since inception, the municipalities of Shelbyville, Ardmore, Elkton, Petersburg, Pulaski, and Minor Hill have been admitted as “participants.” The authority’s board was appointed by each participating county commission or city council for varying terms of office. Franklin County made no contributions to the authority for the year ended June 30, 2020.

The Twelfth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twelfth Judicial District; Bledsoe, Franklin, Grundy, Marion, Rhea, and Sequatchie 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 the participating law enforcement agencies within the judicial district. Franklin County made no contributions to the DTF for the year ended June 30, 2020.

Franklin County does not have equity interests in any of the above-noted joint ventures. Complete financial statements for the Interlocal Solid Waste Authority and the Twelfth Judicial District Drug Task Force can be obtained from their administrative offices at the following addresses:

Administrative Offices:

Interlocal Solid Waste Authority
487 Joyce Lane
Winchester, TN 37398

Office of District Attorney General
Twelfth Judicial District Drug Task Force
375 Church Street, Suite 300
Dayton, TN 37321

F. Retirement Commitments

1. Tennessee Consolidated Retirement System (TCRS)

Primary Government

General Information About the Pension Plan

Plan Description. Employees of Franklin County and non-certified employees of the discretely presented Franklin County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 58.58 percent, the non-certified employees of the discretely presented school department comprise 41.42 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 www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies.

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

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

leaves employment may withdraw their employee contributions plus any accumulated interest.

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	362
Inactive Employees Entitled to But Not Yet Receiving Benefits	400
Active Employees	<u>522</u>
Total	<u><u>1,284</u></u>

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are non-contributory. Franklin 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 contributions for Franklin County was \$1,918,812 based on a rate of 12 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Franklin 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)

Franklin 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 Franklin County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2018	\$ 48,458,021	\$ 50,466,143	\$ (2,008,122)
Changes for the Year:			
Service Cost	\$ 1,171,754	\$ 0	\$ 1,171,754
Interest	3,530,549	0	3,530,549
Differences Between Expected and Actual Experience	(119,369)	0	(119,369)
Contributions-Employer	0	2,169,331	(2,169,331)
Net Investment Income	0	3,767,338	(3,767,338)
Benefit Payments, Including Refunds of Employee Contributions	(1,865,085)	(1,865,085)	0
Administrative Expense	0	(45,150)	45,150
Net Changes	\$ 2,717,849	\$ 4,026,434	\$ (1,308,585)
Balance, June 30, 2019	\$ 51,175,870	\$ 54,492,577	\$ (3,316,707)

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

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	58.58%	\$ 29,978,825	\$ 31,921,752	\$ (1,942,927)
School Department	41.42%	21,197,045	22,570,825	(1,373,780)
Total		\$ 51,175,870	\$ 54,492,577	\$ (3,316,707)

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

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

Net Pension Liability (Asset) \$ 3,227,134 \$ (3,316,707) \$ (8,796,526)

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

Pension Expense. For the year ended June 30, 2020, Franklin County recognized pension expense of \$1,441,449.

Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, Franklin 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	\$ 194,137	\$ 165,978
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	618,257
Changes in Assumptions	461,267	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	1,918,812	N/A
Total	\$ 2,574,216	\$ 784,235

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 1,537,683	\$ 459,405
School Department	1,036,533	324,830
Total	<u>\$ 2,574,216</u>	<u>\$ 784,235</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	\$ 166,313
2022	(150,352)
2023	(101,083)
2024	(43,704)
2025	0
Thereafter	0

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

Discretely Presented Franklin County School Department

Non-certified Employees

General Information About the Pension Plan

Plan Description. As noted above under the primary government, employees of Franklin County and non-certified employees of the discretely presented Franklin County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 58.58 percent and the non-certified employees of the discretely presented school department comprise 41.42 percent of the plan based on contribution data.

Certified Employees

Teacher Retirement Plan

General Information About the Pension Plan

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

Benefits Provided. TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher

Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2020, to the Teacher Retirement Plan were \$69,101, which is 2.04 percent of covered payroll. In addition, employer contributions of \$66,856, 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 (\$163,280) 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 .289254 percent. The proportion as of June 30, 2018, was .289917 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$51,763.

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	\$ 6,770	\$ 28,504
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	6,903
Changes in Assumptions	5,673	0
Changes in Proportion of Net Pension Liability (Asset)	6,659	665
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	69,101	N/A
Total	<u>\$ 88,203</u>	<u>\$ 36,072</u>

The school department's employer contributions of \$69,101, 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	\$ (2,941)
2022	(3,997)
2023	(2,061)
2024	(1,074)
2025	(792)
Thereafter	(6,105)

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

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

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

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

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

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

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

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

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

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

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

Net Pension Liability (Asset) \$ 51,733 \$ (163,280) \$ (322,215)

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

Teacher Legacy Pension Plan

General Information About the Pension Plan

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

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

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

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Franklin County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$1,977,739, 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 (\$5,833,229) 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 .567335 percent. The proportion measured at June 30, 2018, was .548560 percent.

Pension Expense. For the year ended June 30, 2020, the school department recognized pension expense of \$764,798.

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	\$ 284,005	\$ 3,563,052
Changes in Assumptions	786,058	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,666,666
Changes in Proportion Net Pension Liability (Asset)	64,916	43,937
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	<u>1,977,739</u>	N/A
Total	<u>\$ 3,112,718</u>	<u>\$ 5,273,655</u>

The school department's employer contributions of \$1,977,739 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	\$ (1,203,881)
2022	(1,638,032)
2023	(740,469)
2024	(556,293)
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 Developed Market	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income	5.79	20
Real Estate	2.01	20
Short-term Securities	4.32	10
	0.00	1
Total		100 %

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

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

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

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

Net Pension Liability (Asset) \$ 11,927,268 \$ (5,833,229) \$ (19,961,212)

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

2. Deferred Compensation

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$171,414 and teachers contributed \$76,454 to this deferred compensation pension plan.

G. Other Postemployment Benefits (OPEB)

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

OPEB Provided through State Administered Public Entity Risk Pools

Primary Government

Retirees of Franklin County and the Franklin County Highway Department (Hwy) are provided healthcare under separate Local Government Plans (LGPs) until they reach Medicare eligibility. The primary government's LGPs are combined for presentation purposes.

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

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

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

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

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

Closed Local Government OPEB Plan (Primary Government)

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

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

Employees Covered by Benefit Terms

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

	Franklin County	Hwy Dept	Total
Inactive Employees or Beneficiaries			
Currently Receiving Benefits	3	0	3
Employees Entitled To But Not Yet Receiving Benefits	0	0	0
Active Employees	191	22	213
Total	194	22	216

An insurance committee, created in accordance with TCA 8-27-701, establishes the required payments to the LGP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. For the fiscal year ended June 30, 2020, the county paid \$26,994 (Franklin County - \$21,641, Highway Dept - \$5,353) to the LGP for OPEB benefits as they came due.

Changes in the Total OPEB Liability

	Franklin County	Hwy Dept	Total OPEB Liability
Balance July 1, 2018	\$ 1,005,165	\$ 190,945	\$ 1,196,110
Changes for the Year:			
Service Cost	\$ 74,409	\$ 12,095	\$ 86,504
Interest	38,712	7,293	46,005
Difference between Expected and Actuarial Experience	275,038	(19,534)	255,504
Changes in Assumption and Other Inputs	38,893	90	38,983
Benefit Payments	(20,541)	(3,154)	(23,695)
Net Changes	\$ 406,511	\$ (3,210)	\$ 403,301
Balance June 30, 2019	\$ 1,411,676	\$ 187,735	\$ 1,599,411

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the county recognized OPEB expense of \$122,598 (Franklin County - \$122,020, Highway Dept - \$578). At June 30, 2020, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience (DO - Franklin County \$237,618; DI - County \$50,690, Hwy \$56,523)	\$ 237,618	\$ 107,213
Changes of Assumptions/Inputs (DO - County \$33,601, Hwy \$76; DI - County \$184,027, Hwy \$59,292)	33,677	243,319
Net Difference Between Projected and Benefits paid after the measurement date of June 30, 2019 (DO - County \$21,641, Hwy \$5,353)	<u>26,994</u>	<u>0</u>
Total	<u>\$ 298,289</u>	<u>\$ 350,532</u>

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

Year Ending June 30	County	Hwy	Total Amount
2021	\$ 8,899	\$ (18,810)	\$ (9,911)
2022	8,899	(18,810)	(9,911)
2023	8,899	(18,810)	(9,911)
2024	8,899	(18,810)	(9,911)
2025	8,899	(17,749)	(8,850)
Thereafter	(7,993)	(22,750)	(30,743)

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

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

<u>Discount Rate</u>	Current		
	1%	Discount	1%
	Decrease	Rate	Increase
	2.51%	3.51%	4.51%
County	\$ 1,538,388	\$ 1,411,676	\$ 1,295,006
Hwy	201,258	187,735	174,945
Total OPEB Liability	<u>\$ 1,739,646</u>	<u>\$ 1,599,411</u>	<u>\$ 1,469,951</u>

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

<u>Healthcare Cost Trend Rate</u>	Current		
	1%	Trend	1%
	Decrease	Rate	Increase
	5.03 to 3.5%	6.03 to 4.5%	7.03 to 5.5%
County	\$ 1,254,379	\$ 1,411,676	\$ 1,598,112
Hwy	168,482	187,735	210,474
Total OPEB Liability	<u>\$ 1,422,861</u>	<u>\$ 1,599,411</u>	<u>\$ 1,808,586</u>

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

Plan Description. Employees of the Franklin County School Department who were hired prior to July 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 Franklin 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 Section 8-27-301, TCA, establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO),

standard PPO, limited PPO or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The Franklin County School Department does not provide a direct subsidy and is only subject to the implicit subsidy. 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 for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

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

	<u>School Department</u>
Inactive Employees or Beneficiaries	
Currently Receiving Benefits	29
Employees Entitled To But Not Yet Receiving Benefits	0
Active Employees	
Active Employees	<u>529</u>
Total	<u><u>558</u></u>

A state insurance committee, created in accordance with Section 8-27-301, TCA, 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 \$302,269 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	<u>Share of Collective Liability</u>		
	Franklin County School Department 70.44%	State of TN 29.56%	Total OPEB Liability
Balance July 1, 2018	\$ 8,447,305	\$ 2,605,457	\$ 11,052,762
Changes for the Year:			
Service Cost	413,099	173,393	586,492
Interest	291,426	122,322	413,748
Difference Between Expected and Actuarial Experience	(524,304)	(220,070)	(744,374)
Changes in Assumption and Other Inputs	(518,100)	(217,466)	(735,566)
Changes in Proportion	(662,226)	662,226	0
Benefit Payments	(298,112)	(125,129)	(423,241)
Net Changes	\$ (1,298,217)	\$ 395,276	\$ (902,941)
Balance June 30, 2019	\$ 7,149,088	\$ 3,000,733	\$ 10,149,821

The Franklin 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 Franklin 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 \$267,409 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Franklin County School Department's proportionate share of the collective OPEB liability was 70.44 percent and the State of Tennessee's share was 29.56 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the school department recognized OPEB expense of \$625,973, including the state's share of the expense. At June 30, 2020, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 0	\$ 1,338,444
Changes of Assumptions/Inputs	151,423	716,988
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	41,090	649,549
Benefits Paid After the Measurement Date of June 30, 2019	302,269	0
Total	<u>\$ 494,782</u>	<u>\$ 2,704,981</u>

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

Year Ending June 30	School Department
2021	\$ (345,961)
2022	(345,961)
2023	(345,961)
2024	(345,961)
2025	(345,961)
Thereafter	(782,663)

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

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

<u>Discount Rate</u>	1% Decrease 2.51%	Current Discount Rate 3.51%	1% Increase 4.51%
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Proportionate Share of the Collective Total OPEB Liability	\$ 7,689,776	\$ 7,149,088	\$ 6,633,861
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Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1% Decrease 5.03 to 3.5%	Current Rate 6.03 to 4.5%	1% Increase 7.03 to 5.5%
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Proportionate Share of the Collective Total OPEB Liability	\$ 6,364,707	\$ 7,149,088	\$ 8,070,808
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H. Office of Central Accounting, Budgeting, and Purchasing

Franklin County operates under the provisions of the County Financial Management System of 1981. This act provides for a central system of accounting, budgeting, and purchasing for all county departments. The act also provides for the creation of a finance department operated under the direction of the finance director.

I. Purchasing Law

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by her to serve as the county purchasing agent. The finance director serves as the purchasing agent for Franklin County. All purchase orders are issued by the finance department. Purchases exceeding \$25,000 for the Office of County Mayor, the Office of the Highway Superintendent and the discretely presented school department are required to be competitively bid.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Exhibit E-1

Franklin 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	\$ 934,637	\$ 986,760	\$ 1,016,893	\$ 1,063,243	\$ 1,169,906	\$ 1,171,754
Interest	2,724,212	2,849,313	2,978,769	3,137,383	3,320,351	3,530,549
Differences Between Actual and Expected Experience	(714,099)	(717,567)	(352,407)	184,310	200,689	(119,369)
Changes in Assumptions	0	0	0	1,153,166	0	0
Benefit Payments, Including Refunds of Employee Contributions	(1,326,831)	(1,330,894)	(1,514,230)	(1,635,261)	(1,721,930)	(1,865,085)
Net Change in Total Pension Liability	\$ 1,617,919	\$ 1,787,612	\$ 2,129,025	\$ 3,902,841	\$ 2,969,016	\$ 2,717,849
Total Pension Liability, Beginning	36,051,608	37,669,527	39,457,139	41,586,164	45,489,005	48,458,021
Total Pension Liability, Ending (a)	\$ 37,669,527	\$ 39,457,139	\$ 41,586,164	\$ 45,489,005	\$ 48,458,021	\$ 51,175,870
Plan Fiduciary Net Position						
Contributions - Employer	\$ 1,756,198	\$ 1,782,002	\$ 1,863,363	\$ 2,074,079	\$ 2,178,287	\$ 2,169,331
Net Investment Income	5,394,799	1,180,304	1,057,642	4,683,164	3,852,371	3,767,338
Benefit Payments, Including Refunds of Employee Contributions	(1,326,831)	(1,330,894)	(1,514,230)	(1,635,261)	(1,721,930)	(1,865,085)
Administrative Expense	(19,389)	(25,333)	(38,726)	(43,759)	(50,435)	(45,150)
Other	0	0	0	5,163	0	0
Net Change in Plan Fiduciary Net Position	\$ 5,804,777	\$ 1,606,079	\$ 1,368,049	\$ 5,083,386	\$ 4,258,293	\$ 4,026,434
Plan Fiduciary Net Position, Beginning	32,345,559	38,150,336	39,756,415	41,124,464	46,207,850	50,466,143
Plan Fiduciary Net Position, Ending (b)	\$ 38,150,336	\$ 39,756,415	\$ 41,124,464	\$ 46,207,850	\$ 50,466,143	\$ 54,492,577
Net Pension Liability (Asset), Ending (a - b)	\$ (480,809)	\$ (299,276)	\$ 461,700	\$ (718,845)	\$ (2,008,122)	\$ (3,316,707)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	101.28%	100.76%	98.89%	101.58%	104.14%	106.48%
Covered Payroll	\$ 13,284,415	\$ 13,520,502	\$ 14,184,250	\$ 14,814,839	\$ 15,559,190	\$ 15,495,212
Net Pension Liability (Asset) as a Percentage of Covered Payroll	(3.62)%	(2.21)%	3.26%	(4.85)%	(12.91)%	(21.40)%

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

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

Exhibit E-2

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

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 1,756,198	\$ 1,782,002	\$ 1,863,363	\$ 2,074,079	\$ 2,178,287	\$ 2,167,781	\$ 1,918,812
Less Contributions in Relation to the Actuarially Determined Contribution	(1,756,198)	(1,782,002)	(1,863,363)	(2,074,079)	(2,178,287)	(2,169,331)	(1,918,812)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,550)	\$ 0
Covered Payroll	\$ 13,284,415	\$ 13,520,502	\$ 14,184,250	\$ 14,814,839	\$ 15,559,190	\$ 15,495,212	\$ 15,990,011
Contributions as a Percentage of Covered Payroll	13.22%	13.18%	13.14%	14.00%	14.00%	14.00%	12.00%

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

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

Exhibit E-3

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

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 25,890	\$ 59,257	\$ 80,206	\$ 101,341	\$ 59,381	\$ 69,101
Less Contributions in Relation to the Contractually Required Contribution	(25,890)	(59,257)	(80,206)	(101,341)	(59,381)	(69,101)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 647,261	\$ 1,481,438	\$ 2,005,148	\$ 2,533,521	\$ 3,060,894	\$ 3,390,513
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.04%

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

Exhibit E-4

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

	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 1,861,081	\$ 1,779,184	\$ 1,758,044	\$ 1,751,126	\$ 1,744,158	\$ 1,989,865	\$ 1,977,739
Less Contributions in Relation to the Contractually Required Contribution	(1,861,081)	(1,779,184)	(1,758,044)	(1,751,126)	(1,744,158)	(1,989,865)	(1,977,739)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 20,958,110	\$ 19,681,280	\$ 19,447,359	\$ 19,370,899	\$ 19,208,753	\$ 19,023,543	\$ 18,606,645
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%

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

Exhibit E-5

Franklin County, Tennessee
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Retirement Plan of TCRS
Discretely Presented Franklin 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)	0.533966%	0.305093%	0.336686%	0.305505%	0.289917%	0.289254%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ 86,767	\$ (12,532)	\$ (35,050)	\$ (80,604)	\$ (131,485)	\$ (163,280)
Covered Payroll	\$ 20,958,110	\$ 647,261	\$ 1,481,438	\$ 2,005,148	\$ 2,533,521	\$ 3,060,894
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0.41%	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	127.46%	121.88%	126.81%	126.97%	123.07%

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

Exhibit E-6

Franklin County, Tennessee
Schedule of Proportionate Share of the Net Pension Asset
in the Teacher Legacy Pension Plan of TCRS
Discretely Presented Franklin 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)	0.533966%	0.525744%	0.538739%	0.547981%	0.548560%	0.567335%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (86,767)	\$ 215,363	\$ 3,366,820	\$ (179,290)	\$ (1,930,336)	\$ (5,833,229)
Covered Payroll	\$ 20,958,110	\$ 19,681,280	\$ 19,447,359	\$ 19,370,899	\$ 19,208,753	\$ 19,023,543
School Department's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%	(30.66)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%

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

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

Franklin County Plan

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 67,834	\$ 62,479	\$ 74,409
Interest	35,144	42,025	38,712
Changes in Benefit Terms	0	58,327	0
Differences Between Actual and Expected Experience	0	(64,968)	275,038
Changes in Assumptions or Other Inputs	(62,243)	(181,825)	38,893
Benefit Payments	(59,139)	(57,757)	(20,541)
Net Change in Total OPEB Liability	\$ (18,404)	\$ (141,719)	\$ 406,511
Total OPEB Liability, Beginning	1,165,288	1,146,884	1,005,165
Total OPEB Liability, Ending	\$ 1,146,884	\$ 1,005,165	\$ 1,411,676
Covered Employee Payroll	\$ 8,053,146	\$ 8,156,420	\$ 8,675,185
Net OPEB Liability as a Percentage of Covered Employee Payroll	14.24%	12.32%	16.27%

Highway Department Plan

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 15,922	\$ 14,627	\$ 12,095
Interest	8,505	10,669	7,293
Changes in Benefit Terms	0	1,916	0
Differences Between Actual and Expected Experience	0	(52,271)	(19,534)
Changes in Assumptions or Other Inputs	(13,043)	(67,396)	90
Benefit Payments	0	(3,333)	(3,154)
Net Change in Total OPEB Liability	\$ 11,384	\$ (95,788)	\$ (3,210)
Total OPEB Liability, Beginning	275,349	286,733	190,945
Total OPEB Liability, Ending	\$ 286,733	\$ 190,945	\$ 187,735
Covered Employee Payroll	\$ 857,370	\$ 920,666	\$ 939,354
Net OPEB Liability as a Percentage of Covered Employee Payroll	33.44%	20.74%	19.99%

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.

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

	2017	2018	2019
Total OPEB Liability			
Service Cost	\$ 690,876	\$ 639,011	\$ 586,492
Interest	357,976	439,661	413,748
Changes in Benefit Terms	0	(224,851)	0
Differences Between Actual and Expected Experience	0	(1,580,961)	(744,374)
Changes in Assumptions or Other Inputs	(546,251)	273,083	(735,566)
Benefit Payments	(311,888)	(408,418)	(423,241)
Net Change in Total OPEB Liability	\$ 190,713	\$ (862,475)	\$ (902,941)
Total OPEB Liability, Beginning	11,724,524	11,915,237	11,052,762
Total OPEB Liability, Ending	<u>\$ 11,915,237</u>	<u>\$ 11,052,762</u>	<u>\$ 10,149,821</u>
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 2,865,436	\$ 2,605,457	\$ 3,000,733
Employer Proportionate Share of the Total OPEB Liability	9,049,801	8,447,305	7,149,088
Covered Employee Payroll	\$ 25,921,354	\$ 28,502,562	\$ 28,372,631
Net OPEB Liability as a Percentage of Covered Employee Payroll	34.91%	29.64%	25.20%

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.

FRANKLIN 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 the inflation rate from 3.0 percent to 2.5 percent; decreased the investment rate from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased the salary growth rate graded ranges from an average of 4.25 percent to 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.

Courthouse and Jail Maintenance Fund – The Courthouse and Jail Maintenance Fund is used to account for a special tax levied by private act on litigation.

Public Library Fund – The Public Library Fund is used to account for transactions for the Franklin County Public Library.

Local Purpose Tax Fund – The Local Purpose Tax Fund is used to account for a special property tax levied to provide funding for rural fire protection.

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

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

Debt Service Funds

Education Debt Service Fund – The Education Debt Service Fund is used to account for the retirement of bonds, other loans, and most notes issued for the construction and renovations of the county's schools. This fund was closed during the year.

Exhibit F-1

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

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Public Library	Local Purpose Tax	Drug Control	Constitu - tional Officers - Fees	Nonmajor Governmental Funds
<u>ASSETS</u>						
Cash	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,102	\$ 3,102
Equity in Pooled Cash and Investments	33,832	220,001	687,917	169,343	0	1,111,093
Accounts Receivable	0	641	21,777	0	431	22,849
Due from Other Governments	0	102	9,772	0	0	9,874
Property Taxes Receivable	0	317,195	415,251	0	0	732,446
Allowance for Uncollectible Property Taxes	0	(9,262)	(12,972)	0	0	(22,234)
Total Assets	\$ 33,832	\$ 528,677	\$ 1,121,745	\$ 169,343	\$ 3,533	\$ 1,857,130
<u>LIABILITIES</u>						
Accounts Payable	\$ 0	\$ 119	\$ 0	\$ 228	\$ 0	\$ 347
Accrued Payroll	0	4,478	0	0	0	4,478
Payroll Deductions Payable	0	780	0	0	0	780
Due to Other Funds	0	0	0	0	3,533	3,533
Due to State of Tennessee	0	3	0	0	0	3
Due to Litigants, Heirs, and Others	0	0	0	15,351	0	15,351
Total Liabilities	\$ 0	\$ 5,380	\$ 0	\$ 15,579	\$ 3,533	\$ 24,492
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Current Property Taxes	\$ 0	\$ 296,586	\$ 380,209	\$ 0	\$ 0	\$ 676,795
Deferred Delinquent Property Taxes	0	9,391	18,265	0	0	27,656
Total Deferred Inflows of Resources	\$ 0	\$ 305,977	\$ 398,474	\$ 0	\$ 0	\$ 704,451

(Continued)

Exhibit F-1

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

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Courthouse and Jail Maintenance	Public Library	Local Purpose Tax	Drug Control	Constitu - tional Officers - Fees	
<u>FUND BALANCES</u>						
Restricted:						
Restricted for Public Safety	\$ 0	\$ 0	\$ 339,323	\$ 153,764	\$ 0	\$ 493,087
Restricted for Social, Cultural, and Recreational Services	0	193,415	0	0	0	193,415
Restricted for Debt Service	33,832	0	0	0	0	33,832
Committed:						
Committed for Social, Cultural, and Recreational Services	0	23,905	0	0	0	23,905
Assigned:						
Assigned for Public Safety	0	0	383,948	0	0	383,948
Total Fund Balances	<u>\$ 33,832</u>	<u>\$ 217,320</u>	<u>\$ 723,271</u>	<u>\$ 153,764</u>	<u>\$ 0</u>	<u>\$ 1,128,187</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 33,832</u>	<u>\$ 528,677</u>	<u>\$ 1,121,745</u>	<u>\$ 169,343</u>	<u>\$ 3,533</u>	<u>\$ 1,857,130</u>

Exhibit F-2

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

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Public Library	Local Purpose Tax	Drug Control	Constitu - tional Officers - Fees	
<u>Revenues</u>						
Local Taxes	\$ 165,250	\$ 400,602	\$ 713,968	\$ 0	\$ 0	\$ 1,279,820
Licenses and Permits	0	1,989	24,067	0	0	26,056
Fines, Forfeitures, and Penalties	0	0	0	91,252	0	91,252
Charges for Current Services	0	10,848	0	2,650	280	13,778
Other Local Revenues	0	1,829	0	89,230	0	91,059
Federal Government	0	1,585	0	2,447	0	4,032
Other Governments and Citizens Groups	0	30,794	0	0	0	30,794
Total Revenues	\$ 165,250	\$ 447,647	\$ 738,035	\$ 185,579	\$ 280	\$ 1,536,791
<u>Expenditures</u>						
Current:						
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 111	\$ 111
Public Safety	0	0	668,626	74,899	169	743,694
Social, Cultural, and Recreational Services	0	373,149	0	0	0	373,149
Other Operations	1,659	39,811	0	576	0	42,046
Capital Projects	0	2,000	0	0	0	2,000
Total Expenditures	\$ 1,659	\$ 414,960	\$ 668,626	\$ 75,475	\$ 280	\$ 1,161,000
Excess (Deficiency) of Revenues						
Over Expenditures	\$ 163,591	\$ 32,687	\$ 69,409	\$ 110,104	\$ 0	\$ 375,791
<u>Other Financing Sources (Uses)</u>						
Transfers Out	\$ (170,000)	\$ (3,000)	\$ 0	\$ 0	\$ 0	\$ (173,000)
Total Other Financing Sources (Uses)	\$ (170,000)	\$ (3,000)	\$ 0	\$ 0	\$ 0	\$ (173,000)

(Continued)

Exhibit F-2

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

	Special Revenue Funds					Total
	Courthouse and Jail Maintenance	Public Library	Local Purpose Tax	Drug Control	Constitu - tional Officers - Fees	
Net Change in Fund Balances	\$ (6,409)	\$ 29,687	\$ 69,409	\$ 110,104	\$ 0	\$ 202,791
Fund Balance, July 1, 2019	40,241	187,633	653,862	43,660	0	925,396
Fund Balance, June 30, 2020	\$ 33,832	\$ 217,320	\$ 723,271	\$ 153,764	\$ 0	\$ 1,128,187

(Continued)

Exhibit F-2

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

	<u>Debt Service</u> <u>Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	Education Debt Service	Total Nonmajor Governmental Funds
<u>Revenues</u>		
Local Taxes	\$ 0	\$ 1,279,820
Licenses and Permits	0	26,056
Fines, Forfeitures, and Penalties	0	91,252
Charges for Current Services	0	13,778
Other Local Revenues	0	91,059
Federal Government	0	4,032
Other Governments and Citizens Groups	0	30,794
Total Revenues	<u>\$ 0</u>	<u>\$ 1,536,791</u>
<u>Expenditures</u>		
Current:		
General Government	\$ 0	\$ 111
Public Safety	0	743,694
Social, Cultural, and Recreational Services	0	373,149
Other Operations	0	42,046
Capital Projects	0	2,000
Total Expenditures	<u>\$ 0</u>	<u>\$ 1,161,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 0</u>	<u>\$ 375,791</u>
<u>Other Financing Sources (Uses)</u>		
Transfers Out	\$ (3,556,415)	\$ (3,729,415)
Total Other Financing Sources (Uses)	<u>\$ (3,556,415)</u>	<u>\$ (3,729,415)</u>

(Continued)

Exhibit F-2

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

	<u>Debt Service</u> <u>Fund</u>	Total Nonmajor Governmental Funds
	Education Debt Service	
Net Change in Fund Balances	\$ (3,556,415)	\$ (3,353,624)
Fund Balance, July 1, 2019	<u>3,556,415</u>	<u>4,481,811</u>
Fund Balance, June 30, 2020	<u>\$ 0</u>	<u>\$ 1,128,187</u>

Exhibit F-3

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 165,250	\$ 205,000	\$ 160,000	\$ 5,250
Total Revenues	\$ 165,250	\$ 205,000	\$ 160,000	\$ 5,250
<u>Expenditures</u>				
<u>Other Operations</u>				
Other Charges	\$ 1,659	\$ 2,150	\$ 2,000	\$ 341
Total Expenditures	\$ 1,659	\$ 2,150	\$ 2,000	\$ 341
Excess (Deficiency) of Revenues Over Expenditures	\$ 163,591	\$ 202,850	\$ 158,000	\$ 5,591
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (170,000)	\$ (210,000)	\$ (170,000)	\$ 0
Total Other Financing Sources	\$ (170,000)	\$ (210,000)	\$ (170,000)	\$ 0
Net Change in Fund Balance	\$ (6,409)	\$ (7,150)	\$ (12,000)	\$ 5,591
Fund Balance, July 1, 2019	40,241	45,035	45,035	(4,794)
Fund Balance, June 30, 2020	\$ 33,832	\$ 37,885	\$ 33,035	\$ 797

Exhibit F-4

Franklin County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Public Library 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	\$ 400,602	\$ 0	\$ 0	\$ 400,602	\$ 397,808	\$ 397,808	\$ 2,794
Licenses and Permits	1,989	0	0	1,989	1,935	1,935	54
Charges for Current Services	10,848	0	0	10,848	11,360	11,360	(512)
Other Local Revenues	1,829	0	0	1,829	2,000	2,450	(621)
Federal Government	1,585	0	0	1,585	1,775	1,585	0
Other Governments and Citizens Groups	30,794	0	0	30,794	34,400	34,900	(4,106)
Total Revenues	\$ 447,647	\$ 0	\$ 0	\$ 447,647	\$ 449,278	\$ 450,038	\$ (2,391)
<u>Expenditures</u>							
<u>Social, Cultural, and Recreational Services</u>							
Libraries	\$ 373,149	\$ (14,207)	\$ 6,092	\$ 365,034	\$ 391,962	\$ 392,272	\$ 27,238
<u>Other Operations</u>							
Other Charges	39,811	(368)	86	39,529	44,386	44,836	5,307
<u>Capital Projects</u>							
Social, Cultural, and Recreation Projects	2,000	(2,000)	0	0	0	0	0
Total Expenditures	\$ 414,960	\$ (16,575)	\$ 6,178	\$ 404,563	\$ 436,348	\$ 437,108	\$ 32,545
Excess (Deficiency) of Revenues Over Expenditures	\$ 32,687	\$ 16,575	\$ (6,178)	\$ 43,084	\$ 12,930	\$ 12,930	\$ 30,154
<u>Other Financing Sources (Uses)</u>							
Transfers Out	\$ (3,000)	\$ 0	\$ 0	\$ (3,000)	\$ (3,000)	\$ (3,000)	\$ 0
Total Other Financing Sources	\$ (3,000)	\$ 0	\$ 0	\$ (3,000)	\$ (3,000)	\$ (3,000)	\$ 0
Net Change in Fund Balance	\$ 29,687	\$ 16,575	\$ (6,178)	\$ 40,084	\$ 9,930	\$ 9,930	\$ 30,154
Fund Balance, July 1, 2019	187,633	(16,575)	0	171,058	157,502	157,502	13,556
Fund Balance, June 30, 2020	\$ 217,320	\$ 0	\$ (6,178)	\$ 211,142	\$ 167,432	\$ 167,432	\$ 43,710

Exhibit F-5

Franklin County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Local Purpose Tax Fund
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Local Taxes	\$ 713,968	\$ 0	\$ 713,968	\$ 804,303	\$ 704,503	\$ 9,465
Licenses and Permits	24,067	0	24,067	28,925	28,925	(4,858)
Other Local Revenues	0	0	0	7,600	100	(100)
Total Revenues	\$ 738,035	\$ 0	\$ 738,035	\$ 840,828	\$ 733,528	\$ 4,507
<u>Expenditures</u>						
<u>Public Safety</u>						
Fire Prevention and Control	\$ 668,626	\$ (40,000)	\$ 628,626	\$ 636,600	\$ 632,325	\$ 3,699
Total Expenditures	\$ 668,626	\$ (40,000)	\$ 628,626	\$ 636,600	\$ 632,325	\$ 3,699
Excess (Deficiency) of Revenues Over Expenditures	\$ 69,409	\$ 40,000	\$ 109,409	\$ 204,228	\$ 101,203	\$ 8,206
Net Change in Fund Balance	\$ 69,409	\$ 40,000	\$ 109,409	\$ 204,228	\$ 101,203	\$ 8,206
Fund Balance, July 1, 2019	653,862	(40,000)	613,862	649,771	649,771	(35,909)
Fund Balance, June 30, 2020	\$ 723,271	\$ 0	\$ 723,271	\$ 853,999	\$ 750,974	\$ (27,703)

Exhibit F-6

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

	Actual (GAAP Basis)	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>							
Fines, Forfeitures, and Penalties	\$ 91,252	\$ 0	\$ 0	\$ 91,252	\$ 19,250	\$ 54,576	\$ 36,676
Charges for Current Services	2,650	0	0	2,650	3,000	3,000	(350)
Other Local Revenues	89,230	0	0	89,230	23,000	92,550	(3,320)
Federal Government	2,447	0	0	2,447	17,000	5,000	(2,553)
Other Governments and Citizens Groups	0	0	0	0	2,050	2,050	(2,050)
Total Revenues	\$ 185,579	\$ 0	\$ 0	\$ 185,579	\$ 64,300	\$ 157,176	\$ 28,403
<u>Expenditures</u>							
<u>Public Safety</u>							
Drug Enforcement	\$ 74,899	\$ (7,729)	\$ 4,639	\$ 71,809	\$ 77,000	\$ 108,876	\$ 37,067
<u>Other Operations</u>							
Other Charges	576	0	0	576	500	1,500	924
Total Expenditures	\$ 75,475	\$ (7,729)	\$ 4,639	\$ 72,385	\$ 77,500	\$ 110,376	\$ 37,991
Excess (Deficiency) of Revenues Over Expenditures	\$ 110,104	\$ 7,729	\$ (4,639)	\$ 113,194	\$ (13,200)	\$ 46,800	\$ 66,394
Net Change in Fund Balance	\$ 110,104	\$ 7,729	\$ (4,639)	\$ 113,194	\$ (13,200)	\$ 46,800	\$ 66,394
Fund Balance, July 1, 2019	43,660	(7,729)	0	35,931	30,259	30,259	5,672
Fund Balance, June 30, 2020	\$ 153,764	\$ 0	\$ (4,639)	\$ 149,125	\$ 17,059	\$ 77,059	\$ 72,066

Exhibit F-7

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
Excess (Deficiency) of Revenues Over Expenditures	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (3,556,415)	\$ (3,536,086)	\$ (3,556,415)	\$ 0
Total Other Financing Sources	\$ (3,556,415)	\$ (3,536,086)	\$ (3,556,415)	\$ 0
Net Change in Fund Balance	\$ (3,556,415)	\$ (3,536,086)	\$ (3,556,415)	\$ 0
Fund Balance, July 1, 2019	3,556,415	3,536,086	3,556,415	0
Fund Balance, June 30, 2020	\$ 0	\$ 0	\$ 0	\$ 0

Major Governmental Funds

Debt Service Funds

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

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

Exhibit G-1

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

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 4,817,284	\$ 4,616,572	\$ 4,687,005	\$ 130,279
Licenses and Permits	12,781	10,050	12,901	(120)
Other Local Revenues	343,674	390,000	370,000	(26,326)
Other Governments and Citizens Groups	72,918	0	72,918	0
Total Revenues	<u>\$ 5,246,657</u>	<u>\$ 5,016,622</u>	<u>\$ 5,142,824</u>	<u>\$ 103,833</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 1,570,157	\$ 1,570,157	\$ 1,570,414	257
Highways and Streets	493,147	493,147	493,147	0
Education	2,081,225	2,010,000	2,081,225	0
<u>Interest on Debt</u>				
General Government	795,839	801,862	801,862	6,023
Highways and Streets	32,884	32,930	32,930	46
Education	1,948,634	1,946,941	1,948,635	1
<u>Other Debt Service</u>				
General Government	89,892	86,000	113,365	23,473
Education	900	0	2,000	1,100
Total Expenditures	<u>\$ 7,012,678</u>	<u>\$ 6,941,037</u>	<u>\$ 7,043,578</u>	<u>\$ 30,900</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,766,021)</u>	<u>\$ (1,924,415)</u>	<u>\$ (1,900,754)</u>	<u>\$ 134,733</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 3,726,415	\$ 3,746,086	\$ 3,815,914	\$ (89,499)
Total Other Financing Sources	<u>\$ 3,726,415</u>	<u>\$ 3,746,086</u>	<u>\$ 3,815,914</u>	<u>\$ (89,499)</u>
Net Change in Fund Balance	\$ 1,960,394	\$ 1,821,671	\$ 1,915,160	\$ 45,234
Fund Balance, July 1, 2019	<u>2,362,874</u>	<u>2,366,557</u>	<u>2,366,557</u>	<u>(3,683)</u>
Fund Balance, June 30, 2020	<u>\$ 4,323,268</u>	<u>\$ 4,188,228</u>	<u>\$ 4,281,717</u>	<u>\$ 41,551</u>

Fiduciary Funds

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

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

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

Exhibit H-1

Franklin 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	\$ 1,550,528	\$ 1,550,528
Due from Other Governments	780,435	0	780,435
Total Assets	\$ 780,435	\$ 1,550,528	\$ 2,330,963
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 780,435	\$ 0	\$ 780,435
Due to Litigants, Heirs, and Others	0	1,550,528	1,550,528
Total Liabilities	\$ 780,435	\$ 1,550,528	\$ 2,330,963

Exhibit H-2

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 4,287,371	\$ 4,287,371	\$ 0
Due from Other Governments	706,179	780,435	706,179	780,435
Total Assets	\$ 706,179	\$ 5,067,806	\$ 4,993,550	\$ 780,435
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 706,179	\$ 5,067,806	\$ 4,993,550	\$ 780,435
Total Liabilities	\$ 706,179	\$ 5,067,806	\$ 4,993,550	\$ 780,435
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 1,591,984	\$ 8,904,284	\$ 8,945,740	\$ 1,550,528
Total Assets	\$ 1,591,984	\$ 8,904,284	\$ 8,945,740	\$ 1,550,528
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 1,591,984	\$ 8,904,284	\$ 8,945,740	\$ 1,550,528
Total Liabilities	\$ 1,591,984	\$ 8,904,284	\$ 8,945,740	\$ 1,550,528
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 1,591,984	\$ 8,904,284	\$ 8,945,740	\$ 1,550,528
Equity in Pooled Cash and Investments	0	4,287,371	4,287,371	0
Due from Other Governments	706,179	780,435	706,179	780,435
Total Assets	\$ 2,298,163	\$ 13,972,090	\$ 13,939,290	\$ 2,330,963
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 706,179	\$ 5,067,806	\$ 4,993,550	\$ 780,435
Due to Litigants, Heirs, and Others	1,591,984	8,904,284	8,945,740	1,550,528
Total Liabilities	\$ 2,298,163	\$ 13,972,090	\$ 13,939,290	\$ 2,330,963

Franklin County School Department

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

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

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

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

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

Exhibit I-1

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

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
Governmental Activities:					
Instruction	\$ 28,468,806	\$ 0	\$ 2,555,198	\$ 517,659	\$ (25,395,949)
Support Services	16,495,975	73,912	863,689	0	(15,558,374)
Operation of Non-instructional Services	5,610,747	847,966	4,526,751	0	(236,030)
Interest on Long-term Debt	1,693	0	0	0	(1,693)
Total Governmental Activities	\$ 50,577,221	\$ 921,878	\$ 7,945,638	\$ 517,659	\$ (41,192,046)
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 10,780,726
Local Option Sales Taxes					5,334,609
Mixed Drink Tax					32,153
Grants and Contributions Not Restricted to Specific Programs					27,248,387
Unrestricted Investment Earnings					30,569
Miscellaneous					58,068
Total General Revenues					\$ 43,484,512
Insurance Recovery					\$ 23,527
Change in Net Position					\$ 2,315,993
Net Position, July 1, 2019					91,013,325
Net Position, June 30, 2020					<u>\$ 93,329,318</u>

Exhibit I-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
			<u>Other</u>	
<u>Purpose</u>	<u>Capital</u>	<u>Govern-</u>	<u>Governmental</u>	
<u>School</u>	<u>Projects</u>	<u>mental</u>	<u>Funds</u>	
				<u>Funds</u>
<u>ASSETS</u>				
Cash	\$ 0	\$ 0	\$ 1,634	\$ 1,634
Equity in Pooled Cash and Investments	9,045,004	8,468,937	2,389,232	19,903,173
Accounts Receivable	7,845	3,374	5,248	16,467
Due from Other Governments	1,019,555	0	255,242	1,274,797
Property Taxes Receivable	11,184,013	0	0	11,184,013
Allowance for Uncollectible Property Taxes	(315,942)	0	0	(315,942)
Prepaid Items	329,690	0	0	329,690
Restricted Assets	136,053	0	0	136,053
Total Assets	\$ 21,406,218	\$ 8,472,311	\$ 2,651,356	\$ 32,529,885
<u>LIABILITIES</u>				
Accounts Payable	\$ 100,791	\$ 372,948	\$ 1,027	\$ 474,766
Accrued Payroll	17,883	0	635	18,518
Contracts Payable	0	919,090	0	919,090
Retainage Payable	0	48,373	0	48,373
Total Liabilities	\$ 118,674	\$ 1,340,411	\$ 1,662	\$ 1,460,747
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 10,558,490	\$ 0	\$ 0	\$ 10,558,490
Deferred Delinquent Property Taxes	256,200	0	0	256,200
Other Deferred/Unavailable Revenue	420,000	0	0	420,000
Total Deferred Inflows of Resources	\$ 11,234,690	\$ 0	\$ 0	\$ 11,234,690

(Continued)

Exhibit I-2

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
			<u>Other</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Govern-</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>mental</u>	<u>Funds</u>
			<u>Funds</u>	
<u>FUND BALANCES</u>				
Nonspendable:				
Prepaid Items	\$ 329,690	\$ 0	\$ 0	\$ 329,690
Restricted:				
Restricted for Education	861,116	0	2,539,694	3,400,810
Restricted for Capital Outlay	0	7,131,900	0	7,131,900
Restricted for Hybrid Retirement Stabilization Funds	136,053	0	0	136,053
Committed:				
Committed for Education	2,569,853	0	110,000	2,679,853
Assigned:				
Assigned for Education	915,768	0	0	915,768
Unassigned	5,240,374	0	0	5,240,374
Total Fund Balances	<u>\$ 10,052,854</u>	<u>\$ 7,131,900</u>	<u>\$ 2,649,694</u>	<u>\$ 19,834,448</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 21,406,218</u>	<u>\$ 8,472,311</u>	<u>\$ 2,651,356</u>	<u>\$ 32,529,885</u>

Exhibit I-3

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

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

Total fund balances - balance sheet - governmental funds (Exhibit I-2)		\$	19,834,448
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	5,469,959	
Add: construction in progress		40,381,416	
Add: buildings and improvements net of accumulated depreciation		27,838,739	
Add: other capital assets net of accumulated depreciation		<u>2,721,840</u>	76,411,954
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: compensated absences payable	\$	(207,184)	
Less: net OPEB liability		<u>(7,149,088)</u>	(7,356,272)
(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	\$	4,237,455	
Less: deferred inflows of resources related to pensions		(5,634,557)	
Add: deferred outflows of resources related to OPEB		494,782	
Less: deferred inflows of resources related to OPEB		<u>(2,704,981)</u>	(3,607,301)
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.			
Add: net pension asset - agent plan	\$	1,373,780	
Add: net pension asset - teacher retirement plan		163,280	
Add: net pension asset - teacher legacy pension plan		<u>5,833,229</u>	7,370,289
(5) Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds.			<u>676,200</u>
Net position of governmental activities (Exhibit A)		\$	<u>93,329,318</u>

Exhibit I-4

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

	Major Funds		Nonmajor Funds	Total Governmental Funds
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	
<u>Revenues</u>				
Local Taxes	\$ 16,367,356	\$ 0	\$ 0	\$ 16,367,356
Licenses and Permits	59,589	0	0	59,589
Charges for Current Services	242,095	0	622,879	864,974
Other Local Revenues	296,207	517,659	66,670	880,536
State of Tennessee	28,426,744	0	28,625	28,455,369
Federal Government	556,342	0	6,207,849	6,764,191
Total Revenues	<u>\$ 45,948,333</u>	<u>\$ 517,659</u>	<u>\$ 6,926,023</u>	<u>\$ 53,392,015</u>
<u>Expenditures</u>				
Current:				
Instruction	\$ 25,978,839	\$ 0	\$ 2,248,689	\$ 28,227,528
Support Services	16,216,357	0	924,368	17,140,725
Operation of Non-Instructional Services	1,741,226	0	3,747,479	5,488,705
Capital Outlay	161,655	0	0	161,655
Debt Service:				
Principal on Debt	71,225	0	0	71,225
Interest on Debt	1,693	0	0	1,693
Capital Projects	0	37,613,643	0	37,613,643
Total Expenditures	<u>\$ 44,170,995</u>	<u>\$ 37,613,643</u>	<u>\$ 6,920,536</u>	<u>\$ 88,705,174</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 1,777,338</u>	<u>\$ (37,095,984)</u>	<u>\$ 5,487</u>	<u>\$ (35,313,159)</u>

(Continued)

Exhibit I-4

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

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Education</u>	<u>Funds</u>	
	<u>Purpose</u>	<u>Capital</u>	<u>Other</u>	<u>Governmental</u>
	<u>School</u>	<u>Projects</u>	<u>Funds</u>	<u>Funds</u>
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 23,527	\$ 0	\$ 0	\$ 23,527
Transfers In	0	0	100,000	100,000
Transfers Out	(100,000)	0	0	(100,000)
Total Other Financing Sources (Uses)	\$ (76,473)	\$ 0	\$ 100,000	\$ 23,527
Net Change in Fund Balances	\$ 1,700,865	\$ (37,095,984)	\$ 105,487	\$ (35,289,632)
Fund Balance, July 1, 2019	8,351,989	44,227,884	2,544,207	55,124,080
Fund Balance, June 30, 2020	\$ 10,052,854	\$ 7,131,900	\$ 2,649,694	\$ 19,834,448

Exhibit I-5

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

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

Net change in fund balances - total governmental funds (Exhibit I-4)		\$ (35,289,632)
(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	\$ 38,314,776	
Less: current-year depreciation expense	<u>(1,679,100)</u>	36,635,676
(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		(316,578)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		
Add: deferred delinquent property taxes and other deferred June 30, 2020	\$ 676,200	
Less: deferred delinquent property taxes and other deferred June 30, 2019	<u>(746,870)</u>	(70,670)
(4) The contributions of long-term debt (e.g., notes, bonds, leases) by the primary government provide current financial resources to governmental funds, while the contributions by the school department of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Add: principal contributions on leases to primary government		71,225
(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 compensated absences payable	\$ (24,863)	
Change in net OPEB liability	1,298,217	
Change in deferred outflows related to OPEB	(56,976)	
Change in deferred inflows related to OPEB	(1,297,537)	
Change in net pension liability - agent plan	516,914	
Change in net pension liability - teacher retirement plan	31,794	
Change in net pension liability - teacher legacy pension plan	3,902,893	
Change in deferred outflows related to pensions	(769,710)	
Change in deferred inflows related to pensions	<u>(2,314,760)</u>	<u>1,285,972</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ 2,315,993</u>

Exhibit I-6

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

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	
<u>ASSETS</u>			
Cash	\$ 0	\$ 1,634	\$ 1,634
Equity in Pooled Cash and Investments	83,464	2,305,768	2,389,232
Accounts Receivable	670	4,578	5,248
Due from Other Governments	27,882	227,360	255,242
Total Assets	<u>\$ 112,016</u>	<u>\$ 2,539,340</u>	<u>\$ 2,651,356</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 0	\$ 1,027	\$ 1,027
Accrued Payroll	324	311	635
Total Liabilities	<u>\$ 324</u>	<u>\$ 1,338</u>	<u>\$ 1,662</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 1,692	\$ 2,538,002	\$ 2,539,694
Committed:			
Committed for Education	110,000	0	110,000
Total Fund Balances	<u>\$ 111,692</u>	<u>\$ 2,538,002</u>	<u>\$ 2,649,694</u>
Total Liabilities and Fund Balances	<u>\$ 112,016</u>	<u>\$ 2,539,340</u>	<u>\$ 2,651,356</u>

Exhibit I-7

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

	Special Revenue Funds		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	
<u>Revenues</u>			
Charges for Current Services	\$ 0	\$ 622,879	\$ 622,879
Other Local Revenues	0	66,670	66,670
State of Tennessee	0	28,625	28,625
Federal Government	3,173,420	3,034,429	6,207,849
Total Revenues	\$ 3,173,420	\$ 3,752,603	\$ 6,926,023
<u>Expenditures</u>			
Current:			
Instruction	\$ 2,248,689	\$ 0	\$ 2,248,689
Support Services	924,368	0	924,368
Operation of Non-Instructional Services	88	3,747,391	3,747,479
Total Expenditures	\$ 3,173,145	\$ 3,747,391	\$ 6,920,536
Excess (Deficiency) of Revenues Over Expenditures	\$ 275	\$ 5,212	\$ 5,487
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 100,000	\$ 0	\$ 100,000
Total Other Financing Sources (Uses)	\$ 100,000	\$ 0	\$ 100,000
Net Change in Fund Balances	\$ 100,275	\$ 5,212	\$ 105,487
Fund Balance, July 1, 2019	11,417	2,532,790	2,544,207
Fund Balance, June 30, 2020	\$ 111,692	\$ 2,538,002	\$ 2,649,694

Exhibit I-8

Franklin County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Franklin 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	\$ 16,367,356	\$ 0	\$ 0	\$ 16,367,356	\$ 15,833,291	\$ 15,833,291	\$ 534,065
Licenses and Permits	59,589	0	0	59,589	58,000	58,000	1,589
Charges for Current Services	242,095	0	0	242,095	274,397	274,397	(32,302)
Other Local Revenues	296,207	0	0	296,207	68,609	277,580	18,627
State of Tennessee	28,426,744	0	0	28,426,744	28,220,017	28,544,161	(117,417)
Federal Government	556,342	0	0	556,342	172,356	581,046	(24,704)
Total Revenues	\$ 45,948,333	\$ 0	\$ 0	\$ 45,948,333	\$ 44,626,670	\$ 45,568,475	\$ 379,858
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 20,403,480	\$ (198,100)	\$ 600,553	\$ 20,805,933	\$ 21,390,247	\$ 21,549,471	\$ 743,538
Alternative Instruction Program	202,023	0	380	202,403	268,778	202,503	100
Special Education Program	3,563,174	(16,226)	72,214	3,619,162	3,598,466	3,667,710	48,548
Career and Technical Education Program	1,341,023	0	0	1,341,023	1,355,018	1,355,018	13,995
Student Body Education Program	469,139	(2,700)	0	466,439	476,823	516,823	50,384
<u>Support Services</u>							
Attendance	225,394	0	0	225,394	225,299	232,490	7,096
Health Services	570,058	0	2,126	572,184	572,208	589,691	17,507
Other Student Support	1,467,468	(2,887)	20,551	1,485,132	1,367,208	1,511,025	25,893
Regular Instruction Program	1,353,788	(887)	0	1,352,901	1,465,391	1,475,757	122,856
Special Education Program	577,513	(3,312)	80,491	654,692	626,001	659,590	4,898
Career and Technical Education Program	73,242	0	0	73,242	73,869	74,467	1,225
Technology	982,101	(32,938)	55,659	1,004,822	1,024,480	1,030,325	25,503
Other Programs	170,025	0	0	170,025	0	210,000	39,975
Board of Education	1,104,811	(835)	4,602	1,108,578	1,176,526	1,154,551	45,973
Director of Schools	265,906	(605)	1,026	266,327	500,403	291,958	25,631
Office of the Principal	2,452,555	0	0	2,452,555	2,503,465	2,515,430	62,875
Fiscal Services	11,561	0	0	11,561	11,561	11,561	0
Human Services/Personnel	258,120	(75)	1,081	259,126	260,857	262,053	2,927

(Continued)

Exhibit I-8

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Operation of Plant	\$ 3,193,945	\$ (200)	\$ 10,312	\$ 3,204,057	\$ 3,540,122	\$ 3,558,309	\$ 354,252
Maintenance of Plant	1,109,772	(29,596)	15,055	1,095,231	1,383,060	1,355,000	259,769
Transportation	2,302,465	(102,260)	0	2,200,205	2,280,404	2,327,123	126,918
Central and Other	97,633	0	0	97,633	109,255	132,806	35,173
<u>Operation of Non-Instructional Services</u>							
Community Services	747,363	0	0	747,363	504,677	1,039,978	292,615
Early Childhood Education	993,863	(763)	0	993,100	1,041,013	1,045,799	52,699
<u>Capital Outlay</u>							
Regular Capital Outlay	161,655	(21,368)	51,718	192,005	100,000	201,587	9,582
<u>Principal on Debt</u>							
Education	71,225	0	0	71,225	71,226	71,226	1
<u>Interest on Debt</u>							
Education	1,693	0	0	1,693	2,547	2,547	854
Total Expenditures	\$ 44,170,995	\$ (412,752)	\$ 915,768	\$ 44,674,011	\$ 45,928,904	\$ 47,044,798	\$ 2,370,787
<u>Excess (Deficiency) of Revenues Over Expenditures</u>							
	\$ 1,777,338	\$ 412,752	\$ (915,768)	\$ 1,274,322	\$ (1,302,234)	\$ (1,476,323)	\$ 2,750,645
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 23,527	\$ 0	\$ 0	\$ 23,527	\$ 0	\$ 0	\$ 23,527
Transfers Out	(100,000)	0	0	(100,000)	(100,000)	(100,000)	0
Total Other Financing Sources	\$ (76,473)	\$ 0	\$ 0	\$ (76,473)	\$ (100,000)	\$ (100,000)	\$ 23,527
<u>Net Change in Fund Balance</u>							
Fund Balance, July 1, 2019	\$ 1,700,865	\$ 412,752	\$ (915,768)	\$ 1,197,849	\$ (1,402,234)	\$ (1,576,323)	\$ 2,774,172
	8,351,989	(412,752)	0	7,939,237	7,873,494	7,873,494	65,743
Fund Balance, June 30, 2020	\$ 10,052,854	\$ 0	\$ (915,768)	\$ 9,137,086	\$ 6,471,260	\$ 6,297,171	\$ 2,839,915

Exhibit I-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Federal Government	\$ 3,173,420	\$ 0	\$ 3,173,420	\$ 2,920,886	\$ 3,723,618	\$ (550,198)
Total Revenues	\$ 3,173,420	\$ 0	\$ 3,173,420	\$ 2,920,886	\$ 3,723,618	\$ (550,198)
<u>Expenditures</u>						
<u>Instruction</u>						
Regular Instruction Program	\$ 1,180,930	\$ 0	\$ 1,180,930	\$ 1,138,455	\$ 1,207,804	\$ 26,874
Special Education Program	938,732	0	938,732	867,205	1,042,769	104,037
Career and Technical Education Program	129,027	0	129,027	79,000	174,027	45,000
<u>Support Services</u>						
Health Services	0	0	0	75,515	0	0
Other Student Support	132,910	(552)	132,358	92,702	258,663	126,305
Regular Instruction Program	266,926	0	266,926	246,666	440,013	173,087
Special Education Program	261,685	0	261,685	157,758	337,971	76,286
Career and Technical Education Program	8,247	0	8,247	12,000	8,247	0
Transportation	254,600	0	254,600	251,585	255,296	696
<u>Operation of Non-Instructional Services</u>						
Food Service	88	0	88	0	88	0
Total Expenditures	\$ 3,173,145	\$ (552)	\$ 3,172,593	\$ 2,920,886	\$ 3,724,878	\$ 552,285
Excess (Deficiency) of Revenues Over Expenditures	\$ 275	\$ 552	\$ 827	\$ 0	\$ (1,260)	\$ 2,087
<u>Other Financing Sources (Uses)</u>						
Transfers In	\$ 100,000	\$ 0	\$ 100,000	\$ 100,000	\$ 100,000	\$ 0
Total Other Financing Sources	\$ 100,000	\$ 0	\$ 100,000	\$ 100,000	\$ 100,000	\$ 0

(Continued)

Exhibit I-9

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

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
Net Change in Fund Balance	\$ 100,275	\$ 552	\$ 100,827	\$ 100,000	\$ 98,740	\$ 2,087
Fund Balance, July 1, 2019	11,417	(552)	10,865	10,241	10,241	624
Fund Balance, June 30, 2020	\$ 111,692	\$ 0	\$ 111,692	\$ 110,241	\$ 108,981	\$ 2,711

Exhibit I-10

Franklin County, Tennessee
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Actual (Budgetary Basis) and Budget
Discretely Presented Franklin 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	\$ 622,879	\$ 0	\$ 0	\$ 622,879	\$ 846,734	\$ 621,734	\$ 1,145
Other Local Revenues	66,670	0	0	66,670	18,000	58,750	7,920
State of Tennessee	28,625	0	0	28,625	27,479	28,625	0
Federal Government	3,034,429	0	0	3,034,429	2,456,684	3,256,184	(221,755)
Total Revenues	\$ 3,752,603	\$ 0	\$ 0	\$ 3,752,603	\$ 3,348,897	\$ 3,965,293	\$ (212,690)
<u>Expenditures</u>							
<u>Operation of Non-Instructional Services</u>							
Food Service	\$ 3,747,391	\$ (5,861)	\$ 116,499	\$ 3,858,029	\$ 4,238,808	\$ 4,497,784	\$ 639,755
Total Expenditures	\$ 3,747,391	\$ (5,861)	\$ 116,499	\$ 3,858,029	\$ 4,238,808	\$ 4,497,784	\$ 639,755
Excess (Deficiency) of Revenues Over Expenditures	\$ 5,212	\$ 5,861	\$ (116,499)	\$ (105,426)	\$ (889,911)	\$ (532,491)	\$ 427,065
Net Change in Fund Balance	\$ 5,212	\$ 5,861	\$ (116,499)	\$ (105,426)	\$ (889,911)	\$ (532,491)	\$ 427,065
Fund Balance, July 1, 2019	2,532,790	(5,861)	0	2,526,929	2,359,298	2,359,298	167,631
Fund Balance, June 30, 2020	\$ 2,538,002	\$ 0	\$ (116,499)	\$ 2,421,503	\$ 1,469,387	\$ 1,826,807	\$ 594,696

MISCELLANEOUS SCHEDULES

Exhibit J-1

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

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Issued During Period	Paid and/or Matured During Period	Outstanding 6-30-20
<u>BONDS PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
General Obligation Improvements, Series 2017	\$ 8,190,000	2 to 5 %	6-27-17	6-1-32	\$ 7,760,000	\$ 0	\$ 450,000	\$ 7,310,000
General Obligation Improvements, Series 2017	7,200,000	2.59	12-27-17	6-1-33	7,100,000	0	370,000	6,730,000
General Obligation School Bonds, Series 2018	47,035,000	(1) 2 to 5	3-27-19	5-1-44	47,035,000	0	0	47,035,000
Refunding Bonds, Series 2017	4,160,000	2 to 5	6-27-17	6-1-38	3,145,000	0	525,000	2,620,000
School Refunding Bonds, Series 2009	15,205,000	(1) 2 to 3.75	6-15-09	3-1-21	3,120,000	0	1,530,000	1,590,000
School Refunding Bonds, Series 2014	2,220,000	(1) 1.23 to 2	6-7-13	6-1-21	570,000	0	285,000	285,000
School Refunding Bonds, Series 2017	1,265,000	(1) 2 to 5	6-27-17	6-2-24	1,080,000	0	195,000	885,000
Total Bonds Payable					<u>\$ 69,810,000</u>	<u>\$ 0</u>	<u>\$ 3,355,000</u>	<u>\$ 66,455,000</u>
<u>NOTES PAYABLE</u>								
<u>Payable through General Debt Service Fund</u>								
Industrial Development Board - Land	822,666	4.75	5-28-10	5-27-22	\$ 244,879	\$ 0	\$ 80,157	\$ 164,722
Solid Waste/Highway Equipment	450,000	2.63	1-9-14	1-9-21	128,550	0	64,290	64,260
Highway and Road Improvements	2,000,000	2.33	1-6-15	4-1-22	856,000	0	286,000	570,000
Highway Capital Road Projects	1,000,000	2.23	5-11-15	4-1-22	428,571	0	142,857	285,714
Jail Construction/Remodel	2,000,000	2.93	7-12-19	6-1-31	0	2,000,000	145,000	1,855,000
Total Payable through General Debt Service Fund					<u>\$ 1,658,000</u>	<u>\$ 2,000,000</u>	<u>\$ 718,304</u>	<u>\$ 2,939,696</u>
<u>Payable through Highway/Public Works Fund</u>								
Quarry Land	177,000	4.875	11-10-11	2-1-23	\$ 67,994	\$ 0	\$ 15,807	\$ 52,187
Total Payable through Highway/Public Works Fund					<u>\$ 67,994</u>	<u>\$ 0</u>	<u>\$ 15,807</u>	<u>\$ 52,187</u>
Total Notes Payable					<u>\$ 1,725,994</u>	<u>\$ 2,000,000</u>	<u>\$ 734,111</u>	<u>\$ 2,991,883</u>
<u>CAPITAL LEASES</u>								
<u>Contributions Due by the School Department from the General Purpose School Fund to the Education Debt Service Fund</u>								
Energy Efficient Lighting (Excel)	581,879	5	10-1-10	4-1-20	\$ 71,225	\$ 0	\$ 71,225	\$ 0
Total Capital Leases					<u>\$ 71,225</u>	<u>\$ 0</u>	<u>\$ 71,225</u>	<u>\$ 0</u>

(1) In prior years, these bonds were being retired from the Education Debt Service Fund. During the year, the Education Debt Service Fund was closed with all assets transferred to and all outstanding debt assumed by the General Debt Service Fund.

Exhibit J-2

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

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 3,565,000	\$ 2,396,350	\$ 5,961,350
2022	2,995,000	2,248,525	5,243,525
2023	3,120,000	2,098,775	5,218,775
2024	2,730,000	1,985,075	4,715,075
2025	2,570,000	1,891,775	4,461,775
2026	2,700,000	1,763,275	4,463,275
2027	2,825,000	1,634,925	4,459,925
2028	2,965,000	1,500,575	4,465,575
2029	3,060,000	1,396,375	4,456,375
2030	3,185,000	1,281,275	4,466,275
2031	3,300,000	1,161,425	4,461,425
2032	3,400,000	1,062,425	4,462,425
2033	2,745,000	960,426	3,705,426
2034	2,165,000	878,076	3,043,076
2035	2,225,000	813,126	3,038,126
2036	2,295,000	746,376	3,041,376
2037	2,360,000	677,426	3,037,426
2038	2,440,000	603,676	3,043,676
2039	2,425,000	527,425	2,952,425
2040	2,505,000	448,612	2,953,612
2041	2,585,000	367,200	2,952,200
2042	2,675,000	279,956	2,954,956
2043	2,765,000	189,675	2,954,675
2044	2,855,000	96,356	2,951,356
Total	\$ 66,455,000	\$ 27,009,105	\$ 93,464,105

Year Ending June 30	Notes		
	Principal	Interest	Total
2021	\$ 737,761	\$ 84,259	\$ 822,020
2022	675,890	63,596	739,486
2023	173,232	46,597	219,829
2024	160,000	41,167	201,167
2025	160,000	36,479	196,479
2026	165,000	31,791	196,791
2027	170,000	26,956	196,956
2028	180,000	21,975	201,975
2029	185,000	16,699	201,699
2030	190,000	11,281	201,281
2031	195,000	5,714	200,714
Total	\$ 2,991,883	\$ 386,514	\$ 3,378,397

Exhibit J-3

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

<u>From Fund</u>	<u>To Fund</u>	<u>Purpose</u>	<u>Amount</u>
<u>PRIMARY GOVERNMENT</u>			
Solid Waste/Sanitation	General	Reimbursement	\$ 48,803
Highway/Public Works	"	"	53,803
Public Library	"	"	3,000
Courthouse and Jail Maintenance	General Debt Service	Debt payments	170,000
Education Debt Service	General Debt Service	Close fund	<u>3,556,415</u>
Total Transfers Primary Government			<u>\$ 3,832,021</u>
<u>DISCRETELY PRESENTED FRANKLIN COUNTY SCHOOL DEPARTMENT</u>			
General Purpose School	School Federal Projects	Cash flow	<u>\$ 100,000</u>
Total Transfers Discretely Presented Franklin County School Department			<u>\$ 100,000</u>

Exhibit J-4

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

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Mayor	Section 8-24-102, <i>TCA</i>	\$ 93,267	(6)	Tennessee Risk Management Trust
Superintendent of Highways: John Woodall (7-1-19 to 1-2-20)	Section 8-24-102, <i>TCA</i> and County Commission	47,714 (1)	(6)	Tennessee Risk Management Trust
Luke McCurry (1-3-20 to 6-30-20)	Section 8-24-102, <i>TCA</i> and County Commission	41,113	(6)	Tennessee Risk Management Trust
Director of Schools	State Board of Education and Franklin County Board of Education	112,749 (2)	(6)	Tennessee Risk Management Trust
Finance Director	County Commission	70,818 (3)	(6)	Tennessee Risk Management Trust
Trustee	Section 8-24-102, <i>TCA</i>	80,751	(6)	Tennessee Risk Management Trust
Assessor of Property	Section 8-24-102, <i>TCA</i>	80,751	(6)	Tennessee Risk Management Trust
County Clerk	Section 8-24-102, <i>TCA</i>	80,751	(6)	Tennessee Risk Management Trust
Circuit, General Sessions, and Juvenile Courts Clerk	Section 8-24-102, <i>TCA</i>	80,751	(6)	Tennessee Risk Management Trust
Clerk and Master	Section 8-24-102, <i>TCA</i> , and Chancery Court Judge	80,751 (4)	(6)	Tennessee Risk Management Trust
Register of Deeds	Section 8-24-102, <i>TCA</i>	80,751	(6)	Tennessee Risk Management Trust
Sheriff	Section 8-24-102, <i>TCA</i>	88,827 (5)	(6)	Tennessee Risk Management Trust
Other Bonds: Public Employee Dishonesty			400,000	Tennessee Risk Management Trust

- (1) Does not include longevity of \$1,200 and payout of vacation/sick leave of \$100,433.
- (2) Does not include a chief executive officer training supplement of \$1,000.
- (3) Does not include education incentives of \$2,105, longevity of \$1,200, and Christmas bonus of \$200.
- (4) Does not include special commissioner fee of \$645.
- (5) Does not include a law enforcement training supplement of \$800.
- (6) Official was covered by the \$400,000 employee blanket bond.

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 11,567,112	\$ 0	\$ 378,522	\$ 1,684,298	\$ 392,666	\$ 0
Trustee's Collections - Prior Year	276,719	0	8,328	41,666	8,631	0
Trustee's Collections - Bankruptcy	611	0	21	85	1	0
Circuit Clerk/Clerk and Master Collections - Prior Years	202,481	0	6,607	30,758	7,036	0
Interest and Penalty	54,997	0	1,690	7,339	1,565	0
Payments in-Lieu-of Taxes - T.V.A.	4,125	0	134	869	264	0
Payments in-Lieu-of Taxes - Local Utilities	37,773	0	1,224	0	0	0
Payments in-Lieu-of Taxes - Other	37,427	0	1,225	2,926	890	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	0	0	0	0	0	0
Hotel/Motel Tax	0	0	0	0	297,364	0
Litigation Tax - General	139,053	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	0	165,250	0	0	0	0
Business Tax	464,862	0	0	0	0	0
Mixed Drink Tax	32,153	0	0	0	0	0
Mineral Severance Tax	0	0	0	0	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	87,368	0	2,851	18,251	5,551	0
Wholesale Beer Tax	217,819	0	0	0	0	0
Other Statutory Local Taxes	441	0	0	0	0	0
Total Local Taxes	\$ 13,122,941	\$ 165,250	\$ 400,602	\$ 1,786,192	\$ 713,968	\$ 0
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 62,490	\$ 0	\$ 1,989	\$ 13,369	\$ 4,067	\$ 0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 4,436	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Building Permits	48,750	0	0	0	20,000	0
Other Permits	570	0	0	0	0	0
Total Licenses and Permits	\$ 116,246	\$ 0	\$ 1,989	\$ 13,369	\$ 24,067	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 1,459	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	15,328	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	29
Drug Court Fees	1,805	0	0	0	0	0
Jail Fees	6,230	0	0	0	0	0
DUI Treatment Fines	1,427	0	0	0	0	0
Data Entry Fee - Circuit Court	2,527	0	0	0	0	0
Courtroom Security Fee	65	0	0	0	0	0
Victims Assistance Assessments	1,568	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	16,864	0	0	0	0	0
Fines for Littering	48	0	0	0	0	0
Officers Costs	51,577	0	0	0	0	0
Game and Fish Fines	2,437	0	0	0	0	0
Drug Control Fines	0	0	0	0	0	17,706
Drug Court Fees	12,050	0	0	0	0	0
Jail Fees	23,012	0	0	0	0	0
DUI Treatment Fines	7,863	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>General Sessions Court (Cont.)</u>						
Data Entry Fee - General Sessions Court	\$ 11,892	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Courtroom Security Fee	1,284	0	0	0	0	0
Victims Assistance Assessments	22,968	0	0	0	0	0
<u>Juvenile Court</u>						
Fines	658	0	0	0	0	0
Officers Costs	4,119	0	0	0	0	0
Data Entry Fee - Juvenile Court	1,614	0	0	0	0	0
<u>Chancery Court</u>						
Officers Costs	304	0	0	0	0	0
Data Entry Fee - Chancery Court	4,104	0	0	0	0	0
<u>Other Courts - In-county</u>						
Drug Court Fees	7,848	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	0	0	0	0	0	73,517
Other Fines, Forfeitures, and Penalties	727	0	0	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 199,778	\$ 0	\$ 0	\$ 0	\$ 0	\$ 91,252
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Commercial and Industrial Waste Collection Charge	\$ 0	\$ 0	\$ 0	\$ 69,000	\$ 0	\$ 0
Transfer Waste Stations Collection Charge	0	0	0	12,000	0	0
Tipping Fees	0	0	0	51,911	0	0
Solid Waste Disposal Fee	0	0	0	9,235	0	0
Other General Service Charges	204,684	0	10,848	0	0	2,650

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Charges for Current Services (Cont.)</u>						
<u>Fees</u>						
Greenbelt Late Application Fee	\$ 300	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Telephone Commissions	75,216	0	0	0	0	0
Vending Machine Collections	0	0	0	0	0	0
Constitutional Officers' Fees and Commissions	0	0	0	0	0	0
Data Processing Fee - Register	16,914	0	0	0	0	0
Probation Fees	235,015	0	0	0	0	0
Data Processing Fee - Sheriff	3,020	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	8,250	0	0	0	0	0
Data Processing Fee - County Clerk	2,951	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	4,601	0	0	0	0	0
Total Charges for Current Services	\$ 550,951	\$ 0	\$ 10,848	\$ 142,146	\$ 0	\$ 2,650
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 4,822	\$ 0	\$ 436	\$ 0	\$ 0	\$ 0
Lease/Rentals	26,045	0	0	0	0	0
Sale of Materials and Supplies	0	0	0	0	0	0
Commissary Sales	10,407	0	0	0	0	0
Sale of Maps	75	0	0	0	0	0
Sale of Recycled Materials	0	0	0	104,311	0	0
E-Rate Funding	0	0	446	0	0	0
Miscellaneous Refunds	243,344	0	0	204	0	119
<u>Nonrecurring Items</u>						
Sale of Equipment	16,023	0	0	0	0	75,050
Sale of Property	390	0	0	0	0	14,061

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items (Cont.)</u>						
Damages Recovered from Individuals	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions and Gifts	650	0	0	0	0	0
<u>Other Local Revenues</u>						
Other Local Revenues	61,147	0	947	0	0	0
Total Other Local Revenues	\$ 362,903	\$ 0	\$ 1,829	\$ 104,515	\$ 0	\$ 89,230
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 380,684	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	171,715	0	0	0	0	0
General Sessions Court Clerk	262,388	0	0	0	0	0
Clerk and Master	150,489	0	0	0	0	0
Juvenile Court Clerk	33,357	0	0	0	0	0
Register	247,901	0	0	0	0	0
Sheriff	14,590	0	0	0	0	0
Trustee	833,185	0	0	0	0	0
Total Fees Received From County Officials	\$ 2,094,309	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other General Government Grants	1,378	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	34,400	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>State of Tennessee (Cont.)</u>						
<u>Health and Welfare Grants</u>						
Health Department Programs	\$ 88,120	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Health and Welfare Grants	20,000	0	0	0	0	0
<u>Public Works Grants</u>						
State Aid Program	0	0	0	0	0	0
Litter Program	19,745	0	0	0	0	0
Tennessee Industrial Infrastructure Program	1,319	0	0	0	0	0
<u>Other State Revenues</u>						
Beer Tax	18,175	0	0	0	0	0
Vehicle Certificate of Title Fees	8,982	0	0	0	0	0
Alcoholic Beverage Tax	102,765	0	0	0	0	0
State Revenue Sharing - T.V.A.	1,321,158	0	0	0	0	0
State Revenue Sharing - Telecommunications	65,496	0	0	0	0	0
Contracted Prisoner Boarding	991,904	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	0	0	0
Petroleum Special Tax	0	0	0	0	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	111,872	0	0	68,497	0	0
Other State Revenues	1,862	0	0	24,289	0	0
Total State of Tennessee	\$ 2,811,340	\$ 0	\$ 0	\$ 92,786	\$ 0	\$ 0
<u>Federal Government</u>						
<u>Federal Through State</u>						
Appalachian Regional Commission	\$ 479,759	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Community Development	4,330,151	0	0	0	0	0
Civil Defense Reimbursement	38,850	0	0	0	0	0

(Continued)

Exhibit J-5

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

	Special Revenue Funds					
	General	Courthouse and Jail Maintenance	Public Library	Solid Waste / Sanitation	Local Purpose Tax	Drug Control
<u>Federal Government (Cont.)</u>						
<u>Federal Through State (Cont.)</u>						
Homeland Security Grants	\$ 19,728	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Federal through State	331,155	0	1,585	0	0	0
<u>Direct Federal Revenue</u>						
COVID-19 Grant #6	13,821	0	0	0	0	0
Other Direct Federal Revenue	524,144	0	0	0	0	2,447
Total Federal Government	<u>\$ 5,737,608</u>	<u>\$ 0</u>	<u>\$ 1,585</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,447</u>
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 89,694	\$ 0	\$ 28,500	\$ 0	\$ 0	\$ 0
<u>Citizens Groups</u>						
Donations	44,769	0	2,294	0	0	0
<u>Other</u>						
Other	65,153	0	0	0	0	0
Total Other Governments and Citizens Groups	<u>\$ 199,616</u>	<u>\$ 0</u>	<u>\$ 30,794</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u>\$ 25,195,692</u>	<u>\$ 165,250</u>	<u>\$ 447,647</u>	<u>\$ 2,139,008</u>	<u>\$ 738,035</u>	<u>\$ 185,579</u>

(Continued)

Exhibit J-5

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Other Capital Projects	
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 0	\$ 624,901	\$ 2,548,282	\$ 0	\$ 17,195,781
Trustee's Collections - Prior Year	0	16,117	138,925	0	490,386
Trustee's Collections - Bankruptcy	0	42	195	0	955
Circuit Clerk/Clerk and Master Collections - Prior Years	0	10,975	44,344	0	302,201
Interest and Penalty	0	3,149	9,992	0	78,732
Payments in-Lieu-of Taxes - T.V.A.	0	225	886	0	6,503
Payments in-Lieu-of Taxes - Local Utilities	0	2,066	8,049	0	49,112
Payments in-Lieu-of Taxes - Other	0	2,026	1,008,273	0	1,052,767
<u>County Local Option Taxes</u>					
Local Option Sales Tax	0	0	954,348	0	954,348
Hotel/Motel Tax	0	0	0	0	297,364
Litigation Tax - General	0	0	84,745	0	223,798
Litigation Tax - Jail, Workhouse, or Courthouse	0	0	0	0	165,250
Business Tax	0	0	0	0	464,862
Mixed Drink Tax	0	0	0	0	32,153
Mineral Severance Tax	0	58,207	0	0	58,207
<u>Statutory Local Taxes</u>					
Bank Excise Tax	0	4,730	19,245	0	137,996
Wholesale Beer Tax	0	0	0	0	217,819
Other Statutory Local Taxes	0	0	0	0	441
Total Local Taxes	\$ 0	\$ 722,438	\$ 4,817,284	\$ 0	\$ 21,728,675
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Cable TV Franchise	\$ 0	\$ 3,462	\$ 12,781	\$ 0	\$ 98,158

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>		<u>Debt Service</u>	<u>Capital</u>	
	<u>Constitu -</u>	<u>Highway /</u>	<u>Fund</u>	<u>Projects Fund</u>	
	<u>tional</u>	<u>Public</u>	<u>General</u>	<u>Other</u>	
	<u>Officers -</u>	<u>Works</u>	<u>Debt</u>	<u>Capital</u>	
	<u>Fees</u>		<u>Service</u>	<u>Projects</u>	<u>Total</u>
<u>Licenses and Permits (Cont.)</u>					
<u>Permits</u>					
Beer Permits	\$ 0	\$ 0	\$ 0	\$ 0	4,436
Building Permits	0	0	0	0	68,750
Other Permits	0	0	0	0	570
Total Licenses and Permits	\$ 0	\$ 3,462	\$ 12,781	\$ 0	\$ 171,914
<u>Fines, Forfeitures, and Penalties</u>					
<u>Circuit Court</u>					
Fines	\$ 0	\$ 0	\$ 0	\$ 0	1,459
Officers Costs	0	0	0	0	15,328
Drug Control Fines	0	0	0	0	29
Drug Court Fees	0	0	0	0	1,805
Jail Fees	0	0	0	0	6,230
DUI Treatment Fines	0	0	0	0	1,427
Data Entry Fee - Circuit Court	0	0	0	0	2,527
Courtroom Security Fee	0	0	0	0	65
Victims Assistance Assessments	0	0	0	0	1,568
<u>General Sessions Court</u>					
Fines	0	0	0	0	16,864
Fines for Littering	0	0	0	0	48
Officers Costs	0	0	0	0	51,577
Game and Fish Fines	0	0	0	0	2,437
Drug Control Fines	0	0	0	0	17,706
Drug Court Fees	0	0	0	0	12,050
Jail Fees	0	0	0	0	23,012
DUI Treatment Fines	0	0	0	0	7,863

(Continued)

Exhibit J-5

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Other Capital Projects	
<u>Fines, Forfeitures, and Penalties (Cont.)</u>					
<u>General Sessions Court (Cont.)</u>					
Data Entry Fee - General Sessions Court	\$ 0	\$ 0	\$ 0	\$ 0	11,892
Courtroom Security Fee	0	0	0	0	1,284
Victims Assistance Assessments	0	0	0	0	22,968
<u>Juvenile Court</u>					
Fines	0	0	0	0	658
Officers Costs	0	0	0	0	4,119
Data Entry Fee - Juvenile Court	0	0	0	0	1,614
<u>Chancery Court</u>					
Officers Costs	0	0	0	0	304
Data Entry Fee - Chancery Court	0	0	0	0	4,104
<u>Other Courts - In-county</u>					
Drug Court Fees	0	0	0	0	7,848
<u>Other Fines, Forfeitures, and Penalties</u>					
Proceeds from Confiscated Property	0	0	0	0	73,517
Other Fines, Forfeitures, and Penalties	0	0	0	0	727
Total Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 0	\$ 0	291,030
<u>Charges for Current Services</u>					
<u>General Service Charges</u>					
Commercial and Industrial Waste Collection Charge	\$ 0	\$ 0	\$ 0	\$ 0	69,000
Transfer Waste Stations Collection Charge	0	0	0	0	12,000
Tipping Fees	0	0	0	0	51,911
Solid Waste Disposal Fee	0	0	0	0	9,235
Other General Service Charges	0	10,401	0	0	228,583

(Continued)

Exhibit J-5

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Other Capital Projects	
<u>Charges for Current Services (Cont.)</u>					
<u>Fees</u>					
Greenbelt Late Application Fee	\$ 0	\$ 0	\$ 0	\$ 0	300
Telephone Commissions	0	0	0	0	75,216
Vending Machine Collections	0	77	0	0	77
Constitutional Officers' Fees and Commissions	280	0	0	0	280
Data Processing Fee - Register	0	0	0	0	16,914
Probation Fees	0	0	0	0	235,015
Data Processing Fee - Sheriff	0	0	0	0	3,020
Sexual Offender Registration Fee - Sheriff	0	0	0	0	8,250
Data Processing Fee - County Clerk	0	0	0	0	2,951
Vehicle Insurance Coverage and Reinstatement Fees	0	0	0	0	4,601
Total Charges for Current Services	\$ 280	\$ 10,478	\$ 0	\$ 0	717,353
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 0	\$ 906	\$ 343,674	\$ 50,447	400,285
Lease/Rentals	0	0	0	0	26,045
Sale of Materials and Supplies	0	716	0	0	716
Commissary Sales	0	0	0	0	10,407
Sale of Maps	0	0	0	0	75
Sale of Recycled Materials	0	1,372	0	0	105,683
E-Rate Funding	0	0	0	0	446
Miscellaneous Refunds	0	0	0	0	243,667
<u>Nonrecurring Items</u>					
Sale of Equipment	0	0	0	0	91,073
Sale of Property	0	0	0	0	14,451

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>		<u>Debt Service</u>	<u>Capital</u>		
	<u>Constitu -</u>	<u>Highway /</u>	<u>Fund</u>	<u>Projects</u>	<u>Fund</u>	
	<u>tional</u>	<u>Public</u>	<u>General</u>	<u>Other</u>	<u>Capital</u>	
	<u>Officers -</u>	<u>Works</u>	<u>Debt</u>	<u>Capital</u>	<u>Projects</u>	<u>Total</u>
	<u>Fees</u>		<u>Service</u>	<u>Projects</u>		
<u>Other Local Revenues (Cont.)</u>						
<u>Nonrecurring Items (Cont.)</u>						
Damages Recovered from Individuals	\$ 0	\$ 100	\$ 0	\$ 0	\$ 0	100
Contributions and Gifts	0	0	0	0	0	650
<u>Other Local Revenues</u>						
Other Local Revenues	0	0	0	0	0	62,094
Total Other Local Revenues	\$ 0	\$ 3,094	\$ 343,674	\$ 50,447	\$ 0	955,692
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	380,684
Circuit Court Clerk	0	0	0	0	0	171,715
General Sessions Court Clerk	0	0	0	0	0	262,388
Clerk and Master	0	0	0	0	0	150,489
Juvenile Court Clerk	0	0	0	0	0	33,357
Register	0	0	0	0	0	247,901
Sheriff	0	0	0	0	0	14,590
Trustee	0	0	0	0	0	833,185
Total Fees Received From County Officials	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	2,094,309
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	9,000
Other General Government Grants	0	0	0	0	0	1,378
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	0	0	0	0	0	34,400

(Continued)

Exhibit J-5

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

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund	Total
	Constitutional Officers - Fees	Highway / Public Works	General Debt Service	Other Capital Projects	
<u>State of Tennessee (Cont.)</u>					
<u>Health and Welfare Grants</u>					
Health Department Programs	\$ 0	\$ 0	\$ 0	\$ 0	88,120
Other Health and Welfare Grants	0	0	0	0	20,000
<u>Public Works Grants</u>					
State Aid Program	0	289,201	0	0	289,201
Litter Program	0	0	0	0	19,745
Tennessee Industrial Infrastructure Program	0	0	0	0	1,319
<u>Other State Revenues</u>					
Beer Tax	0	0	0	0	18,175
Vehicle Certificate of Title Fees	0	0	0	0	8,982
Alcoholic Beverage Tax	0	0	0	0	102,765
State Revenue Sharing - T.V.A.	0	0	0	0	1,321,158
State Revenue Sharing - Telecommunications	0	0	0	0	65,496
Contracted Prisoner Boarding	0	0	0	0	991,904
Gasoline and Motor Fuel Tax	0	2,671,377	0	0	2,671,377
Petroleum Special Tax	0	27,152	0	0	27,152
Registrar's Salary Supplement	0	0	0	0	15,164
Other State Grants	0	0	0	0	180,369
Other State Revenues	0	0	0	0	26,151
Total State of Tennessee	\$ 0	\$ 2,987,730	\$ 0	\$ 0	\$ 5,891,856
<u>Federal Government</u>					
<u>Federal Through State</u>					
Appalachian Regional Commission	\$ 0	\$ 0	\$ 0	\$ 0	479,759
Community Development	0	0	0	0	4,330,151
Civil Defense Reimbursement	0	0	0	0	38,850

(Continued)

Exhibit J-5

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

	<u>Special Revenue Funds</u>		<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	Constitu - tional Officers - Fees	Highway / Public Works	General Debt Service	Other Capital Projects	Total
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
Homeland Security Grants	\$ 0	\$ 0	\$ 0	\$ 0	19,728
Other Federal through State	0	0	0	0	332,740
<u>Direct Federal Revenue</u>					
COVID-19 Grant #6	0	0	0	0	13,821
Other Direct Federal Revenue	0	0	0	0	526,591
Total Federal Government	\$ 0	\$ 0	\$ 0	\$ 0	5,741,640
<u>Other Governments and Citizens Groups</u>					
<u>Other Governments</u>					
Contributions	\$ 0	\$ 17,379	\$ 72,918	\$ 0	208,491
<u>Citizens Groups</u>					
Donations	0	0	0	0	47,063
<u>Other</u>					
Other	0	0	0	0	65,153
Total Other Governments and Citizens Groups	\$ 0	\$ 17,379	\$ 72,918	\$ 0	320,707
Total	\$ 280	\$ 3,744,581	\$ 5,246,657	\$ 50,447	37,913,176

Exhibit J-6

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>General Purpose School</u>	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Projects Fund Education Capital Projects</u>	
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 10,344,638	\$ 0	\$ 0	\$ 0	\$ 10,344,638
Trustee's Collections - Prior Year	247,936	0	0	0	247,936
Trustee's Collections - Bankruptcy	687	0	0	0	687
Circuit Clerk/Clerk and Master Collections - Prior Years	181,098	0	0	0	181,098
Interest and Penalty	52,037	0	0	0	52,037
Payments in-Lieu-of Taxes - T.V.A.	3,712	0	0	0	3,712
Payments in-Lieu-of Taxes - Local Utilities	34,082	0	0	0	34,082
Payments in-Lieu-of Taxes - Other	33,410	0	0	0	33,410
<u>County Local Option Taxes</u>					
Local Option Sales Tax	5,359,609	0	0	0	5,359,609
Mixed Drink Tax	32,153	0	0	0	32,153
<u>Statutory Local Taxes</u>					
Bank Excise Tax	77,994	0	0	0	77,994
Total Local Taxes	\$ 16,367,356	\$ 0	\$ 0	\$ 0	\$ 16,367,356
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 2,498	\$ 0	\$ 0	\$ 0	\$ 2,498
Cable TV Franchise	57,091	0	0	0	57,091
Total Licenses and Permits	\$ 59,589	\$ 0	\$ 0	\$ 0	\$ 59,589
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Tuition - Other	\$ 225,087	\$ 0	\$ 0	\$ 0	\$ 225,087

(Continued)

Exhibit J-6

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>General Purpose School</u>	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Projects Fund Education Capital Projects</u>	
<u>Charges for Current Services (Cont.)</u>					
<u>Education Charges (Cont.)</u>					
Lunch Payments - Children	\$ 0	\$ 0	\$ 336,590	\$ 0	\$ 336,590
Lunch Payments - Adults	0	0	37,120	0	37,120
A la Carte Sales	0	0	249,169	0	249,169
School Based Health Services - FFS	17,008	0	0	0	17,008
Total Charges for Current Services	\$ 242,095	\$ 0	\$ 622,879	\$ 0	\$ 864,974
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 30,569	\$ 0	\$ 39,156	\$ 517,659	\$ 587,384
Lease/Rentals	56,904	0	0	0	56,904
Miscellaneous Refunds	50,195	0	7,873	0	58,068
<u>Nonrecurring Items</u>					
Sale of Equipment	7,202	0	18,641	0	25,843
Contributions and Gifts	151,337	0	1,000	0	152,337
Total Other Local Revenues	\$ 296,207	\$ 0	\$ 66,670	\$ 517,659	\$ 880,536
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 170,025	\$ 0	\$ 0	\$ 0	\$ 170,025
<u>State Education Funds</u>					
Basic Education Program	26,826,644	0	0	0	26,826,644
Early Childhood Education	904,639	0	0	0	904,639
School Food Service	0	0	28,625	0	28,625
Other State Education Funds	367,145	0	0	0	367,145
Career Ladder Program	108,291	0	0	0	108,291

(Continued)

Exhibit J-6

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

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Total</u>
	<u>General Purpose School</u>	<u>School Federal Projects</u>	<u>Central Cafeteria</u>	<u>Projects Fund Education Capital Projects</u>	
<u>State of Tennessee (Cont.)</u>					
<u>Other State Revenues</u>					
State Revenue Sharing - T.V.A.	\$ 50,000	\$ 0	\$ 0	\$ 0	\$ 50,000
Total State of Tennessee	\$ 28,426,744	\$ 0	\$ 28,625	\$ 0	\$ 28,455,369
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 1,127,368	\$ 0	\$ 1,127,368
USDA - Commodities	0	0	234,782	0	234,782
Breakfast	0	0	540,365	0	540,365
USDA - Other	0	0	1,131,914	0	1,131,914
Vocational Education - Basic Grants to States	0	156,370	0	0	156,370
Title I Grants to Local Education Agencies	0	1,357,969	0	0	1,357,969
Special Education - Grants to States	56,786	1,360,478	0	0	1,417,264
Special Education Preschool Grants	0	91,581	0	0	91,581
English Language Acquisition Grants	0	15,148	0	0	15,148
Eisenhower Professional Development State Grants	0	87,831	0	0	87,831
COVID-19 Grant #1	1,758	0	0	0	1,758
Other Federal through State	356,735	104,043	0	0	460,778
<u>Direct Federal Revenue</u>					
Other Direct Federal Revenue	141,063	0	0	0	141,063
Total Federal Government	\$ 556,342	\$ 3,173,420	\$ 3,034,429	\$ 0	\$ 6,764,191
Total	\$ 45,948,333	\$ 3,173,420	\$ 3,752,603	\$ 517,659	\$ 53,392,015

Exhibit J-7

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

General Fund

General Government

County Commission

Board and Committee Members Fees	\$	67,563	
Social Security		3,690	
Pensions		295	
Medical Insurance		398	
Unemployment Compensation		1	
Employer Medicare		976	
Audit Services		15,600	
Dues and Memberships		12,210	
Operating Lease Payments		3,762	
Legal Services		5,423	
Legal Notices, Recording, and Court Costs		2,366	
Travel		2,028	
Office Supplies		15,367	
Refunds		7,949	
In Service/Staff Development		1,050	
Tax Relief Program		104,607	
Other Charges		68,587	
Total County Commission	\$		311,872

Beer Board

Legal Notices, Recording, and Court Costs	\$	487	
Total Beer Board			487

County Mayor/Executive

County Official/Administrative Officer	\$	93,267	
Assistant(s)		37,635	
Other Salaries and Wages		15,270	
Social Security		9,004	
Pensions		17,575	
Life Insurance		114	
Medical Insurance		10,182	
Unemployment Compensation		40	
Employer Medicare		2,106	
Other Fringe Benefits		288	
Communication		30	
Dues and Memberships		1,800	
Operating Lease Payments		3,139	
Travel		677	
Gasoline		197	
Office Supplies		306	
In Service/Staff Development		585	
Other Charges		519	
Total County Mayor/Executive			192,734

County Attorney

Legal Services	\$	10,800	
Total County Attorney			10,800

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Election Commission

County Official/Administrative Officer	\$	72,676	
Deputy(ies)		37,186	
Educational Incentive - Official/Admin Officer		950	
Longevity Pay		1,440	
Overtime Pay		4,370	
Other Salaries and Wages		12,942	
Election Commission		2,255	
Election Workers		17,578	
Social Security		8,905	
Pensions		13,886	
Life Insurance		83	
Medical Insurance		14,299	
Unemployment Compensation		167	
Employer Medicare		2,093	
Other Fringe Benefits		500	
Communication		359	
Data Processing Services		15,845	
Dues and Memberships		450	
Operating Lease Payments		4,570	
Legal Notices, Recording, and Court Costs		6,419	
Maintenance Agreements		850	
Postal Charges		3,650	
Printing, Stationery, and Forms		2,447	
Travel		159	
Other Contracted Services		6,170	
Office Supplies		3,691	
Other Supplies and Materials		1,211	
In Service/Staff Development		130	
Other Charges		190	
Data Processing Equipment		12,270	
Total Election Commission			\$ 247,741

Register of Deeds

County Official/Administrative Officer	\$	80,751
Deputy(ies)		136,628
Educational Incentive - Other County Employees		2,850
Longevity Pay		2,700
Social Security		12,621
Pensions		26,848
Life Insurance		234
Medical Insurance		35,748
Unemployment Compensation		112
Employer Medicare		2,952
Other Fringe Benefits		800
Communication		542
Data Processing Services		16,042
Dues and Memberships		805

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

Operating Lease Payments	\$	3,328	
Postal Charges		1,500	
Travel		827	
Office Supplies		3,108	
In Service/Staff Development		500	
Other Capital Outlay		489	
Total Register of Deeds			\$ 329,385

Planning

Supervisor/Director	\$	66,869	
Deputy(ies)		41,417	
Educational Incentive - Official/Admin Officer		950	
Educational Incentive - Other County Employees		950	
Longevity Pay		1,860	
Social Security		6,864	
Pensions		13,494	
Life Insurance		94	
Medical Insurance		14,299	
Unemployment Compensation		56	
Employer Medicare		1,605	
Other Fringe Benefits		400	
Communication		202	
Dues and Memberships		25	
Operating Lease Payments		2,811	
Legal Notices, Recording, and Court Costs		1,522	
Maintenance Agreements		1,300	
Maintenance and Repair Services - Vehicles		1,434	
Postal Charges		800	
Travel		522	
Gasoline		464	
Office Supplies		67	
Premiums on Corporate Surety Bonds		50	
In Service/Staff Development		375	
Other Charges		32	
Total Planning			158,462

County Buildings

Supervisor/Director	\$	34,507	
Custodial Personnel		141,898	
Maintenance Personnel		47,511	
Part-time Personnel		5,675	
Longevity Pay		3,060	
Other Salaries and Wages		943	
Social Security		13,961	
Pensions		22,120	
Life Insurance		370	
Medical Insurance		52,430	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

General Government (Cont.)

County Buildings (Cont.)

Unemployment Compensation	\$	356	
Employer Medicare		3,265	
Other Fringe Benefits		1,450	
Communication		46,009	
Maintenance Agreements		40,662	
Maintenance and Repair Services - Buildings		50,543	
Maintenance and Repair Services - Equipment		4,727	
Maintenance and Repair Services - Vehicles		1,393	
Pest Control		10,625	
Disposal Fees		8,001	
Other Contracted Services		64,312	
Custodial Supplies		21,226	
Gasoline		1,805	
Uniforms		1,661	
Utilities		428,008	
Other Supplies and Materials		991	
Other Charges		1,966	
Building Improvements		160,760	
Maintenance Equipment		1,108	
Other Capital Outlay		755	
Total County Buildings			\$ 1,172,098

Other General Administration

Communication	\$	297	
Maintenance Agreements		15,812	
Other Contracted Services		49,293	
Other Charges		226	
Data Processing Equipment		11,996	
Total Other General Administration			77,624

Finance

Property Assessor's Office

County Official/Administrative Officer	\$	80,751	
Deputy(ies)		227,441	
Longevity Pay		1,500	
Overtime Pay		7,515	
Board and Committee Members Fees		3,440	
Social Security		19,242	
Pensions		38,233	
Life Insurance		370	
Medical Insurance		55,112	
Unemployment Compensation		224	
Employer Medicare		4,500	
Other Fringe Benefits		1,400	
Contracts with Government Agencies		20,464	
Contracts with Private Agencies		29,192	
Dues and Memberships		1,800	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

Property Assessor's Office (Cont.)

Operating Lease Payments	\$	8,465	
Legal Notices, Recording, and Court Costs		380	
Maintenance Agreements		5,570	
Maintenance and Repair Services - Vehicles		193	
Postal Charges		2,482	
Travel		513	
Gasoline		902	
Office Supplies		2,207	
In Service/Staff Development		235	
Other Charges		966	
Office Equipment		3,958	
Total Property Assessor's Office	\$		517,055

County Trustee's Office

County Official/Administrative Officer	\$	80,751	
Deputy(ies)		131,603	
Educational Incentive - Other County Employees		1,900	
Longevity Pay		2,280	
Other Salaries and Wages		1,948	
Social Security		13,188	
Pensions		25,067	
Life Insurance		210	
Medical Insurance		35,152	
Unemployment Compensation		128	
Employer Medicare		3,103	
Other Fringe Benefits		800	
Data Processing Services		12,035	
Dues and Memberships		975	
Operating Lease Payments		1,179	
Postal Charges		10,089	
Travel		874	
Other Contracted Services		5,684	
Office Supplies		4,344	
In Service/Staff Development		885	
Total County Trustee's Office			332,195

County Clerk's Office

County Official/Administrative Officer	\$	80,751	
Deputy(ies)		314,432	
Part-time Personnel		5,398	
Educational Incentive - Other County Employees		5,700	
Longevity Pay		6,060	
Social Security		24,571	
Pensions		47,174	
Life Insurance		448	
Medical Insurance		70,230	
Unemployment Compensation		259	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office (Cont.)

Employer Medicare	\$	5,746	
Other Fringe Benefits		1,800	
Communication		512	
Data Processing Services		22,459	
Dues and Memberships		830	
Operating Lease Payments		3,252	
Maintenance Agreements		148	
Postal Charges		11,352	
Travel		1,496	
Other Contracted Services		50	
Office Supplies		6,344	
Premiums on Corporate Surety Bonds		178	
In Service/Staff Development		935	
Other Charges		539	
Data Processing Equipment		3,460	
Total County Clerk's Office			\$ 614,124

Other Finance

Supervisor/Director	\$	70,818	
Deputy(ies)		46,849	
Accountants/Bookkeepers		352,987	
Educational Incentive - Official/Admin Officer		2,105	
Educational Incentive - Other County Employees		6,650	
Longevity Pay		8,640	
Social Security		27,599	
Pensions		57,781	
Life Insurance		480	
Medical Insurance		69,130	
Unemployment Compensation		307	
Employer Medicare		6,559	
Other Fringe Benefits		2,200	
Communication		1,807	
Data Processing Services		29,038	
Dues and Memberships		315	
Operating Lease Payments		6,956	
Maintenance Agreements		4,432	
Postal Charges		4,316	
Travel		2,416	
Other Contracted Services		858	
Office Supplies		11,621	
In Service/Staff Development		2,564	
Other Charges		2,039	
Data Processing Equipment		1,509	
Total Other Finance			719,976

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	80,751	
Deputy(ies)		562,882	
Part-time Personnel		8,858	
Educational Incentive - Other County Employees		4,400	
Longevity Pay		10,680	
Jury and Witness Expense		3,348	
Social Security		39,614	
Pensions		78,340	
Life Insurance		684	
Medical Insurance		96,104	
Unemployment Compensation		447	
Employer Medicare		9,265	
Other Fringe Benefits		2,900	
Communication		891	
Data Processing Services		34,632	
Dues and Memberships		860	
Operating Lease Payments		11,424	
Legal Notices, Recording, and Court Costs		383	
Postal Charges		6,970	
Travel		2,448	
Remittance of Revenue Collected		24,536	
Other Contracted Services		2,044	
Library Books/Media		662	
Office Supplies		6,340	
In Service/Staff Development		735	
Other Equipment		2,069	
Total Circuit Court			\$ 992,267

General Sessions Court

County Official/Administrative Officer	\$	159,699	
Deputy(ies)		83,575	
Longevity Pay		300	
Social Security		13,450	
Pensions		29,277	
Life Insurance		140	
Medical Insurance		21,449	
Unemployment Compensation		56	
Employer Medicare		3,480	
Other Fringe Benefits		400	
Operating Lease Payments		1,141	
Travel		975	
Library Books/Media		674	
Office Supplies		839	
In Service/Staff Development		307	
Other Charges		56	
Other Equipment		510	
Total General Sessions Court			316,328

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Drug Court

Supervisor/Director	\$	49,394	
Longevity Pay		600	
Other Salaries and Wages		23,034	
Social Security		3,933	
Pensions		7,895	
Life Insurance		73	
Medical Insurance		14,299	
Unemployment Compensation		74	
Employer Medicare		920	
Other Fringe Benefits		400	
Communication		605	
Total Drug Court			\$ 101,227

Chancery Court

County Official/Administrative Officer	\$	80,751	
Deputy(ies)		69,869	
Social Security		9,123	
Pensions		18,122	
Life Insurance		140	
Medical Insurance		21,449	
Unemployment Compensation		84	
Employer Medicare		2,134	
Other Fringe Benefits		400	
Communication		31	
Data Processing Services		19,197	
Dues and Memberships		860	
Operating Lease Payments		4,062	
Postal Charges		1,500	
Travel		849	
Other Contracted Services		147	
Library Books/Media		880	
Office Supplies		1,624	
Other Equipment		1,744	
Total Chancery Court			232,966

Juvenile Court

Assistant(s)	\$	50,127	
Deputy(ies)		45,530	
Longevity Pay		2,100	
Social Security		5,361	
Pensions		11,779	
Life Insurance		94	
Medical Insurance		14,299	
Unemployment Compensation		56	
Employer Medicare		1,254	
Other Fringe Benefits		400	
Communication		722	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

Juvenile Court (Cont.)

Dues and Memberships	\$	125	
Travel		921	
Library Books/Media		773	
In Service/Staff Development		755	
Total Juvenile Court			\$ 134,296

Judicial Commissioners

County Official/Administrative Officer	\$	68,161	
Part-time Personnel		8,230	
Longevity Pay		1,620	
Overtime Pay		30,681	
Social Security		5,998	
Pensions		12,066	
Life Insurance		140	
Medical Insurance		21,449	
Unemployment Compensation		122	
Employer Medicare		1,403	
Other Fringe Benefits		800	
Dues and Memberships		375	
Operating Lease Payments		414	
Total Judicial Commissioners			151,459

Other Administration of Justice

Contracts with Government Agencies	\$	109,530	
Contracts with Private Agencies		354,867	
Other Contracted Services		13,850	
Total Other Administration of Justice			478,247

Probation Services

Supervisor/Director	\$	47,537	
Deputy(ies)		58,798	
Longevity Pay		540	
Social Security		6,507	
Pensions		10,993	
Life Insurance		129	
Medical Insurance		14,299	
Unemployment Compensation		84	
Employer Medicare		1,522	
Other Fringe Benefits		600	
Communication		15	
Drugs and Medical Supplies		1,680	
Office Supplies		1,945	
Total Probation Services			144,649

Courtroom Security

Communication Equipment	\$	32,026	
Furniture and Fixtures		7,600	
Total Courtroom Security			39,626

(Continued)

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

General Fund (Cont.)

Public Safety

Sheriff's Department

County Official/Administrative Officer	\$	88,827	
Assistant(s)		64,643	
Supervisor/Director		6,326	
Deputy(ies)		662,126	
Investigator(s)		335,462	
Captain(s)		120,826	
Sergeant(s)		242,461	
Accountants/Bookkeepers		78,762	
Instructional Computer Personnel		44,792	
Salary Supplements		49,400	
Mechanic(s)		11,958	
Guards		273,095	
Part-time Personnel		36,924	
School Resource Officer		506,408	
Longevity Pay		28,860	
Overtime Pay		179,359	
Other Salaries and Wages		53,665	
Social Security		165,550	
Pensions		300,792	
Life Insurance		2,176	
Medical Insurance		301,616	
Unemployment Compensation		2,019	
Employer Medicare		39,204	
Other Fringe Benefits		11,000	
Communication		30,926	
Contracts with Private Agencies		10,789	
Dues and Memberships		2,685	
Operating Lease Payments		15,404	
Maintenance Agreements		7,501	
Maintenance and Repair Services - Equipment		6,589	
Maintenance and Repair Services - Vehicles		145,242	
Medical and Dental Services		600	
Postal Charges		4,019	
Travel		17,742	
Diesel Fuel		8,526	
Gasoline		120,937	
Law Enforcement Supplies		8,894	
Office Supplies		7,992	
Propane Gas		352	
Tires and Tubes		20,928	
Uniforms		14,112	
Other Supplies and Materials		2,275	
Premiums on Corporate Surety Bonds		25	
In Service/Staff Development		10,310	
Constitutional Officers' Operating Expenses		250	
Other Charges		18,497	
Motor Vehicles		57,926	
Other Equipment		38,086	
Total Sheriff's Department			\$ 4,156,858

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Administration of the Sexual Offender Registry

Guards	\$	10,203	
Social Security		639	
Unemployment Compensation		38	
Employer Medicare		149	
Other Fringe Benefits		100	
Remittance of Revenue Collected		800	
Total Administration of the Sexual Offender Registry			\$ 11,929

Jail

Assistant(s)	\$	60,413	
Deputy(ies)		41,399	
Medical Personnel		83,002	
Salary Supplements		6,000	
Guards		731,239	
Cafeteria Personnel		48,802	
Maintenance Personnel		37,774	
Part-time Personnel		84,070	
Longevity Pay		4,200	
Overtime Pay		70,572	
Other Salaries and Wages		28,965	
Social Security		71,662	
Pensions		115,294	
Life Insurance		1,382	
Medical Insurance		207,548	
Unemployment Compensation		1,234	
Employer Medicare		16,766	
Other Fringe Benefits		6,500	
Maintenance Agreements		29,104	
Maintenance and Repair Services - Buildings		18,919	
Maintenance and Repair Services - Equipment		13,003	
Matching Share		20,000	
Medical and Dental Services		18,200	
Pest Control		2,510	
Transportation - Other than Students		15,110	
Travel		3,193	
Disposal Fees		2,788	
Custodial Supplies		92,124	
Food Supplies		355,733	
Prisoners Clothing		16,687	
Uniforms		1,110	
Other Supplies and Materials		1,006	
Medical Claims		542,643	
In Service/Staff Development		400	
Other Charges		7,256	
Other Equipment		30,830	
Total Jail			2,787,438

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Correctional Incentive Program Improvements

Supervisor/Director	\$	6,092	
Assessment Personnel		39,558	
Part-time Personnel		10,346	
Other Salaries and Wages		133,468	
Social Security		11,545	
Pensions		19,339	
Life Insurance		187	
Medical Insurance		21,449	
Unemployment Compensation		168	
Employer Medicare		2,700	
Other Fringe Benefits		200	
Communication		147	
Travel		1,466	
Other Supplies and Materials		4,910	
In Service/Staff Development		563	
Total Correctional Incentive Program Improvements	\$		252,138

Juvenile Services

Contracts with Private Agencies	\$	14,850	
Printing, Stationery, and Forms		798	
Rentals		9,000	
Other Contracted Services		64,668	
Other Supplies and Materials		11,163	
Indirect Cost		1,679	
Other Charges		2,573	
Total Juvenile Services			104,731

Civil Defense

Supervisor/Director	\$	54,706	
Deputy(ies)		40,892	
Social Security		5,741	
Pensions		11,520	
Life Insurance		94	
Medical Insurance		14,299	
Unemployment Compensation		56	
Employer Medicare		1,343	
Other Fringe Benefits		400	
Communication		3,641	
Dues and Memberships		55	
Operating Lease Payments		3,748	
Maintenance and Repair Services - Buildings		1,115	
Maintenance and Repair Services - Equipment		354	
Maintenance and Repair Services - Vehicles		1,044	
Travel		873	
Other Contracted Services		5,541	
Diesel Fuel		535	
Gasoline		1,766	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Civil Defense (Cont.)

Office Supplies	\$	708	
Other Supplies and Materials		1,445	
In Service/Staff Development		918	
Other Charges		1,069	
Other Equipment		8,293	
Total Civil Defense			\$ 160,156

Rescue Squad

Dues and Memberships	\$	616	
Maintenance and Repair Services - Equipment		3,585	
Maintenance and Repair Services - Vehicles		126	
Other Contracted Services		3,612	
Diesel Fuel		55	
Gasoline		390	
Other Supplies and Materials		2,117	
Other Charges		279	
Other Equipment		564	
Other Capital Outlay		35,779	
Total Rescue Squad			47,123

Other Emergency Management

Assistant(s)	\$	38,767	
Supervisor/Director		49,921	
Dispatchers/Radio Operators		427,638	
Educational Incentive - Official/Admin Officer		950	
Educational Incentive - Other County Employees		950	
Longevity Pay		4,980	
Overtime Pay		22,698	
Other Salaries and Wages		19,301	
Social Security		33,972	
Pensions		60,715	
Life Insurance		733	
Medical Insurance		78,290	
Unemployment Compensation		549	
Employer Medicare		7,945	
Other Fringe Benefits		3,000	
Communication		15,851	
Contracts with Private Agencies		7,542	
Operating Lease Payments		4,673	
Maintenance and Repair Services - Equipment		4,596	
Maintenance and Repair Services - Vehicles		1,287	
Postal Charges		55	
Travel		4,384	
Gasoline		513	
Office Supplies		5,096	
Uniforms		694	
In Service/Staff Development		3,705	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

Other Charges	\$ 517	
Other Equipment	7,205	
Total Other Emergency Management		\$ 806,527

County Coroner/Medical Examiner

Other Contracted Services	\$ 6,000	
Medical Claims	34,637	
Total County Coroner/Medical Examiner		40,637

Public Safety Grants Program

Overtime Pay	\$ 2,894	
Social Security	177	
Pensions	347	
Medical Insurance	133	
Employer Medicare	41	
Other Equipment	1,576	
Other Capital Outlay	19,728	
Total Public Safety Grants Program		24,896

Public Health and Welfare

Local Health Center

Communication	\$ 1,230	
Dues and Memberships	200	
Maintenance and Repair Services - Buildings	9,939	
Disposal Fees	1,797	
Custodial Supplies	3,485	
Office Supplies	311	
Utilities	10,840	
Building and Contents Insurance	2,865	
Liability Insurance	457	
Other Charges	340	
Total Local Health Center		31,464

Rabies and Animal Control

Assistant(s)	\$ 91,866	
Supervisor/Director	13,240	
Longevity Pay	360	
Overtime Pay	4,734	
Other Salaries and Wages	516	
Social Security	6,832	
Pensions	11,509	
Life Insurance	141	
Medical Insurance	9,557	
Unemployment Compensation	117	
Employer Medicare	1,598	
Other Fringe Benefits	400	
Communication	965	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

Dues and Memberships	\$	190	
Licenses		370	
Maintenance and Repair Services - Buildings		3,123	
Maintenance and Repair Services - Vehicles		1,304	
Postal Charges		703	
Travel		663	
Other Contracted Services		94,531	
Animal Food and Supplies		2,440	
Diesel Fuel		1,043	
Drugs and Medical Supplies		299	
Gasoline		4,483	
Office Supplies		515	
Propane Gas		597	
Tires and Tubes		13	
Uniforms		255	
Other Supplies and Materials		6,364	
In Service/Staff Development		495	
Other Equipment		3,135	
Total Rabies and Animal Control			\$ 262,358

Other Local Health Services

Social Workers	\$	31,419	
Medical Personnel		1,483	
Secretary(ies)		28,167	
Longevity Pay		360	
Social Security		3,704	
Pensions		4,436	
Life Insurance		90	
Medical Insurance		10,014	
Unemployment Compensation		85	
Employer Medicare		866	
Other Fringe Benefits		400	
Travel		1,416	
Other Contracted Services		2,434	
Total Other Local Health Services			84,874

Appropriation to State

Contracts with Government Agencies	\$	27,946	
Total Appropriation to State			27,946

General Welfare Assistance

Other Contracted Services	\$	17,775	
Total General Welfare Assistance			17,775

Waste Pickup

Laborers	\$	58,848	
Other Salaries and Wages		2,152	

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Waste Pickup (Cont.)

Social Security	\$	3,656	
Pensions		5,923	
Life Insurance		93	
Medical Insurance		9,790	
Unemployment Compensation		56	
Employer Medicare		855	
Other Fringe Benefits		400	
Advertising		2,300	
Disposal Fees		83	
Other Supplies and Materials		8,065	
Total Waste Pickup	\$		92,221

Other Waste Collection

Laborers	\$	30,950	
Other Salaries and Wages		220	
Social Security		454	
Pensions		3,591	
Life Insurance		47	
Medical Insurance		6,620	
Unemployment Compensation		28	
Employer Medicare		444	
Other Fringe Benefits		200	
Disposal Fees		496	
Total Other Waste Collection			43,050

Other Public Health and Welfare

Other Charges	\$	21,856	
Total Other Public Health and Welfare			21,856

Social, Cultural, and Recreational Services

Senior Citizens Assistance

Maintenance and Repair Services - Buildings	\$	105	
Other Contracted Services		27,550	
Custodial Supplies		3,322	
Total Senior Citizens Assistance			30,977

Parks and Fair Boards

Supervisor/Director	\$	5,722	
Other Salaries and Wages		16,200	
Social Security		1,350	
Pensions		1,021	
Unemployment Compensation		58	
Employer Medicare		316	
Communication		240	
Maintenance Agreements		359	
Maintenance and Repair Services - Buildings		4,577	
Other Supplies and Materials		8,281	
Other Charges		86	
Total Parks and Fair Boards			38,210

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Agriculture and Natural Resources

Agricultural Extension Service

Other Salaries and Wages	\$	76,280	
Social Security		364	
Unemployment Compensation		23	
Employer Medicare		85	
Other Fringe Benefits		20,798	
Communication		1,082	
Dues and Memberships		565	
Operating Lease Payments		5,658	
Other Contracted Services		444	
Total Agricultural Extension Service			\$ 105,299

Soil Conservation

Secretary to Board	\$	28,171	
Other Salaries and Wages		31,105	
Social Security		3,514	
Pensions		6,714	
Life Insurance		94	
Medical Insurance		7,150	
Unemployment Compensation		56	
Employer Medicare		822	
Other Fringe Benefits		400	
Dues and Memberships		275	
Travel		2,154	
In Service/Staff Development		780	
Total Soil Conservation			81,235

Other Operations

Industrial Development

Other Salaries and Wages	\$	19,435	
Social Security		1,176	
Pensions		2,346	
Life Insurance		26	
Medical Insurance		3,912	
Unemployment Compensation		15	
Employer Medicare		275	
Other Fringe Benefits		112	
Communication		490	
Dues and Memberships		125	
Maintenance and Repair Services - Buildings		305	
Pest Control		900	
Travel		2,003	
Disposal Fees		241	
Other Contracted Services		4,338	
Office Supplies		71	
In Service/Staff Development		2,085	
Other Charges		1,668	
Other Capital Outlay		291,628	
Total Industrial Development			331,151

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

Other Economic and Community Development

Contracts with Government Agencies	\$	111,330	
Other Contracted Services		253,309	
Other Capital Outlay		4,593,466	
Total Other Economic and Community Development	\$		4,958,105

Airport

Airport Improvement	\$	265,090	
Total Airport			265,090

Veterans' Services

Assistant(s)	\$	33,800	
Supervisor/Director		18,131	
Part-time Personnel		13,083	
Social Security		2,908	
Pensions		4,080	
Life Insurance		47	
Medical Insurance		5,772	
Unemployment Compensation		88	
Employer Medicare		944	
Other Fringe Benefits		400	
Communication		360	
Contracts with Private Agencies		898	
Operating Lease Payments		1,705	
Maintenance Agreements		507	
Transportation - Other than Students		2,554	
Travel		339	
Office Supplies		548	
Other Charges		1,495	
Total Veterans' Services			87,659

Other Charges

Other Fringe Benefits	\$	18,469	
Medical and Dental Services		2,911	
Building and Contents Insurance		72,294	
Liability Insurance		103,331	
Medical Claims		32,048	
Trustee's Commission		274,206	
Vehicle and Equipment Insurance		87,086	
Workers' Compensation Insurance		231,766	
Other Self-insured Claims		10,000	
Other Charges		12,230	
Total Other Charges			844,341

COVID-19 Grant #2

Other Supplies and Materials	\$	2,767	
Communication Equipment		5,974	
Furniture and Fixtures		24,759	
Total COVID-19 Grant #2			33,500

(Continued)

Exhibit J-7

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

General Fund (Cont.)

Other Operations (Cont.)

COVID-19 Grant #6

Other Charges	\$ 13,821	
Total COVID-19 Grant #6		\$ 13,821

Capital Projects

Other General Government Projects

Motor Vehicles	\$ 73,375	
Other Equipment	27,878	
Other Capital Outlay	52,809	
Total Other General Government Projects		154,062

Highway and Street Capital Projects

Other Capital Outlay	\$ 132,263	
Total Highway and Street Capital Projects		132,263

Total General Fund \$ 23,325,308

Courthouse and Jail Maintenance Fund

Other Operations

Other Charges

Trustee's Commission	\$ 1,659	
Total Other Charges		\$ 1,659

Total Courthouse and Jail Maintenance Fund 1,659

Public Library Fund

Social, Cultural, and Recreational Services

Libraries

Assistant(s)	\$ 99,124
Supervisor/Director	49,729
Education Media Personnel	38,125
Part-time Personnel	33,658
Educational Incentive - Official/Admin Officer	950
Longevity Pay	1,200
Other Salaries and Wages	924
Social Security	13,564
Pensions	22,926
Life Insurance	218
Medical Insurance	32,993
Unemployment Compensation	249
Employer Medicare	3,172
Other Fringe Benefits	1,400
Communication	1,737
Dues and Memberships	75
Operating Lease Payments	4,613
Maintenance and Repair Services - Buildings	20,398
Maintenance and Repair Services - Office Equipment	107
Travel	1,554

(Continued)

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

Public Library Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

Other Contracted Services	\$	5,443	
Custodial Supplies		1,114	
Library Books/Media		24,001	
Office Supplies		1,141	
Periodicals		4,233	
Other Supplies and Materials		4,496	
In Service/Staff Development		518	
Other Charges		837	
Data Processing Equipment		3,341	
Office Equipment		1,129	
Other Capital Outlay		180	
Total Libraries			\$ 373,149

Other Operations

Other Charges

Pest Control	\$	600	
Disposal Fees		1,695	
Utilities		20,020	
Building and Contents Insurance		2,909	
Liability Insurance		996	
Trustee's Commission		8,011	
Workers' Compensation Insurance		5,580	
Total Other Charges			39,811

Capital Projects

Social, Cultural, and Recreation Projects

Building Improvements	\$	2,000	
Total Social, Cultural, and Recreation Projects			2,000

Total Public Library Fund \$ 414,960

Solid Waste/Sanitation Fund

Public Health and Welfare

Sanitation Education/Information

Advertising	\$	1,841	
Other Supplies and Materials		886	
Total Sanitation Education/Information			\$ 2,727

Convenience Centers

Laborers	\$	212,059	
Overtime Pay		65	
Social Security		12,113	
Unemployment Compensation		640	
Employer Medicare		3,112	
Other Fringe Benefits		2,500	
Communication		5,704	
Operating Lease Payments		1,121	

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Convenience Centers (Cont.)

Maintenance and Repair Services - Buildings	\$	4,500	
Maintenance and Repair Services - Equipment		1,300	
Other Contracted Services		4,642	
Utilities		14,357	
Other Supplies and Materials		3,849	
Building Construction		2,485	
Solid Waste Equipment		140,553	
Other Capital Outlay		43,578	
Total Convenience Centers			\$ 452,578

Transfer Stations

Supervisor/Director	\$	67,017
Deputy(ies)		36,037
Foremen		48,351
Equipment Operators - Light		74,414
Truck Drivers		229,727
Laborers		38,270
Part-time Personnel		20,225
Educational Incentive - Official/Admin Officer		950
Educational Incentive - Other County Employees		950
Longevity Pay		2,340
Overtime Pay		2,594
Other Salaries and Wages		2,147
Social Security		31,656
Pensions		55,651
Life Insurance		593
Medical Insurance		65,762
Unemployment Compensation		411
Employer Medicare		7,404
Other Fringe Benefits		2,700
Communication		1,821
Contracts with Government Agencies		547,266
Contracts with Private Agencies		59,522
Dues and Memberships		743
Operating Lease Payments		2,006
Maintenance Agreements		250
Maintenance and Repair Services - Buildings		778
Maintenance and Repair Services - Equipment		10,527
Maintenance and Repair Services - Vehicles		7,880
Pest Control		880
Postal Charges		110
Travel		2,244
Diesel Fuel		35,401
Equipment and Machinery Parts		12,032
Garage Supplies		2,853
Gasoline		3,699
Lubricants		3,357

(Continued)

Exhibit J-7

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

Solid Waste/Sanitation Fund (Cont.)

Public Health and Welfare (Cont.)

Transfer Stations (Cont.)

Office Supplies	\$	1,542	
Tires and Tubes		12,048	
Uniforms		3,138	
Utilities		14,278	
Vehicle Parts		8,837	
Other Supplies and Materials		18,355	
In Service/Staff Development		2,261	
Other Charges		50	
Solid Waste Equipment		220,591	
Total Transfer Stations			\$ 1,659,668

Postclosure Care Costs

Contracts with Private Agencies	\$	6,952	
Total Postclosure Care Costs			6,952

Other Operations

Other Charges

Medical and Dental Services	\$	935	
Building and Contents Insurance		12,887	
Liability Insurance		15,035	
Medical Claims		415	
Trustee's Commission		36,582	
Vehicle and Equipment Insurance		15,405	
Workers' Compensation Insurance		16,716	
Other Charges		212	
Total Other Charges			98,187

Total Solid Waste/Sanitation Fund \$ 2,220,112

Local Purpose Tax Fund

Public Safety

Fire Prevention and Control

Contracts with Government Agencies	\$	2,000	
Other Contracted Services		652,750	
Other Supplies and Materials		787	
Trustee's Commission		11,462	
Other Charges		502	
Other Capital Outlay		1,125	
Total Fire Prevention and Control			\$ 668,626

Total Local Purpose Tax Fund 668,626

Drug Control Fund

Public Safety

Drug Enforcement

Contributions	\$	1,300	
Confidential Drug Enforcement Payments		5,000	

(Continued)

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

Drug Control Fund (Cont.)

Public Safety (Cont.)

Drug Enforcement (Cont.)

Maintenance and Repair Services - Vehicles	\$	364	
Other Contracted Services		8,345	
Animal Food and Supplies		1,102	
Instructional Supplies and Materials		7,245	
Other Supplies and Materials		411	
In Service/Staff Development		8,915	
Other Charges		15,232	
Law Enforcement Equipment		10,985	
Motor Vehicles		16,000	
Total Drug Enforcement			\$ 74,899

Other Operations

Other Charges

Trustee's Commission	\$	576	
Total Other Charges			576

Total Drug Control Fund \$ 75,475

Constitutional Officers - Fees Fund

General Government

Register of Deeds

Constitutional Officers' Operating Expenses	\$	111	
Total Register of Deeds			\$ 111

Public Safety

Sheriff's Department

Constitutional Officers' Operating Expenses	\$	169	
Total Sheriff's Department			169

Total Constitutional Officers - Fees Fund 280

Highway/Public Works Fund

Highways

Administration

County Official/Administrative Officer	\$	88,827	
Assistant(s)		119,177	
Longevity Pay		3,480	
Overtime Pay		8,677	
Other Salaries and Wages		101,357	
Board and Committee Members Fees		21,600	
Social Security		20,752	
Pensions		25,024	
Life Insurance		179	
Medical Insurance		27,258	
Dental Insurance		1,034	
Employer Medicare		4,932	
Other Fringe Benefits		550	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Administration (Cont.)

Dues and Memberships	\$	4,796	
Operating Lease Payments		1,231	
Legal Services		275	
Legal Notices, Recording, and Court Costs		262	
Maintenance and Repair Services - Office Equipment		947	
Postal Charges		45	
Travel		1,190	
Other Contracted Services		5,702	
Office Supplies		2,028	
In Service/Staff Development		2,324	
Other Charges		2,730	
Total Administration			\$ 444,377

Highway and Bridge Maintenance

Foremen	\$	20,874	
Equipment Operators - Heavy		205,559	
Equipment Operators - Light		130,853	
Truck Drivers		215,035	
Longevity Pay		7,740	
Overtime Pay		17,327	
Other Salaries and Wages		10,249	
Social Security		36,046	
Pensions		72,613	
Life Insurance		740	
Medical Insurance		115,506	
Dental Insurance		4,406	
Employer Medicare		8,430	
Other Fringe Benefits		4,354	
Other Contracted Services		4,550	
Asphalt - Cold Mix		9,961	
Crushed Stone		5,609	
General Construction Materials		50	
Other Road Materials		32,056	
Pipe		20,788	
Propane Gas		46	
Road Signs		24,970	
Small Tools		4,403	
Other Supplies and Materials		1,472	
Total Highway and Bridge Maintenance			953,637

Operation and Maintenance of Equipment

Foremen	\$	45,004	
Longevity Pay		420	
Overtime Pay		1,066	
Other Salaries and Wages		1,640	
Social Security		2,909	
Pensions		5,764	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

Life Insurance	\$	47	
Medical Insurance		7,150	
Dental Insurance		272	
Employer Medicare		680	
Other Fringe Benefits		368	
Maintenance and Repair Services - Buildings		30,880	
Maintenance and Repair Services - Equipment		49,647	
Diesel Fuel		52,044	
Equipment and Machinery Parts		14,835	
Garage Supplies		16,215	
Gasoline		11,291	
Lubricants		10,859	
Small Tools		860	
Tires and Tubes		7,388	
Total Operation and Maintenance of Equipment			\$ 259,339

Quarry Operations

Foremen	\$	35,009	
Equipment Operators - Light		54,816	
Longevity Pay		2,340	
Overtime Pay		2,507	
Other Salaries and Wages		7,456	
Social Security		6,246	
Pensions		12,178	
Life Insurance		82	
Medical Insurance		15,719	
Dental Insurance		600	
Employer Medicare		1,461	
Other Fringe Benefits		508	
Communication		151	
Operating Lease Payments		10,800	
Maintenance and Repair Services - Buildings		500	
Maintenance and Repair Services - Equipment		22,870	
Printing, Stationery, and Forms		1,750	
Rentals		2,320	
Diesel Fuel		4,914	
Electricity		44,234	
Equipment and Machinery Parts		17,975	
Garage Supplies		3,796	
Water and Sewer		893	
Total Quarry Operations			249,125

Other Charges

Other Fringe Benefits	\$	4,766	
Communication		9,130	
Medical and Dental Services		1,207	
Pest Control		320	

(Continued)

Exhibit J-7

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Other Charges (Cont.)

Disposal Fees	\$	4,964	
Permits		2,154	
Uniforms		6,950	
Utilities		16,502	
Building and Contents Insurance		23,431	
Liability Insurance		27,337	
Medical Claims		3,354	
Premiums on Corporate Surety Bonds		200	
Trustee's Commission		40,995	
Vehicle and Equipment Insurance		28,907	
Workers' Compensation Insurance		27,888	
Other Self-insured Claims		2,202	
Other Charges		<u>2,532</u>	
Total Other Charges			\$ 202,839

Capital Outlay

Bridge Construction	\$	27,604	
Building Improvements		22,821	
Communication Equipment		7,060	
Highway Construction		1,106,776	
Motor Vehicles		32,448	
Office Equipment		10,345	
Quarry Equipment		29,523	
State Aid Projects		300,986	
Other Equipment		10,893	
Other Construction		11,231	
Other Capital Outlay		<u>1,352</u>	
Total Capital Outlay			1,561,039

Principal on Debt

Highways and Streets

Principal on Notes	\$	<u>15,807</u>	
Total Highways and Streets			15,807

Interest on Debt

Highways and Streets

Interest on Notes	\$	<u>3,315</u>	
Total Highways and Streets			<u>3,315</u>

Total Highway/Public Works Fund \$ 3,689,478

General Debt Service Fund

Principal on Debt

General Government

Principal on Bonds	\$	1,345,000	
Principal on Notes		<u>225,157</u>	
Total General Government			\$ 1,570,157

(Continued)

Exhibit J-7

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

General Debt Service Fund (Cont.)

Principal on Debt (Cont.)

Highways and Streets

Principal on Notes	\$ 493,147	
Total Highways and Streets		\$ 493,147

Education

Principal on Bonds	\$ 2,010,000	
Principal on Capital Leases	71,225	
Total Education		2,081,225

Interest on Debt

General Government

Interest on Bonds	\$ 740,006	
Interest on Notes	55,833	
Total General Government		795,839

Highways and Streets

Interest on Notes	\$ 32,884	
Total Highways and Streets		32,884

Education

Interest on Bonds	\$ 1,946,941	
Interest on Capital Leases	1,693	
Total Education		1,948,634

Other Debt Service

General Government

Trustee's Commission	\$ 77,897	
Other Debt Issuance Charges	11,000	
Other Debt Service	995	
Total General Government		89,892

Education

Other Debt Service	\$ 900	
Total Education		900

Total General Debt Service Fund		\$ 7,012,678
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Other Capital Projects Fund

Other Operations

Other Charges

Trustee's Commission	\$ 614	
Total Other Charges		\$ 614

Capital Projects

Public Safety Projects

Other Capital Outlay	\$ 4,279,776	
Total Public Safety Projects		4,279,776

Total Other Capital Projects Fund		4,280,390
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Total Governmental Funds - Primary Government		<u>\$ 41,688,966</u>
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Exhibit J-8

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

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 13,028,911	
Career Ladder Program	65,170	
Homebound Teachers	92,175	
Educational Assistants	584,687	
Bonus Payments	117,977	
Certified Substitute Teachers	114,918	
Non-certified Substitute Teachers	156,974	
Social Security	812,725	
Pensions	1,393,858	
Medical Insurance	2,364,586	
Unemployment Compensation	18,455	
Employer Medicare	191,782	
Other Fringe Benefits	4,704	
Operating Lease Payments	27,925	
Tuition	245,715	
Other Contracted Services	25,956	
Instructional Supplies and Materials	249,529	
Textbooks - Electronic	67,545	
Textbooks - Bound	201,963	
Software	227,343	
Fee Waivers	108,598	
Other Charges	9,523	
Regular Instruction Equipment	292,461	
Total Regular Instruction Program		\$ 20,403,480

Alternative Instruction Program

Teachers	\$ 51,345	
Career Ladder Program	1,000	
Bonus Payments	2,757	
Other Salaries and Wages	89,164	
Non-certified Substitute Teachers	1,162	
Social Security	8,409	
Pensions	15,631	
Medical Insurance	29,117	
Employer Medicare	1,967	
Other Fringe Benefits	173	
Operating Lease Payments	620	
Instructional Supplies and Materials	383	
Other Supplies and Materials	295	
Total Alternative Instruction Program		202,023

Special Education Program

Teachers	\$ 1,757,247
Career Ladder Program	12,000
Homebound Teachers	18,976
Educational Assistants	226,915

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program (Cont.)

Speech Pathologist	\$	451,111	
Bonus Payments		38,686	
Certified Substitute Teachers		12,230	
Non-certified Substitute Teachers		23,948	
Social Security		146,706	
Pensions		258,961	
Medical Insurance		436,730	
Unemployment Compensation		4,168	
Employer Medicare		34,496	
Other Fringe Benefits		1,704	
Contracts with Private Agencies		68,950	
Other Contracted Services		27,338	
Instructional Supplies and Materials		34,744	
Special Education Equipment		8,264	
Total Special Education Program	\$		3,563,174

Career and Technical Education Program

Teachers	\$	947,750	
Bonus Payments		7,245	
Certified Substitute Teachers		300	
Non-certified Substitute Teachers		9,938	
Social Security		54,401	
Pensions		90,703	
Medical Insurance		156,353	
Employer Medicare		13,116	
Instructional Supplies and Materials		15,409	
Other Supplies and Materials		4,840	
Other Charges		781	
Vocational Instruction Equipment		40,187	
Total Career and Technical Education Program			1,341,023

Student Body Education Program

Other Salaries and Wages	\$	312,834	
Social Security		17,398	
Pensions		22,202	
Employer Medicare		4,380	
Other Contracted Services		73,810	
Other Supplies and Materials		2,150	
Other Charges		36,365	
Total Student Body Education Program			469,139

Support Services

Attendance

Clerical Personnel	\$	81,192	
Bonus Payments		3,252	
Other Salaries and Wages		51,813	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Attendance (Cont.)

Social Security	\$	8,168	
Pensions		16,351	
Medical Insurance		31,273	
Employer Medicare		1,910	
Other Fringe Benefits		1,087	
Software		29,362	
Other Supplies and Materials		379	
In Service/Staff Development		607	
Total Attendance			\$ 225,394

Health Services

Supervisor/Director	\$	74,746	
Medical Personnel		310,799	
Bonus Payments		5,000	
Non-certified Substitute Teachers		4,992	
Social Security		22,901	
Pensions		41,620	
Medical Insurance		62,637	
Employer Medicare		5,356	
Other Fringe Benefits		2,405	
Travel		42	
Other Contracted Services		2,000	
Other Supplies and Materials		20,872	
In Service/Staff Development		7,781	
Other Charges		8,907	
Total Health Services			570,058

Other Student Support

Career Ladder Program	\$	6,000	
Guidance Personnel		773,009	
Social Workers		56,763	
Secretary(ies)		74,365	
Bonus Payments		9,796	
Other Salaries and Wages		40,800	
Non-certified Substitute Teachers		375	
Social Security		55,606	
Pensions		99,072	
Medical Insurance		150,294	
Employer Medicare		13,005	
Other Fringe Benefits		1,073	
Contracts with Government Agencies		53,540	
Travel		528	
Other Contracted Services		18,811	
Other Supplies and Materials		10,356	
In Service/Staff Development		927	
Other Charges		9,970	
Other Equipment		93,178	
Total Other Student Support			1,467,468

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program

Supervisor/Director	\$	146,275	
Career Ladder Program		8,000	
Librarians		588,247	
Clerical Personnel		41,165	
Educational Assistants		15,432	
Bonus Payments		10,197	
Other Salaries and Wages		183,286	
Certified Substitute Teachers		225	
Non-certified Substitute Teachers		3,800	
Social Security		56,955	
Pensions		104,713	
Medical Insurance		131,961	
Employer Medicare		13,603	
Other Fringe Benefits		461	
Dues and Memberships		1,693	
Travel		5,921	
Other Supplies and Materials		669	
In Service/Staff Development		40,946	
Other Charges		239	
Total Regular Instruction Program			\$ 1,353,788

Special Education Program

Supervisor/Director	\$	93,345	
Psychological Personnel		47,826	
Medical Personnel		123,124	
Secretary(ies)		18,436	
Bonus Payments		3,752	
Other Salaries and Wages		16,493	
Social Security		18,022	
Pensions		30,904	
Medical Insurance		38,947	
Employer Medicare		4,215	
Other Fringe Benefits		1,131	
Dues and Memberships		525	
Maintenance and Repair Services - Equipment		1,631	
Travel		6,129	
Other Contracted Services		89,567	
Other Supplies and Materials		11,181	
In Service/Staff Development		13,629	
Other Charges		120	
Other Equipment		58,536	
Total Special Education Program			577,513

Career and Technical Education Program

Secretary(ies)	\$	41,165	
Bonus Payments		1,252	

(Continued)

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

Other Salaries and Wages	\$	465	
Social Security		2,537	
Pensions		5,090	
Medical Insurance		6,772	
Employer Medicare		600	
Other Fringe Benefits		335	
Travel		2,283	
Other Contracted Services		2,410	
In Service/Staff Development		3,569	
Other Charges		6,764	
Total Career and Technical Education Program	\$		73,242

Technology

Supervisor/Director	\$	79,340	
Clerical Personnel		28,436	
Bonus Payments		7,054	
Other Salaries and Wages		284,204	
Social Security		22,677	
Pensions		46,787	
Medical Insurance		56,653	
Employer Medicare		5,304	
Other Fringe Benefits		2,473	
Dues and Memberships		255	
Operating Lease Payments		1,140	
Internet Connectivity		75,018	
Travel		2,174	
Other Contracted Services		133,865	
Cabling		4,807	
Software		32,883	
Other Supplies and Materials		78,704	
In Service/Staff Development		5,039	
Other Equipment		115,288	
Total Technology			982,101

Other Programs

On-behalf Payments to OPEB	\$	170,025	
Total Other Programs			170,025

Board of Education

Secretary to Board	\$	682	
Board and Committee Members Fees		30,550	
Social Security		1,211	
Pensions		82	
Employer Medicare		453	
Other Fringe Benefits		102,325	
Audit Services		19,495	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

Dues and Memberships	\$	11,399	
Legal Services		4,973	
Other Contracted Services		7,315	
Other Supplies and Materials		2,794	
Liability Insurance		178,708	
Trustee's Commission		338,307	
Workers' Compensation Insurance		385,143	
In Service/Staff Development		10,627	
Criminal Investigation of Applicants - TBI		7,668	
Other Charges		3,079	
Total Board of Education	\$		1,104,811

Director of Schools

County Official/Administrative Officer	\$	112,749	
Career Ladder Program		1,000	
Secretary(ies)		18,436	
Clerical Personnel		30,405	
Bonus Payments		2,505	
Social Security		9,645	
Pensions		18,035	
Medical Insurance		16,762	
Employer Medicare		2,277	
Other Fringe Benefits		385	
Communication		23,547	
Dues and Memberships		3,459	
Operating Lease Payments		10,126	
Postal Charges		796	
Travel		1,234	
Office Supplies		3,752	
Other Supplies and Materials		814	
In Service/Staff Development		4,606	
Other Charges		5,373	
Total Director of Schools			265,906

Office of the Principal

Principals	\$	864,406	
Career Ladder Program		11,000	
Accountants/Bookkeepers		271,181	
Assistant Principals		494,805	
Secretary(ies)		125,462	
Bonus Payments		22,415	
Other Salaries and Wages		54,893	
Non-certified Substitute Teachers		450	
Social Security		106,576	
Pensions		198,670	
Medical Insurance		274,070	

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

Employer Medicare	\$	24,925	
Other Fringe Benefits		3,702	
Total Office of the Principal			\$ 2,452,555

Fiscal Services

Data Processing Services	\$	11,561	
Total Fiscal Services			11,561

Human Services/Personnel

Supervisor/Director	\$	91,351	
Clerical Personnel		85,852	
Bonus Payments		3,257	
Social Security		11,028	
Pensions		20,393	
Medical Insurance		20,315	
Employer Medicare		2,579	
Other Fringe Benefits		699	
Dues and Memberships		50	
Operating Lease Payments		4,619	
Travel		13	
Other Contracted Services		1,800	
Software		14,942	
In Service/Staff Development		1,222	
Total Human Services/Personnel			258,120

Operation of Plant

Custodial Personnel	\$	861,860	
Bonus Payments		20,389	
Non-certified Substitute Teachers		10,035	
Social Security		52,720	
Pensions		102,540	
Medical Insurance		203,430	
Unemployment Compensation		254	
Employer Medicare		12,394	
Other Fringe Benefits		6,541	
Disposal Fees		49,010	
Custodial Supplies		151,273	
Electricity		1,242,778	
Natural Gas		76,925	
Propane Gas		16,683	
Water and Sewer		124,431	
Boiler Insurance		13,234	
Building and Contents Insurance		241,104	
Plant Operation Equipment		8,344	
Total Operation of Plant			3,193,945

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant

Maintenance Personnel	\$	444,910	
Overtime Pay		1,046	
Bonus Payments		8,170	
Other Salaries and Wages		39,970	
Social Security		28,112	
Pensions		58,278	
Medical Insurance		74,205	
Employer Medicare		6,575	
Other Fringe Benefits		3,606	
Laundry Service		1,539	
Operating Lease Payments		1,140	
Maintenance and Repair Services - Buildings		298,149	
Maintenance and Repair Services - Equipment		15,230	
Maintenance and Repair Services - Vehicles		15,710	
Other Contracted Services		80,626	
Gasoline		14,421	
Other Supplies and Materials		2,261	
Other Charges		2,081	
Maintenance Equipment		13,743	
Total Maintenance of Plant			\$ 1,109,772

Transportation

Supervisor/Director	\$	40,800	
Bus Drivers		188,230	
Bonus Payments		10,500	
Other Salaries and Wages		36,767	
Non-certified Substitute Teachers		18,664	
Social Security		17,746	
Pensions		33,154	
Medical Insurance		50,787	
Employer Medicare		4,151	
Other Fringe Benefits		1,775	
Communication		1,335	
Contracts with Parents		1,592	
Contracts with Vehicle Owners		1,589,212	
Maintenance and Repair Services - Equipment		1,106	
Maintenance and Repair Services - Vehicles		120,397	
Other Contracted Services		9,231	
Gasoline		30,227	
Tires and Tubes		4,680	
Other Supplies and Materials		346	
Vehicle and Equipment Insurance		23,913	
In Service/Staff Development		1,120	
Other Charges		3,436	
Administration Equipment		180	
Transportation Equipment		113,116	
Total Transportation			2,302,465

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Central and Other

Bonus Payments	\$	500	
Other Salaries and Wages		68,856	
Social Security		4,169	
Pensions		7,742	
Medical Insurance		15,236	
Employer Medicare		975	
Other Fringe Benefits		155	
Total Central and Other			\$ 97,633

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	9,501	
Bonus Payments		800	
Other Salaries and Wages		235,500	
Social Security		14,344	
Pensions		14,130	
Medical Insurance		6,775	
Unemployment Compensation		2,958	
Employer Medicare		3,520	
Other Fringe Benefits		688	
Communication		1,337	
Travel		15,308	
Other Contracted Services		250,217	
Other Supplies and Materials		80,401	
Indirect Cost		9,853	
Other Charges		102,031	
Total Community Services			747,363

Early Childhood Education

Supervisor/Director	\$	21,043	
Teachers		505,318	
Educational Assistants		175,866	
Bonus Payments		8,787	
Certified Substitute Teachers		862	
Non-certified Substitute Teachers		12,525	
Social Security		40,197	
Pensions		74,492	
Medical Insurance		142,975	
Employer Medicare		9,725	
Other Fringe Benefits		1,310	
Other Supplies and Materials		763	
Total Early Childhood Education			993,863

Capital Outlay

Regular Capital Outlay

Building Improvements	\$	71,483	
Other Capital Outlay		90,172	
Total Regular Capital Outlay			161,655

(Continued)

Exhibit J-8

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

General Purpose School Fund (Cont.)

Principal on Debt

Education

Debt Service Contribution to Primary Government	\$ 71,225	
Total Education		\$ 71,225

Interest on Debt

Education

Debt Service Contribution to Primary Government	\$ 1,693	
Total Education		<u>1,693</u>

Total General Purpose School Fund \$ 44,170,995

School Federal Projects Fund

Instruction

Regular Instruction Program

Teachers	\$ 682,384	
Educational Assistants	129,001	
Bonus Payments	7,316	
Other Salaries and Wages	6,640	
Social Security	44,023	
Pensions	82,360	
Medical Insurance	144,574	
Employer Medicare	11,211	
Other Fringe Benefits	856	
Instructional Supplies and Materials	31,290	
Other Supplies and Materials	4,383	
Regular Instruction Equipment	<u>36,892</u>	
Total Regular Instruction Program		\$ 1,180,930

Special Education Program

Educational Assistants	\$ 429,458	
Speech Pathologist	16,219	
Non-certified Substitute Teachers	1,138	
Social Security	26,017	
Pensions	52,379	
Medical Insurance	152,834	
Employer Medicare	6,085	
Other Fringe Benefits	3,486	
Maintenance and Repair Services - Equipment	13,417	
Instructional Supplies and Materials	176,116	
Special Education Equipment	<u>61,583</u>	
Total Special Education Program		938,732

Career and Technical Education Program

Vocational Instruction Equipment	\$ 129,027	
Total Career and Technical Education Program		129,027

(Continued)

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

School Federal Projects Fund (Cont.)

Support Services

Other Student Support

Other Salaries and Wages	\$	87,085	
Social Security		5,399	
Pensions		8,596	
Employer Medicare		1,263	
Other Supplies and Materials		7,184	
In Service/Staff Development		5,602	
Other Charges		17,781	
Total Other Student Support			\$ 132,910

Regular Instruction Program

Supervisor/Director	\$	44,175	
Other Salaries and Wages		16,493	
Social Security		3,761	
Pensions		6,334	
Medical Insurance		9,156	
Employer Medicare		880	
Travel		88	
In Service/Staff Development		178,479	
Other Charges		7,560	
Total Regular Instruction Program			266,926

Special Education Program

Psychological Personnel	\$	13,500	
Medical Personnel		51,284	
Clerical Personnel		37,458	
Bonus Payments		815	
Social Security		6,226	
Pensions		12,369	
Medical Insurance		13,543	
Employer Medicare		1,456	
Other Fringe Benefits		772	
Contracts with Private Agencies		1,536	
Other Supplies and Materials		37,732	
In Service/Staff Development		82,111	
Other Charges		2,384	
Other Equipment		499	
Total Special Education Program			261,685

Career and Technical Education Program

Travel	\$	8,247	
Total Career and Technical Education Program			8,247

Transportation

Other Salaries and Wages	\$	165,364	
Social Security		9,750	
Pensions		19,844	

(Continued)

Exhibit J-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Medical Insurance	\$	54,173	
Employer Medicare		2,280	
Other Fringe Benefits		1,305	
Contracts with Vehicle Owners		1,551	
Diesel Fuel		333	
Total Transportation			\$ 254,600

Operation of Non-Instructional Services

Food Service

Food Supplies	\$	88	
Total Food Service			88

Total School Federal Projects Fund \$ 3,173,145

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	64,945	
Clerical Personnel		34,039	
Cafeteria Personnel		1,039,346	
Bonus Payments		2,025	
Other Salaries and Wages		28,424	
In-service Training		2,277	
Social Security		69,237	
Pensions		130,410	
Medical Insurance		256,429	
Unemployment Compensation		1,467	
Employer Medicare		16,280	
Other Fringe Benefits		7,268	
Maintenance and Repair Services - Equipment		19,915	
Travel		635	
Disposal Fees		30,353	
Other Contracted Services		391,440	
Food Supplies		1,364,298	
Gasoline		601	
Office Supplies		153	
USDA - Commodities		234,782	
Other Supplies and Materials		23,067	
In Service/Staff Development		9,415	
Other Charges		3,561	
Food Service Equipment		17,024	
Total Food Service			\$ 3,747,391

Total Central Cafeteria Fund 3,747,391

(Continued)

Exhibit J-8

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

<u>Education Capital Projects Fund</u>		
<u>Capital Projects</u>		
<u>Education Capital Projects</u>		
Architects	\$	198,363
Consultants		98,360
Engineering Services		86,812
Other Contracted Services		493,977
Other Charges		49,600
Building Construction		35,409,147
Regular Instruction Equipment		1,277,384
Total Education Capital Projects		<u>\$ 37,613,643</u>
Total Education Capital Projects Fund		<u>\$ 37,613,643</u>
Total Governmental Funds - Franklin County School Department		<u><u>\$ 88,705,174</u></u>

Exhibit J-9

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

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 4,287,371
Total Cash Receipts	<u>\$ 4,287,371</u>
 <u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 4,244,497
Trustee's Commission	42,874
Total Cash Disbursements	<u>\$ 4,287,371</u>
 Excess of Cash Receipts Over (Under) Cash Disbursements	 \$ 0
Cash Balance, July 1, 2019	<u>0</u>
 Cash Balance, June 30, 2020	 <u><u>\$ 0</u></u>

SINGLE AUDIT SECTION



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Franklin County, Tennessee as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Franklin County's basic financial statements as listed in the table of contents, and have issued our report thereon dated November 9, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Franklin 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 Franklin County's internal control. Accordingly, we do not express an opinion on the effectiveness of Franklin 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 a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2020-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Franklin 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and is described in the accompanying Schedule of Findings and Questioned Costs as item: 2020-01.

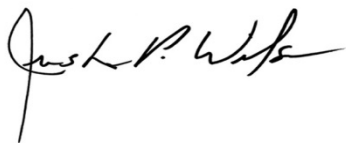
Franklin County's Responses to Findings

Franklin County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Franklin 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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Franklin 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 9, 2020

JPW/tg



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

Report on Compliance for Each Major Federal Program

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

Opinion on Each Major Federal Program

In our opinion, Franklin 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 Franklin 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 Franklin 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 Franklin County's internal control over compliance.

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

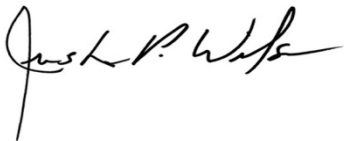
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Franklin County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Franklin County's basic financial statements. We issued our report thereon dated November 9, 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 9, 2020

JPW/tg

Franklin County, Tennessee and the Franklin County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (10)
For the Year Ended June 30, 2020

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Agriculture:				
Passed-through State Department of Education:				
Child Nutrition Cluster: (4)				
School Breakfast Program	10.553	N/A	\$ 0	\$ 541,122 (5)
COVID 19 - School Breakfast Program	10.553	N/A	0	403,938 (5)
National School Lunch Program	10.555	N/A	0	1,169,950 (6)
COVID 19 - National School Lunch Program	10.555	N/A	0	636,254 (6)
Fresh Fruit and Vegetable Program	10.582	N/A	0	48,383
Passed-through State Department of Agriculture:				
Child Nutrition Cluster: (4)				
National School Lunch Program (Commodities - Noncash Assistance)	10.555	N/A	0	<u>234,782 (6)</u>
Total U.S. Department of Agriculture				<u>\$ 3,034,429</u>
U.S. Department of Commerce:				
Direct Program:				
Economic Development Cluster: (4)				
Investments for Public Works and Economic Development Facilities	11.300	N/A	0	<u>\$ 1,206,165</u>
U.S. Department of the Defense:				
Passed-through State Department of General Services				
Section 1033 Excess Property Program (Noncash Assistance)	12.U01	(3)	0	<u>\$ 478,663 (7)</u>
U.S. Department of Housing and Urban Development:				
Passed-through State Department of Economic and Community Development:				
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	(3)	0	<u>\$ 3,123,986</u>
U.S. Department of Justice:				
Direct Program:				
Equitable Sharing Program	16.922	N/A	0	\$ 2,447
Passed-through State Office of Criminal Justice Programs:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	(3)	0	97,327
Passed-through Tennessee Bureau of Investigations:				
Opioid Affected Youth Initiative	16.842	(3)	0	<u>5,203</u>
Total U.S. Department of Justice				<u>\$ 104,977</u>

(Continued)

Franklin County, Tennessee and the Franklin County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (10) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Labor:				
Passed-through State Department of Labor: COVID 19 - Unemployment Insurance	17.225	N/A	\$ 0	\$ 1,956
U.S. Department of Transportation:				
Passed-through State Department of Transportation: Airport Improvement Program	20.106	(8)	212,497	\$ 212,497
Passed-through State Department of Safety and Homeland Security: Alcohol Open Container Requirements	20.607	Z-20-THS-086	0	8,937
Total U.S. Department of Transportation				<u>\$ 221,434</u>
Appalachian Regional Commission:				
Passed-through State Department of Economic and Community Development: Appalachian Area Development	23.002	N/A	0	\$ 196,848
Institute of Museum and Library Services:				
Passed-through Tennessee Secretary of State: Grants to States	45.310	(3)	0	\$ 1,585
U.S. Department of Education:				
Passed-through State Department of Education: Title I Grants to Local Educational Agencies Special Education Cluster: (4)	84.010	N/A	0	\$ 1,356,427
Special Education - Grants to States	84.027	N/A	0	1,418,376
Special Education - Preschool Grants	84.173	N/A	0	91,545
Career and Technical Education - Basic Grants to States	84.048	N/A	0	156,370
English Language Acquisition State Grants	84.365	N/A	0	15,148
Supporting Effective Instruction State Grant	84.367	N/A	0	87,831
Student Support and Academic Enrichment Program	84.424	N/A	0	99,762
Passed-through State Department of Human Services: Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	(9)	0	68,615
Total U.S. Department of Education				<u>\$ 3,294,074</u>
U.S. Department of Election Assistance Commission:				
Passed-through Tennessee Secretary of State: 2020 HAVA Election Assistance Commission	90.404	N/A	0	\$ 1,837

(Continued)

Franklin County, Tennessee and the Franklin County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (10) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Passed-through Entity Identifying Number	Amount Passed-through to Subrecipients	Expenditures
U.S. Department of Health and Human Services:				
Direct Programs:				
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	N/A	\$ 0	\$ 474,616
Drug-Free Communities Support Program Grants	93.276	N/A	0	141,063
Passed-through State Department of Mental Health and Substance Abuse Services:				
Opioid STR	93.243	(3)	0	165,191
Block Grants for Prevention and Treatment of Substance Abuse	93.959	(3)	0	117,760
Total U.S. Department of Health and Human Services				<u>\$ 898,630</u>
U.S. Executive Office of the President:				
Passed-through Financial Commission for Appalachia:				
High Intensity Drug Trafficking Areas Program	95.001	(3)	0	<u>\$ 11,785</u>
U.S. Department of Homeland Security:				
Passed-through State Department of Military:				
COVID 19 - Disaster Relief Fund - PPE	97.036	(3)	0	\$ 10,366
Emergency Management Performance Grants	97.042	(3)	0	38,850
Homeland Security Grant Program	97.067	(3)	0	19,728
U.S. Department of Homeland Security				<u>\$ 68,944</u>
Total Expenditures of Federal Awards				<u>\$ 12,645,313</u>

		Contract Number		
<u>State Grants</u>				
Juvenile Services Program - State Department of Children's Services	N/A	(3)	\$	9,000
Early Childhood Education - State Department of Education	N/A	(3)		904,639
Court Security Grant - State Administrative Office of the Courts	N/A	(3)		39,626
Healthy Built Environments - State Department of Health	N/A	(3)		20,000
Litter Program - State Department of Transportation	N/A	Z-20-LIT-026		19,745
County Re-Entry and Recidivism Reduction Services - State Department of Correction	N/A	(3)		72,246
Fair Merit Award - State Department of Agriculture	N/A	(3)		1,378
Block Grants for Prevention and Treatment of Substance Abuse (Enforcing Underage Drinking) - State Department of Mental Health and Substance Abuse Services	N/A	(3)		4,000
Lifeline Peer Project - State Department of Mental Health and Substance Abuse Services	N/A	(3)		59,987
Recycling Equipment - State Department of Environment and Conservation	N/A	(3)		24,570
COVID 19 - PPE - State Department of Military	N/A	(3)		3,455
Rural Local Health Services - State Department of Health	N/A	(3)		88,120
Coordinated School Health - State Department of Education	N/A	(3)		124,207

(Continued)

Franklin County, Tennessee and the Franklin County School Department
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (10) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Contract Number	Amount Passed-through to Subrecipients	Expenditures
<u>State Grants (Cont.)</u>				
Family Resource Center - State Department of Education	N/A	(3)	\$	29,612
Safe Schools Act - State Department of Education	N/A	(3)		105,280
School Safety - State Department of Education	N/A	(3)		35,886
Site Development Grant - State Department of Economic and Community Development	N/A	(3)		282,911
Materials Management Convenience Centers Grant - State Department of Environment and Conservation	N/A	(3)		41,418
Used Oil Grant - State Department of Environment and Conservation	N/A	(3)		2,509
Airport Improvement Project - State Department of Transportation	N/A	(3)		12,394
Read to be Ready Summer Grant - State Department of Education	N/A	(3)		4,472
Total State Grants			\$	<u>1,885,455</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) Franklin County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Child Nutrition Cluster total \$2,986,046; Economic Development Cluster total \$1,206,165; Special Education Cluster total \$1,509,921.
- (5) Total for CFDA No. 10.553 is \$945,060.
- (6) Total for CFDA No. 10.555 is \$2,040,986.
- (7) During the year ended, June 30, 2020, Franklin County received excess military equipment from the U.S. Department of Military valued at \$478,663.
- (8) AERO-19-270-00: \$30,000; AERO-19-258-00: \$182,497.
- (9) Z-19-53219: \$7,040; Z-20-53220: \$61,575.

(10) CONSOLIDATED ADMINISTRATION

The following amounts were consolidated for administration purposes:

Program Title	Federal CFDA Number	Amount Provided to Consolidated Administration
Title I Grants to Local Educational Agencies	84.010	\$56,622
English Language Acquisition State Grants	84.365	213
Supporting Effective Instruction State Grants	84.367	3,393
Student Support and Academic Enrichment Program	84.424	485
Total amounts consolidated for administration purposes		<u>\$60,713</u>

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

Prior-year Financial Statement Findings

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

Prior-year Federal Awards Findings

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

FRANKLIN 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 Franklin 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? **NO**

Federal Awards:

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

PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS

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 plan, whether related to the financial statements or federal awards, is presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

OFFICE OF SHERIFF

FINDING 2020-001

SOME FUNDS WERE NOT DEPOSITED WITHIN THREE DAYS OF COLLECTION

(Noncompliance Under *Government Auditing Standards*)

As part of our audit procedures for obtaining reasonable assurance that funds were deposited within three days of collection as required by Section 5-8-207, *Tennessee Code Annotated (TCA)*, we judgmentally selected receipts issued for the months of January 2020 through February 2020 to trace to deposits. During this period, six of 14 deposits were held more than three days before being deposited. This deficiency was the result of a lack of management oversight. The delay in depositing funds weakens internal controls over collections and increases the risks of fraud and misappropriation.

RECOMMENDATION

All funds should be deposited within three days of collection as required by state statute.

MANAGEMENT'S RESPONSE

We concur. No formal management's response was submitted. However, explanation to the finding and recommendation is included in the Corrective Action Plan.

FINDING 2020-002

DUTIES WERE NOT SEGREGATED ADEQUATELY

(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

Duties were not segregated adequately among official and employees in the Office of Sheriff. Officials and employees responsible for maintaining the accounting records in this office were also involved in receipting, depositing, and/or disbursing funds. Accounting standards provide that internal controls be designed to provide 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.

RECOMMENDATION

Officials should segregate duties to the extent possible using available resources.

MANAGEMENT'S RESPONSE

We concur. No formal management's response was submitted. However, explanation to the finding and recommendation is included in the Corrective Action Plan.

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.

Franklin 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 SHERIFF

2020-001	Some Funds were not Deposited Within Three Days of Collection	220
2020-002	Duties Were not Segregated Adequately	220



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Corrective Action Plan

FINDING 2020-001: SOME FUNDS WERE NOT DEPOSITED WITHIN THREE DAYS OF COLLECTION

Response and Corrective Action Plan Prepared by:
Tim G. Fuller, Sheriff

Person Responsible for Implementing the Corrective Action:
Jennifer Y. Housley, Administrative Assistant

Anticipated Completion Date of Corrective Action:
October 9, 2020

Repeat Finding:
No

Reason Corrective Action was Not Taken in the Prior Year:
N/A

Planned Corrective Action:
Deposits will be attempted on Monday and Thursday based on incoming mail.

FINDING 2020-002: DUTIES WERE NOT SEGREGATED ADEQUATELY

Response and Corrective Action Plan Prepared by:
Tim G. Fuller, Sheriff

Person Responsible for Implementing the Corrective Action:
Jennifer Y. Housley, Administrative Assistant

Anticipated Completion Date of Corrective Action:
October 9, 2020



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Repeat Finding:

No

Reason Corrective Action was Not Taken in the Prior Year:

N/A

Planned Corrective Action:

Employee Tim Armstrong named in the initial segregated duties has been and is still currently dealing with medical issues. He will be replaced in the 3 person plan with Sgt. Chris Guess.

Signature: _____

Sheriff