

# OFFICIAL STATEMENT

New Issue  
Book-Entry Only

Rating: Moody's "Aa2"

*In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, interest on the Bonds will be excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Under existing law, the Bonds and the income therefrom will be exempt from all state, county and municipal taxation in the State of Tennessee, except Tennessee franchise and excise taxes. (See "Tax Matters" herein).*

**\$4,930,000**  
**MAURY COUNTY, TENNESSEE**  
**General Obligation School and Public Improvement**  
**Refunding Bonds, Series 2020**  
**(ULT) (BQ)**

Dated: Date of Issuance

Due: April 1, as shown below

Maury County, Tennessee (the "County") will issue its \$4,930,000 General Obligation School and Public Improvement Refunding Bonds, Series 2020 (the "Bonds") in fully registered form, without coupons, and, when issued, the Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases of beneficial ownership interest in the Bonds will be made in book-entry form only, in denominations of \$5,000 or multiples thereof through DTC Participants. Interest on the Bonds will be payable semiannually on April 1 and October 1 of each year, commencing on April 1, 2021, calculated on the basis of a 360-day year consisting of twelve 30-day months.

Payments of principal of and interest on the Bonds are to be made to purchasers by DTC through the Participants (as such term is herein defined). Purchasers will not receive physical delivery of Bonds purchased by them. See "The Bonds-Book-Entry-Only System." Principal of and interest on the Bonds are payable by the County to the corporate trust office of U.S. Bank National Association, Nashville, Tennessee, as registration and paying agent (the "Registration Agent").

The Bonds are not subject to redemption prior to maturity.

| Maturity<br>(April 1) | Principal | Interest<br>Rate | Price or<br>Yield | CUSIP<br>Number* | Maturity<br>(April 1) | Principal | Interest<br>Rate | Price or<br>Yield | CUSIP<br>Number* |
|-----------------------|-----------|------------------|-------------------|------------------|-----------------------|-----------|------------------|-------------------|------------------|
| 2021                  | \$510,000 | 3.000%           | 0.200%            | 577625C95        | 2025                  | \$655,000 | 3.000%           | 0.250%            | 577625D52        |
| 2022                  | 605,000   | 3.000            | 0.220             | 577625D29        | 2026                  | 680,000   | 3.000            | 0.330             | 577625D60        |
| 2023                  | 620,000   | 3.000            | 0.230             | 577625D37        | 2027                  | 700,000   | 3.000            | 0.400             | 577625D78        |
| 2024                  | 640,000   | 3.000            | 0.240             | 577625D45        | 2028                  | 520,000   | 3.000            | 0.600             | 577625D86        |

The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are irrevocably pledged (see headings herein "The Bonds - Security-Source of Payment" and "Tax Levy").

The Bonds have been designated as "qualified tax-exempt obligations" within the meaning of Section 265 of the Internal Revenue Code of 1986, as amended.

*The Bonds are offered when, as and if issued, subject to the approval of the legality by Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, whose opinion will be delivered with the Bonds. Certain legal matters will be passed upon for the County by Daniel L. Murphy, Esq., counsel to the County. Stephens Inc. is serving as Municipal Advisor to the County. The Bonds, in book-entry form, are expected to be available for delivery through Depository Trust Company in New York, New York, on or about December 18, 2020.*

December 8, 2020

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended (collectively, the "Official Statement") by Maury County, Tennessee (the "County"), is an Official Statement with respect to the Bonds described herein that is deemed final by the County as of the date hereof (or of any such supplement or amendment). It is subject to completion with certain information to be established at the time of the sale of the Bonds as permitted by Rule 15c2-12 of the Securities and Exchange Commission.

No dealer, broker, salesman or other person has been authorized by the County or by Stephens Inc. (the "Municipal Advisor") to give any information or make any representations other than those contained in this Official Statement and, if given or made, such information or representations with respect to the County or the Bonds must not be relied upon as having been authorized by the County or the Municipal Advisor. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities other than the securities offered hereby to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

This Official Statement should be considered in its entirety and no one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

The information and expressions of opinion in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date as of which information is given in this Official Statement.

**In making an investment decision investors must rely on their own examination of the County and the terms of the offering, including the merits and risks involved. No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission or with any state securities agency. The Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.**

All CUSIP numbers presented herein have been assigned by Standard & Poor's CUSIP Service Bureau, a Division of The McGraw-Hill Companies, Inc., and are included solely for convenience of the Bondholders. The County is not responsible for the selection or use of these CUSIP numbers, nor is any representation made as to their correctness on the Bonds or as indicated herein.

*The material contained herein has been obtained from sources believed to be current and reliable, but the accuracy thereof is not guaranteed. The Official Statement contains statements which are based upon estimates, forecasts, and matters of opinion, whether or not expressly so described, and such statements are intended solely as such and not as representations of fact. All summaries of statutes, resolutions, and reports contained herein are made subject to all the provisions of said documents. The Official Statement is not to be construed as a contract with the purchasers of any of the Maury County, Tennessee General Obligation School and Public Improvement Refunding Bonds, Series 2020.*

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**MAURY COUNTY, TENNESSEE**  
Maury County Courthouse  
Columbia, Tennessee 38401

**OFFICIALS**  
**Andy Ogles**  
**County Mayor**

**BOARD OF COMMISSIONERS**

|               |                 |
|---------------|-----------------|
| Don Morrow    | Sue Stephenson  |
| Ken Banks     | Wayne Patterson |
| Craig Harris  | Linda Whiteside |
| Eric Previti  | Terry Potts     |
| Talvin Barner | Debbie Turner   |
| Gary Stovall  | Michelle Haney  |
| Connie Green  | Kevin Markham   |
| Matthew White | Brian Vick      |
| Brian McKelvy | Tommy Wolaver   |
| Scott Summers | Gwynne Evans    |
| Jordan Shaw   | David Mischke   |

**COUNTY OFFICIALS**

|                             |                 |
|-----------------------------|-----------------|
| Assessor of Property        | Bobby Daniels   |
| Circuit Court Clerk         | Sandy McClain   |
| Director of Schools         | Michael Hickman |
| Director of Human Resources | Dana Gibson     |
| Clerk and Master            | Larry Roe       |
| County Clerk                | Joey Allen      |
| Finance Director            | Doug Lukonen    |
| Register of Deeds           | John Fleming    |
| Highway Superintendent      | Van Boshers     |
| Sheriff                     | Bucky Rowland   |
| Trustee                     | Randy McNeece   |

**Counsel for the County**

Daniel L. Murphy, Esq.  
Columbia, Tennessee

**Bond Counsel**

Bass, Berry & Sims PLC  
Nashville, Tennessee

**Registration and Paying Agent**

U.S. Bank National Association  
Nashville, Tennessee

**Underwriter**

Raymond James & Associates, Inc.  
\_Memphis, Tennessee

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## Summary Statement

*This Summary is expressly qualified by the entire Official Statement, which should be viewed in its entirety by potential investors.*

|                                  |   |
|----------------------------------|---|
| <b>ISSUER</b> .....              | Maury County, Tennessee (the “County”).   |
| <b>ISSUE</b> .....               | \$4,930,000 General Obligation School and Public Improvement Refunding Bonds, Series 2020 (the “Bonds”).  |
| <b>PURPOSE</b> .....             | (a) to finance (i) constructing, improving, renovating, equipping, and repairing existing County schools, including without limitation the purchase and installation of energy efficiency equipment in County school facilities; (ii) paying legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing; (iii) reimbursing the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; (b) refunding the County’s outstanding State Revolving Loan Nos. DWSRF 2005-065 and DWSRF 2007-072; and (c) paying costs incident to the issuance and sale of the Bonds. |
| <b>DATED DATE</b> .....          | December 18, 2020.  |
| <b>INTEREST DUE</b> .....        | Each April 1 and October 1, commencing April 1, 2021.   |
| <b>PRINCIPAL DUE</b> .....       | April 1, 2021 through April 1, 2028.  |
| <b>SETTLEMENT DATE</b> .....     | December 18, 2020.  |
| <b>OPTIONAL REDEMPTION</b> ..... | The Bonds are not subject to optional redemption at the option of the County. See “The Bonds – Optional Redemption” herein.   |
| <b>SECURITY</b> .....            | The Bonds shall be payable from unlimited <u>ad valorem</u> taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are irrevocably pledged. See “The Bonds – Security – Source of Payment” herein.   |

**RATING** ..... The Bonds have been assigned a rating of "Aa2" by Moody's Investor Services ("Moody's") based on documents and other information provided by the County. The rating reflects only the view of Moody's, and neither the County nor the Underwriter makes any representations as to the appropriateness of such rating.

There is no assurance that such rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by Moody's if in its judgment circumstances so warrant. Any such downward change in or withdrawal of the rating may have an adverse effect on the secondary market price of the Bonds. Any explanation of the significance of the rating may be obtained from Moody's.

**TAX MATTERS** ..... In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, interest on the Bonds will be excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. For an explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading "Tax Matters" herein. Under existing law, the Bonds and the income therefrom will be exempt from all state, county and municipal taxation in the State of Tennessee, except inheritance, transfer and estate taxes, and Tennessee franchise and excise taxes. (See "Tax Matters" herein).

**BANK QUALIFICATION**..... The Bonds have been designated as "qualified tax-exempt obligations" within the meaning of Section 265 of the Internal Revenue Code of 1986, as amended.

**REGISTRATION AND PAYING AGENT** ..... U.S. Bank National Association, Nashville, Tennessee.

**MUNICIPAL ADVISOR**..... Stephens Inc.

**UNDERWRITER**..... Raymond James & Associates, Inc., Memphis, Tennessee.

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## **Official Statement**

**\$4,930,000**

**Maury County, Tennessee**

**General Obligation School and Public Improvement Refunding Bonds, Series 2020**

**(ULT)(BQ)**

### **Introduction**

The Official Statement, including the cover page and appendices hereto, is furnished in connection with the issuance by Maury County, Tennessee (the “County”) of \$4,930,000 General Obligation School and Public Improvement Refunding Bonds, Series 2020 (the “Bonds”).

The Bonds are being issued under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq. and Sections 49-3-1001 et seq., Tennessee Code Annotated, and pursuant to bond resolutions duly adopted by the Board of County Commissioners on November 16, 2020 (the “Resolutions”).

This Official Statement includes descriptions of, among other matters, the Bonds, the Resolutions, and the County. Such descriptions and information do not purport to be comprehensive or definitive. All references to the Resolutions are qualified in their entirety by reference to the definitive document, including the form of the Bonds included in the Resolutions. During the period of the offering of the Bonds, copies of the Resolutions and any other documents described herein or in the Resolutions may be obtained from the County. After delivery of the Bonds, copies of such documents will be available for inspection at the County Mayor's office. All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings set forth in the Resolutions.

### **The Bonds**

#### **Description**

The Bonds are being issued to provide funds (a) to finance (i) constructing, improving, renovating, equipping, and repairing existing County schools, including without limitation the purchase and installation of energy efficiency equipment in County school facilities; (ii) paying legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing (the “School Projects”); (iii) reimbursement to the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; (b) to refunding State Revolving Loan Nos. DWSRF 2005-065 and DWSRF 2007-072 (the “Outstanding Bonds”); and (c) paying costs incident to the issuance and sale of the Bonds.

The Bonds will be issued as fully registered book-entry Bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. The Bonds will be dated their date of issuance. Interest on the Bonds, at the rates per annum set forth on the cover page and calculated on the basis of a 360-day year, consisting of twelve 30-day months, will be payable semiannually on April 1 and October 1 of each year (herein an “Interest Payment Date”), commencing April 1, 2021.

The Bonds will mature on the dates and in the amounts set forth on the cover page.

The Bonds will be initially registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds.

U.S. Bank National Association, Nashville, Tennessee (the “Registration Agent”) will make all interest payments with respect to the Bonds on each Interest Payment Date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the Interest Payment Date (the “Regular Record Date”) by check or draft mailed to such owners at their addresses shown on said registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the County in respect of such Bonds to the extent of the payments so made. Payment of principal of the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. In the event the Bonds are no longer registered in the name of DTC or its successor or assigns, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

Any interest on any Bond which is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter “Defaulted Interest”) shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the County to the persons in whose names the Bonds are registered at the close of business on a date (the “Special Record Date”) for the payment of such Defaulted Interest, which shall be fixed in the following manner: The County shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the County shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall not be more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered owners. The Registration Agent shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in the Resolutions or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the County to punctually pay or duly provide for the payment of principal of and interest on the Bonds when due.

### **Optional Redemption**

The Bonds are not subject to optional redemption at the option of the County.

### **Security – Source of Payment**

The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are irrevocably pledged.

## **Levy of Tax**

Pursuant to the Resolutions, the County has covenanted to annually levy and collect a tax upon all taxable property within the County, in addition to all other taxes authorized by law, sufficient to pay principal of and interest on the Bonds when due, and levied a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds in said year. Principal and interest falling due at any time when there are insufficient funds on hand from this tax levy will be paid from the current funds of the County and reimbursement therefor will be made out of the taxes provided for under the Resolutions to be levied when the collected. Such tax may be reduced to the extent of any appropriations from other legally available funds, taxes and revenues of the County, to the payment of debt service on the Bonds.

Under Tennessee law, the County's legislative body is authorized to levy a tax on all taxable property within the County, or a portion thereof, without limitation as to rate or amount, and a referendum is neither required nor permitted to set the rate or amount. For a more complete statement of the general covenants and provisions pursuant to which the Bonds are issued, reference is made to the Resolutions.

## **Discharge and Satisfaction of Bonds**

The Bonds may be discharged and defeased in any one or more of the following ways:

(a) By depositing sufficient funds as and when required with the Registration Agent, to pay the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers ("an Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity, sufficient money or Defeasance Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity date;

(c) By delivering such Bonds to the Registration Agent, for cancellation by it;

and if the County shall also pay or cause to be paid all other sums payable under the Resolutions, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the County to the holders of such Bonds shall be fully discharged and satisfied.

If the County pays and discharges the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners of such Bonds shall thereafter be entitled only to payment out of the money or Defeasance Obligations.

Defeasance Obligations are direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

## **Remedies of Bondholders**

Under Tennessee law, any Bondholder has the right, in addition to all other rights:

(1) By mandamus or other suit, action or proceeding in any court of competent jurisdiction to enforce its rights against the County, including, but not limited to, the right to require the County to assess, levy and collect taxes adequate to carry out any agreement as to, or pledge of, such taxes, fees, rents, tolls, or other charges, and to require the County to carry out any other covenants and agreements, or

(2) By action or suit in equity, to enjoin any acts or things which may be unlawful or a violation of the rights of such Bondholder.

## **Book-Entry-Only System**

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of

Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of County or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to the County or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that County believes to be reliable, but County takes no responsibility for the accuracy thereof.

**THE COUNTY AND THE REGISTRATION AGENT HAVE NO RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST ON THE BONDS; (III) THE DELIVERY OR TIMELINESS OF DELIVERY BY ANY PARTICIPANT OR ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTIONS TO BE GIVEN TO BONDHOLDERS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS BONDHOLDER.**

**Plan of Financing**

The following table sets forth the sources and uses of funds in connection with the issuance of the Bonds.

**Sources of Funds**

|                    |                       |
|--------------------|-----------------------|
| Par Amount         | \$4,930,000.00        |
| Reoffering Premium | <u>496,074.80</u>     |
| Total Sources      | <u>\$5,426,074.80</u> |

**Uses of Funds**

|   |                       |
|---|-----------------------|
| Deposit to School Project Fund                                      | \$3,002,228.28        |
| Prepayment of Outstanding Bonds                                     | 2,341,519.00          |
| Costs of Issuance (includes Underwriter's<br>Discount and Expenses) | <u>82,327.52</u>      |
| Total Uses  | <u>\$5,426,074.80</u> |

**The Projects**

The proceeds of the Bonds (other than proceeds used pay issuance costs or prepay the Outstanding Bonds, as described below) will be used to finance the School Projects. Pursuant to the Resolutions, a portion of the proceeds of the Bonds will be deposited in a school construction fund (the "School Fund") to be held and invested by the County, and used to pay costs of the School Projects and reimbursement the County for any funds previously expended for costs of the School Projects. Moneys in the School Fund may be invested as permitted by Tennessee law and may not be used for any purpose other than the School Projects.

**Plan of Refunding**

A portion of the proceeds of the Bonds will be applied immediately to the prepayment in full of the Outstanding Bonds.

## **Rating**

The Bonds have been assigned a rating of "Aa2" by Moody's Investor Services ("Moody's") based on documents and other information provided by the County. The rating reflects only the view of Moody's, and neither the County nor the Underwriter make any representation as to the appropriateness of such rating.

There is no assurance that such rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by Moody's if in its judgment circumstances so warrant. Any such downward change in or withdrawal of the rating may have an adverse effect on the secondary market price of the Bonds. Any explanation of the significance of the rating may be obtained from Moody's.

## **Continuing Disclosure**

### **General**

The County will at the time the Bonds are delivered execute a Continuing Disclosure Certificate under which it will covenant for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the County by not later than twelve months after the end of each fiscal year commencing with the fiscal year ending June 30, 2020 (the "Annual Report"), and to provide notice of the occurrence of certain enumerated events and timely notice of failure to provide any required financial information of the County. The Annual Report (and audited financial statements if filed separately) and notices described above will be filed by the County with the Municipal Securities Rulemaking Board ("MSRB") at [www.emma.msrb.org](http://www.emma.msrb.org) and with any State Information Depository which may be established in Tennessee (the "SID"). The specific nature of the information to be contained in the Annual Report or the notices of events is summarized below. These covenants have been made in order to assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b), as it may be amended from time to time (the "Rule"). The County has not failed to comply in any material respect with the previous undertakings in the past five years.

### **Annual Report**

The County's Annual Report shall contain or incorporate by reference the General Purpose Financial Statements of the Issuer for the fiscal year, prepared in accordance with generally accepted accounting principles; provided, however, if the County's audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained herein, and the audited financial statements shall be filed when available. The Annual Report shall also include in a similar format the following information included in Appendix B to this Official Statement as follows.

1. "Summary of Outstanding Debt";
2. "Debt Statement";
3. "Debt Record";
4. "Population";
5. "Per Capita Debt Ratios";
6. "Debt Ratios";

7. "Debt Trend";
8. "General Government and School Debt Service Requirements";
9. "Debt Service Requirements of Maury County Regional Hospital";
10. "Debt Service Requirements of Maury County Board of Public Utilities";
11. "Property Valuation and Property Tax";
12. "Top Taxpayers";
13. "Fund Balances";
14. "Local Sales Tax"; and
15. "Adequate Facility (Privilege) Tax".

Any or all of the items above may be incorporated by reference from other documents, including Official Statements in final form for debt issues of the County or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final Official Statement, in final form, it will be available from the Municipal Securities Rulemaking Board. The County shall clearly identify each such other document so incorporated by reference.

### **Reporting of Significant Events**

The County will file notice regarding certain significant events with the MSRB and SID, if any, as follows:

1. Upon the occurrence of a Listed Event (as defined in (3) below), the County shall in a timely manner, but in no event more than ten (10) business days after the occurrence of such event, file a notice of such occurrence with the MSRB and SID, if any. Notwithstanding the foregoing, notice of Listed Events described in subsection (3)(h) and (i) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds pursuant to the Resolutions.
2. For Listed Events where notice is only required upon a determination that such event would be material under applicable Federal securities laws, the County shall determine the materiality of such event as soon as possible after learning of its occurrence.
3. The following are the Listed Events:
  - a. Principal and interest payment delinquencies;
  - b. Non-payment related defaults, if material;
  - c. Unscheduled draws on debt service reserves reflecting financial difficulties;
  - d. Unscheduled draws on credit enhancements reflecting financial difficulties;
  - e. Substitution of credit or liquidity providers, or their failure to perform;



- f. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- g. Modifications to rights of Bondholders, if material;
- h. Bond calls, if material, and tender offers;
- i. Defeasances;
- j. Release, substitution, or sale of property securing repayment of the securities, if material;
- k. Rating changes;
- l. Bankruptcy, insolvency, receivership or similar event of the obligated person;
- m. The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- n. Appointment of a successor or additional trustee or the change of name of a trustee, if material
- o. Incurrence of a financial obligation (as defined by the Rule) of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- p. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

### **Termination of Reporting Obligation**

The County's obligations under the Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

### **Amendment/Waiver**

Notwithstanding any other provision of the Disclosure Certificate, the County may amend the Disclosure Certificate, and any provision of the Disclosure Certificate may be waived, provided that the following conditions are satisfied:

- (a) If the amendment or waiver relates to the provisions concerning the Annual Report and Reporting of Significant Events it may only be made in connection with a change in circumstances that

arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized Bond Counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Resolutions for amendments to the Resolutions with the consent of the respective Holders, or (ii) does not, in the opinion of nationally recognized Bond Counsel, materially impair the interests of the Holders or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of the Disclosure Certificate, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

### **Default**

In the event of a failure of the County to comply with any provision of the Disclosure Certificate, any Bondholder or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under the Disclosure Certificate. A default under the Disclosure Certificate shall not be deemed an event of default, if any, under the Resolutions, and the sole remedy under the Disclosure Certificate in the event of any failure of the County to comply with the Disclosure Certificate shall be an action to compel performance.

### **Future Issues**

Depending on population and school enrollment growth, the County does not currently have any plans for any capital financings during the next calendar year. The County may issue additional bonds to refinance currently outstanding bonds of the County in the event sufficient debt service savings may be achieved.

### **Litigation**

The County, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. After reviewing the current status of all pending and threatened litigation with its counsel, the County believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the County or its officials in such capacity are adequately covered by insurance or by sovereign immunity or will not have a material adverse effect upon the County's financial condition.

As of the date of this Official Statement, the County has no knowledge or information concerning any pending or threatened litigation contesting the authority of the County to issue, sell or deliver the Bonds. The County has no knowledge or information of any actions pending or expected that would materially affect the County's ability to pay the debt service requirements of the Bonds.

## **Approval of Legal Proceedings**

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving opinion of Bass, Berry & Sims PLC, Bond Counsel. A copy of the opinion will be available upon delivery of the Bonds. (See Appendix A). Certain legal matters will be passed upon for the County by Daniel L. Murphy, Esq., Counsel to the County.

## **Tax Matters**

### **Federal**

**General.** Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Bonds. Their opinion under existing law, relying on certain statements by the County and assuming compliance by the County with certain covenants, is that interest on the Bonds:

- is excluded from a bondholder's federal gross income under the Internal Revenue Code of 1986 (the "Code"), and
- is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code.

The Code imposes requirements on the Bonds that the County must continue to meet after the Bonds are issued. These requirements generally involve the way that the Bond proceeds must be invested and ultimately used. If the County does not meet these requirements, it is possible that a bondholder may have to include interest on the Bonds in its federal gross income on a retroactive basis to the date of issue. The County has covenanted to do everything necessary to meet these requirements of the Code.

A bondholder or who is a particular kind of taxpayer may also have additional tax consequences from owning the Bonds. This is possible if a bondholder is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit or
- a borrower of money to purchase or carry the Bonds.

If a bondholder is in any of these categories, it should consult its tax advisor.

Bond Counsel is not responsible for updating its opinion in the future. It is possible that future events or changes in applicable law could change the tax treatment of the interest on the Bonds or affect the market price of the Bonds. See also "Changes in Federal and State Tax Law" below in this heading.

Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Bonds, or under State, local or foreign tax law.

**Bond Premium.** If a bondholder purchases a Bond for a price that is more than the principal amount, generally the excess is "bond premium" on that Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized a bondholder's tax basis in that Bond will be reduced. The holder of a Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Bonds. A

bondholder in certain circumstances may realize a taxable gain upon the sale of a Bond with bond premium, even though the Bond is sold for an amount less than or equal to the owner's original cost. If a bondholder owns any Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

**Original Issue Discount.** A Bond will have "original issue discount" if the price paid by the original purchaser of such Bond is less than the principal amount of such Bond. Bond Counsel's opinion is that any original issue discount on these Bonds as it accrues is excluded from a bondholder's federal gross income under the Internal Revenue Code. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues a bondholder's tax basis in these Bonds will be increased. If a bondholder owns one of these Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

**Information Reporting and Backup Withholding.** Information reporting requirements apply to interest on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

## **State Taxes**

Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bonds during the period the Bonds are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

## **Qualified Tax-Exempt Obligations**

Under the Code, in the case of certain financial institutions, no deduction from income under the federal tax law will be allowed for that portion of such institution's interest expense which is allocable to tax-exempt interest received on account of tax-exempt obligations acquired after August 7, 1986. The Code, however, provides that certain "qualified tax-exempt obligations", as defined in the Code, will be treated as if acquired on August 7, 1986. Based on an examination of the Code and the factual representations and covenants of the County as to the Bonds, Bond Counsel has determined that the Bonds upon issuance will be "qualified tax-exempt obligations" within the meaning of the Code.

## **Changes In Federal And State Tax Law**

From time to time, there are Presidential proposals, proposals of various federal and Congressional committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. For example, various proposals have been made in Congress and by the President which, if enacted, would subject interest on bonds, such as the Bonds, that is otherwise excluded from gross income for federal income tax purposes, to a tax payable by certain bondholders with an adjusted gross income in excess of certain proposed thresholds. It cannot be predicted whether, or in what form, these proposals might be enacted or if enacted, whether they would apply to Bonds prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

## **Municipal Advisor**

Stephens Inc. is serving as Municipal Advisor to the County in connection with the issuance of the Bonds. Stephens Inc., in its capacity as Municipal Advisor, has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal or state income tax status of the Bonds. The information set forth herein has been obtained by the County and other sources believed to be reliable. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the County and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

## **Underwriting**

Raymond James & Associates, Inc., Memphis, Tennessee, acting for and on behalf of itself and such other securities dealers as it may designate, will purchase the Bonds for an aggregate purchase price of \$5,419,430.53, which is par, less \$6,644.27 underwriter's discount, plus original issue premium of \$496,074.80.

The Underwriter may offer and sell the Bonds to certain dealers (including dealer banks and dealers depositing the Bonds into investment trusts) and others at prices different from the public offering prices stated on the cover page of this Official Statement. Such initial public offering prices may be changed from time to time by the Underwriter.

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**Miscellaneous**

Any statement made in this Official Statement involving matters of opinion and estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement was duly authorized by the County.

**Certificate of County Mayor**

I, Andy Ogles, do hereby certify that I am the duly qualified and acting County Mayor of Maury County, Tennessee, and as such official, I do hereby further certify with respect to the Official Statement dated December 8, 2020 issued in connection with the sale of the County’s \$4,930,000 General Obligation School and Public Improvement Refunding Bonds, Series 2020 and to the best of my knowledge, information, and belief (a) the descriptions and statements contained in said Official Statement were at the time of acceptance of the winning bids and are on the date hereof true and correct in all material respects; and (b) that said Official Statement did not at the time of the acceptance of the winning bids and does not on the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements made, in light of the circumstances under which they are made, not misleading.

WITNESS my official signature this 18<sup>th</sup> day of December, 2020.

/s/ Andy Ogles  
County Mayor

I, Joey Allen, do hereby certify that I am the duly qualified and acting County Clerk of Maury County, Tennessee, and as such official, I do hereby certify that Andy Ogles is the duly qualified and acting County Mayor of said County and that the signature appended to the foregoing certificate is the true and genuine signature of such official.

WITNESS my official signature and the seal of said Maury County, Tennessee as of the date subscribed to the foregoing certificate.

/s/ Joey Allen  
County Clerk

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**APPENDIX A**

Form of Legal Opinion of Bass, Berry & Sims PLC, Attorneys,  
Nashville, Tennessee relating to the Bonds.

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(Form of Opinion of Bond Counsel)

Bass, Berry & Sims PLC  
150 Third Avenue South, Suite 2800  
Nashville, Tennessee 37201

December 18, 2020

We have acted as bond counsel to Maury County, Tennessee (the “Issuer”) in connection with the issuance of \$4,930,000 General Obligation School and Public Improvement Refunding Bonds, Series 2020, dated the date hereof (the “Bonds”). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Bonds have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and constitute valid and binding general obligations of the Issuer.

2. The resolutions of the Board of County Commissioners of the Issuer authorizing the Bonds have been duly and lawfully adopted, are in full force and effect and are valid and binding agreements of the Issuer enforceable in accordance with their terms.

3. The principal of and interest on the Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the County. The Bonds constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit.

4. Interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements. Except as set forth in this Paragraph 4 and in Paragraph 6 below, we express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on all or a portion of the interest on any of the Bonds during the period such Bonds are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership doing business in the State of Tennessee.

6. The Bonds are “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the resolutions authorizing the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

BASS, BERRY & SIMS PLC

**APPENDIX B**

Demographic and General Financial Information  
Related to the County

## GENERAL INFORMATION

Maury County (the “County”) is located in the south central part of Tennessee approximately forty miles south of Nashville with access to Interstate 65. It was founded on November 16, 1807. Three municipalities are located in the County, including Columbia, which is the County seat, Mt. Pleasant, and Spring Hill. The County occupies 613 square miles. Beef, cattle, hay, wheat, corn, and burley tobacco are the principal agricultural products produced.

## DEMOGRAPHIC DATA

### Population

The population of the County has grown appreciably since 1980. According to the U.S. Census population estimate data for 2019, the County's population has grown 38% since the 2000 Census. Various socioeconomic factors are indicated below.

|                               | <u>County</u> | <u>Tennessee</u> |
|-------------------------------|---------------|------------------|
| 1980 U.S. Census              | 51,095        | 4,600,252        |
| 1990 U.S. Census              | 55,262        | 4,890,626        |
| 2000 U.S. Census              | 69,752        | 5,703,719        |
| 2010 U.S. Census              | 81,172        | 6,355,311        |
| 2011 U.S. Census Estimate     | 81,528        | 6,399,291        |
| 2012 U.S. Census Estimate     | 82,054        | 6,453,898        |
| 2013 U.S. Census Estimate     | 83,618        | 6,494,340        |
| 2014 U.S. Census Estimate     | 85,384        | 6,541,223        |
| 2015 U.S. Census Estimate     | 87,425        | 6,591,170        |
| 2016 U.S. Census Estimate     | 89,556        | 6,646,010        |
| 2017 U.S. Census Estimate     | 92,237        | 6,708,799        |
| 2018 U.S. Census Estimate     | 94,273        | 6,771,631        |
| 2019 U.S. Census Estimate     | 96,387        | 6,829,174        |
| Source: U.S. Bureau of Census |               |                  |

### Per Capita Personal Income

The County's per capita personal income according to the Bureau of Economic Analysis was \$44,246 in 2019. This is a 39.6% increase over the last 10 years.

|                                 | <u>Maury County</u> | <u>Tennessee</u> | <u>% of State</u> |
|---------------------------------|---------------------|------------------|-------------------|
| 2010 Per Capita Personal Income | \$31,700            | \$35,653         | 88.9%             |
| 2011 Per Capita Personal Income | \$33,535            | \$37,616         | 89.2%             |
| 2012 Per Capita Personal Income | \$35,667            | \$39,296         | 90.8%             |
| 2013 Per Capita Personal Income | \$36,218            | \$39,421         | 91.9%             |
| 2014 Per Capita Personal Income | \$36,724            | \$40,799         | 90.0%             |
| 2015 Per Capita Personal Income | \$38,004            | \$42,626         | 89.2%             |
| 2016 Per Capita Personal Income | \$39,739            | \$43,626         | 91.1%             |
| 2017 Per Capita Personal Income | \$41,068            | \$45,233         | 90.8%             |
| 2018 Per Capita Personal Income | \$42,645            | \$47,210         | 90.3%             |
| 2019 Per Capita Personal Income | \$44,246            | \$48,684         | 90.9%             |

Source: U.S. Department of Commerce, Bureau of Economic Analysis, CA1-3 Personal Income Summary

## Median Housing Values

|                           | <b>Maury<br/>County</b> | <b>Tennessee</b> | <b>% of State</b> |
|---------------------------|-------------------------|------------------|-------------------|
| 2010 Median Housing Value | 139,950                 | 149,900          | 93.4%             |
| 2011 Median Housing Value | 138,000                 | 150,925          | 91.4%             |
| 2012 Median Housing Value | 150,500                 | 160,000          | 94.1%             |
| 2013 Median Housing Value | 155,000                 | 165,000          | 93.9%             |
| 2014 Median Housing Value | 159,900                 | 166,000          | 96.3%             |
| 2015 Median Housing Value | 175,000                 | 175,000          | 100.0%            |
| 2016 Median Housing Value | 189,900                 | 185,000          | 102.6%            |
| 2017 Median Housing Value | 215,765                 | 196,800          | 109.6%            |
| 2018 Median Housing Value | 235,000                 | 210,000          | 111.9%            |
| 2019 Median Housing Value | 252,995                 | 226,000          | 111.9%            |

Source: Tennessee Housing Development Agency – This data reflects only the sales prices of new and existing homes that were sold in the respective years. This data may not be representative of the median value of all homes in the County or State.

## Covid-19

The world-wide outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread to several counties and cities in the State of Tennessee, including the County and is considered by the World Health Organization to be a Public Health Emergency of International Concern. The spread of COVID-19 has led to quarantine and other “social distancing” measures in affected regions. While effects of COVID-19 on the County may be temporary, the virus has affected travel, commerce and financial markets across the world.

As of November 19, 2020, Maury County has approximately 900 known active cases of COVID-19. The County is unable to predict: (i) the extent or duration of the COVID-19 outbreak or any other epidemic or pandemic; (ii) the extent or duration of existing and additional quarantines, travel restrictions or other measures relating to COVID-19 or any other epidemic or pandemic; or (iii) whether and to what extent the COVID-19 outbreak or any other epidemic or pandemic may disrupt the local or global economy, manufacturing or the supply chain or whether any such disruption may adversely affect the operations of the County. Given the evolving nature of the spread of the virus and the behavior of governments, businesses and individuals in response thereto, the County cannot accurately predict the magnitude of the impact of COVID-19 on the County and its financial condition. The County is proactively taking steps to mitigate the spread of COVID-19 and to preserve effective staffing for all essential County operations.

Although the County cannot accurately predict the magnitude of the ultimate impact of COVID-19 outbreak on the County’s finances, the County is carefully monitoring the immediate effect of the COVID-19 outbreak on the County’s finances and is attempting to make projections as to the effect of the COVID-19 outbreak for the upcoming fiscal year. For the most recent fiscal year, the County’s largest source of revenues is property tax revenues. Property tax revenues are due each year on October 1st and are delinquent on the last day of February of the following year, so all tax year 2019 taxes were required to be paid without any penalty by February 29, 2020. The COVID-19 outbreak did not have a material impact on fiscal year 2019-2020 property tax collections because taxes were due prior to the outbreak. The County is projecting property tax collections of approximately \$53.07 million in fiscal year 2020-2021. The County cannot predict whether a

continuation of the outbreak will have a material impact on collections in the 2020-2021 fiscal year.

The County's second largest source of revenues is sales and use tax revenues. Most of the County's share of local sales tax collections is allocated for school purposes. For fiscal year 2020-2021, the County is forecasting local sales tax collections of approximately \$19.14 million. Approximately \$16.8 million of this amount will be for school purposes. All sales and use tax revenues are collected by the State, and the County does not typically receive notice from the State of the County's share of sales and use taxes collected for approximately 50 days after the close of each month.

The County estimates that fiscal year 2019-2020 sales tax collections were up approximately 6.4% over fiscal year 2018-2019. The County estimates that sales tax collections in the months of April, May and June increased approximately 13.68% from the same period in the prior year.

The County, and especially Maury County Schools, also receives funding from the State of Tennessee and the federal government. The County has budgeted State funding of approximately \$61.02 million for the General Purpose School Fund in fiscal year 2020-2021. The State of Tennessee receives a substantial portion of the shared revenues from sales tax collections which may be adversely impacted by the Covid-19 outbreak. The County cannot predict how state and federal funding will be impacted by the Covid-19 outbreak.

The County expects to receive some federal and/or State assistance to offset costs to the County of addressing the COVID-19 outbreak. As this point, the County is eligible for up to \$1.5 million in aid for qualifying expenses. The County has not been informed as to the timing or amount of any additional federal or State assistance that may be provided, nor does the County know the scope of expenses that will be payable from such assistance. Therefore, the County cannot provide any assurances to whether the projected decline in tax revenues will be mitigated, in whole or part, by such assistance. The County's proposed budget for the 2021 fiscal year does not include any such assistance as a source of revenue to provide for a balanced budget.

The County's current liquidity position is expected to be adequate to fund essential services and make timely debt service payments on debt of the County.

Various types of information regarding employment and income trends within the County are detailed below in this APPENDIX B. This information was assembled prior to the COVID-19 outbreak and may not be reflective of current financial conditions. For example, unemployment rates throughout the United States, including the County, have increased significantly since the COVID-19 outbreak. Furthermore, the largest employers in the County are listed below in this Appendix B. The COVID-19 outbreak has affected businesses throughout the United States, including businesses in the County, and many of the employers listed below in this APPENDIX B may have reduced their employment levels from the described levels. Given the fluidity of the current economic environment, the County is not able to provide sufficiently accurate updates to this information.



## ECONOMIC DATA

### Major Employers

The following are the largest employers and their respective number of employees in the County.

| <b>Employer</b>                            | <b>Estimated Number<br/>of Employees</b> | <b>Product or Service</b>              |
|--|--|--|
| GM Spring Hill Manufacturing               | 3,808                                    | Automobile Manufacturer                |
| Maury Regional Medical Center              | 2,200                                    | Healthcare                             |
| Maury County Public Schools                | 1,739                                    | Public Education                       |
| Tennessee Farmers Mutual Insurance Company | 825                                      | Insurance                              |
| Columbia State Community College           | 545                                      | Education                              |
| Maury County                               | 450                                      | County Government                      |
| IB Tech                                    | 400                                      | Transportation Equipment Manufacturing |
| City of Columbia                           | 378                                      | City Government                        |
| Walmart Inc.                               | 300                                      | Retail                                 |
| IBEX Global                                | 300                                      | Staffing & Outsourcing                 |

Source: Tennessee Department of Economic and Community Development

A GM manufacturing facility opened in Spring Hill in 1990 that also brought other automotive suppliers to the County. The GM facility currently produces the Cadillac XT5, XT6 and the GMC Acadia as well as four cylinder engines and other parts for various models. In October 2020, GM announced that it will invest \$2.2 billion in its Spring Hill assembly plant to transition it to become the company's third vehicle manufacturing site to produce electric vehicles. The all-new Cadillac LYRIQ will be the first EV produced at Spring Hill. Production of the Cadillac XT6 and XT5 will continue at Spring Hill while Acadia production will move to the Lansing Delta Assembly plant. The facility will build both traditionally powered Cadillac products and EVs

In September 2020, SmileDirectClub announced plans to locate a manufacturing facility in the County. SmileDirectClub is an oral care company and creator of the first medtech platform for teeth straightening. Total investment for the project is approximately \$34 million and will create more than 600 new jobs as part of the expansion.

## Employment and Unemployment Data

The Labor Force within the County is estimated at 48,955 with 46,116 employed, resulting in a 5.8% unemployment rate in September of 2020.

| Year   | Employment | Unemployment | Total Labor Force | Unemployment Percent |       |      |
|--------|------------|--------------|-------------------|----------------------|-------|------|
|        |            |              |                   | Maury County         | State | U.S. |
| 2009   | 32,216     | 5,157        | 37,373            | 13.8%                | 10.5% | 9.3% |
| 2010   | 36,368     | 5,101        | 41,469            | 12.3%                | 9.6%  | 9.6% |
| 2011   | 37,058     | 4,255        | 41,313            | 10.3%                | 9.0%  | 8.9% |
| 2012   | 37,501     | 3,172        | 40,673            | 7.8%                 | 7.8%  | 8.1% |
| 2013   | 37,876     | 2,895        | 40,771            | 7.1%                 | 7.7%  | 7.4% |
| 2014   | 38,528     | 2,416        | 40,944            | 5.9%                 | 6.6%  | 6.2% |
| 2015   | 40,058     | 2,153        | 42,211            | 5.1%                 | 5.6%  | 5.3% |
| 2016   | 42,175     | 1,757        | 43,932            | 4.0%                 | 4.7%  | 4.9% |
| 2017   | 44,377     | 1,514        | 45,891            | 3.3%                 | 3.8%  | 4.3% |
| 2018   | 46,588     | 1,590        | 48,178            | 3.3%                 | 3.5%  | 3.9% |
| 2019   | 48,552     | 1,605        | 50,157            | 3.2%                 | 3.4%  | 3.7% |
| Sep-20 | 46,116     | 2,839        | 48,955            | 5.8%                 | 6.3%  | 7.9% |

Source: Bureau of Labor Statistics

## Health Care Services

Maury Regional Medical Center is a 360-bed facility with a medical staff of more than 200 physicians and 2,000 employees who serve a region consisting of more than a quarter-million people in southern Middle Tennessee. Maury Regional Medical Center offers a wide range of advanced services and has garnered numerous recognitions for its commitment to outstanding clinical outcomes.

## Higher Education

*Columbia State Community College*, founded in 1966, serves nearly 10,000 students per year in credit and continuing education courses and awards more than \$10 million annually in financial aid. Six academic divisions offer students over 50 programs of study and the opportunity to earn a technical certificate, associate of arts, associate of science or associate of applied science degree. In addition to the Columbia campus, the college has locations in Lawrence, Marshall, Wayne and Williamson counties.

## Public Education

The K-12 public school system in the County is operated by the County’s Department of Education, which is administered by a Director of Schools under the policy-making authority of the local Board of Education. The average daily membership for the 2018-2019 school year was 12,478.

| <u>Average Daily Membership</u> |                             |
|---------------------------------|-----------------------------|
| <u>School Year</u>              | <u>Maury County Schools</u> |
| 2009-2010                       | 11,403                      |
| 2010-2011                       | 11,327                      |
| 2011-2012                       | 11,418                      |
| 2012-2013                       | 11,554                      |
| 2013-2014                       | 11,664                      |
| 2014-2015                       | 11,725                      |
| 2015-2016                       | 11,900                      |
| 2016-2017                       | 12,247                      |
| 2017-2018                       | 12,407                      |
| 2018-2019                       | 12,478                      |

Source: Tennessee Department of Education

Private schools in the area include Agathos Classical School, Columbia Academy, Magnolia Academy, The King’s Daughters’ School, and Zion Christian Academy.

## GOVERNMENTAL STRUCTURE

### County Government

Maury County government operates under the general laws and uniform structure for counties in Tennessee with a County Mayor (executive), Superintendent of Highways, Director of Schools, various county officials and a county legislative body, the Board of County Commissioners (the “*Board*”).

All powers of the County are vested in and exercised by the Board. The Board consists of 22 members, serving four-year terms.

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**SUMMARY OF OUTSTANDING DEBT**

| <b>Amount Issued</b>   | <b>Issue</b>  | <b>Date Issued</b> | <b>Maturity Date</b> | <b>Interest Rate</b> | <b>Principal Outstanding</b> <sup>(1)</sup> |
|--|---|--------------------|----------------------|----------------------|---|
| <b><u>General Government &amp; School Debt (as of June 30, 2019)</u></b> |   |                    |                      |                      |   |
| <b><u>Bonds</u></b>  |   |                    |                      |                      |   |
| 18,320,000   | GO Refunding Bonds, Series 2012A                        | 05/23/12           | 04/01/20             | 2.00% - 4.00%        | \$2,915,000                                 |
| 12,250,000   | General Obligation School Bonds, Series 2014            | 10/14/14           | 04/01/30             | 2.00% - 5.00%        | 8,475,000                                   |
| 43,965,000   | GO Refunding and PI Bonds, Series 2015 (County Portion) | 06/01/15           | 04/01/36             | 2.00% - 5.00%        | 43,565,000                                  |
| 20,150,000   | GO Refunding Bonds, Series 2015B                        | 12/22/15           | 04/01/28             | 3.00% - 5.00%        | 18,190,000                                  |
| 21,300,000   | GO School Bonds, Series 2016                            | 09/08/16           | 04/01/36             | 2.00% - 5.00%        | 19,590,000                                  |
| 62,050,000   | GO School Bonds, Series 2017                            | 10/19/17           | 04/01/42             | 3.00% - 5.00%        | 61,950,000                                  |
| 15,290,000   | GO School Bonds, Series 2018                            | 09/27/18           | 04/01/38             | 3.00% - 5.00%        | 14,455,000                                  |
| 2,770,000  | GO School and PI Ref. Bonds, Series 2020                | 12/18/20           | 04/01/28             | 3.00%                | 2,770,000                                   |
| <b><u>Notes</u></b>  |   |                    |                      |                      |   |
| \$355,993  | GO Capital Outlay Note, Series 2016                     | 04/05/16           | 04/01/20             | 1.50%                | \$90,926                                    |
| \$360,000  | GO Capital Outlay Note, Series 2018                     | 02/06/18           | 02/01/21             | 1.687%               | 240,000                                     |
| <b><u>Loans</u></b>  |   |                    |                      |                      |   |
| \$4,408,000  | Qualified School Construction Bond (QSCB)               | 10/01/10           | 09/15/27             | 0% - 4.85%           | \$2,253,426                                 |
| \$2,847,543  | Energy Efficient Schools Initiative                     | 01/30/18           | 12/31/21             | 1.00%                | 2,810,202                                   |
| <b><u>Capital Leases</u></b>   |   |                    |                      |                      |   |
| \$2,665,288  | School Computer Leases                                  | 02/03/17           | 07/06/20             | 5.23% - 5.34%        | 553,025                                     |
| Total General Government & School Debt                                   |   |                    |                      |                      | <u>\$177,857,579</u>                        |

|   |   |          |          |               |  |
|---|---|----------|----------|---------------|--|
| <b><u>Maury County Regional Hospital Debt (as of June 30, 2019)</u></b> |   |          |          |               |  |
| <b><u>Bonds</u></b>   |   |          |          |               |  |
| 4,605,000   | General Obligation Refunding Bonds, Series 2012B          | 05/23/12 | 04/01/20 | 2.00%         | \$340,000                              |
| 30,335,000  | GO Refunding and PI Bonds, Series 2015 (Hospital Portion) | 06/01/15 | 04/01/27 | 2.00% - 5.00% | 19,610,000                             |
| Total Maury Regional Hospital Debt                                      |   |          |          |               | <u>\$19,950,000</u> <sup>(2) (3)</sup> |

|  |  |       |          |       |                                   |
|--|--|-------|----------|-------|-----------------------------------|
| <b><u>Maury County Board of Public Utilities (as of June 30, 2019)</u></b> |  |       |          |       |                                   |
| <b><u>Bonds</u></b>  |  |       |          |       |                                   |
| 2,160,000  | USDA Rural Development Loan, Series 2006 |       |          | 4.13% | 2,463,339                         |
|  | GO School and PI Ref. Bonds, Series 2020 | ##### | 04/01/28 | 3.00% | \$2,160,000                       |
| Total Maury County Board of Public Utilities Debt                          |  |       |          |       | <u>\$4,623,339</u> <sup>(4)</sup> |
| <b>Total Outstanding Debt</b>  |  |       |          |       | <u>\$202,430,918</u>              |

**DEBT STATEMENT  
(as of June 30, 2019)**

**Outstanding Debt**

|  |                              |
|--|------------------------------|
| Total Current Outstanding Debt                     | \$202,430,918 <sup>(1)</sup> |
| <b>Gross Direct Debt</b>                           | \$202,430,918                |
| Less Debt Service Fund Balance as of June 30, 2019 | (20,696,296)                 |
| <b>Net Direct Debt</b>                             | \$181,734,622                |
| <b>Net Overlapping Debt (as of June 30, 2019)</b>  |                              |
| City of Columbia                                   | \$16,511,928                 |
| City of Mount Pleasant                             | 1,407,724                    |
| Town of Spring Hill                                | 7,328,879                    |
| <b>Total Net Overlapping Debt</b>                  | \$25,248,531                 |
| <b>Overall Net Debt</b>                            | \$206,983,153                |

(1) As of June 30, 2019 and adjusted for GO School and PI Ref. Bonds, Series 2020. Excludes debt being refunded by Series 2020 Bonds.

(2) The County has pledged its full faith and credit to these bonds; however, Maury County Regional Hospital operates as an enterprise fund with the outstanding debt being paid from hospital revenues although the revenues are not pledged to the payment of the debt.

(3) Additionally, the Maury County Regional Hospital reported capital lease obligations and a Line of Credit totaling \$8,657,157 as of June 30, 2019.

(4) The County has pledged its full faith and credit to these bonds, however, Maury County Board of Public Utilities will pay the outstanding debt from Utility revenues although the revenues are not pledged to the payment of the debt.

(5) Summary does not include \$3,700,000 Industrial Revenue Bond, Series 2018 (Taxable), which is payable from proceeds from the Industrial Development Board and further secured by a Contribution Agreement from the Maury County Commission, subject to annual appropriations at the discretion of the County.

Sources: Annual Financial Report prepared by the State Comptroller of the Treasury for the fiscal year ending June 30, 2019 and information from the Finance Department.

**DEBT RECORD**

**There is no record of a default on bond principal and interest from information available.**

## POPULATION

|                               | <u>County</u> | <u>Tennessee</u> |
|-------------------------------|---------------|------------------|
| 1980 U.S. Census              | 51,095        | 4,600,252        |
| 1990 U.S. Census              | 55,262        | 4,890,626        |
| 2000 U.S. Census              | 69,752        | 5,703,719        |
| 2010 U.S. Census              | 81,172        | 6,355,311        |
| 2011 U.S. Census Estimate     | 81,528        | 6,399,291        |
| 2012 U.S. Census Estimate     | 82,054        | 6,453,898        |
| 2013 U.S. Census Estimate     | 83,618        | 6,494,340        |
| 2014 U.S. Census Estimate     | 85,384        | 6,541,223        |
| 2015 U.S. Census Estimate     | 87,425        | 6,591,170        |
| 2016 U.S. Census Estimate     | 89,556        | 6,646,010        |
| 2017 U.S. Census Estimate     | 92,237        | 6,708,799        |
| 2018 U.S. Census Estimate     | 94,273        | 6,771,631        |
| 2019 U.S. Census Estimate     | 96,387        | 6,829,174        |
| Source: U.S. Bureau of Census |               |                  |

## PER CAPITA DEBT RATIOS

|                            |            |
|----------------------------|------------|
| Outstanding Debt           | \$2,100.19 |
| Net Direct Debt            | 1,885.47   |
| Total Net Overlapping Debt | 261.95     |
| Overall Net Debt           | 2,147.42   |

## DEBT RATIOS

|                               | <u>Assessed<br/>Value</u> | <u>Estimated<br/>Actual Value</u> |
|-------------------------------|---------------------------|-----------------------------------|
| Outstanding Debt to           | 7.33%                     | 1.95%                             |
| Net Direct Debt to            | 6.58%                     | 1.75%                             |
| Total Net Overlapping Debt to | 0.91%                     | 0.24%                             |
| Overall Net Debt to           | 7.50%                     | 1.99%                             |

## DEBT TREND

### For Fiscal Years Ending

|                              | <u>06/30/19</u>      | <u>06/30/18</u>      | <u>06/30/17</u>      | <u>06/30/16</u>      | <u>06/30/15</u>      |
|------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>General Government</b>    |                      |                      |                      |                      |                      |
| Bonds                        | \$169,140,000        | \$161,760,000        | \$106,115,000        | \$89,865,000         | \$95,855,000         |
| Notes                        | 330,926              | 540,508              | 268,766              | 2,685,993            | 4,560,000            |
| Loan Agreements              | 5,063,628            | 3,198,063            | 2,803,530            | 3,078,582            | 3,353,634            |
| Capital Leases               | 553,025              | 1,280,810            | 1,879,501            | 0                    | 0                    |
| <b>Total Gen Government</b>  | <b>\$175,087,579</b> | <b>\$166,779,381</b> | <b>\$111,066,797</b> | <b>\$95,629,575</b>  | <b>\$103,768,634</b> |
| <b>Self Supporting</b>       |                      |                      |                      |                      |                      |
| Hospital Debt <sup>(1)</sup> | 19,950,000           | 23,470,000           | 26,750,000           | 30,035,000           | 33,395,000           |
| Utility System Debt          | 5,257,480            | 5,598,313            | 5,930,209            | 6,252,997            | 6,568,134            |
| <b>Total Self Supporting</b> | <b>25,207,480</b>    | <b>29,068,313</b>    | <b>32,680,209</b>    | <b>36,287,997</b>    | <b>39,963,134</b>    |
| <b>Total All Debt</b>        | <b>\$200,295,059</b> | <b>\$195,847,694</b> | <b>\$143,747,006</b> | <b>\$131,917,572</b> | <b>\$143,731,768</b> |

(1) Excludes capital leases and line of credit.

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2015 to 2019 and County officials.

**GENERAL GOVERNMENT AND SCHOOL DEBT SERVICE REQUIREMENTS <sup>(1)(2)</sup>**

**(As of June 30, 2019)**

| Year<br>Ended<br>June 30 | Principal                    |   |                                    |                                 | Interest                    |   |                                   | Total Debt<br>Service<br>Requirements |                      |
|--------------------------|------------------------------|---|------------------------------------|---------------------------------|-----------------------------|---|-----------------------------------|---------------------------------------|----------------------|
|                          | Current<br>Debt<br>Principal | Plus: GO<br>School and PI<br>Ref. Bonds,<br>Series 2020 | Total<br>Principal<br>Requirements | Percent<br>Principal<br>Retired | Current<br>Debt<br>Interest | Plus: GO<br>School and PI<br>Ref. Bonds,<br>Series 2020 | Total<br>Interest<br>Requirements |                                       |                      |
| 1                        | 2020                         | 9,986,606   |                                    | 9,986,606                       |                             | 6,732,848   | 6,732,848                         | 16,719,454                            |                      |
| 2                        | 2021                         | 8,999,387   | 360,000                            | 9,359,387                       |                             | 6,300,846   | 23,776                            | 6,324,621                             | 15,684,008           |
| 3                        | 2022                         | 9,059,432   | 315,000                            | 9,374,432                       |                             | 5,877,423   | 72,300                            | 5,949,723                             | 15,324,155           |
| 4                        | 2023                         | 9,371,738   | 325,000                            | 9,696,738                       |                             | 5,447,368   | 62,850                            | 5,510,218                             | 15,206,956           |
| 5                        | 2024                         | 9,679,068   | 335,000                            | 10,014,068                      | 27.23%                      | 5,013,787   | 53,100                            | 5,066,887                             | 15,080,955           |
| 6                        | 2025                         | 10,001,421  | 340,000                            | 10,341,421                      |                             | 4,565,185   | 43,050                            | 4,608,235                             | 14,949,656           |
| 7                        | 2026                         | 9,313,788   | 355,000                            | 9,668,788                       |                             | 4,145,454   | 32,850                            | 4,178,304                             | 13,847,092           |
| 8                        | 2027                         | 9,563,266   | 365,000                            | 9,928,266                       |                             | 3,823,203   | 22,200                            | 3,845,403                             | 13,773,669           |
| 9                        | 2028                         | 9,514,498   | 375,000                            | 9,889,498                       |                             | 3,286,005   | 11,250                            | 3,297,255                             | 13,186,753           |
| 10                       | 2029                         | 7,771,013   |                                    | 7,771,013                       | 53.99%                      | 2,940,602   |                                   | 2,940,602                             | 10,711,615           |
| 11                       | 2030                         | 8,068,467   |                                    | 8,068,467                       |                             | 2,645,747   |                                   | 2,645,747                             | 10,714,214           |
| 12                       | 2031                         | 7,918,895   |                                    | 7,918,895                       |                             | 2,391,459   |                                   | 2,391,459                             | 10,310,354           |
| 13                       | 2032                         | 7,960,000   |                                    | 7,960,000                       |                             | 2,138,248   |                                   | 2,138,248                             | 10,098,248           |
| 14                       | 2033                         | 8,205,000   |                                    | 8,205,000                       |                             | 1,890,884   |                                   | 1,890,884                             | 10,095,884           |
| 15                       | 2034                         | 8,465,000   |                                    | 8,465,000                       | 76.83%                      | 1,634,881   |                                   | 1,634,881                             | 10,099,881           |
| 16                       | 2035                         | 8,750,000   |                                    | 8,750,000                       |                             | 1,347,313   |                                   | 1,347,313                             | 10,097,313           |
| 17                       | 2036                         | 9,030,000   |                                    | 9,030,000                       |                             | 1,062,500   |                                   | 1,062,500                             | 10,092,500           |
| 18                       | 2037                         | 4,295,000   |                                    | 4,295,000                       |                             | 766,663   |                                   | 766,663                               | 5,061,663            |
| 19                       | 2038                         | 4,435,000   |                                    | 4,435,000                       |                             | 623,693   |                                   | 623,693                               | 5,058,693            |
| 20                       | 2039                         | 3,500,000   |                                    | 3,500,000                       | 93.70%                      | 476,000   |                                   | 476,000                               | 3,976,000            |
| 21                       | 2040                         | 3,615,000   |                                    | 3,615,000                       |                             | 364,000   |                                   | 364,000                               | 3,979,000            |
| 22                       | 2041                         | 3,730,000   |                                    | 3,730,000                       |                             | 246,513   |                                   | 246,513                               | 3,976,513            |
| 23                       | 2042                         | 3,855,000   |                                    | 3,855,000                       | 100.00%                     | 125,287   |                                   | 125,287                               | 3,980,287            |
|                          |                              | <u>\$175,087,579</u>                                    | <u>\$2,770,000</u>                 | <u>\$177,857,579</u>            |                             | <u>\$63,845,903</u>                                     | <u>\$321,376</u>                  | <u>\$64,167,279</u>                   | <u>\$242,024,858</u> |

(1) As of June 30, 2019 and adjusted for GO School and PI Ref. Bonds, Series 2020.

(2) This schedule does not include obligations of the Maury County Regional Hospital or the Maury County Public Utilities System which operate as Enterprise Funds of Maury County.

Source: Annual Financial Report and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal year ending June 30, 2019 and County officials.

**DEBT SERVICE REQUIREMENTS OF MAURY COUNTY REGIONAL HOSPITAL**  
(as of June 30, 2019)

|   |                                   | <u>Principal</u>                       |   |  | <u>Interest</u>                        |  |   |
|---|-----------------------------------|--|---|--|--|--|---|
|   | <b>Year<br/>Ended<br/>June 30</b> | <b>Current<br/>Debt <sup>(1)</sup></b> | <b>Total<br/>Principal<br/>Requirements</b> | <b>Percent<br/>Principal<br/>Retired</b> | <b>Current<br/>Debt <sup>(1)</sup></b> | <b>Total Interest<br/>Requirements</b> | <b>Total Debt<br/>Service<br/>Requirements <sup>(2)</sup></b> |
| 1 | 2020                              | 3,715,000                              | 3,715,000                                   |  | 907,800                                | 907,800                                | 4,622,800   |
| 2 | 2021                              | 3,545,000                              | 3,545,000                                   |  | 732,250                                | 732,250                                | 4,277,250   |
| 3 | 2022                              | 2,105,000                              | 2,105,000                                   |  | 555,000                                | 555,000                                | 2,660,000   |
| 4 | 2023                              | 2,210,000                              | 2,210,000                                   |  | 449,750                                | 449,750                                | 2,659,750   |
| 5 | 2024                              | 2,230,000                              | 2,230,000                                   | 69.20%                                   | 339,250                                | 339,250                                | 2,569,250   |
| 6 | 2025                              | 2,170,000                              | 2,170,000                                   |  | 227,750                                | 227,750                                | 2,397,750   |
| 7 | 2026                              | 1,955,000                              | 1,955,000                                   |  | 119,250                                | 119,250                                | 2,074,250   |
| 8 | 2027                              | 2,020,000                              | 2,020,000                                   | 100.00%                                  | 60,600                                 | 60,600                                 | 2,080,600   |
|   |                                   | <u>\$19,950,000</u>                    | <u>\$19,950,000</u>                         |  | <u>\$3,391,650</u>                     | <u>\$3,391,650</u>                     | <u>\$23,341,650</u>   |

(1) Additionally, the Maury County Regional Hospital reported capital lease obligations and a Line of Credit totaling \$8,657,157 as of June 30, 2019.

(2) The County has pledged its full faith and credit to these bonds, however, Maury County Regional Hospital operates as an enterprise fund with the outstanding debt being paid from hospital revenues although the revenues are not pledged to the payment of the debt.

Source: Annual Financial Report and Auditor's Report for Maury County Regional Hospital Prepared by State Comptroller of the Treasury for the fiscal year ending June 30, 2019 and County officials.

**DEBT SERVICE REQUIREMENTS OF MAURY COUNTY BOARD OF PUBLIC UTILITIES<sup>(1)(2)</sup>**

| Year<br>Ended<br>June 30 |      | Principal                            |  |                                    | Percent<br>Principal<br>Retired | Interest                            |  |                                | Total Debt<br>Service<br>Requirements |
|--------------------------|------|--------------------------------------|--|------------------------------------|---------------------------------|-------------------------------------|--|--------------------------------|---------------------------------------|
|                          |      | Existing<br>Principal <sup>(3)</sup> | GO School and PI<br>Ref. Bonds, Series<br>2020 | Total<br>Principal<br>Requirements |                                 | Existing<br>Interest <sup>(3)</sup> | GO School and PI<br>Ref. Bonds, Series<br>2020 | Total Interest<br>Requirements |                                       |
| 1                        | 2021 | 52,851                               | 150,000  | 202,851                            |                                 | 98,529                              | 18,540   | 117,069                        | 319,920                               |
| 2                        | 2022 | 55,073                               | 290,000  | 345,073                            |                                 | 96,307                              | 60,300   | 156,607                        | 501,680                               |
| 3                        | 2023 | 57,388                               | 295,000  | 352,388                            |                                 | 93,992                              | 51,600   | 145,592                        | 497,980                               |
| 4                        | 2024 | 59,801                               | 305,000  | 364,801                            |                                 | 91,579                              | 42,750   | 134,329                        | 499,130                               |
| 5                        | 2025 | 62,315                               | 315,000  | 377,315                            | 35.92%                          | 89,065                              | 33,600   | 122,665                        | 499,980                               |
| 6                        | 2026 | 64,934                               | 325,000  | 389,934                            |                                 | 86,446                              | 24,150   | 110,596                        | 500,530                               |
| 7                        | 2027 | 67,664                               | 335,000  | 402,664                            |                                 | 83,716                              | 14,400   | 98,116                         | 500,780                               |
| 8                        | 2028 | 70,509                               | 145,000  | 215,509                            |                                 | 80,871                              | 4,350  | 85,221                         | 300,730                               |
| 9                        | 2029 | 73,473                               |  | 73,473                             |                                 | 77,907                              |  | 77,907                         | 151,380                               |
| 10                       | 2030 | 76,561                               |  | 76,561                             | 61.25%                          | 74,819                              |  | 74,819                         | 151,380                               |
| 11                       | 2031 | 79,780                               |  | 79,780                             |                                 | 71,600                              |  | 71,600                         | 151,380                               |
| 12                       | 2032 | 83,134                               |  | 83,134                             |                                 | 68,246                              |  | 68,246                         | 151,380                               |
| 13                       | 2033 | 86,629                               |  | 86,629                             |                                 | 64,751                              |  | 64,751                         | 151,380                               |
| 14                       | 2034 | 90,271                               |  | 90,271                             |                                 | 61,109                              |  | 61,109                         | 151,380                               |
| 15                       | 2035 | 94,065                               |  | 94,065                             | 70.74%                          | 57,315                              |  | 57,315                         | 151,380                               |
| 16                       | 2036 | 98,020                               |  | 98,020                             |                                 | 53,360                              |  | 53,360                         | 151,380                               |
| 17                       | 2037 | 102,140                              |  | 102,140                            |                                 | 49,240                              |  | 49,240                         | 151,380                               |
| 18                       | 2038 | 106,434                              |  | 106,434                            |                                 | 44,946                              |  | 44,946                         | 151,380                               |
| 19                       | 2039 | 110,909                              |  | 110,909                            |                                 | 40,471                              |  | 40,471                         | 151,380                               |
| 20                       | 2040 | 115,571                              |  | 115,571                            | 82.39%                          | 35,809                              |  | 35,809                         | 151,380                               |
| 21                       | 2041 | 120,430                              |  | 120,430                            |                                 | 30,950                              |  | 30,950                         | 151,380                               |
| 22                       | 2042 | 125,492                              |  | 125,492                            |                                 | 25,888                              |  | 25,888                         | 151,380                               |
| 23                       | 2043 | 130,768                              |  | 130,768                            |                                 | 20,612                              |  | 20,612                         | 151,380                               |
| 24                       | 2044 | 136,265                              |  | 136,265                            |                                 | 15,115                              |  | 15,115                         | 151,380                               |
| 25                       | 2045 | 141,994                              |  | 141,994                            | 96.72%                          | 9,386                               |  | 9,386                          | 151,380                               |
| 26                       | 2046 | 150,148                              |  | 150,148                            | 100.00%                         | 3,417                               |  | 3,417                          | 153,565                               |
|                          |      | <u>\$2,412,620</u>                   | <u>\$2,160,000</u>                             | <u>\$4,572,620</u>                 |                                 | <u>\$1,525,445</u>                  | <u>\$249,690</u>                               | <u>\$1,775,135</u>             | <u>\$6,347,755</u>                    |

(1) After issuance of the GO School and PI Ref. Bonds, Series 2020.

(2) The County has pledged its full faith and credit to these bonds, however, Maury County Board of Public Utilities will pay the outstanding debt from Utility revenues although the revenues are not pledged to the payment of the debt.

(3) Excludes loans refunded by the Series 2020 Bonds.



## **REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES**

### ***State Taxation of Property; Classifications of Taxable Property; Assessment Rates***

Under the Constitution and laws of the State of Tennessee, all real and personal property is subject to taxation, except to the extent that the General Assembly of the State of Tennessee (the “*General Assembly*”) exempts certain constitutionally permitted categories of property from taxation. Property exempt from taxation includes federal, state and local government property, property of housing authorities, certain low cost housing for elderly persons, property owned and used exclusively for certain religious, charitable, scientific and educational purposes and certain other property as provided under Tennessee law.

Under the Constitution and laws of the State of Tennessee, property is classified into three separate classes for purposes of taxation: Real Property; Tangible Personal Property; and Intangible Personal Property. Real Property includes lands, structures, improvements, machinery and equipment affixed to realty and related rights and interests. Real Property is required constitutionally to be classified into four sub classifications and assessed at the rates as follows:

- (a) Public Utility Property (which includes all property of every kind used or held for use in the operation of a public utility, such as railroad companies, certain telephone companies, freight and private car companies, street car companies, power companies, express companies and other public utility companies), to be assessed at 55% of its value;
- (b) Industrial and Commercial Property (which includes all property of every kind used or held for use for any commercial, mining, industrial, manufacturing, business or similar purpose), to be assessed at 40% of its value;
- (c) Residential Property (which includes all property which is used or held for use for dwelling purposes and contains no more than one rental unit), to be assessed at 25% of its value; and
- (d) Farm Property (which includes all real property used or held for use in agriculture), to be assessed at 25% of its value.

Tangible Personal Property includes personal property such as goods, chattels and other articles of value, which are capable of manual or physical possession and certain machinery and equipment. Tangible Personal Property is required constitutionally to be classified into three sub classifications and assessed at the rates as follows:

- (a) Public Utility Property, to be assessed at 55% of its value;
- (b) Industrial and Commercial Property, to be assessed at 30% of its value; and
- (c) All other Tangible Personal Property (including that used in agriculture), to be assessed at 5% of its value, subject to an exemption of \$7,500 worth of Tangible Personal Property for personal household goods and furnishings, wearing apparel and other tangible personal property in the hands of a taxpayer.

Intangible Personal Property includes personal property, such as money, any evidence of debt owed to a taxpayer, any evidence of ownership in a corporation or other business organization having multiple owners and all other forms of property, the value of which is expressed in terms of what the property represents rather than its own intrinsic value. The Constitution of the State of Tennessee empowers the General Assembly to classify Intangible Personal Property into sub classifications and to establish a ratio of assessment to value in each class or subclass and to provide fair and equitable methods of apportionment of the value to the State of Tennessee for purposes of taxation.

The Constitution of the State of Tennessee requires that the ratio of assessment to value of property in each class or subclass be equal and uniform throughout the State of Tennessee and that the General Assembly direct the method to ascertain the value and definition of property in each class or subclass. Each respective taxing authority is constitutionally required to apply the same tax rate to all property within its jurisdiction.

### ***County Taxation of Property***

The Constitution of the State of Tennessee empowers the General Assembly to authorize the several counties and incorporated towns in the State of Tennessee to impose taxes for county and municipal purposes in the manner prescribed by law. Under the *Tennessee Code Annotated*, the General Assembly has authorized the counties in Tennessee to levy an *ad valorem* tax on all taxable property within their respective jurisdictions, the amount of which is required to be fixed by the county legislative body of each county based upon tax rates to be established on the first Monday of July of each year or as soon thereafter as practicable.

All property is required to be taxed according to its values upon the principles established in regard to State taxation as described above, including equality and uniformity. All counties, which levy and collect taxes to pay off any bonded indebtedness, are empowered, through the respective county legislative bodies, to place all funds levied and collected into a special fund of the respective counties and to appropriate and use the money for the purpose of discharging any bonded indebtedness of the respective counties.

### ***Assessment of Property***

*County Assessments; County Board of Equalization.* The function of assessment is to assess all property (with certain exceptions) to the person or persons owning or claiming to own such property on January 1 for the year for which the assessment is made. All assessment of real and personal property are required to be made annually and as of January 1 for the year to which the assessment applies. Not later than May 20 of each year, the assessor of property in each county is required to (a) make an assessment of all property in the county and (b) note upon the assessor's records the current classification and assessed value of all taxable property within the assessor's jurisdiction.

The assessment records are open to public inspection at the assessor's office during normal business hours. The assessor is required to notify each taxpayer of any change in the classification or assessed value of the taxpayer's property and to cause a notice to be published in a newspaper of general circulation stating where and when such records may be inspected and describing certain information concerning the convening of the county board of equalization. The notice to taxpayers and such published notice are required to be provided and published at least 10 days before the local board of equalization begins its annual session.

The county board of equalization is required (among other things) to carefully examine, compare and equalize the county assessments; assure that all taxable properties are included on the assessments lists and that exempt properties are eliminated from the assessment lists; hear and act upon taxpayer complaints; and correct errors and assure conformity to State law and regulations.

*State Assessments of Public Utility Property; State Board of Equalization.* The State Comptroller of the Treasury is authorized and directed under Tennessee law to assess for taxation, for State, county and municipal purposes, all public utility properties of every description, tangible and intangible, within the State. Such assessment is required to be made annually as of the same day as other properties are assessed by law (as described above) and takes into account such factors as are prescribed by Tennessee law.

On or before the first Monday in August of each year, the assessments are required to be completed and the State Comptroller of the Treasury is required to send a notice of assessment to each company assessable under

Tennessee law. Within ten days after the first Monday in August of each year, any owner or user of property so assessed may file an exception to such assessment together with supporting evidence to the State Comptroller of the Treasury, who may change or affirm the valuation. On or before the first Monday in September of each year, the State Comptroller of the Treasury is required to file with the State Board of Equalization assessments so made. The State Board of Equalization is required to examine such assessments and is authorized to increase or diminish the valuation placed upon any property valued by the State Comptroller of the Treasury.

The State Board of Equalization has jurisdiction over the valuation, classification and assessment of all properties in the State. The State Board of Equalization is authorized to create an assessment appeals commission to hear and act upon taxpayer complaints. The action of the State Board of Equalization is final and conclusive as to all matters passed upon by the Board, subject to judicial review consisting of a new hearing in chancery court.

### ***Periodic Reappraisal and Equalization***

Tennessee law requires reappraisal in each county by a continuous six-year cycle comprised of an on-site review of each parcel of real property over a five-year period, or, upon approval of the State Board of Equalization, by a continuous four-year cycle comprised of an on-site review of each parcel of real property over a three-year period, followed by revaluation of all such property in the year following completion of the review period. Alternatively, if approved by the assessor and adopted by a majority vote of the county legislative body, the reappraisal program may be completed by a continuous five-year cycle comprised of an on-site review of each parcel of real property over a four-year period followed by revaluation of all such property in the year following completion of the review period. Property value reappraisals in Maury County are conducted every four years with the last reappraisal occurring in tax year 2017.

After a reappraisal program has been completed and approved by the Director of Property Assessments, the value so determined must be used as the basis of assessments and taxation for property that has been reappraised. The State Board of Equalization is responsible to determine whether or not property within each county of the State has been valued and assessed in accordance with the Constitution and laws of the State of Tennessee.

### ***Valuation for Property Tax Purposes***

*County Valuation of Property.* The value of all property is based upon its sound, intrinsic and immediate value for purposes of sale between a willing seller and a willing buyer without consideration of speculative values. In determining the value of all property of every kind, the assessor is to be guided by, and follow the instructions of, the appropriate assessment manuals issued by the division of property assessments and approved by the State board of equalization. Such assessment manuals are required to take into account various factors that are generally recognized by appraisers as bearing on the sound, intrinsic and immediate economic value of property at the time of assessment.

*State Valuation of Public Utility Property.* The State Comptroller of the Treasury determines the value of public utility property based upon the appraisal of the property as a whole without geographical or functional division of the whole (*i.e.*, the unit rule of appraisal) and on other factors provided by Tennessee law. In applying the unit rule of appraisal, the State Comptroller of the Treasury is required to determine the State's share of the unit or system value based upon factors that relate to the portion of the system relating to the State of Tennessee.

### ***Certified Tax Rate***

Upon a general reappraisal of property as determined by the State Board of Equalization, the county assessor of property is required to (1) certify to the governing bodies of the county and each municipality within the county the total assessed value of taxable property within the jurisdiction of each governing body and (2) furnish to each governing body an estimate of the total assessed value of all new construction and improvements not included on the previous assessment roll and the assessed value of deletions from the previous assessment roll. Exclusive of such new construction, improvements and deletions, each governing body is required to determine and certify a tax rate (herein referred to as the “*Certified Tax Rate*”) which will provide the same *ad valorem* revenue for that jurisdiction as was levied during the previous year. The governing body of a county or municipality may adjust the Certified Tax Rate to reflect extraordinary assessment changes or to recapture excessive adjustments.

Tennessee law provides that no tax rate in excess of the Certified Tax Rate may be levied by the governing body of any county or of any municipality until a resolution or ordinance has been adopted by the governing body after publication of a notice of the governing body’s intent to exceed the Certified Tax Rate in a newspaper of general circulation and the holding of a public hearing.

The Tennessee Local Government Public Obligations Act of 1986 provides that a tax sufficient to pay when due the principal of and interest on general obligation Notes (such as the Notes) shall be levied annually and assessed, collected and paid, in like manner with the other taxes of the local government as described above and shall be in addition to all other taxes authorized or limited by law. Notes issued pursuant to the Local Government Public Obligations Act of 1986 may be issued without regard to any limit on indebtedness provided by law.

### ***Tax Collection and Tax Lien***

Property taxes are payable the first Monday in October of each year. The county trustee of each county acts as the collector of all county property taxes and of all municipal property taxes when the municipality does not collect its own taxes.

The taxes assessed by the State of Tennessee, a county, a municipality, a taxing district or other local governmental entity, upon any property of whatever kind, and all penalties, interest and costs accruing thereon become and remain a first lien on such property from January 1 of the year for which such taxes are assessed. In addition, property taxes are a personal debt of the property owner as of January and, when delinquent, may be collected by suit as any other personal debt. Tennessee law prescribes the procedures to be followed to foreclose tax liens and to pursue legal proceedings against property owners whose property taxes are delinquent.

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## PROPERTY VALUATION AND PROPERTY TAX

| Fiscal Year<br>Tax Year                 | 2019-2020<br>2019       | 2018-2019<br>2018      | 2017-2018<br>2017      | 2016-2017<br>2016      | 2015-2016<br>2015      |
|---|-------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>ESTIMATED ACTUAL VALUES</b>          |                         |                        |                        |                        |                        |
| Residential & Farm                      | \$6,672,017,400         | \$6,359,484,100        | \$5,224,305,732        | \$5,011,481,853        | \$4,397,228,500        |
| Commercial & Industrial                 | 1,477,129,300           | 1,411,837,000          | 1,323,595,505          | 1,251,309,874          | 1,066,005,300          |
| Personal Property                       | 732,569,303             | 746,695,855            | 664,293,547            | 558,814,515            | 525,606,666            |
| Public Utilities                        | 207,522,324             | 198,981,177            | 136,568,066            | 179,620,559            | 188,887,885            |
| In Lieu of Property Tax Payments        | 1,295,006,817           | 1,046,774,610          | 957,290,316            | 809,525,354            | 701,894,496            |
| <b>Total Estimated Actual Values</b>    | <b>\$10,384,245,144</b> | <b>\$9,763,772,742</b> | <b>\$8,306,053,166</b> | <b>\$7,810,752,155</b> | <b>\$6,879,622,847</b> |
| Annual Percentage Change                | 6.35%                   | 17.55%                 | 6.34%                  | 13.53%                 | 2.24%                  |
| Estimated Per Capita Amount             | \$107,735               | \$103,569              | \$90,051               | \$87,216               | \$78,692               |
| <b>ASSESSED VALUES</b>                  |                         |                        |                        |                        |                        |
| Residential & Farm (at 25%)             | \$1,668,004,350         | \$1,589,871,025        | \$1,174,685,125        | \$1,126,831,700        | \$1,099,307,125        |
| Commercial & Industrial (at 40%)        | 590,851,720             | 564,734,800            | 476,176,720            | 450,159,765            | 426,402,120            |
| Personal Property (at 30%-40%)          | 244,207,969             | 251,308,285            | 202,375,536            | 171,964,265            | 174,296,689            |
| Public Utilities (at 30%-55%)           | 90,644,864              | 86,916,653             | 59,647,649             | 78,440,062             | 82,512,191             |
| In Lieu of Property Tax Payments        | 166,474,468             | 135,834,153            | 124,754,316            | 105,497,549            | 96,991,527             |
| <b>Total Assessed Values</b>            | <b>\$2,760,183,371</b>  | <b>\$2,628,664,916</b> | <b>\$2,037,639,346</b> | <b>\$1,932,893,341</b> | <b>\$1,879,509,652</b> |
| Annual Percentage Change                | 5.00%                   | 29.01%                 | 5.42%                  | 2.84%                  | 2.78%                  |
| Estimated Per Capita Amount             | \$28,636                | \$27,884               | \$22,091               | \$21,583               | \$21,499               |
| <b>Appraisal Ratio</b>                  | 100.00%                 | 100.00%                | 89.94%                 | 89.94%                 | 100.00%                |
| <b>Assessed Values to Actual Values</b> | 26.58%                  | 26.92%                 | 24.53%                 | 24.75%                 | 27.32%                 |
| <b>Property Tax Rate</b>                |                         |                        |                        |                        |                        |
| General                                 | \$0.5853                | \$0.4096               | \$0.4759               | \$0.6959               | \$0.6309               |
| Highway/Public Works                    | \$0.1257                | \$0.1257               | \$0.1582               | \$0.1582               | \$0.1582               |
| General Purpose School                  | \$1.0224                | \$0.9600               | \$1.1300               | \$1.2500               | \$1.2500               |
| General Debt Service                    | \$0.2997                | \$0.5378               | \$0.8497               | \$0.5297               | \$0.4197               |
| Solid Waste Disposal                    | \$0.1141                | \$0.1141               | \$0.1058               | \$0.1058               | \$0.1058               |
| Capital Project Fund                    | <u>\$0.0892</u>         | <u>\$0.0892</u>        | <u>\$0.0954</u>        | <u>\$0.0754</u>        | <u>\$0.0554</u>        |
| <b>Total Property Tax Rate</b>          | <b><u>\$2.2364</u></b>  | <b><u>\$2.2364</u></b> | <b><u>\$2.8150</u></b> | <b><u>\$2.8150</u></b> | <b><u>\$2.6200</u></b> |
| <b>Taxes Levied</b>                     |                         |                        |                        |                        |                        |
| Property Taxes                          | \$58,005,706            | \$55,749,667           | \$53,847,714           | \$51,441,192           | \$46,701,975           |
| In Lieu of Property Tax Payments        | 3,723,035               | 3,037,795              | 3,511,834              | 2,969,756              | 2,541,178              |
| <b>Total Taxes</b>                      | <b>\$61,728,741</b>     | <b>\$58,787,462</b>    | <b>\$57,359,548</b>    | <b>\$54,410,948</b>    | <b>\$49,243,153</b>    |
| <b>Current Collections</b>              |                         |                        |                        |                        |                        |
| Current Fiscal Year                     | In Process              | \$53,584,615           | \$51,667,964           | \$49,743,455           | \$45,055,548           |
| Percent Collected Current FY            | In Process              | 96.12%                 | 95.95%                 | 96.70%                 | 96.47%                 |

Sources: State Board of Equalization, 2015 - 2019 Tax Aggregate Reports of Tennessee and County officials.

## SELECTED FINANCIAL INFORMATION REGARDING THE COUNTY

### General

The County accounts for its financial resources on the basis of funds and account groups, each of which is considered a separate accounting entity. The General Fund is the general operating fund of the County. Other funds include Special Revenue Funds, the General Service Fund, Capital Projects Funds, Internal Service Funds and Trust and Agency Funds. For additional information regarding the component units, see Notes to the General Purpose Financial Statements contained in APPENDIX C hereto.

Revenues available to pay principal and interest on the Bonds are accounted for in the Debt Service Fund, and are derived from the collection of ad valorem taxes levied on all taxable property within the boundaries of the County. Primarily, amounts on deposit in the Debt Service Fund are used exclusively to pay the principal of and interest on the Bonds and other general obligation debt of the County. Included as APPENDIX C to this Official Statement are the General Purpose Financial Statements and notes thereto for the fiscal year ended June 30, 2017. Potential purchasers should read APPENDIX C in its entirety for more complete information concerning the County's financial position.

The County uses the modified accrual basis of accounting for all Governmental Funds, Expendable Trust Funds and Agency Funds. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred. Funds where expenditures determine the eligibility for grants recognize revenue at the time of the expenditures. Grant proceeds received prior to meeting the aforementioned revenue recognition policy are recorded as deferred revenues. Principal and interest on general 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.

The primary revenue susceptible to accrual is revenue received from the State of Tennessee. Sales tax collected and held by the State at year end on behalf of the County and its component units are also recognized as revenue.

All Proprietary Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when incurred.

For additional information regarding these funds, see Notes to the Annual Financial Report of the County for the Fiscal Year Ended June 30, 2019, in Appendix C hereto.

### Retirement Commitments

See Appendix C, page 76, Note H of the Maury County Annual Financial Report for the fiscal year ending June 30, 2019 as presented and prepared by the State Comptroller's Division of County Audit.

### Other Post-employment Benefits ("OPEB") Disclosure Statement

See Appendix C, page 94, Note I of the Maury County Annual Financial Report for the fiscal year ending June 30, 2019 as presented and prepared by the State Comptroller's Division of County Audit.

**TOP TAXPAYERS FOR TAX YEAR 2019 <sup>(1)</sup>**

| <b>Business</b>                  | <b>Tax Year 2019<br/>Taxes</b> | <b>Tax Year 2019<br/>Assessed Value</b> | <b>Assessed Value<br/>as a % of<br/>Total Assessment</b> |
|----------------------------------|--------------------------------|---|--|
| General Motors                   | \$3,460,518                    | \$386,840,204                           | 14.02%   |
| Tennessee Farm Bureau            | 2,377,355                      | 106,302,816                             | 3.85%  |
| Worthington Glen                 | 467,147                        | 20,888,363                              | 0.76%  |
| Atmos Energy                     | 389,513                        | 17,416,937                              | 0.63%  |
| Duck River Electric              | 350,586                        | 15,676,299                              | 0.57%  |
| Grand Reserve                    | 303,555                        | 13,573,352                              | 0.49%  |
| Cytec                            | 250,889                        | 11,218,422                              | 0.41%  |
| Columbia Gulf Transmission Corp. | 187,152                        | 8,368,471                               | 0.30%  |
| Texas Eastern Transmission       | 182,345                        | 8,153,487                               | 0.30%  |
| Wal-Mart                         | 169,410                        | 7,575,110                               | 0.27%  |

(1) Real property and personal property values and taxes have been combined.

(2) General Motors Tax Payment is based on an in-lieu-of-tax agreement.

Source: County Mayor, County Assessor's Office, County Trustee's Office and the Department of Finance.

**FUND BALANCES**

| <b>GOVERNMENTAL FUNDS</b>         | <b>06/30/19</b>     | <b>06/30/18</b>      | <b>06/30/17</b>     | <b>06/30/16</b>     | <b>06/30/15</b>     |
|-----------------------------------|---------------------|----------------------|---------------------|---------------------|---------------------|
| <b>Operating Funds</b>            |                     |                      |                     |                     |                     |
| General Fund                      | \$17,872,067        | \$18,946,880         | \$18,605,571        | \$12,377,402        | \$11,320,311        |
| Special Revenue Funds             | 9,373,742           | 7,228,452            | 6,498,141           | 5,173,296           | 5,453,744           |
| Education Funds                   | 13,554,006          | 9,152,089            | 11,760,542          | 15,605,973          | 13,994,491          |
| Debt Service Funds                | 20,696,296          | 19,306,894           | 10,960,178          | 12,438,356          | 11,487,786          |
| Total Operating Funds             | \$61,496,111        | \$54,634,315         | \$47,824,432        | \$45,595,027        | \$42,256,332        |
| <b>Capital Project Funds</b>      |                     |                      |                     |                     |                     |
| Capital Project - Gen. Government | \$3,803,360         | \$2,086,799          | \$2,203,633         | \$1,555,384         | \$2,274,450         |
| Capital Project - Education       | 17,307,069          | 57,395,045           | 20,019,563          | 24,009,447          | 50,822,440          |
| Total Capital Project Funds       | \$21,110,429        | \$59,481,844         | \$22,223,196        | \$25,564,831        | \$53,096,890        |
| <b>Total Governmental Funds</b>   | <b>\$82,606,540</b> | <b>\$114,116,159</b> | <b>\$70,047,628</b> | <b>\$71,159,858</b> | <b>\$95,353,222</b> |

Source: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2015 - 2019 and County officials.

**LOCAL SALES TAX**

|                                       | <b>06/30/19</b> | <b>06/30/18</b> | <b>06/30/17</b> | <b>06/30/16</b> | <b>06/30/15</b> |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Rate (Percent of Retail Sales)</b> | 2.25%           | 2.25%           | 2.25%           | 2.25%           | 2.25%           |
| <b>Distribution</b>                   |                 |                 |                 |                 |                 |
| General Fund                          | \$810,403       | \$721,748       | \$491,169       | \$341,069       | \$296,163       |
| General Purpose School                | 17,268,335      | 16,680,645      | 15,460,182      | 14,013,708      | 12,586,831      |
| Cities Portion                        | 14,783,031      | 14,514,598      | 13,848,134      | 12,927,910      | 11,610,690      |
| Total Amount Collected                | \$32,861,769    | \$31,916,991    | \$29,799,485    | \$27,282,687    | \$24,493,684    |
| % of Increase/Decrease                | 2.96%           | 7.11%           | 9.22%           | 11.39%          | 6.88%           |

Source: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2015 - 2019 and County officials.

**ADEQUATE FACILITIES (PRIVILEGE) TAX**

|                                    | <b>06/30/19</b> | <b>06/30/18</b> | <b>06/30/17</b> | <b>06/30/16</b> | <b>06/30/15</b> |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Commercial Rate (per square foot)  | \$0.30          | \$0.30          | \$0.30          | \$0.30          | \$0.30          |
| Residential Rate (per square foot) | \$0.50          | \$0.50          | \$0.50          | \$0.50          | \$0.50          |
| Adequate Facilities Tax Fund       | \$1,871,637     | \$1,748,295     | \$1,536,337     | \$1,304,760     | \$1,089,701     |
| % of Increase/Decrease             | 7.05%           | 13.80%          | 17.75%          | 19.74%          | 74.99%          |

Source: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2015 - 2019 and County officials.

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**APPENDIX C**

Comprehensive Annual Financial Report of the County for the  
Fiscal Year Ended June 30, 2019

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**ANNUAL FINANCIAL REPORT**  
**MAURY COUNTY, TENNESSEE**

**FOR THE YEAR ENDED JUNE 30, 2019**



**DIVISION OF LOCAL GOVERNMENT AUDIT**



**ANNUAL FINANCIAL REPORT  
MAURY COUNTY, TENNESSEE  
FOR THE YEAR ENDED JUNE 30, 2019**

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

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

***JEFF BAILEY, CPA, CGFM, CFE  
Audit Manager***

***RHONDA DAVIS, CFE  
Senior Auditor***

***MARK HARVILL, CFE  
KINSLEY HAYES  
CHRISVONTA SMITH  
State Auditors***

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

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# ***Summary of Audit Findings***

Annual Financial Report  
Maury County, Tennessee  
For the Year Ended June 30, 2019

## ***Scope***

We have audited the basic financial statements of Maury County as of and for the year ended June 30, 2019.

## ***Results***

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

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

## ***Findings***

The following are summaries of the audit findings:

### **OFFICES OF COUNTY MAYOR AND FINANCE DIRECTOR**

- ◆ Competitive bids were not solicited for the purchase of a roll off truck.
- ◆ The office did not implement adequate controls to protect its information resources.

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### **OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR**

- ◆ The school department paid \$50,000 to terminate a technology lease agreement.
- ◆ The school department fell victim to various phishing schemes resulting in a net loss of \$13,756.
- ◆ Access to the accounting software was not properly restricted.



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# INTRODUCTORY SECTION

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Maury County Officials  
June 30, 2019

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**Officials**

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

**Board of County Commissioners**

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

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

**Board of Education**

Bettye Kinser, Chairperson  
Nathan Adkison  
Howard Beaver  
Tommy Dudley  
Natasha Hopkins  
Chad Howell

David Moore  
Donna Morency  
Kristin Parker  
James Pennings  
Will Sims

**Financial Management Board**

Scott Sumners, Chairman  
Andy Ogles, County Mayor  
Betty Kinser, School Board Chairperson  
Randy McNeece, Trustee

Gwynne Evans  
Craig Harris  
Debbie Turner

**Audit Committee**

Debbie Turner, Chairperson  
Karynda Barner  
Craig Harris

Vickie Pratt  
Brian McKelvy

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## FINANCIAL SECTION

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JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

## Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

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

### ***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

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

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

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability (asset) and related ratios, schedules of county and school contributions, schedule of school's proportionate share of the net pension liability (asset), and schedule of changes in the school's total OPEB liability and related

ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Maury County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Maury County School Department (a discretely presented component unit), miscellaneous schedules and the other information such as the introductory section and management's corrective action plans are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

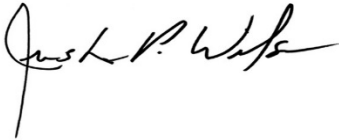
The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the Maury County School Department (a discretely presented component unit), schedule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

The introductory section and the management's corrective action plans have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2019, on our consideration of Maury County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Maury County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Maury County's internal control over financial reporting and compliance.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

December 6, 2019

JPW/yu

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# BASIC FINANCIAL STATEMENTS

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Exhibit A

Maury County, Tennessee  
Statement of Net Position  
June 30, 2019

|   | Primary Government         |                                 |                       | Component Units                         |  |
|---|----------------------------|---------------------------------|-----------------------|---|--|
|   | Governmental<br>Activities | Business-<br>type<br>Activities | Total                 | Maury<br>County<br>School<br>Department | Maury County<br>Board of<br>Public Utilities<br>Water System |
| <u>ASSETS</u>                                   |                            |                                 |                       |   |  |
| Cash  | \$ 790                     | \$ 13,373,636                   | \$ 13,374,426         | \$ 129,858                              | \$ 4,897,615   |
| Equity in Pooled Cash and Investments           | 51,401,369                 | 5,893,822                       | 57,295,191            | 39,799,064                              | 0  |
| Certificates of Deposit                         | 0                          | 328,676                         | 328,676               | 0                                       | 0  |
| Investments                                     | 0                          | 2,742,741                       | 2,742,741             | 0                                       | 5,122,587  |
| Accounts Receivable                             | 1,331,863                  | 90,364,169                      | 91,696,032            | 139,940                                 | 294,672  |
| Other Receivable                                | 0                          | 5,559,278                       | 5,559,278             | 0                                       | 0  |
| Allowance for Uncollectibles                    | 0                          | (33,000,000)                    | (33,000,000)          | 0                                       | 0  |
| Property Taxes Receivable                       | 27,221,621                 | 2,817,655                       | 30,039,276            | 25,187,754                              | 0  |
| Allowance for Uncollectible Property Taxes      | (446,752)                  | (45,035)                        | (491,787)             | (390,905)                               | 0  |
| Accrued Interest Receivable                     | 0                          | 0                               | 0                     | 0                                       | 37,250   |
| Due from Other Governments                      | 1,719,856                  | 36,169                          | 1,756,025             | 5,438,241                               | 0  |
| Due from Affiliates                             | 0                          | 318,361                         | 318,361               | 0                                       | 0  |
| Due from Component Units                        | 553,025                    | 0                               | 553,025               | 0                                       | 0  |
| Prepaid Items                                   | 42,642                     | 4,598,602                       | 4,641,244             | 0                                       | 0  |
| Inventories                                     | 0                          | 6,029,378                       | 6,029,378             | 181,764                                 | 87,668   |
| Other Current Assets                            | 219                        | 0                               | 219                   | 0                                       | 0  |
| Net Pension Asset - Agent Plan                  | 1,748,431                  | 65,783                          | 1,814,214             | 1,225,492                               | 70,286   |
| Net Pension Asset - Teacher Retirement Plan     | 0                          | 0                               | 0                     | 507,198                                 | 0  |
| Net Pension Asset - Teacher Legacy Pension Plan | 0                          | 0                               | 0                     | 4,219,207                               | 0  |
| Assets Limited as to Use                        | 0                          | 50,945,095                      | 50,945,095            | 0                                       | 0  |
| Interest in Joint Ventures                      | 0                          | 9,881,764                       | 9,881,764             | 0                                       | 0  |
| Restricted Assets:                              |                            |                                 |                       |   |  |
| Amounts Accumulated for Pension Benefits        | 0                          | 0                               | 0                     | 248,609                                 | 0  |
| Customer Deposits                               | 0                          | 0                               | 0                     | 0                                       | 32,890   |
| Capital Assets:                                 |                            |                                 |                       |   |  |
| Assets Not Depreciated:                         |                            |                                 |                       |   |  |
| Land  | 7,505,325                  | 8,525,762                       | 16,031,087            | 5,846,313                               | 589,205  |
| Intangibles                                     | 1,098,294                  | 0                               | 1,098,294             | 0                                       | 0  |
| Construction in Progress                        | 3,047,839                  | 5,449,575                       | 8,497,414             | 63,166,601                              | 405,833  |
| Assets Net of Accumulated Depreciation:         |                            |                                 |                       |   |  |
| Buildings and Improvements                      | 27,862,840                 | 58,868,000                      | 86,730,840            | 154,715,992                             | 1,655,988  |
| Infrastructure                                  | 42,366,903                 | 0                               | 42,366,903            | 0                                       | 22,120,326   |
| Other Capital Assets                            | 2,638,026                  | 81,755,346                      | 84,393,372            | 4,667,182                               | 453,093  |
| <b>Total Assets</b>                             | <b>\$ 168,092,291</b>      | <b>\$ 314,508,777</b>           | <b>\$ 482,601,068</b> | <b>\$ 305,082,310</b>                   | <b>\$ 35,767,413</b>   |

(Continued)

Exhibit A

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

|  | Primary Government         |                                 |                | Component Units                         |  |
|--|----------------------------|---------------------------------|----------------|---|--|
|  | Governmental<br>Activities | Business-<br>type<br>Activities | Total          | Maury<br>County<br>School<br>Department | Maury County<br>Board of<br>Public Utilities<br>Water System |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u>              |                            |                                 |                |   |  |
| Deferred Amount on Refunding                       | \$ 951,301                 | \$ 76,888                       | \$ 1,028,189   | \$ 0                                    | \$ 0   |
| Pension Changes in Experience                      | 351,851                    | 13,237                          | 365,088        | 1,128,186                               | 14,144   |
| Pension Changes in Proportionate Share of NPL      | 0                          | 0                               | 0              | 276,013                                 | 0  |
| Pension Changes in Assumptions                     | 548,693                    | 792,018                         | 1,340,711      | 2,900,397                               | 22,057   |
| Pension Contributions After Measurement Date       | 798,630                    | 30,050                          | 828,680        | 4,765,248                               | 33,781   |
| OPEB Changes in Assumptions                        | 0                          | 0                               | 0              | 1,217,846                               | 0  |
| OPEB Changes in Experience                         | 0                          | 0                               | 0              | 2,616,066                               | 0  |
| OPEB Changes in Proportion                         | 0                          | 0                               | 0              | 2,353,071                               | 0  |
| OPEB Contributions after Measurement Date          | 0                          | 0                               | 0              | 1,766,370                               | 0  |
| Total Deferred Outflows of Resources               | \$ 2,650,475               | \$ 912,193                      | \$ 3,562,668   | \$ 17,023,197                           | \$ 69,982  |
| <u>LIABILITIES</u>                                 |                            |                                 |                |   |  |
| Accounts Payable                                   | \$ 305,608                 | \$ 27,991,359                   | \$ 28,296,967  | \$ 1,155,747                            | \$ 37,303  |
| Accrued Payroll                                    | 0                          | 5,839,287                       | 5,839,287      | 4,722,622                               | 38,489   |
| Payroll Deductions Payable                         | 626,607                    | 22,901                          | 649,508        | 2,253,003                               | 0  |
| Compensated Absences Payable                       | 0                          | 5,947,086                       | 5,947,086      | 0                                       | 17,899   |
| Accrued Interest Payable                           | 1,482,490                  | 225,710                         | 1,708,200      | 0                                       | 0  |
| Contracts Payable                                  | 182,499                    | 0                               | 182,499        | 5,448,377                               | 0  |
| Retainage Payable                                  | 0                          | 0                               | 0              | 68,992                                  | 0  |
| Customer Deposits Payable                          | 9,000                      | 0                               | 9,000          | 0                                       | 32,890   |
| Due to Primary Government                          | 0                          | 0                               | 0              | 553,025                                 | 0  |
| Due to State of Tennessee                          | 0                          | 0                               | 0              | 5,843                                   | 0  |
| Current Liabilities Payable from Restricted Assets | 5,304                      | 0                               | 5,304          | 0                                       | 0  |
| Other Long-term Liabilities                        | 51,744                     | 0                               | 51,744         | 0                                       | 0  |
| Noncurrent Liabilities:                            |                            |                                 |                |   |  |
| Due Within One Year - Debt                         | 9,986,606                  | 4,732,396                       | 14,719,002     | 0                                       | 350,062  |
| Due Within One Year - Other                        | 1,412,327                  | 94,754                          | 1,507,081      | 915,025                                 | 0  |
| Due in More Than One Year - Debt                   | 176,375,812                | 26,414,723                      | 202,790,535    | 0                                       | 4,907,418  |
| Due in More Than One Year - Other                  | 0                          | 15,234,299                      | 15,234,299     | 31,679,527                              | 0  |
| Total Liabilities                                  | \$ 190,437,997             | \$ 86,502,515                   | \$ 276,940,512 | \$ 46,802,161                           | \$ 5,384,061   |

(Continued)

Exhibit A

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

|   | Primary Government         |                                 |                       | Component Units                         |  |
|---|----------------------------|---------------------------------|-----------------------|---|--|
|   | Governmental<br>Activities | Business-<br>type<br>Activities | Total                 | Maury<br>County<br>School<br>Department | Maury County<br>Board of<br>Public Utilities<br>Water System |
| <u>DEFERRED INFLOWS OF RESOURCES</u>          |                            |                                 |                       |   |  |
| Deferred Current Property Taxes               | \$ 25,892,196              | \$ 2,759,723                    | \$ 28,651,919         | \$ 24,067,806                           | \$ 0   |
| Deferred Revenue                              | 0                          | 0                               | 0                     | 0                                       | 181,172  |
| Pension Changes in Experience                 | 343,489                    | 121,714                         | 465,203               | 5,953,002                               | 13,808   |
| Pension Changes in Investment Earnings        | 186,080                    | 134,541                         | 320,621               | 1,077,350                               | 7,480  |
| Pension Changes in Proportionate Share of NPL | 0                          | 0                               | 0                     | 267,442                                 | 0  |
| OPEB Changes in Assumptions                   | 0                          | 0                               | 0                     | 816,713                                 | 0  |
| Total Deferred Inflows of Resources           | <u>\$ 26,421,765</u>       | <u>\$ 3,015,978</u>             | <u>\$ 29,437,743</u>  | <u>\$ 32,182,313</u>                    | <u>\$ 202,460</u>  |
| <u>NET POSITION</u>                           |                            |                                 |                       |   |  |
| Net Investment in Capital Assets              | \$ 80,500,700              | \$ 123,451,564                  | \$ 203,952,264        | \$ 228,396,088                          | \$ 19,966,965  |
| Restricted for:                               |                            |                                 |                       |   |  |
| Debt Service                                  | 20,025,090                 | 0                               | 20,025,090            | 0                                       | 1,650,000  |
| Highway/Public Works                          | 6,118,234                  | 0                               | 6,118,234             | 0                                       | 0  |
| General Government                            | 4,485,652                  | 0                               | 4,485,652             | 0                                       | 0  |
| Capital Projects                              | 2,701,316                  | 0                               | 2,701,316             | 0                                       | 0  |
| Administration of Justice                     | 717,128                    | 0                               | 717,128               | 0                                       | 0  |
| Public Safety                                 | 540,775                    | 0                               | 540,775               | 0                                       | 0  |
| Finance                                       | 120,496                    | 0                               | 120,496               | 0                                       | 0  |
| Public Health and Welfare                     | 1,164                      | 0                               | 1,164                 | 0                                       | 0  |
| Education                                     | 0                          | 0                               | 0                     | 20,696,880                              | 0  |
| Pensions                                      | 1,748,431                  | 65,783                          | 1,814,214             | 6,200,506                               | 70,286   |
| Unrestricted                                  | (163,075,982)              | 102,385,130                     | (60,690,852)          | (12,172,441)                            | 8,563,623  |
| Total Net Position                            | <u>\$ (46,116,996)</u>     | <u>\$ 225,902,477</u>           | <u>\$ 179,785,481</u> | <u>\$ 243,121,033</u>                   | <u>\$ 30,250,874</u>   |

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

Exhibit B

Maury County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2019

| Functions/Programs                                  | Program Revenues      |                            |   |   | Net (Expense) Revenue and Changes in Net Position |                             |                        | Component Units                         |  |
|---|-----------------------|----------------------------|---|---|---|-----------------------------|------------------------|---|--|
|   | Expenses              | Charges<br>for<br>Services | Operating<br>Grants<br>and<br>Contributions | Capital<br>Grants<br>and<br>Contributions | Primary Government                                |                             |                        | Maury<br>County<br>School<br>Department | Maury County<br>Board of<br>Public Utilities<br>Water System |
|   |                       |                            |   |   | Governmental<br>Activities                        | Business-type<br>Activities | Total                  |   |  |
| Primary Government:                                 |                       |                            |   |   |   |                             |                        |   |  |
| Governmental Activities:                            |                       |                            |   |   |   |                             |                        |   |  |
| General Government                                  | \$ 7,174,070          | \$ 1,403,282               | \$ 33,381                                   | \$ 0                                      | \$ (5,737,407)                                    | \$ 0                        | \$ (5,737,407)         | \$ 0                                    | \$ 0   |
| Finance   | 3,764,287             | 2,867,127                  | 362,438                                     | 0   | (534,722)   | 0                           | (534,722)              | 0                                       | 0  |
| Administration of Justice                           | 2,950,036             | 2,009,822                  | 124,149                                     | 0   | (816,065)   | 0                           | (816,065)              | 0                                       | 0  |
| Public Safety                                       | 14,854,982            | 2,203,101                  | 247,420                                     | 0   | (12,404,461)                                      | 0                           | (12,404,461)           | 0                                       | 0  |
| Public Health and Welfare                           | 1,767,734             | 65,555                     | 992,309                                     | 0   | (709,870)   | 0                           | (709,870)              | 0                                       | 0  |
| Social, Cultural, and Recreational Services         | 1,873,511             | 54,580                     | 221,126                                     | 0   | (1,597,805)                                       | 0                           | (1,597,805)            | 0                                       | 0  |
| Agriculture and Natural Resources                   | 202,998               | 0                          | 0   | 0   | (202,998)   | 0                           | (202,998)              | 0                                       | 0  |
| Highway/Public Works                                | 8,169,852             | 9,656                      | 3,639,742                                   | 788,100                                   | (3,732,354)                                       | 0                           | (3,732,354)            | 0                                       | 0  |
| Education   | 20,531,540            | 1,272,826                  | 2,127,921                                   | 0   | (17,130,793)                                      | 0                           | (17,130,793)           | 0                                       | 0  |
| Interest on Long-term Debt                          | 6,700,764             | 0                          | 949,900                                     | 0   | (5,750,864)                                       | 0                           | (5,750,864)            | 0                                       | 0  |
| <b>Total Governmental Activities</b>                | <b>\$ 67,989,774</b>  | <b>\$ 9,885,949</b>        | <b>\$ 8,698,386</b>                         | <b>\$ 788,100</b>                         | <b>\$ (48,617,339)</b>                            | <b>\$ 0</b>                 | <b>\$ (48,617,339)</b> | <b>\$ 0</b>                             | <b>\$ 0</b>  |
| Business-type Activities:                           |                       |                            |   |   |   |                             |                        |   |  |
| Maury Regional Hospital                             | \$ 377,724,267        | \$ 363,068,336             | \$ 2,769,222                                | \$ 0                                      | \$ 0  | \$ (11,886,709)             | \$ (11,886,709)        | \$ 0                                    | \$ 0   |
| Solid Waste Disposal                                | 4,256,559             | 2,011,845                  | 0   | 0   | 0   | (2,244,714)                 | (2,244,714)            | 0                                       | 0  |
| <b>Total Business-type Activities</b>               | <b>\$ 381,980,826</b> | <b>\$ 365,080,181</b>      | <b>\$ 2,769,222</b>                         | <b>\$ 0</b>                               | <b>\$ 0</b>                                       | <b>\$ (14,131,423)</b>      | <b>\$ (14,131,423)</b> | <b>\$ 0</b>                             | <b>\$ 0</b>  |
| <b>Total Primary Government</b>                     | <b>\$ 449,970,600</b> | <b>\$ 374,966,130</b>      | <b>\$ 11,467,608</b>                        | <b>\$ 788,100</b>                         | <b>\$ (48,617,339)</b>                            | <b>\$ (14,131,423)</b>      | <b>\$ (62,748,762)</b> | <b>\$ 0</b>                             | <b>\$ 0</b>  |
| Component Units:                                    |                       |                            |   |   |   |                             |                        |   |  |
| Maury County School Department                      | \$ 125,371,023        | \$ 2,275,930               | \$ 14,185,452                               | \$ 19,574,008                             | \$ 0  | \$ 0                        | \$ 0                   | \$ (89,335,633)                         | \$ 0   |
| Maury County Board of Public Utilities Water System | 4,033,759             | 5,147,504                  | 0   | 185,282                                   | 0   | 0                           | 0                      | 0                                       | 1,299,027  |
| <b>Total Component Units</b>                        | <b>\$ 129,404,782</b> | <b>\$ 7,423,434</b>        | <b>\$ 14,185,452</b>                        | <b>\$ 19,759,290</b>                      | <b>\$ 0</b>                                       | <b>\$ 0</b>                 | <b>\$ 0</b>            | <b>\$ (89,335,633)</b>                  | <b>\$ 1,299,027</b>  |

(Continued)

Exhibit B

Maury County, Tennessee  
Statement of Activities (Cont.)

| Functions/Programs   | Expenses | Program Revenues           |   |   | Net (Expense) Revenue and Changes in Net Position |                             |                       | Component Units                         |  |
|--|----------|----------------------------|---|---|---|-----------------------------|-----------------------|---|--|
|  |          | Charges<br>for<br>Services | Operating<br>Grants<br>and<br>Contributions | Capital<br>Grants<br>and<br>Contributions | Primary Government                                |                             |                       | Maury<br>County<br>School<br>Department | Maury County<br>Board of<br>Public Utilities<br>Water System |
|  |          |                            |   |   | Governmental<br>Activities                        | Business-type<br>Activities | Total                 |   |  |
| General Revenues:  |          |                            |   |   |   |                             |                       |   |  |
| Taxes:   |          |                            |   |   |   |                             |                       |   |  |
| Property Taxes Levied for General Purposes                   |          |                            |   |   | \$ 15,804,540                                     | \$ 2,845,948                | \$ 18,650,488         | \$ 24,329,152                           | \$ 0   |
| Property Taxes Levied for Debt Service                       |          |                            |   |   | 13,622,039  | 0                           | 13,622,039            | 0                                       | 0  |
| Local Option Sales Tax                                       |          |                            |   |   | 822,267   | 0                           | 822,267               | 17,532,270                              | 0  |
| Hotel/Motel Tax  |          |                            |   |   | 924,448   | 0                           | 924,448               | 0                                       | 0  |
| Wheel Tax  |          |                            |   |   | 2,306,426   | 0                           | 2,306,426             | 0                                       | 0  |
| Litigation Tax - General                                     |          |                            |   |   | 658,600   | 0                           | 658,600               | 0                                       | 0  |
| Litigation Tax - Jail  |          |                            |   |   | 732,910   | 0                           | 732,910               | 0                                       | 0  |
| Business Tax   |          |                            |   |   | 1,473,589   | 0                           | 1,473,589             | 0                                       | 0  |
| Mixed Drink Tax  |          |                            |   |   | 0   | 0                           | 0                     | 217,349                                 | 0  |
| Mineral Severance Tax  |          |                            |   |   | 152,933   | 0                           | 152,933               | 0                                       | 0  |
| Adequate Facilities/Development Tax                          |          |                            |   |   | 1,871,637   | 0                           | 1,871,637             | 0                                       | 0  |
| Wholesale Beer Tax   |          |                            |   |   | 391,328   | 0                           | 391,328               | 0                                       | 0  |
| Grants and Contributions Not Restricted to Specific Programs |          |                            |   |   | 5,105,103   | 56,003                      | 5,161,106             | 58,555,338                              | 0  |
| Unrestricted Investment Earnings                             |          |                            |   |   | 2,019,259   | 3,283,535                   | 5,302,794             | 26,096                                  | 114,849  |
| Miscellaneous  |          |                            |   |   | 286,866   | 207,280                     | 494,146               | 77,186                                  | 0  |
| <b>Total General Revenues</b>                                |          |                            |   |   | <b>\$ 46,171,945</b>                              | <b>\$ 6,392,766</b>         | <b>\$ 52,564,711</b>  | <b>\$ 100,737,391</b>                   | <b>\$ 114,849</b>  |
| Change in Net Position                                       |          |                            |   |   | \$ (2,445,394)                                    | \$ (7,738,657)              | \$ (10,184,051)       | \$ 11,401,758                           | \$ 1,413,876   |
| Net Position, July 1, 2018                                   |          |                            |   |   | (43,671,602)                                      | 233,641,134                 | 189,969,532           | 231,719,275                             | 28,836,998   |
| Net Position, June 30, 2019                                  |          |                            |   |   | <b>\$ (46,116,996)</b>                            | <b>\$ 225,902,477</b>       | <b>\$ 179,785,481</b> | <b>\$ 243,121,033</b>                   | <b>\$ 30,250,874</b>   |

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

Exhibit C-1

Maury County, Tennessee  
Balance Sheet  
Governmental Funds  
June 30, 2019

|  | <u>Major Funds</u>   |                             | <u>Nonmajor</u>                 |                                 |
|--|----------------------|-----------------------------|---------------------------------|---------------------------------|
|  |                      |                             | <u>Funds</u>                    |                                 |
|  | <u>General</u>       | <u>General Debt Service</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
| <u>ASSETS</u>                                      |                      |                             |                                 |                                 |
| Cash   | \$ 790               | \$ 0                        | \$ 0                            | \$ 790                          |
| Equity in Pooled Cash and Investments              | 17,044,051           | 20,241,692                  | 13,066,787                      | 50,352,530                      |
| Accounts Receivable                                | 801,785              | 350,127                     | 114,345                         | 1,266,257                       |
| Due from Other Governments                         | 1,120,856            | 1,063                       | 597,937                         | 1,719,856                       |
| Property Taxes Receivable                          | 14,284,766           | 7,629,983                   | 5,306,872                       | 27,221,621                      |
| Allowance for Uncollectible Property Taxes         | (195,454)            | (166,479)                   | (84,819)                        | (446,752)                       |
| Prepaid Items                                      | 0                    | 42,642                      | 0                               | 42,642                          |
| Other Current Assets                               | 219                  | 0                           | 0                               | 219                             |
| Total Assets                                       | <u>\$ 33,057,013</u> | <u>\$ 28,099,028</u>        | <u>\$ 19,001,122</u>            | <u>\$ 80,157,163</u>            |
| <u>LIABILITIES</u>                                 |                      |                             |                                 |                                 |
| Accounts Payable                                   | \$ 216,328           | \$ 25                       | \$ 88,751                       | \$ 305,104                      |
| Payroll Deductions Payable                         | 530,663              | 0                           | 83,410                          | 614,073                         |
| Contracts Payable                                  | 0                    | 0                           | 182,499                         | 182,499                         |
| Due to Litigants, Heirs, and Others                | 0                    | 0                           | 7                               | 7                               |
| Current Liabilities Payable From Restricted Assets | 5,304                | 0                           | 0                               | 5,304                           |
| Deposits   | 9,000                | 0                           | 0                               | 9,000                           |
| Other Long-term Liabilities                        | 51,744               | 0                           | 0                               | 51,744                          |
| Total Liabilities                                  | <u>\$ 813,039</u>    | <u>\$ 25</u>                | <u>\$ 354,667</u>               | <u>\$ 1,167,731</u>             |
| <u>DEFERRED INFLOWS OF RESOURCES</u>               |                      |                             |                                 |                                 |
| Deferred Current Property Taxes                    | \$ 13,778,254        | \$ 7,055,088                | \$ 5,058,854                    | \$ 25,892,196                   |
| Deferred Delinquent Property Taxes                 | 264,754              | 347,619                     | 138,905                         | 751,278                         |

(Continued)

Exhibit C-1

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

|   | Major Funds   |                            | Nonmajor                            | Total         |
|---|---------------|----------------------------|-------------------------------------|---------------|
|   | General       | General<br>Debt<br>Service | Other<br>Govern-<br>mental<br>Funds |               |
| <u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>                        |               |                            |                                     |               |
| Other Deferred/Unavailable Revenue                                  | \$ 328,899    | \$ 0                       | \$ 271,594                          | \$ 600,493    |
| Total Deferred Inflows of Resources                                 | \$ 14,371,907 | \$ 7,402,707               | \$ 5,469,353                        | \$ 27,243,967 |
| <u>FUND BALANCES</u>  |               |                            |                                     |               |
| Nonspendable:   |               |                            |                                     |               |
| Prepaid Items   | \$ 0          | \$ 42,642                  | \$ 0                                | \$ 42,642     |
| Restricted:   |               |                            |                                     |               |
| Restricted for General Government                                   | 209,812       | 0                          | 4,275,840                           | 4,485,652     |
| Restricted for Finance  | 120,496       | 0                          | 0                                   | 120,496       |
| Restricted for Administration of Justice                            | 272,134       | 444,994                    | 0                                   | 717,128       |
| Restricted for Public Safety  | 158,398       | 0                          | 382,377                             | 540,775       |
| Restricted for Public Health and Welfare                            | 1,164         | 0                          | 0                                   | 1,164         |
| Restricted for Highways/Public Works                                | 0             | 0                          | 5,875,225                           | 5,875,225     |
| Restricted for Capital Outlay                                       | 0             | 0                          | 2,643,660                           | 2,643,660     |
| Restricted for Debt Service   | 0             | 20,208,660                 | 0                                   | 20,208,660    |
| Committed:  |               |                            |                                     |               |
| Committed for General Government                                    | 90,633        | 0                          | 0                                   | 90,633        |
| Committed for Finance   | 39,229        | 0                          | 0                                   | 39,229        |
| Committed for Public Safety   | 27,793        | 0                          | 0                                   | 27,793        |
| Committed for Public Health and Welfare                             | 85,716        | 0                          | 0                                   | 85,716        |
| Committed for Social, Cultural, and Recreational Services           | 160,000       | 0                          | 0                                   | 160,000       |
| Assigned:   |               |                            |                                     |               |
| Assigned for General Government                                     | 280           | 0                          | 0                                   | 280           |
| Unassigned  | 16,706,412    | 0                          | 0                                   | 16,706,412    |
| Total Fund Balances   | \$ 17,872,067 | \$ 20,696,296              | \$ 13,177,102                       | \$ 51,745,465 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 33,057,013 | \$ 28,099,028              | \$ 19,001,122                       | \$ 80,157,163 |

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

Maury County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
June 30, 2019

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)  |    | \$                  | 51,745,465                 |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.  |    |                     |                            |
| Add: land   | \$ | 7,505,325           |                            |
| Add: intangibles  |    | 1,098,294           |                            |
| Add: construction in progress   |    | 3,047,839           |                            |
| Add: buildings and improvements net of accumulated depreciation   |    | 27,862,840          |                            |
| Add: infrastructure net of accumulated depreciation   |    | 42,366,903          |                            |
| Add: other capital assets net of accumulated depreciation   |    | 2,638,026           |                            |
| Less: capital assets of the internal service fund that are also included in item (2) below  |    | <u>(118,825)</u>    | 84,400,402                 |
| (2) An internal service fund is used by management to charge the costs of a central maintenance garage to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. |    |                     | 1,257,671                  |
| (3) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.   |    |                     |                            |
| Less: notes payable   | \$ | (330,926)           |                            |
| Less: other loans payable   |    | (5,063,628)         |                            |
| Less: bonds payable   |    | (169,140,000)       |                            |
| Less: capital leases payable  |    | (553,025)           |                            |
| Add: debt to be contributed by the school department  |    | 553,025             |                            |
| Add: deferred amount on refunding   |    | 951,301             |                            |
| Less: compensated absences payable  |    | (1,412,327)         |                            |
| Add: compensated absences payable of the internal service fund included in item (2) above   |    | 17,008              |                            |
| Less: accrued interest on bonds and notes   |    | (1,482,490)         |                            |
| Less: unamortized premium on debt   |    | <u>(11,274,839)</u> | (187,735,901)              |
| (4) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years:   |    |                     |                            |
| Add: deferred outflows of resources related to pensions   | \$ | 1,699,174           |                            |
| Less: deferred outflows of internal service fund  |    | (31,700)            |                            |
| Less: deferred inflows of resources related to pensions   |    | (529,569)           |                            |
| Add: deferred inflows of internal service fund  |    | <u>9,880</u>        | 1,147,785                  |
| (5) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.  |    |                     |                            |
| Add: net pension assets of governmental activities  | \$ | 1,748,431           |                            |
| Less: net pension position of internal service fund   |    | <u>(32,620)</u>     | 1,715,811                  |
| (6) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.   |    |                     | <u>1,351,771</u>           |
| Net position of governmental activities (Exhibit A)   |    | \$                  | <u><u>(46,116,996)</u></u> |

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



Exhibit C-3

Maury County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2019

|   | Major Funds   |                            | Nonmajor                            | Total         |
|---|---------------|----------------------------|-------------------------------------|---------------|
|   | General       | General<br>Debt<br>Service | Other<br>Govern-<br>mental<br>Funds |               |
| <u>Revenues</u>                             |               |                            |                                     |               |
| Local Taxes                                 | \$ 18,508,201 | \$ 15,185,856              | \$ 8,569,548                        | \$ 42,263,605 |
| Licenses and Permits                        | 510,531       | 0                          | 0                                   | 510,531       |
| Fines, Forfeitures, and Penalties           | 448,680       | 0                          | 90,856                              | 539,536       |
| Charges for Current Services                | 389,289       | 0                          | 0                                   | 389,289       |
| Other Local Revenues                        | 835,153       | 2,019,655                  | 432,532                             | 3,287,340     |
| Fees Received From County Officials         | 5,023,302     | 0                          | 0                                   | 5,023,302     |
| State of Tennessee                          | 2,736,717     | 1,259,177                  | 3,986,575                           | 7,982,469     |
| Federal Government                          | 991,670       | 0                          | 31,679                              | 1,023,349     |
| Other Governments and Citizens Groups       | 381,424       | 2,127,921                  | 239,206                             | 2,748,551     |
| Total Revenues                              | \$ 29,824,967 | \$ 20,592,609              | \$ 13,350,396                       | \$ 63,767,972 |
| <u>Expenditures</u>                         |               |                            |                                     |               |
| Current:                                    |               |                            |                                     |               |
| General Government                          | \$ 4,641,168  | \$ 0                       | \$ 36,993                           | \$ 4,678,161  |
| Finance                                     | 3,661,553     | 0                          | 110,628                             | 3,772,181     |
| Administration of Justice                   | 2,785,038     | 0                          | 50,324                              | 2,835,362     |
| Public Safety                               | 14,357,985    | 0                          | 567,490                             | 14,925,475    |
| Public Health and Welfare                   | 1,841,636     | 0                          | 0                                   | 1,841,636     |
| Social, Cultural, and Recreational Services | 1,543,413     | 0                          | 292,427                             | 1,835,840     |
| Agriculture and Natural Resources           | 198,833       | 0                          | 0                                   | 198,833       |
| Other Operations                            | 1,797,231     | 0                          | 55,874                              | 1,853,105     |
| Highways                                    | 0             | 0                          | 5,702,363                           | 5,702,363     |
| Debt Service:                               |               |                            |                                     |               |
| Principal on Debt                           | 0             | 9,159,760                  | 0                                   | 9,159,760     |
| Interest on Debt                            | 0             | 6,780,244                  | 0                                   | 6,780,244     |
| Other Debt Service                          | 0             | 323,265                    | 136,308                             | 459,573       |

(Continued)

Exhibit C-3

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

|  | Major Funds           |                            | Nonmajor                            | Total                  |
|--|-----------------------|----------------------------|-------------------------------------|------------------------|
|  | General               | General<br>Debt<br>Service | Other<br>Govern-<br>mental<br>Funds |                        |
| <u>Expenditures (Cont.)</u>                          |                       |                            |                                     |                        |
| Capital Projects                                     | \$ 49,797             | \$ 0                       | \$ 4,509,543                        | \$ 4,559,340           |
| Capital Projects - Donated                           | 0                     | 0                          | 19,356,937                          | 19,356,937             |
| Total Expenditures                                   | <u>\$ 30,876,654</u>  | <u>\$ 16,263,269</u>       | <u>\$ 30,818,887</u>                | <u>\$ 77,958,810</u>   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ (1,051,687)</u> | <u>\$ 4,329,340</u>        | <u>\$ (17,468,491)</u>              | <u>\$ (14,190,838)</u> |
| <u>Other Financing Sources (Uses)</u>                |                       |                            |                                     |                        |
| Bonds Issued   | \$ 0                  | \$ 0                       | \$ 15,290,000                       | \$ 15,290,000          |
| Notes Issued   | 0                     | 0                          | 2,177,958                           | 2,177,958              |
| Premiums on Debt Sold                                | 0                     | 0                          | 827,475                             | 827,475                |
| Insurance Recovery                                   | 52,795                | 0                          | 19,050                              | 71,845                 |
| Transfers In   | 142,500               | 200,952                    | 3,015,859                           | 3,359,311              |
| Transfers Out  | (218,421)             | (3,140,890)                | 0                                   | (3,359,311)            |
| Total Other Financing Sources (Uses)                 | <u>\$ (23,126)</u>    | <u>\$ (2,939,938)</u>      | <u>\$ 21,330,342</u>                | <u>\$ 18,367,278</u>   |
| Net Change in Fund Balances                          | \$ (1,074,813)        | \$ 1,389,402               | \$ 3,861,851                        | \$ 4,176,440           |
| Fund Balance, July 1, 2018                           | <u>18,946,880</u>     | <u>19,306,894</u>          | <u>9,315,251</u>                    | <u>47,569,025</u>      |
| Fund Balance, June 30, 2019                          | <u>\$ 17,872,067</u>  | <u>\$ 20,696,296</u>       | <u>\$ 13,177,102</u>                | <u>\$ 51,745,465</u>   |

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

Exhibit C-4

Maury County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended June 30, 2019

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) \$ 4,176,440

- |     |   |                 |             |
|-----|---|-----------------|-------------|
| (1) | Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:   |                 |             |
|     | Add: capital assets purchased in the current period   | \$ 8,877,060    |             |
|     | Less: current-year depreciation expense   | (7,026,885)     |             |
|     | Add: current-year depreciation expense of the internal service fund that is also included in item (6) below   | 19,480          | 1,869,655   |
| (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   |                 | (209,500)   |
| (3) | Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.  |                 |             |
|     | Add: deferred delinquent property taxes and other deferred June 30, 2019  | \$ 1,351,771    |             |
|     | Less: deferred delinquent property taxes and other deferred June 30, 2018   | (1,135,103)     | 216,668     |
| (4) | The issuance of long-term debt (e.g., bonds, notes, other loans, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items: |                 |             |
|     | Less: bond proceeds   | \$ (15,290,000) |             |
|     | Less: other loan proceeds   | (2,177,958)     |             |
|     | Add: change in premium on debt issuances  | 122,425         |             |
|     | Add: principal payments on bonds  | 7,910,000       |             |
|     | Add: principal payments on notes  | 209,582         |             |
|     | Add: principal payments on other loans  | 312,393         |             |
|     | Add: principal payments on capital leases   | 727,785         |             |
|     | Less: change in deferred amount on refunding debt   | (296,329)       |             |
|     | Less: contributions from the School Department for capital leases   | (727,785)       | (9,209,887) |

(Continued)

Exhibit C-4

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

|      |   |    |                |
|------|---|----|----------------|
| (5)  | Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.   |    |                |
|      | Change in accrued interest payable  | \$ | 79,480         |
|      | Change in net pension asset   |    | 226,018        |
|      | Change in deferred outflows related to pensions   |    | 30,975         |
|      | Change in deferred inflows related to pensions  |    | 43,880         |
|      | Change in compensated absences payable  |    | 82,422         |
|      | Changes from the internal service fund included in item (6) below:  |    |                |
|      | Change in deferred outflows related to pensions   |    | 1,064          |
|      | Change in deferred inflows related to pensions  |    | (1,383)        |
|      | Change in net pension asset   |    | (2,719)        |
|      | Change in compensated absences payable  |    | 1,318          |
|      |   |    | 461,055        |
| <br> |   |    |                |
| (6)  | An internal service fund is used by management to charge the costs of a central maintenance garage to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities in the statement of activities. |    | 250,175        |
|      | Change in net position of governmental activities (Exhibit B)   |    | \$ (2,445,394) |

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

Exhibit C-5

Maury County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund  
For the Year Ended June 30, 2019

|                                       | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2018 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts     |                      | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|---------------------------------------|---------------------------|-----------------------------------|---|----------------------|----------------------|--|
|                                       |                           |                                   |   | Original             | Final                |  |
| <u>Revenues</u>                       |                           |                                   |   |                      |                      |  |
| Local Taxes                           | \$ 18,508,201             | \$ 0                              | \$ 18,508,201   | \$ 17,783,347        | \$ 17,783,347        | \$ 724,854   |
| Licenses and Permits                  | 510,531                   | 0                                 | 510,531   | 463,000              | 463,000              | 47,531   |
| Fines, Forfeitures, and Penalties     | 448,680                   | 0                                 | 448,680   | 431,680              | 431,680              | 17,000   |
| Charges for Current Services          | 389,289                   | 0                                 | 389,289   | 330,740              | 330,740              | 58,549   |
| Other Local Revenues                  | 835,153                   | 0                                 | 835,153   | 461,500              | 744,090              | 91,063   |
| Fees Received From County Officials   | 5,023,302                 | 0                                 | 5,023,302   | 4,515,000            | 4,515,000            | 508,302  |
| State of Tennessee                    | 2,736,717                 | 0                                 | 2,736,717   | 4,036,664            | 3,729,013            | (992,296)  |
| Federal Government                    | 991,670                   | 0                                 | 991,670   | 632,600              | 1,381,618            | (389,948)  |
| Other Governments and Citizens Groups | 381,424                   | 0                                 | 381,424   | 0                    | 364,152              | 17,272   |
| <b>Total Revenues</b>                 | <b>\$ 29,824,967</b>      | <b>\$ 0</b>                       | <b>\$ 29,824,967</b>  | <b>\$ 28,654,531</b> | <b>\$ 29,742,640</b> | <b>\$ 82,327</b>   |
| <u>Expenditures</u>                   |                           |                                   |   |                      |                      |  |
| <u>General Government</u>             |                           |                                   |   |                      |                      |  |
| County Commission                     | \$ 170,414                | \$ 0                              | \$ 170,414  | \$ 109,463           | \$ 174,502           | \$ 4,088   |
| Board of Equalization                 | 1,187                     | 0                                 | 1,187   | 3,330                | 3,330                | 2,143  |
| Other Boards and Committees           | 7,560                     | 0                                 | 7,560   | 9,080                | 9,080                | 1,520  |
| County Mayor/Executive                | 294,845                   | 0                                 | 294,845   | 259,682              | 316,183              | 21,338   |
| Personnel Office                      | 256,751                   | 0                                 | 256,751   | 254,462              | 274,462              | 17,711   |
| County Attorney                       | 114,703                   | 0                                 | 114,703   | 118,629              | 118,628              | 3,925  |
| Election Commission                   | 407,043                   | 0                                 | 407,043   | 440,306              | 447,307              | 40,264   |
| Register of Deeds                     | 339,586                   | 0                                 | 339,586   | 331,514              | 359,152              | 19,566   |
| Development                           | 483,660                   | (1,782)                           | 481,878   | 520,614              | 508,071              | 26,193   |
| County Buildings                      | 1,237,725                 | 0                                 | 1,237,725   | 890,752              | 1,281,492            | 43,767   |
| Other General Administration          | 1,165,396                 | 0                                 | 1,165,396   | 1,210,290            | 1,244,536            | 79,140   |
| Preservation of Records               | 162,298                   | 0                                 | 162,298   | 154,912              | 162,462              | 164  |

(Continued)

Exhibit C-5

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2018 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |            | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|------------|--|
|  |                           |                                   |   | Original         | Final      |  |
| <u>Expenditures (Cont.)</u>                    |                           |                                   |   |                  |            |  |
| <u>Finance</u>                                 |                           |                                   |   |                  |            |  |
| Accounting and Budgeting                       | \$ 736,822                | \$ 0                              | \$ 736,822  | \$ 544,695       | \$ 819,895 | \$ 83,073  |
| Purchasing                                     | 245,764                   | 0                                 | 245,764   | 228,200          | 258,855    | 13,091   |
| Property Assessor's Office                     | 666,333                   | 0                                 | 666,333   | 726,773          | 714,243    | 47,910   |
| Reappraisal Program                            | 226,954                   | 0                                 | 226,954   | 249,759          | 262,509    | 35,555   |
| County Trustee's Office                        | 340,188                   | 0                                 | 340,188   | 348,837          | 348,837    | 8,649  |
| County Clerk's Office                          | 897,817                   | 0                                 | 897,817   | 909,514          | 914,789    | 16,972   |
| Data Processing                                | 547,675                   | 0                                 | 547,675   | 484,456          | 556,335    | 8,660  |
| <u>Administration of Justice</u>               |                           |                                   |   |                  |            |  |
| Circuit Court                                  | 1,104,430                 | 0                                 | 1,104,430   | 1,169,374        | 1,176,009  | 71,579   |
| General Sessions Court                         | 1,091,801                 | 0                                 | 1,091,801   | 1,138,640        | 1,158,832  | 67,031   |
| Chancery Court                                 | 468,348                   | 0                                 | 468,348   | 460,001          | 475,951    | 7,603  |
| Courtroom Security                             | 13,185                    | 0                                 | 13,185  | 0                | 105,545    | 92,360   |
| Victim Assistance Programs                     | 107,274                   | 0                                 | 107,274   | 126,138          | 126,138    | 18,864   |
| <u>Public Safety</u>                           |                           |                                   |   |                  |            |  |
| Sheriff's Department                           | 6,740,748                 | 0                                 | 6,740,748   | 7,054,237        | 7,123,014  | 382,266  |
| Administration of the Sexual Offender Registry | 3,744                     | 0                                 | 3,744   | 2,200            | 3,744      | 0  |
| Jail   | 5,824,415                 | 0                                 | 5,824,415   | 5,789,782        | 5,948,261  | 123,846  |
| Juvenile Services                              | 242,049                   | 0                                 | 242,049   | 333,358          | 277,000    | 34,951   |
| Civil Defense                                  | 1,079,131                 | (760,000)                         | 319,131   | 319,132          | 1,079,132  | 760,001  |
| Other Emergency Management                     | 467,898                   | 0                                 | 467,898   | 379,328          | 515,459    | 47,561   |
| Public Safety Grants Program                   | 0                         | 0                                 | 0   | 0                | 3,868      | 3,868  |
| <u>Public Health and Welfare</u>               |                           |                                   |   |                  |            |  |
| Local Health Center                            | 978,014                   | 0                                 | 978,014   | 1,175,367        | 1,213,105  | 235,091  |
| Rabies and Animal Control                      | 617,016                   | 0                                 | 617,016   | 668,066          | 674,566    | 57,550   |
| Appropriation to State                         | 67,995                    | 0                                 | 67,995  | 67,996           | 67,996     | 1  |

(Continued)

Exhibit C-5

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2018 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |               | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|---------------|--|
|  |                           |                                   |   | Original         | Final         |  |
| <u>Expenditures (Cont.)</u>                        |                           |                                   |   |                  |               |  |
| <u>Public Health and Welfare (Cont.)</u>           |                           |                                   |   |                  |               |  |
| Other Public Health and Welfare                    | \$ 178,611                | \$ 0                              | \$ 178,611  | \$ 500,000       | \$ 500,000    | \$ 321,389   |
| <u>Social, Cultural, and Recreational Services</u> |                           |                                   |   |                  |               |  |
| Senior Citizens Assistance                         | 34,000                    | 0                                 | 34,000  | 34,000           | 34,000        | 0  |
| Libraries  | 664,445                   | 0                                 | 664,445   | 688,307          | 705,315       | 40,870   |
| Parks and Fair Boards                              | 844,968                   | 0                                 | 844,968   | 853,985          | 934,810       | 89,842   |
| <u>Agriculture and Natural Resources</u>           |                           |                                   |   |                  |               |  |
| Agricultural Extension Service                     | 154,774                   | 0                                 | 154,774   | 164,738          | 168,386       | 13,612   |
| Forest Service                                     | 2,000                     | 0                                 | 2,000   | 2,000            | 2,000         | 0  |
| Soil Conservation                                  | 42,059                    | 0                                 | 42,059  | 42,047           | 42,059        | 0  |
| <u>Other Operations</u>                            |                           |                                   |   |                  |               |  |
| Tourism  | 404,239                   | 0                                 | 404,239   | 393,022          | 408,239       | 4,000  |
| Industrial Development                             | 225,840                   | 0                                 | 225,840   | 670,684          | 656,870       | 431,030  |
| Other Economic and Community Development           | 37                        | 0                                 | 37  | 1,200            | 1,200         | 1,163  |
| Airport  | 40,000                    | 0                                 | 40,000  | 40,000           | 40,000        | 0  |
| Veterans' Services                                 | 97,568                    | 0                                 | 97,568  | 103,723          | 103,723       | 6,155  |
| Other Charges                                      | 374                       | 0                                 | 374   | 0                | 374           | 0  |
| Contributions to Other Agencies                    | 90,000                    | 0                                 | 90,000  | 173,000          | 173,000       | 83,000   |
| Employee Benefits                                  | 34,302                    | 0                                 | 34,302  | 31,000           | 34,302        | 0  |
| Payments to Cities                                 | 250,000                   | 0                                 | 250,000   | 250,000          | 250,000       | 0  |
| Miscellaneous                                      | 654,871                   | 0                                 | 654,871   | 666,528          | 666,528       | 11,657   |
| <u>Capital Projects</u>                            |                           |                                   |   |                  |               |  |
| Public Safety Projects                             | 49,797                    | 0                                 | 49,797  | 0                | 49,797        | 0  |
| Total Expenditures                                 | \$ 30,876,654             | \$ (761,782)                      | \$ 30,114,872   | \$ 31,093,121    | \$ 33,493,891 | \$ 3,379,019   |

(Continued)

Exhibit C-5

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

|  | Actual<br>(GAAP<br>Basis) | Less:<br>Encumbrances<br>7/1/2018 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |                | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|----------------|--|
|  |                           |                                   |   | Original         | Final          |  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (1,051,687)            | \$ 761,782                        | \$ (289,905)  | \$ (2,438,590)   | \$ (3,751,251) | \$ 3,461,346   |
| <u>Other Financing Sources (Uses)</u>                |                           |                                   |   |                  |                |  |
| Insurance Recovery                                   | \$ 52,795                 | \$ 0                              | \$ 52,795   | \$ 20,000        | \$ 32,720      | \$ 20,075  |
| Transfers In   | 142,500                   | 0                                 | 142,500   | 900,000          | 142,500        | 0  |
| Transfers Out  | (218,421)                 | 0                                 | (218,421)   | (635,000)        | (218,421)      | 0  |
| Total Other Financing Sources                        | \$ (23,126)               | \$ 0                              | \$ (23,126)   | \$ 285,000       | \$ (43,201)    | \$ 20,075  |
| Net Change in Fund Balance                           | \$ (1,074,813)            | \$ 761,782                        | \$ (313,031)  | \$ (2,153,590)   | \$ (3,794,452) | \$ 3,481,421   |
| Fund Balance, July 1, 2018                           | 18,946,880                | (761,782)                         | 18,185,098  | 17,832,676       | 18,946,880     | (761,782)  |
| Fund Balance, June 30, 2019                          | \$ 17,872,067             | \$ 0                              | \$ 17,872,067   | \$ 15,679,086    | \$ 15,152,428  | \$ 2,719,639   |

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



Exhibit D-1

Maury County, Tennessee  
Statement of Net Position  
Proprietary Funds  
June 30, 2019

|  | Business-type Activities |               |                | Governmental           |
|--|--------------------------|---------------|----------------|------------------------|
|  | Major                    | Nonmajor      | Total          | Activities -           |
|  | Fund                     | Fund          |                | Internal               |
|  | Maury                    | Solid         |                | Service                |
|  | Regional                 | Waste         |                | Fund                   |
|  | Hospital                 | Disposal      |                | Central                |
|  |                          |               |                | Maintenance/<br>Garage |
| <u>ASSETS</u>  |                          |               |                |                        |
| Current Assets:  |                          |               |                |                        |
| Cash   | \$ 13,373,436            | \$ 200        | \$ 13,373,636  | \$ 0                   |
| Equity in Pooled Cash and Investments  | 0                        | 5,893,822     | 5,893,822      | 1,048,839              |
| Certificates of Deposit  | 328,676                  | 0             | 328,676        | 0                      |
| Investments  | 2,742,741                | 0             | 2,742,741      | 0                      |
| Accounts Receivable  | 90,198,484               | 165,685       | 90,364,169     | 65,606                 |
| Allowance for Uncollectible Accounts   | (33,000,000)             | 0             | (33,000,000)   | 0                      |
| Property Taxes Receivable<br>(Net of Allowance for Uncollected Property Taxes) | 0                        | 2,772,620     | 2,772,620      | 0                      |
| Due from Other Governments   | 0                        | 36,169        | 36,169         | 0                      |
| Due from Affiliates  | 318,361                  | 0             | 318,361        | 0                      |
| Inventories  | 6,029,378                | 0             | 6,029,378      | 0                      |
| Prepaid Items  | 4,598,602                | 0             | 4,598,602      | 0                      |
| Other Receivables  | 2,415,553                | 0             | 2,415,553      | 0                      |
| Total Current Assets   | \$ 87,005,231            | \$ 8,868,496  | \$ 95,873,727  | \$ 1,114,445           |
| Noncurrent Assets:   |                          |               |                |                        |
| Assets Limited as to Use   | \$ 50,945,095            | \$ 0          | \$ 50,945,095  | \$ 0                   |
| Interest in Joint Ventures   | 9,881,764                | 0             | 9,881,764      | 0                      |
| Other Assets   | 3,143,725                | 0             | 3,143,725      | 0                      |
| Net Pension Asset - Agent Plan   | 0                        | 65,783        | 65,783         | 32,620                 |
| Capital Assets:  |                          |               |                |                        |
| Assets Not Depreciated:  |                          |               |                |                        |
| Land   | 7,709,395                | 816,367       | 8,525,762      | 25,000                 |
| Construction in Progress   | 5,449,575                | 0             | 5,449,575      | 0                      |
| Assets Net of Accumulated Depreciation:  |                          |               |                |                        |
| Buildings and Improvements   | 58,438,513               | 429,487       | 58,868,000     | 60,732                 |
| Other Capital Assets   | 81,026,151               | 729,195       | 81,755,346     | 33,093                 |
| Total Noncurrent Assets  | \$ 216,594,218           | \$ 2,040,832  | \$ 218,635,050 | \$ 151,445             |
| Total Assets   | \$ 303,599,449           | \$ 10,909,328 | \$ 314,508,777 | \$ 1,265,890           |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u>  |                          |               |                |                        |
| Pension Changes in Experience  | \$ 0                     | \$ 13,237     | \$ 13,237      | \$ 6,565               |
| Pension Contributions After Measurement Date                                   | 0                        | 30,050        | 30,050         | 14,898                 |
| Pension Changes in Assumptions   | 771,374                  | 20,644        | 792,018        | 10,237                 |
| Deferred Amounts from Debt Refunding   | 76,888                   | 0             | 76,888         | 0                      |
| Total Deferred Inflows of Resources  | \$ 848,262               | \$ 63,931     | \$ 912,193     | \$ 31,700              |
| <u>LIABILITIES</u>   |                          |               |                |                        |
| Current Liabilities:   |                          |               |                |                        |
| Accounts Payable   | \$ 27,964,753            | \$ 26,606     | \$ 27,991,359  | \$ 497                 |
| Accrued Payroll  | 5,839,287                | 0             | 5,839,287      | 0                      |
| Payroll Deductions Payable   | 0                        | 22,901        | 22,901         | 12,534                 |
| Compensated Absences Payable   | 5,947,086                | 43,805        | 5,990,891      | 17,008                 |
| Accrued Liability for Landfill Postclosure Care Cost                           | 0                        | 50,949        | 50,949         | 0                      |
| Accrued Interest Payable   | 225,710                  | 0             | 225,710        | 0                      |
| Current Portion of Long-term Debt  | 4,732,396                | 0             | 4,732,396      | 0                      |
| Total Current Liabilities  | \$ 44,709,232            | \$ 144,261    | \$ 44,853,493  | \$ 30,039              |
| Noncurrent Liabilities:  |                          |               |                |                        |
| Accrued Liability for Landfill Postclosure Care Cost                           | \$ 0                     | \$ 232,527    | \$ 232,527     | \$ 0                   |
| Other Long-term Liabilities  | 15,001,772               | 0             | 15,001,772     | 0                      |
| Bonds and Other Long-term Debt   | 26,414,723               | 0             | 26,414,723     | 0                      |
| Total Noncurrent Liabilities   | \$ 41,416,495            | \$ 232,527    | \$ 41,649,022  | \$ 0                   |
| Total Liabilities  | \$ 86,125,727            | \$ 376,788    | \$ 86,502,515  | \$ 30,039              |

(Continued)

Exhibit D-1

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

|  | <u>Business-type Activities</u> |                     |                       | <u>Governmental</u> |
|--|---------------------------------|---------------------|-----------------------|---------------------|
|  | <u>Major</u>                    | <u>Nonmajor</u>     | <u>Total</u>          | <u>Activities -</u> |
|  | <u>Fund</u>                     | <u>Fund</u>         |                       | <u>Internal</u>     |
|  | <u>Maury</u>                    | <u>Solid</u>        |                       | <u>Service</u>      |
|  | <u>Regional</u>                 | <u>Waste</u>        |                       | <u>Fund</u>         |
|  | <u>Hospital</u>                 | <u>Disposal</u>     |                       | <u>Central</u>      |
|  |                                 |                     |                       | <u>Maintenance/</u> |
|  |                                 |                     |                       | <u>Garage</u>       |
| <u>DEFERRED INFLOWS OF RESOURCES</u>   |                                 |                     |                       |                     |
| Deferred Current Property Taxes        | \$ 0                            | \$ 2,759,723        | \$ 2,759,723          | \$ 0                |
| Pension Changes in Experience          | 108,790                         | 12,924              | 121,714               | 6,408               |
| Pension Changes in Investment Earnings | 127,540                         | 7,001               | 134,541               | 3,472               |
| Total Deferred Inflows of Resources    | <u>\$ 236,330</u>               | <u>\$ 2,779,648</u> | <u>\$ 3,015,978</u>   | <u>\$ 9,880</u>     |
| <u>NET POSITION</u>                    |                                 |                     |                       |                     |
| Net Investment in Capital Assets       | \$ 121,476,515                  | \$ 1,975,049        | \$ 123,451,564        | \$ 118,825          |
| Restricted for Pensions                | 0                               | 65,783              | 65,783                | 32,620              |
| Unrestricted                           | <u>96,609,139</u>               | <u>5,775,991</u>    | <u>102,385,130</u>    | <u>1,106,226</u>    |
| Total Net Position                     | <u>\$ 218,085,654</u>           | <u>\$ 7,816,823</u> | <u>\$ 225,902,477</u> | <u>\$ 1,257,671</u> |

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

Exhibit D-2

Maury County, Tennessee  
Statement of Revenues, Expenses, and  
Changes in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2019

|   | Business-type Activities      |                            |                        | Governmental<br>Activities -<br>Internal<br>Service<br>Fund<br>Central<br>Maintenance/<br>Garage |
|---|-------------------------------|----------------------------|------------------------|--|
|   | Major<br>Fund                 | Nonmajor<br>Fund           | Total                  |  |
|   | Maury<br>Regional<br>Hospital | Solid<br>Waste<br>Disposal |                        |  |
| <u>Operating Revenues</u>               |                               |                            |                        |  |
| Charges for Current Services            | \$ 353,536,803                | \$ 1,861,293               | \$ 355,398,096         | \$ 2,262,200   |
| Other Local Revenues                    | 9,531,533                     | 150,552                    | 9,682,085              | 12,018   |
| Total Operating Revenues                | <u>\$ 363,068,336</u>         | <u>\$ 2,011,845</u>        | <u>\$ 365,080,181</u>  | <u>\$ 2,274,218</u>  |
| <u>Operating Expenses</u>               |                               |                            |                        |  |
| Salaries and Employee Benefits          | \$ 216,384,336                | \$ 0                       | \$ 216,384,336         | \$ 0   |
| Other General Administration            | 9,512,404                     | 0                          | 9,512,404              | 2,004,563  |
| Fees and Professional Services          | 36,984,504                    | 0                          | 36,984,504             | 0  |
| Supplies and Other Expenses             | 93,482,212                    | 0                          | 93,482,212             | 0  |
| Waste Pickup                            | 0                             | 56,738                     | 56,738                 | 0  |
| Convenience Centers                     | 0                             | 1,007,579                  | 1,007,579              | 0  |
| Landfill Operation and Maintenance      | 0                             | 2,842,600                  | 2,842,600              | 0  |
| Depreciation and Amortization Expense   | 20,324,542                    | 349,642                    | 20,674,184             | 19,480   |
| Total Operating Expenses                | <u>\$ 376,687,998</u>         | <u>\$ 4,256,559</u>        | <u>\$ 380,944,557</u>  | <u>\$ 2,024,043</u>  |
| Operating Income (Loss)                 | <u>\$ (13,619,662)</u>        | <u>\$ (2,244,714)</u>      | <u>\$ (15,864,376)</u> | <u>\$ 250,175</u>  |
| <u>Nonoperating Revenues (Expenses)</u> |                               |                            |                        |  |
| Local Taxes                             | \$ 0                          | \$ 2,845,948               | \$ 2,845,948           | \$ 0   |
| Sale of Equipment                       | 0                             | 118,584                    | 118,584                | 0  |
| Other State Revenues                    | 0                             | 88,696                     | 88,696                 | 0  |
| Contributions and Grants                | 2,769,222                     | 56,003                     | 2,825,225              | 0  |
| Investment Income                       | 3,283,535                     | 0                          | 3,283,535              | 0  |
| Interest Expense                        | (191,673)                     | 0                          | (191,673)              | 0  |
| Equity in Joint Venture Losses          | (643,488)                     | 0                          | (643,488)              | 0  |
| Other                                   | (201,108)                     | 0                          | (201,108)              | 0  |
| Total Nonoperating Revenues (Expenses)  | <u>\$ 5,016,488</u>           | <u>\$ 3,109,231</u>        | <u>\$ 8,125,719</u>    | <u>\$ 0</u>  |
| Change in Net Position                  | \$ (8,603,174)                | \$ 864,517                 | \$ (7,738,657)         | \$ 250,175   |
| Net Position, July 1, 2018              | <u>226,688,828</u>            | <u>6,952,306</u>           | <u>233,641,134</u>     | <u>1,007,496</u>   |
| Net Position, June 30, 2019             | <u>\$ 218,085,654</u>         | <u>\$ 7,816,823</u>        | <u>\$ 225,902,477</u>  | <u>\$ 1,257,671</u>  |

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

Exhibit D-3

Maury County, Tennessee  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2019

|   | Business-type Activities      |                            |                 | Governmental                                |
|---|-------------------------------|----------------------------|-----------------|---|
|   | Major<br>Fund                 | Nonmajor<br>Fund           |                 | Activities -<br>Internal<br>Service<br>Fund |
|   | Maury<br>Regional<br>Hospital | Solid<br>Waste<br>Disposal | Total           | Central<br>Maintenance/<br>Garage           |
| <u>Cash Flows from Operating Activities</u>                             |                               |                            |                 |   |
| Receipts from Customers and Users                                       | \$ 339,847,898                | \$ 1,894,349               | \$ 341,742,247  | \$ 2,251,572                                |
| Other Cash Receipts   | 9,006,097                     | 150,552                    | 9,156,649       | 12,018                                      |
| Payments to and On-Behalf of Employees                                  | (215,695,713)                 | (1,374,990)                | (217,070,703)   | (418,372)                                   |
| Payments to Vendors for Supplies and Other                              | (136,031,007)                 | (2,606,526)                | (138,637,533)   | (1,608,604)                                 |
| Net Cash Provided By (Used In) Operating Activities                     | \$ (2,872,725)                | \$ (1,936,615)             | \$ (4,809,340)  | \$ 236,614                                  |
| <u>Cash Flows from Capital and Related Financing Activities</u>         |                               |                            |                 |   |
| Acquisition of Capital Assets   | \$ (28,492,306)               | \$ (449,378)               | \$ (28,941,684) | \$ 0  |
| Proceeds from Sale of Equipment   | 207,369                       | 118,584                    | 325,953         | 0   |
| Proceeds from Issuance of Long-term debt                                | 7,748,789                     | 0                          | 7,748,789       | 0   |
| Principal Payments on Long-term Debt                                    | (3,663,684)                   | 0                          | (3,663,684)     | 0   |
| Interest Paid on Long-term Debt   | (1,185,092)                   | 0                          | (1,185,092)     | 0   |
| Net Cash Provided By (Used In) Capital and Related Financing Activities | \$ (25,384,924)               | \$ (330,794)               | \$ (25,715,718) | \$ 0  |
| <u>Cash Flows from Noncapital Financing Activities</u>                  |                               |                            |                 |   |
| Contributions and Grants Received                                       | \$ 2,769,222                  | \$ 30,371                  | \$ 2,799,593    | \$ 0  |
| Local Taxes   | 0                             | 2,839,386                  | 2,839,386       | 0   |
| Other State Revenues  | 0                             | 88,696                     | 88,696          | 0   |
| Net Cash Provided By (Used In) Noncapital Financing Activities          | \$ 2,769,222                  | \$ 2,958,453               | \$ 5,727,675    | \$ 0  |
| <u>Cash Flows from Investing Activities</u>                             |                               |                            |                 |   |
| Investment Income   | \$ 2,095,867                  | \$ 0                       | \$ 2,095,867    | \$ 0  |
| Proceeds from Maturities of Certificates of Deposit                     | 655,713                       | 0                          | 655,713         | 0   |
| Purchase of Certificates of Deposit                                     | (657,352)                     | 0                          | (657,352)       | 0   |
| Proceeds from the Disposal of Operations                                | 1,892,507                     | 0                          | 1,892,507       | 0   |
| Sale of Investments   | 8,084,521                     | 0                          | 8,084,521       | 0   |
| Investment in Joint Ventures  | (8,051,289)                   | 0                          | (8,051,289)     | 0   |
| Issuance of Notes Receivable  | (430,631)                     | 0                          | (430,631)       | 0   |
| Net Cash Provided By (Used In) Investing Activities                     | \$ 3,589,336                  | \$ 0                       | \$ 3,589,336    | \$ 0  |
| Net Increase (Decrease) in Cash   | \$ (21,899,091)               | \$ 691,044                 | \$ (21,208,047) | \$ 236,614                                  |
| Cash, July 1, 2018  | 35,272,527                    | 5,202,978                  | 40,475,505      | 812,225                                     |
| Cash, June 30, 2019   | \$ 13,373,436                 | \$ 5,894,022               | \$ 19,267,458   | \$ 1,048,839                                |

(Continued)

Exhibit D-3

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

|   | Business-type Activities      |                            |                 | Governmental                                |
|---|-------------------------------|----------------------------|-----------------|---|
|   | Major<br>Fund                 | Nonmajor<br>Fund           |                 | Activities -<br>Internal<br>Service<br>Fund |
|   | Maury<br>Regional<br>Hospital | Solid<br>Waste<br>Disposal | Total           | Central<br>Maintenance/<br>Garage           |
| <u>Reconciliation of Net Operating Income (Loss)</u><br><u>to Net Cash Provided By (Used In) Operating Activities</u> |                               |                            |                 |   |
| Operating Income (Loss)   | \$ (13,619,662)               | \$ (2,244,714)             | \$ (15,864,376) | \$ 250,175                                  |
| Adjustments to Reconcile Net Operating Income (Loss) to<br>Net Cash Provided By (Used In) Operating Activities:       |                               |                            |                 |   |
| Depreciation and Amortization Expense   | 20,324,542                    | 349,642                    | 20,674,184      | 19,480                                      |
| Provision for Uncollectible Accounts  | 34,583,865                    | 0                          | 34,583,865      | 0   |
| Amortization of Deferred Pension Adjustments  | 3,027,193                     | (1,117)                    | 3,026,076       | (319)                                       |
| (Increase) Decrease in Accounts Receivable  | (51,195,374)                  | 33,056                     | (51,162,318)    | (10,628)                                    |
| (Increase) Decrease in Net Pension Asset  | 0                             | (6,139)                    | (6,139)         | (2,719)                                     |
| (Increase) Decrease in Due from Affiliates  | 65,947                        | 0                          | 65,947          | 0   |
| (Increase) Decrease in Inventories  | (58,862)                      | 0                          | (58,862)        | 0   |
| (Increase) Decrease in Prepaid Items  | (1,083,264)                   | 0                          | (1,083,264)     | 0   |
| (Increase) Decrease in Other Assets   | (525,436)                     | 0                          | (525,436)       | 0   |
| Increase (Decrease) in Accounts Payable   | 7,619,657                     | 3,305                      | 7,622,962       | (20,467)                                    |
| Increase (Decrease) in Accrued Payroll  | (1,440,012)                   | 0                          | (1,440,012)     | 0   |
| Increase (Decrease) in Payroll Deductions Payable   | 0                             | (3,022)                    | (3,022)         | (199)                                       |
| Increase (Decrease) in Postclosure Care Costs   | 0                             | (58,230)                   | (58,230)        | 0   |
| Increase (Decrease) in Due to State of Tennessee  | 0                             | (148)                      | (148)           | (27)  |
| Increase (Decrease) in Other Long-term Liabilities  | (260,623)                     | 0                          | (260,623)       | 0   |
| Increase (Decrease) in Accrued Leave  | (310,696)                     | (9,248)                    | (319,944)       | 1,318                                       |
| Net Cash Provided By (Used In) Operating Activities   | \$ (2,872,725)                | \$ (1,936,615)             | \$ (4,809,340)  | \$ 236,614                                  |
| <u>Reconciliation of Cash With the Statement of Net Position</u>  |                               |                            |                 |   |
| Cash Per Net Position   | \$ 13,373,436                 | \$ 200                     | \$ 13,373,636   | \$ 0  |
| Equity in Pooled Cash and Investments Per Net Position  | 0                             | 5,893,822                  | 5,893,822       | 1,048,839                                   |
| Cash, June 30, 2019   | \$ 13,373,436                 | \$ 5,894,022               | \$ 19,267,458   | \$ 1,048,839                                |

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

Exhibit E

Maury County, Tennessee  
Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2019

|                                     | <u>Agency<br/>Funds</u> |
|-------------------------------------|-------------------------|
| <u>ASSETS</u>                       |                         |
| Cash                                | \$ 3,592,979            |
| Accounts Receivable                 | 88,667                  |
| Due from Other Governments          | <u>2,559,000</u>        |
| Total Assets                        | <u>\$ 6,240,646</u>     |
| <u>LIABILITIES</u>                  |                         |
| Due to Other Taxing Units           | \$ 2,559,000            |
| Due to Litigants, Heirs, and Others | <u>3,681,646</u>        |
| Total Liabilities                   | <u>\$ 6,240,646</u>     |

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

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

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**MAURY COUNTY, TENNESSEE**  
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**MAURY COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2019**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Maury County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

The following are the more significant accounting policies of Maury County:

**A. Reporting Entity**

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

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

The Maury County School Department operates the public school system in the county, and the voters of Maury County elect its board. The school department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the county commission's approval. The school department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

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

The Maury County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of Maury County, and the Maury County Commission appoints its governing body. The district is funded primarily through a service

charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the Maury County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

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

The Maury County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the school department are included in this report as listed in the table of contents. Complete financial statements of the Maury County Board of Public Utilities Water System, the Maury County Emergency Communications District, and the Industrial Development Board of Maury County can be obtained from their administrative offices at the following addresses:

Administrative Offices:

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

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

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

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

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

separate component units for which the primary government is financially accountable. The Maury County School Department component unit only reports governmental activities in the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Maury County issues all debt for the discretely presented Maury County School Department. Net debt issues totaling \$18,159,125 were contributed by the county to the school department during the year ended June 30, 2019.

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

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

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

Fund financial statements of Maury County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Maury County reports three proprietary funds (one internal service fund and two enterprise funds).

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

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

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

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

Maury County reports the following major governmental funds:

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

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

Maury County reports the following major proprietary fund:

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

Additionally, Maury County reports the following fund types:

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

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

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

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

The discretely presented Maury County School Department reports the following major governmental funds:

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

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

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

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

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

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

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

**1. Deposits and Investments**

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

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

The county trustee maintains a cash and internal investment pool that is used by all funds (excluding the Maury Regional Hospital) and the discretely presented Maury County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. Maury County (excluding the Maury Regional Hospital) and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with

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

All other investments are reported at fair value.

## **2. Receivables and Payables**

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

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

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

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

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

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

**3. Inventories and Prepaid Items**

Inventories of the discretely presented Maury County School Department are recorded at cost, determined on the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories are offset in the nonspendable fund balance account in governmental funds.

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

**4. Restricted Assets**

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented Maury County School Department's Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used for the benefit of the Maury County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the Maury County School Department has not withdrawn any funds from the trust to pay pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.



**5. Capital Assets**

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and the business-type columns in the government-wide financial statements. Capital assets are defined by the government (excluding the Maury Regional Hospital) as assets with an initial, individual cost of \$10,000 (infrastructure and intangible assets \$50,000) or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Property, plant, equipment, intangibles, and infrastructure of the primary government (excluding Maury Regional Hospital) and the discretely presented school department are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u>              | <u>Years</u> |
|----------------------------|--------------|
| Buildings and Improvements | 10 - 50      |
| Other Capital Assets       | 3 - 7        |
| Infrastructure:            |              |
| Roads                      | 5 - 15       |
| Bridges                    | 50           |
| Intangibles                | 5 - 10       |

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

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

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

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

## **7. Compensated Absences**

### **Primary Government**

The policy of Maury County (with the exception of the Maury Regional Hospital) permits employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since Maury County does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements for the county. A liability for vacation pay is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

### **Discretely Presented Maury County School Department**

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

reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

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

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

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

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

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

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

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

The government-wide Statement of Net Position reports \$36,458,286 of restricted net position, of which \$4,720,834 is restricted by enabling legislation.

As of June 30, 2019, Maury County had \$171,458,604 in outstanding debt for capital purposes for the discretely presented Maury County School Department. This debt is a liability of Maury County, but the capital assets acquired are reported in the financial statements of the school department. Therefore, Maury County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

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

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

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

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

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

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

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

**E. Pension Plans**

**Primary Government**

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

**Discretely Presented Maury County School Department**

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

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

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

**Discretely Presented Maury County School Department**

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

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

**Primary Government**

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

**Discretely Presented Maury County School Department**

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

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

**Primary Government**

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

## **Discretely Presented Maury County School Department**

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

### **III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

#### **A. Budgetary Information**

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

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

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

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

At June 30, 2019, the Maury County School Department had outstanding encumbrances in the Education Capital Projects Fund totaling \$8,019,365.

#### **B. Pending Investigation**

An investigation is ongoing in the Maury Regional Hospital. Findings, if any, resulting from the investigation will be included in a subsequent report.

#### IV. DETAILED NOTES ON ALL FUNDS

##### A. Deposits and Investments

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

##### Deposits

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

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

##### Investments

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



law are followed. Counties are also authorized to make investments in the State Treasurer’s Investment Pool 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. 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, 2019, Maury County had the following investments carried at amortized cost using a Stable Net Asset Value. All investments are in the county trustee’s investment pool. Separate disclosures concerning pooled investments cannot be made for Maury County and the discretely presented Maury County School Department since both pool their deposits and investments through the county trustee.

| <u>Investment</u>                 | Weighted<br>Average<br>Maturity (days) | Amortized<br>Cost |
|-----------------------------------|--|-------------------|
| State Treasurer's Investment Pool | 1 to 86                                | \$ 12,768,398     |

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

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments, as previously explained. Maury County has no investment policy that would further limit its investment choices. As of June 30, 2019, Maury County’s investment in the State Treasurer’s Investment Pool was unrated.

**TCRS Stabilization Trust**

**Legal Provisions.** The Maury County School Department is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The school department has placed funds into the irrevocable trust as authorized by statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper

operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the school department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Maury County School Department may not impose any restrictions on investments placed by the trust on their behalf.

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

Investments are reported at fair value or amortized cost, which approximates 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 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, 2019, 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 using the Net Asset Value (“NAV”) per share have no readily determinable fair value and have been determined using amortized cost, which approximates fair value.

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, 2019, the Maury County School Department had the following investments held by the trust on its behalf.

| Investment                                   | Weighted<br>Average<br>Maturity<br>(days) | Maturities | Fair<br>Value     |
|--|---|------------|-------------------|
| Investments at Fair Value:                   |   |            |                   |
| U.S. Equity                                  | N/A                                       | N/A        | \$ 77,069         |
| Developed Market International Equity        | N/A                                       | N/A        | 34,805            |
| Emerging Market International Equity         | N/A                                       | N/A        | 9,944             |
| U.S. Fixed Income                            | N/A                                       | N/A        | 49,722            |
| Real Estate                                  | N/A                                       | N/A        | 24,861            |
| Short-term Securities                        | N/A                                       | N/A        | 2,486             |
| Investments at Amortized Cost using the NAV: |   |            |                   |
| Private Equity and Strategic Lending         | N/A                                       | N/A        | 49,722            |
| <b>Total</b>                                 |   |            | <b>\$ 248,609</b> |

| Investment by Fair<br>Value Level        | Fair Value<br>6-30-19 | Fair Value Measurements Using  |   |  | Amortized<br>Cost |
|--|-----------------------|--|---|--|-------------------|
|  |                       | Quoted<br>Prices in<br>Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | NAV               |
| U.S. Equity                              | \$ 77,069             | \$ 77,069  | \$ 0  | \$ 0   | 0                 |
| Developed Market<br>International Equity | 34,805                | 34,805   | 0   | 0  | 0                 |
| Emerging Market<br>International Equity  | 9,944                 | 9,944  | 0   | 0  | 0                 |
| U.S. Fixed Income                        | 49,722                | 0  | 49,722  | 0  | 0                 |
| Real Estate                              | 24,861                | 0  | 0   | 24,861   | 0                 |
| Short-term Securities                    | 2,486                 | 0  | 2,486   | 0  | 0                 |
| Private Equity and<br>Strategic Lending  | 49,722                | 0  | 0   | 0  | 49,722            |
| <b>Total</b>                             | <b>\$ 248,609</b>     | <b>\$ 121,818</b>  | <b>\$ 52,208</b>  | <b>\$ 24,861</b>                                   | <b>\$ 49,722</b>  |

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

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Maury County School Department does not have the ability to limit trust investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Maury County School Department does not have the ability to limit the credit ratings of individual investments made by the trust.

**Concentration of Credit Risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. Maury County School Department places no limit on the amount the county may invest in one issuer.

**Custodial Credit Risk.** Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the Maury County School Department to pay retirement benefits of the school department employees.

For further information concerning the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2019/ag18092.pdf>

**B. Capital Assets**

Capital assets activity for the year ended June 30, 2019, was as follows:

**Primary Government**

**Governmental Activities (Includes Internal Service Fund):**

|  | Balance<br>7-1-18     | Increases             | Decreases           | Balance<br>6-30-19    |
|--|-----------------------|-----------------------|---------------------|-----------------------|
| Capital Assets Not<br>Depreciated:                     |                       |                       |                     |                       |
| Land   | \$ 7,584,942          | \$ 129,883            | \$ (209,500)        | \$ 7,505,325          |
| Intangibles  | 1,098,294             | 0                     | 0                   | 1,098,294             |
| Construction in<br>Progress                            | 91,374                | 3,312,723             | (356,258)           | 3,047,839             |
| <b>Total Capital Assets<br/>Not Depreciated</b>        | <b>\$ 8,774,610</b>   | <b>\$ 3,442,606</b>   | <b>\$ (565,758)</b> | <b>\$ 11,651,458</b>  |
| Capital Assets<br>Depreciated:                         |                       |                       |                     |                       |
| Buildings and<br>Improvements                          | \$ 42,694,913         | \$ 773,386            | \$ (40,000)         | \$ 43,428,299         |
| Infrastructure   | 99,311,794            | 3,971,452             | 0                   | 103,283,246           |
| Other Capital Assets                                   | 14,812,794            | 1,045,874             | (260,490)           | 15,598,178            |
| <b>Total Capital Assets<br/>Depreciated</b>            | <b>\$ 156,819,501</b> | <b>\$ 5,790,712</b>   | <b>\$ (300,490)</b> | <b>\$ 162,309,723</b> |
| Less Accumulated<br>Depreciation For:                  |                       |                       |                     |                       |
| Buildings and<br>Improvements                          | \$ 14,644,833         | \$ 960,626            | \$ (40,000)         | \$ 15,565,459         |
| Infrastructure   | 55,908,792            | 5,007,551             | 0                   | 60,916,343            |
| Other Capital Assets                                   | 12,161,934            | 1,058,708             | (260,490)           | 12,960,152            |
| <b>Total Accumulated<br/>Depreciation</b>              | <b>\$ 82,715,559</b>  | <b>\$ 7,026,885</b>   | <b>\$ (300,490)</b> | <b>\$ 89,441,954</b>  |
| <b>Total Capital Assets<br/>Depreciated, Net</b>       | <b>\$ 74,103,942</b>  | <b>\$ (1,236,173)</b> | <b>\$ 0</b>         | <b>\$ 72,867,769</b>  |
| <b>Governmental Activities<br/>Capital Assets, Net</b> | <b>\$ 82,878,552</b>  | <b>\$ 2,206,433</b>   | <b>\$ (565,758)</b> | <b>\$ 84,519,227</b>  |

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

**Governmental Activities:**

|  |    |                  |
|--|----|------------------|
| General Government                                   | \$ | 726,618          |
| Finance  |    | 45,519           |
| Administration of Justice                            |    | 35,764           |
| Public Safety  |    | 576,448          |
| Public Health and Welfare                            |    | 2,409            |
| Social, Cultural, and Recreational Services          |    | 200,605          |
| Agriculture and Natural Resources                    |    | 4,089            |
| Other Operations                                     |    | 11,372           |
| Highways   |    | <u>5,424,061</u> |
| Total Depreciation Expense - Governmental Activities | \$ | <u>7,026,885</u> |

**Business-type Activities (Excluding Maury Regional Hospital):**

|   | Balance<br>7-1-18   | Increases         | Decreases           | Balance<br>6-30-19  |
|---|---------------------|-------------------|---------------------|---------------------|
| Capital Assets Not<br>Depreciated:              |                     |                   |                     |                     |
| Land  | \$ 816,367          | \$ 0              | \$ 0                | \$ 816,367          |
| Total Capital Assets<br>Not Depreciated         | <u>\$ 816,367</u>   | <u>\$ 0</u>       | <u>\$ 0</u>         | <u>\$ 816,367</u>   |
| Capital Assets<br>Depreciated:                  |                     |                   |                     |                     |
| Buildings and<br>Improvements                   | \$ 1,596,811        | \$ 140,030        | \$ 0                | \$ 1,736,841        |
| Other Capital Assets                            | 3,719,957           | 309,348           | (243,664)           | 3,785,641           |
| Total Capital Assets<br>Depreciated             | <u>\$ 5,316,768</u> | <u>\$ 449,378</u> | <u>\$ (243,664)</u> | <u>\$ 5,522,482</u> |
| Less Accumulated<br>Depreciation For:           |                     |                   |                     |                     |
| Buildings and<br>Improvements                   | \$ 1,281,385        | \$ 25,969         | \$ 0                | \$ 1,307,354        |
| Other Capital Assets                            | 2,976,437           | 323,673           | (243,664)           | 3,056,446           |
| Total Accumulated<br>Depreciation               | <u>\$ 4,257,822</u> | <u>\$ 349,642</u> | <u>\$ (243,664)</u> | <u>\$ 4,363,800</u> |
| Total Capital Assets<br>Depreciated, Net        | <u>\$ 1,058,946</u> | <u>\$ 99,736</u>  | <u>\$ 0</u>         | <u>\$ 1,158,682</u> |
| Business-type Activities<br>Capital Assets, Net | <u>\$ 1,875,313</u> | <u>\$ 99,736</u>  | <u>\$ 0</u>         | <u>\$ 1,975,049</u> |

Depreciation expense was charged to functions of the business-type activities (excluding the Maury Regional Hospital) as follows:

**Business-type Activities:**

|   |    |                |
|---|----|----------------|
| Solid Waste Disposal                                  | \$ | 349,642        |
| Total Depreciation Expense - Business-type Activities | \$ | <u>349,642</u> |

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

|  | Balance<br>7-1-18     | Increases             | Decreases             | Balance<br>6-30-19    |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Capital Assets Not<br>Depreciated:             |                       |                       |                       |                       |
| Land   | \$ 5,848,445          | \$ 0                  | \$ (2,132)            | \$ 5,846,313          |
| Construction in Progress                       | 15,616,508            | 48,569,469            | (1,019,376)           | 63,166,601            |
| Total Capital Assets<br>Not Depreciated        | <u>\$ 21,464,953</u>  | <u>\$ 48,569,469</u>  | <u>\$ (1,021,508)</u> | <u>\$ 69,012,914</u>  |
| Capital Assets<br>Depreciated:                 |                       |                       |                       |                       |
| Buildings and<br>Improvements                  | \$ 239,497,839        | \$ 1,483,735          | \$ (192,500)          | \$ 240,789,074        |
| Other Capital Assets                           | 23,111,940            | 1,067,691             | (2,035,268)           | 22,144,363            |
| Total Capital Assets<br>Depreciated            | <u>\$ 262,609,779</u> | <u>\$ 2,551,426</u>   | <u>\$ (2,227,768)</u> | <u>\$ 262,933,437</u> |
| Less Accumulated<br>Depreciation For:          |                       |                       |                       |                       |
| Buildings and<br>Improvements                  | \$ 79,871,713         | \$ 6,321,422          | \$ (120,053)          | \$ 86,073,082         |
| Other Capital Assets                           | 17,431,475            | 2,036,116             | (1,990,410)           | 17,477,181            |
| Total Accumulated<br>Depreciation              | <u>\$ 97,303,188</u>  | <u>\$ 8,357,538</u>   | <u>\$ (2,110,463)</u> | <u>\$ 103,550,263</u> |
| Total Capital Assets<br>Depreciated, Net       | <u>\$ 165,306,591</u> | <u>\$ (5,806,112)</u> | <u>\$ (117,305)</u>   | <u>\$ 159,383,174</u> |
| Governmental Activities<br>Capital Assets, Net | <u>\$ 186,771,544</u> | <u>\$ 42,763,357</u>  | <u>\$ (1,138,813)</u> | <u>\$ 228,396,088</u> |

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



**Governmental Activities:**

|   |                     |
|---|---------------------|
| Instruction   | \$ 6,469,372        |
| Support Services  | 1,667,237           |
| Operation of Non-instructional Services                 | <u>220,929</u>      |
| Total Depreciation Expense -<br>Governmental Activities | <u>\$ 8,357,538</u> |

**C. Construction Commitments**

At June 30, 2019, Maury County had uncompleted construction contracts of approximately \$1,001,427 for the construction of the General Sessions Part II Courthouse. Funding has been received for these future expenditures.

At June 30, 2019, the discretely presented Maury County School Department had uncompleted construction contracts in the Education Capital Projects Fund of approximately \$6,149,401 for construction of Battle Creek Elementary and Middle Schools, approximately \$1,265,489 for design for McDowell Elementary School and Spring Hill High School, and approximately \$874,090 for system-wide renovations and improvements. Funding has been received for these future expenditures.

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

The composition of interfund balances as of June 30, 2019, was as follows:

**Due to/from Other Funds:**

| <u>Receivable Fund</u>                  | <u>Payable Fund</u>    | <u>Amount</u> |
|---|------------------------|---------------|
| Discretely Presented School Department: |                        |               |
| General Purpose School                  | Nonmajor governmental  | \$ 242,607    |
| Nonmajor governmental                   | General Purpose School | 21,040        |

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

**Due to/from Primary Government and Component Unit:**

| <u>Receivable Fund</u>                         | <u>Payable Fund</u>                  | <u>Amount</u> |
|--|--------------------------------------|---------------|
| Primary Government:<br>Governmental Activities | Component Unit:<br>School Department | \$ 553,025    |

The amount due to the primary government is the balance of the capital leases issued by the county for the school department. The school department has agreed to contribute the funds necessary to retire the debt obligation from the General Purpose School Fund to the county's General Debt Service Fund.

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2019, consisted of the following amounts:

**Primary Government**

| Transfers Out             | Transfers In      |                   |                             | Purpose               |
|---------------------------|-------------------|-------------------|-----------------------------|-----------------------|
|                           | General Fund      | Debt Service Fund | Nonmajor Governmental Funds |                       |
| General Fund              | \$ 0              | \$ 200,952        | \$ 0                        | Debt retirement       |
| "                         | 0                 | 0                 | 17,469                      | Capital outlay        |
| General Debt Service Fund | 142,500           | 0                 | 0                           | Jail renovation       |
| "                         | 0                 | 0                 | 2,998,390                   | GS part II courthouse |
| <b>Total</b>              | <b>\$ 142,500</b> | <b>\$ 200,952</b> | <b>\$ 3,015,859</b>         |                       |

**Discretely Presented Maury County School Department**

| Transfers Out               | Transfers In                |                |
|-----------------------------|-----------------------------|----------------|
|                             | General Purpose School Fund | Purpose        |
| Nonmajor governmental funds | \$ 160,002                  | Indirect costs |
| "                           | 82,865                      | Operations     |
| <b>Total</b>                | <b>\$ 242,867</b>           |                |

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

**E. Capital Leases**

On February 3, 2017, Maury County entered into a three-year lease-purchase agreement for the school department for computer equipment for school facilities. The terms of the agreement require total lease payments of \$309,653 plus interest of 5.258 percent. Title to the equipment transferred to the school

department immediately upon acceptance of each item of equipment. The General Purpose School Fund is making the lease payments.

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

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

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

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

The assets acquired through capital leases are as follows:

| Assets                         | Governmental<br>Activities |
|--------------------------------|----------------------------|
| Computers                      | \$ 2,665,288               |
| Less: Accumulated Depreciation | <u>(1,835,276)</u>         |
| Total Book Value               | <u>\$ 830,012</u>          |

Future minimum lease payments and the net present value of these minimum lease payments as of June 30, 2019, were as follows:

| Year Ending<br>June 30                     | Governmental<br>Funds |
|--|-----------------------|
| 2020                                       | \$ 520,910            |
| 2021                                       | 65,603                |
| Total Minimum Lease Payments               | \$ 586,513            |
| Less: Amount Representing Interest         | <u>(33,488)</u>       |
| Present Value of Minimum<br>Lease Payments | <u>\$ 553,025</u>     |

**F. Long-term Debt**

**Primary Government (Excluding Maury Regional Hospital)**

**General Obligation Bonds, Notes, and Other Loans**

General Obligation Bonds - Maury County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 25 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2019, will be retired from the General Debt Service Fund.

Direct Borrowing and Direct Placements - Maury County issues other loans to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. Capital outlay notes are also issued to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes and other loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. Capital outlay notes and other loans outstanding were issued for original terms of up to 4 years for notes and up to 17 years for other loans. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes and other loans included in long-term debt as of June 30, 2019, will be retired from the General Debt Service Fund.

General obligation bonds, capital outlay notes, other loans, and capital leases outstanding as of June 30, 2019, for governmental activities are as follows:

| Type                                   | Interest Rate  | Final Maturity | Original Amount of Issue | Balance 6-30-19 |
|--|----------------|----------------|--------------------------|-----------------|
| General Obligation Bonds               | 2 to 5%        | 4-1-42         | \$ 154,855,000           | \$ 148,035,000  |
| General Obligation Bonds - Refunding   | 1 to 4         | 4-1-28         | 38,470,000               | 21,105,000      |
| Direct Borrowing and Direct Placement: |                |                |                          |                 |
| Capital Outlay Notes                   | 1.5 to 1.687   | 2-1-21         | 715,993                  | 330,926         |
| Other Loans                            | 1 to 4.85      | 5-1-31         | 7,255,543                | 5,063,628       |
| Capital Leases                         | 5.258 to 5.342 | 7-6-20         | 2,665,288                | 553,025         |

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

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

The annual requirements to amortize all general obligation bonds, notes, and other loans outstanding as of June 30, 2019, including interest payments and other loan fees, are presented in the following tables:

| Year Ending<br>June 30 | Bonds          |               |                |
|------------------------|----------------|---------------|----------------|
|                        | Principal      | Interest      | Total          |
| 2020                   | \$ 8,785,000   | \$ 6,453,010  | \$ 15,238,010  |
| 2021                   | 8,315,000      | 6,053,411     | 14,368,411     |
| 2022                   | 8,555,000      | 5,637,660     | 14,192,660     |
| 2023                   | 8,865,000      | 5,209,911     | 14,074,911     |
| 2024                   | 9,170,000      | 4,778,660     | 13,948,660     |
| 2025-2029              | 44,080,000     | 18,052,805    | 62,132,805     |
| 2030-2034              | 42,045,000     | 10,696,730    | 52,741,730     |
| 2035-2039              | 28,125,000     | 4,276,169     | 32,401,169     |
| 2040-2042              | 11,200,000     | 735,800       | 11,935,800     |
| Total                  | \$ 169,140,000 | \$ 61,894,156 | \$ 231,034,156 |

| Year Ending<br>June 30 | Notes - Direct Placement |          |            |
|------------------------|--------------------------|----------|------------|
|                        | Principal                | Interest | Total      |
| 2020                   | \$ 210,926               | \$ 5,413 | \$ 216,339 |
| 2021                   | 120,000                  | 1,855    | 121,855    |
| Total                  | \$ 330,926               | \$ 7,268 | \$ 338,194 |

| Year Ending<br>June 30 | Other Loans - Direct Placement |              |            |              |
|------------------------|--------------------------------|--------------|------------|--------------|
|                        | Principal                      | Interest (1) | Other Fees | Total        |
| 2020                   | \$ 499,892                     | \$ 240,776   | \$ 3,526   | \$ 744,194   |
| 2021                   | 502,150                        | 238,518      | 3,526      | 744,194      |
| 2022                   | 504,432                        | 236,236      | 3,526      | 744,194      |
| 2023                   | 506,738                        | 233,930      | 3,526      | 744,194      |
| 2024                   | 509,068                        | 231,600      | 3,526      | 744,194      |
| 2025-2029              | 2,083,986                      | 696,477      | 11,166     | 2,791,629    |
| 2030-2031              | 457,362                        | 4,489        | 0          | 461,851      |
| Total                  | \$ 5,063,628                   | \$ 1,882,026 | \$ 28,796  | \$ 6,974,450 |

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

There is \$20,696,296 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$2,089, based on the 2010 federal census. Total debt per capita, including bonds, notes, other loans, capital leases, and unamortized debt premiums, totaled \$2,302, based on the 2010 federal census.

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

| Description of Debt                                       | Outstanding<br>6-30-19 |
|---|------------------------|
| <u>Capital Leases - Direct Placement</u>                  |                        |
| <u>Contributions from the General Purpose School Fund</u> |                        |
| #1 Schools Computer Lease                                 | \$ 52,521              |
| #2 Schools Computer Lease                                 | 52,477                 |
| #3 Schools Computer Lease                                 | 34,005                 |
| #4 Schools Computer Lease                                 | 250,184                |
| #5 Schools Computer Lease                                 | 163,838                |
| Total   | \$ 553,025             |

Changes in Long-term Debt

Long-term debt activity for the primary government (excluding the Maury Regional Hospital) for the year ended June 30, 2019, was as follows:

Governmental Activities:

|                             | Bonds                 | Notes -<br>Direct<br>Placement |
|-----------------------------|-----------------------|--------------------------------|
| Balance, July 1, 2018       | \$ 161,760,000        | \$ 540,508                     |
| Additions                   | 15,290,000            | 0                              |
| Reductions                  | (7,910,000)           | (209,582)                      |
| Balance, June 30, 2019      | <u>\$ 169,140,000</u> | <u>\$ 330,926</u>              |
| Balance Due Within One Year | <u>\$ 8,785,000</u>   | <u>\$ 210,926</u>              |

|                             | Other<br>Loans -<br>Direct<br>Placement | Capital<br>Leases -<br>Direct<br>Placement |
|-----------------------------|---|--|
| Balance, July 1, 2018       | \$ 3,198,063                            | \$ 1,280,810                               |
| Additions                   | 2,177,958                               | 0  |
| Reductions                  | (312,393)                               | (727,785)                                  |
| Balance, June 30, 2019      | <u>\$ 5,063,628</u>                     | <u>\$ 553,025</u>                          |
| Balance Due Within One Year | <u>\$ 499,892</u>                       | <u>\$ 490,788</u>                          |

Analysis of Noncurrent Liabilities for Debt Presented on Exhibit A:

|  |                              |
|--|------------------------------|
| Total Noncurrent Liabilities - Debt, June 30, 2019                       | \$ 175,087,579               |
| Less: Balance Due Within One Year - Debt                                 | (9,986,606)                  |
| Add: Unamortized Premium on Debt   | <u>11,274,839</u>            |
| Noncurrent Liabilities - Due in<br>More Than One Year - Debt - Exhibit A | <u><u>\$ 176,375,812</u></u> |

**G. Long-term Debt**

**Primary Government (Excluding Maury Regional Hospital)**

**Changes in Long-term Obligations**

Long-term obligations activity for the year ended June 30, 2019, was as follows:

| Governmental Activities:    | <u>Compensated<br/>Absences</u> |
|-----------------------------|---------------------------------|
| Balance, July 1, 2018       | \$ 1,494,749                    |
| Additions                   | 1,283,273                       |
| Reductions                  | <u>(1,365,695)</u>              |
| Balance, June 30, 2019      | <u>\$ 1,412,327</u>             |
| Balance Due Within One Year | <u>\$ 1,412,327</u>             |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

|   |                    |
|---|--------------------|
| Total Noncurrent Liabilities - Other, June 30, 2019                       | \$ 1,412,327       |
| Less: Balance Due Within One Year - Other                                 | <u>(1,412,327)</u> |
| Noncurrent Liabilities - Due in<br>More Than One Year - Other - Exhibit A | <u>\$ 0</u>        |

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

**Solid Waste Disposal (Enterprise) Fund**

**Changes in Long-term Obligations**

Long-term obligations activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2019, was as follows:



| Business-type Activities:   | Postclosure<br>Care Costs | Compensated<br>Absences |
|-----------------------------|---------------------------|-------------------------|
| Balance, July 1, 2018       | \$ 341,706                | \$ 53,053               |
| Additions                   | 6,372                     | 45,616                  |
| Reductions                  | (64,602)                  | (54,864)                |
| Balance, June 30, 2019      | <u>\$ 283,476</u>         | <u>\$ 43,805</u>        |
| Balance Due Within One Year | <u>\$ 50,949</u>          | <u>\$ 43,805</u>        |

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

|   |                          |
|---|--------------------------|
| Total Noncurrent Liabilities - Other, June 30, 2019                         | \$ 327,281               |
| Less: Balance Due Within One Year - Other                                   | <u>(94,754)</u>          |
| Noncurrent Liabilities - Due in<br>More Than One Year - Other - Exhibit D-1 | <u><u>\$ 232,527</u></u> |

**Discretely Presented Maury County School Department**

Changes in Long-term Obligations

Long-term obligations activity for the discretely presented Maury County School Department for the year ended June 30, 2019, was as follows:

| Governmental Activities:    | Compensated<br>Absences | Other<br>Postemployment<br>Benefits |
|-----------------------------|-------------------------|-------------------------------------|
| Balance, July 1, 2018       | \$ 2,907,100            | \$ 21,883,895                       |
| Additions                   | 1,731,812               | 9,080,178                           |
| Reductions                  | (853,890)               | (2,154,543)                         |
| Balance, June 30, 2019      | <u>\$ 3,785,022</u>     | <u>\$ 28,809,530</u>                |
| Balance Due Within One Year | <u>\$ 915,025</u>       | <u>\$ 0</u>                         |

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

|   |                      |
|---|----------------------|
| Total Noncurrent Liabilities - Other, June 30, 2019                       | \$ 32,594,552        |
| Less: Balance Due Within One Year - Other                                 | <u>(915,025)</u>     |
| Noncurrent Liabilities - Due in<br>More Than One Year - Other - Exhibit A | <u>\$ 31,679,527</u> |

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

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

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the Maury County School Department. These payments are made by the state to the Local Education Group Insurance Plan. The plan is administered by the State of Tennessee and reported in the state’s Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan for the year ended June 30, 2019, were \$417,958. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**I. Short-term Debt**

Maury County issued tax anticipation notes from the General Debt Service Fund in advance of property tax collections and deposited the proceeds into the General Purpose School Fund. These notes were necessary because funds were not available to meet operating expenditures coming due before current tax collections. Short-term debt activity for the year ended June 30, 2019, was as follows:

|                        | Balance<br>7-1-18 | Issued       | Paid           | Balance<br>6-30-19 |
|------------------------|-------------------|--------------|----------------|--------------------|
| Tax Anticipation Notes | \$ 0              | \$ 2,000,000 | \$ (2,000,000) | \$ 0               |

## V. OTHER INFORMATION

### A. Risk Management

#### Primary Government (Excluding Maury Regional Hospital)

Maury County is exposed to various risks related to general liability, property, and casualty losses. The county decided it was more economically feasible to join a public entity risk pool instead of purchasing commercial insurance for general liability, property, and casualty coverage. The county joined the Local Government Property and Casualty Fund (LGPCF), which is a public entity risk pool established by the Tennessee County Services Association, an association of member counties. The county pays an annual premium to the LGPCF for its general liability, property, and casualty insurance coverage. The creation of the LGPCF provides for it to be self-sustaining through member premiums. The LGPCF reinsures through commercial insurance companies for claims exceeding \$100,000 for each insured event.

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

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

#### Discretely Presented Maury County School Department

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

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

**B. Accounting Changes**

Provisions of Governmental Accounting Standards Board (GASB) Statement No. 83, *Certain Asset Retirement Obligations*; Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placements* became effective for the year ended June 30, 2019. In addition, Maury County early implemented the provisions of GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*.

GASB Statement No. 83, *Certain Asset Retirement Obligations* establishes accounting and reporting requirements for certain asset retirement obligations (AROs) associated with tangible capital assets. The scope of this statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, and expense/expenditures. In addition, this standard establishes note disclosure requirements for AROs.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements* addresses note disclosure requirements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should report when disclosing information related to debt. These required disclosures include direct borrowings and direct placements, unused lines of credit, assets pledged as collateral for debt, terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant acceleration clauses.

GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period* amends paragraphs 5 through 22 of GASB Statement No. 62. This standard establishes that interest cost incurred before the end of a construction period should be recognized as an expense/expenditure. The changes adopted to conform with this standard are to be applied prospectively.

**C. Contingent Liabilities**

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

**D. Changes in Administration**

On August 31, 2018, Charlie Norman left the Office of County Mayor and was succeeded by Andy Ogles, and Steve Konz left the Office of Trustee and was succeeded by Randy McNeece.

As part of implementing Chapter 47, Private Acts of 2018, Maury County appointed Doug Lukonen to the position of Finance Director effective October 15, 2018.

Purchasing Agent Buddy Harlan, retired on January 4, 2019, and was succeeded by Pattie Farris effective January 22, 2019.

**E. Landfill Postclosure Care Costs**

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

State and federal laws and regulations require the county to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. Maury County closed its sanitary landfill in 1997. The \$283,476 reported as postclosure care liability at June 30, 2019, represents amounts based on what it would cost to perform all postclosure care in 2019. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**F. Joint Ventures**

The Maury County Regional Airport Authority is a joint venture in which the county and the cities of Columbia and Mount Pleasant participate. The authority is governed by a three-member board comprising one appointee from the county and one appointee from each city. During the year ended June 30, 2019, Maury County contributed \$40,000 to the authority.

The Twenty-second Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Twenty-second Judicial District, Lawrence, Giles, Maury, and Wayne counties, and various cities within these counties. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. Maury County did not contribute any funds to the DTF for the year ended June 30, 2019. The DTF Director is a full-time employee of the Maury County Sheriff's Department.

Maury County and the discretely presented Maury County School Department do not have equity interests in any of the above-noted joint ventures. Complete financial statements for the Maury County Regional Airport Authority, and

the Twenty-second Judicial District DTF can be obtained from their administrative offices at the following addresses:

Administrative Offices:

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

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

**G. Jointly Governed Organization**

The Tennessee Southern Railroad Authority (TSRA) was created by the county, in conjunction with Giles and Lawrence counties. The TSRA's board includes the county mayors and a representative appointed by the respective county commissions from each of the three counties, and a representative from the cities of Mt. Pleasant and Lawrenceburg. However, the counties and cities do not have any ongoing financial interest or responsibility for the entity. The majority of TSRA's funding is received from various grants from the Tennessee Department of Transportation. Maury County made no appropriations to the TSRA during the year ended June 30, 2019.

**H. Retirement Commitments**

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

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of Maury County, non-certified employees of the discretely presented Maury County School Department, and employees of the discretely presented Maury County Board of Public Utilities Water System are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 58.335 percent, the non-certified employees of the discretely presented school department comprise 39.405 percent, and the employees of the discretely presented water system comprise 2.26 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the

legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

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

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

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2018, the following employees were covered by the benefit terms:

|  |                  |
|--|------------------|
| Inactive Employees or Beneficiaries Currently        |                  |
| Receiving Benefits                                   | 371              |
| Inactive Employees Entitled to But Not Yet Receiving |                  |
| Benefits   | 834              |
| Active Employees                                     | 991              |
| <br>Total  | <br><u>2,196</u> |

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. Maury County makes employer contributions at the rate set by

the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2019, the employer contribution for Maury County was \$1,360,365 based on a rate of 4.62 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Maury County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

**Net Pension Liability (Asset)**

Maury County's net pension liability (asset) was measured as of June 30, 2018, 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, 2018, 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, 2018, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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



weighing the expected future real rates of return by the target allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major class are summarized in the following table:

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

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

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

### Changes in the Net Pension Liability (Asset)

|   | Increase (Decrease)         |                                 |                                       |
|---|-----------------------------|---------------------------------|---------------------------------------|
|   | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a)-(b) |
| Balance, July 1, 2017   | \$ 68,318,621               | \$ 70,884,813                   | \$ (2,566,192)                        |
| Changes for the Year:   |                             |                                 |                                       |
| Service Cost  | \$ 2,474,350                | \$ 0                            | \$ 2,474,350                          |
| Interest  | 5,036,844                   | 0                               | 5,036,844                             |
| Differences Between Expected and Actual Experience            | 612,215                     | 0                               | 612,215                               |
| Changes in Assumptions  | 0                           | 0                               | 0                                     |
| Contributions-Employer  | 0                           | 1,382,195                       | (1,382,195)                           |
| Contributions-Employees                                       | 0                           | 1,492,878                       | (1,492,878)                           |
| Net Investment Income   | 0                           | 5,889,629                       | (5,889,629)                           |
| Benefit Payments, Including Refunds of Employee Contributions | (2,638,510)                 | (2,638,510)                     | 0                                     |
| Administrative Expense  | 0                           | (94,711)                        | 94,711                                |
| Other Changes   | 0                           | (2,782)                         | 2,782                                 |
| Net Changes   | \$ 5,484,899                | \$ 6,028,699                    | \$ (543,800)                          |
| Balance, June 30, 2018  | \$ 73,803,520               | \$ 76,913,512                   | \$ (3,109,992)                        |

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

|                    |         | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability (Asset) |
|--------------------|---------|-------------------------|-----------------------------|-------------------------------|
| Primary Government | 58.335% | \$ 43,053,283           | \$ 44,867,497               | \$ (1,814,214)                |
| School Department  | 39.405% | 29,082,277              | 30,307,769                  | (1,225,492)                   |
| Water System       | 2.260%  | 1,667,960               | 1,738,245                   | (70,286)                      |
| Total              |         | \$ 73,803,520           | \$ 76,913,512               | \$ (3,109,992)                |

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

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

Net Pension Liability (Asset)    \$ 6,785,349    \$ (3,109,992)    \$ (11,305,041)

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

*Pension Expense.* For the year ended June 30, 2019, Maury County recognized pension expense of \$717,340.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, Maury County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and Actual Experience                                | \$ 625,847                              | \$ 610,977                             |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 0                                       | 330,986                                |
| Changes in Assumptions   | 975,979                                 | 0                                      |
| Contributions Subsequent to the Measurement Date of June 30, 2018 (1)            | 1,360,365                               | N/A                                    |
| Total  | <u>\$ 2,962,191</u>                     | <u>\$ 941,963</u>                      |

(1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2018,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

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

|                    | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--------------------|--------------------------------------|-------------------------------------|
| Primary Government | \$ 1,763,105                         | \$ 549,494                          |
| School Department  | 1,129,104                            | 371,181                             |
| Water System       | 69,982                               | 21,288                              |
| Total              | <u>\$ 2,962,191</u>                  | <u>\$ 941,963</u>                   |

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

| Year Ending<br>June 30 | Amount     |
|------------------------|------------|
| 2020                   | \$ 668,154 |
| 2021                   | 226,041    |
| 2022                   | (207,687)  |
| 2023                   | (26,645)   |
| 2024                   | 0          |
| Thereafter             | 0          |

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

**Discretely Presented Maury County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of Maury County, non-certified employees of the discretely presented Maury County School Department, and employees of the discretely presented Maury County Board of Public Utilities Water System are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan

administered by the TCRS. The primary government employees comprise 58.335 percent, the non-certified employees of the discretely presented school department comprise 39.405 percent, and the employees of the discretely presented water system comprise 2.26 percent of the plan based on contribution data.

### **Certified Employees**

### **Teacher Retirement Plan**

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

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

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

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

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2019, to the Teacher Retirement Plan were \$222,308, which is 1.94 percent of covered payroll. In addition, employer contributions of \$236,059, which is 2.06 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, 2019, the school department reported a liability (asset) of (\$507,198) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2018, 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, 2018,

the school department's proportion was 1.118340 percent. The proportion as of June 30, 2017, was 1.050226 percent.

*Pension Expense.* For the year ended June 30, 2019, the school department recognized pension expense of \$171,491.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and Actual Experience                                | \$ 28,726                               | \$ 20,202                              |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 0                                       | 28,650                                 |
| Changes in Assumptions   | 23,928                                  | 0                                      |
| Changes in Proportion of Net Pension Liability (Asset)                           | 1,715                                   | 22,187                                 |
| LEA's Contributions Subsequent to the Measurement Date of June 30, 2018 (1)      | <u>222,308</u>                          | N/A                                    |
| Total  | <u>\$ 276,677</u>                       | <u>\$ 71,039</u>                       |

The school department's employer contributions of \$222,308, 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending<br>June 30 | Amount     |
|------------------------|------------|
| 2020                   | \$ (5,432) |
| 2021                   | (6,341)    |
| 2022                   | (10,425)   |
| 2023                   | (2,938)    |
| 2024                   | 879        |
| Thereafter             | 7,587      |

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, 2018, 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, 2018, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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



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

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

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

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

|  | 1%<br>Decrease | Current<br>Discount<br>Rate | 1%<br>Increase |
|--|----------------|-----------------------------|----------------|
| School Department's Proportionate Share of the Net Pension Liability (Asset) | 6.25%          | 7.25%                       | 8.25%          |
|  | \$ 78,413      | \$ (507,198)                | \$ (938,656)   |

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

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

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

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Maury County School Department for the year ended June 30, 2019, to the Teacher Legacy Pension Plan were \$4,045,036, which is 10.46 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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

*Pension Liability (Assets).* At June 30, 2019, the school department reported a liability (asset) of (\$4,219,207) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2018, 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, 2018, the school department's proportion was 1.199008 percent. The proportion measured at June 30, 2017, was 1.121697 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2019, the school department recognized (negative) pension expense of (\$1,235,190).

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Difference Between Expected and Actual Experience                                | \$ 852,845                              | \$ 5,692,044                           |
| Changes in Assumptions   | 2,491,884                               | 0                                      |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 0                                       | 918,275                                |
| Changes in Proportion of Net Pension Liability (Asset)                           | 274,298                                 | 245,255                                |
| LEA's Contributions Subsequent to the Measurement Date of June 30, 2018          | 4,045,036                               | N/A                                    |
| Total  | <u>\$ 7,664,063</u>                     | <u>\$ 6,855,574</u>                    |

The school department's employer contributions of \$4,045,036, 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending<br>June 30 | Amount      |
|------------------------|-------------|
| 2020                   | \$ 842,344  |
| 2021                   | (1,374,834) |
| 2022                   | (2,366,705) |
| 2023                   | (337,352)   |
| 2024                   | 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, 2018, 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, 2018, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

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

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

|   | 1%                | Current<br>Discount<br>Rate | 1%                |
|---|-------------------|-----------------------------|-------------------|
| School Department's<br>Proportionate Share of<br>the Net Pension<br>Liability (Asset) | Decrease<br>6.25% | 7.25%                       | Increase<br>8.25% |
|   | \$ 32,524,303     | \$ (4,219,207)              | \$ (34,619,342)   |

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

## 2. Deferred Compensation

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

The discretely presented Maury County School Department offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of plan participants. The Section 403(b) and Section 457 plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 403(b) and 457 establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state's 401 (K) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$635,764 to this deferred compensation pension plan.

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

**Discretely Presented Maury County School Department**

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

**OPEB Provided through a State Administered Public Entity Risk Pool**

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

The school department’s total OPEB liability for the plan was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2018, actuarial valuation of the plan was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|  |   |
|--|---|
| Actuarial Cost Method                  | Entry Age Normal  |
| Inflation                              | 2.25%   |
| Discount Rate                          | 3.62%   |
| Salary Increases                       | Salary increase rates used in the July 1, 2018, TCRS actuarial valuation; 3.44% to 8.72%, including inflation   |
| Healthcare Cost Trend Rates            | Based on the Getzen Model, with trend starting at 6.75% for the 2019 calendar year, and gradually decreasing over a 32-year period to an ultimate trend rate of 3.53% with .32% added to approximate the effect of the excise tax |
| Retirees Share of Benefit Related Cost | Discussed under each plan   |



The discount rate was 3.62 percent, based on the daily rate of Fidelity's 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 3.56 percent as of the beginning of the measurement period to 3.62 percent as of the measurement date of June 30, 2018. The assumed initial costs and premium amounts were revised to reflect rates adopted for the 2019 plan year. The assumed initial trend rate applicable to the 2019 plan year was revised from 5.4 to 6.75 percent.

### **Closed Local Education (LEP) OPEB Plan**

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

*Benefits Provided.* The Maury County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees.

An insurance committee created in accordance with *TCA 8-27-301* establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for the retiree premiums. After age 55 or achieving at least 30 years of service in TCRS, with at least 10 years of service (if hired prior to July 1, 2012) or 15 years of service (if hired after June 30, 2012) with the Maury County School Department and three years of continuous participation in the LEP, retirees are eligible to receive a monthly direct subsidy toward the cost of their insurance premiums. The monthly subsidy is based on years of service and ranges from \$250 to \$510 for certified teachers and from \$456 to \$667 for support staff, based on the insurance plan selected by the retiree. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees' premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 20 percent of the scheduled premium. No subsidy is provided by the state for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2018, the following employees were covered by the benefit terms:

|  | <u>School<br/>Department</u> |
|--|------------------------------|
| Inactive Employees or<br>Beneficiaries Currently<br>Receiving Benefits | 170                          |
| Inactive Employees<br>Entitled to But Not<br>Yet Receiving Benefits    | 1                            |
| Active Employees   | 1,109                        |
| Total  | <u>1,280</u>                 |

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute towards employee costs based on their own developed policies. During the

current reporting period, the school department paid \$1,766,370 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

|   | <u>Share of Collective Liability</u>          |                            |                         |
|---|---|----------------------------|-------------------------|
|   | Maury County<br>School Department<br>80.9655% | State of<br>TN<br>19.0345% | Total OPEB<br>Liability |
| Balance July 1, 2017                                    | \$ 21,883,895                                 | \$ 8,306,785               | \$ 30,190,680           |
| Changes for the Year:                                   |   |                            |                         |
| Service Cost  | \$ 1,345,162                                  | \$ 316,240                 | \$ 1,661,402            |
| Interest  | 889,915                                       | 209,214                    | 1,099,129               |
| Changes in<br>Benefit Terms                             | (571,370)                                     | (134,326)                  | (705,696)               |
| Difference between<br>Expected and Actual<br>Experience | 2,923,837                                     | 687,377                    | 3,611,214               |
| Changes in Proportion                                   | 2,560,142                                     | (2,560,142)                | 0                       |
| Changes in Assumption<br>and Other Inputs               | 1,361,122                                     | 319,992                    | 1,681,114               |
| Benefit Payments  | (1,583,173)                                   | (372,194)                  | (1,955,367)             |
| Net Changes   | \$ 6,925,635                                  | \$ (1,533,839)             | \$ 5,391,796            |
| Balance June 30, 2018                                   | \$ 28,809,530                                 | \$ 6,772,946               | \$ 35,582,476           |

The Maury County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The Maury County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$194,388 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the Maury County School Department's proportionate share of the collective OPEB liability was 80.9655% and the State of Tennessee's share was 19.0345%.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the school department recognized OPEB expense of \$2,475,609, including the state's share of the expense. At June 30, 2019, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Difference Between Expected and<br>Actual Experience   | \$ 2,616,066                         | \$ 0                                |
| Changes of Assumptions/Inputs  | 1,217,846                            | 816,713                             |
| Changes in Proportion and Differences Between<br>Amounts Paid as Benefits Came Due and<br>Proportionate Share Amounts Paid by the<br>Employer and Nonemployer Contributors<br>As Benefits Came Due | 2,353,071                            | 0                                   |
| Benefits Paid After the Measurement Date<br>of June 30, 2018 (1)   | <u>1,766,370</u>                     | <u>0</u>                            |
| Total  | <u>\$ 7,953,353</u>                  | <u>\$ 816,713</u>                   |

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

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

| Year Ending<br>June 30 | School<br>Department |
|------------------------|----------------------|
| 2020                   | \$ 617,514           |
| 2021                   | 617,514              |
| 2022                   | 617,514              |
| 2023                   | 617,514              |
| 2024                   | 617,514              |
| Thereafter             | 2,282,700            |

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.

Discount Rate

|  | 1%<br>Decrease | Current<br>Discount<br>Rate | 1%<br>Increase |
|--|----------------|-----------------------------|----------------|
|  | 2.62%          | 3.62%                       | 4.62%          |

Proportionate Share of the  
Collective Total OPEB  
Liability

\$ 30,644,466 \$ 28,809,530 \$ 27,055,864

*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.

Healthcare Cost Trend Rate

|  | 1%<br>Decrease    | Current<br>Rate   | 1%<br>Increase    |
|--|-------------------|-------------------|-------------------|
|  | 5.75%<br>to 2.85% | 6.75%<br>to 3.85% | 7.75%<br>to 4.85% |

Proportionate Share of the  
Collective Total OPEB  
Liability

\$ 25,962,353 \$ 28,809,530 \$ 32,134,181

**J. Offices of Central Accounting, Budgeting, and Purchasing and Human Resources**

On May 21, 2018, the Maury County Commission adopted Chapter 47, Private Acts of 2018, which provides for a central system of accounting, budgeting, and purchasing covering all funds of the county. Implementation began in November 2018 and was fully implemented on June 30, 2019.

Office of Finance Director

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

Office of Human Resources

Maury County also operates under provisions of Chapter 91, Private Acts of 2004, which provide for an Office of Human Resources under the direction of

the administrative committee of the county commission. The Office of Human Resources handles all human resource duties and responsibilities.

**K. Purchasing Laws**

Purchasing procedures for all departments (excluding Maury Regional Hospital) of Maury County, including the discretely presented Maury County School Department, are governed by provisions of Chapter 47, Private Acts of 2018. This act provides for the finance director or a deputy appointed by him to serve as the county purchasing agent. The finance director appointed a deputy to serve as the purchasing agent for Maury County. All purchase orders are issued by the purchasing department. Purchases exceeding \$25,000 are required to be competitively bid.

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

**A. Organization**

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

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

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

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

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

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

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

Maury Regional Ambulatory Surgery Center (the Surgery Center) is a nonprofit corporation that provides medical care to non-emergent patients in the hospital's service area. The hospital is the sole member of the Surgery Center and funds its operating losses. On July 1, 2018, the hospital sold 75.5 percent of the outstanding membership units of the Surgery Center for \$2,369,945. No significant gain or loss was recognized related to this transaction. The hospital's remaining interest is reported as a joint venture investment using the equity method of accounting. Under the terms of the related Operating Agreement, the hospital is not required to make any further capital contributions.

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

During 2018, the hospital entered into a joint venture agreement with another healthcare organization to form TriStar Maury Behavioral Healthcare, LLC (TriStar) to construct, own, and operate a behavioral health hospital in Maury County, Tennessee. TriStar is owned 49 percent by the hospital with an initial capital contribution of \$877,871. During the construction period, the hospital is required to make additional quarterly capital contributions totaling approximately \$12,900,000. Capital contributions totaling approximately \$8,640,000 have been made as of June 30, 2019.

## **B. Summary of Significant Accounting Policies**

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

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

Cash and Cash Equivalents – Cash and cash equivalents include cash on hand, deposits in banks, and investments with a maturity of three months or less when purchased, excluding any amounts whose use is limited by board designation.

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

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

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

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

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



plant, and equipment for indications of potential impairment. Management does not believe any impairment existed as of June 30, 2019.

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

Compensated Absences – The hospital’s employees earn paid time off at varying rates depending on years of service. An accrual for paid time off is recorded in the period in which the employee earns the right to the compensation. Prior to July 1, 2015, employees also earned sick leave benefits based on varying rates depending on years of service and accumulated sick leave up to a specified maximum. Employees were not paid for accumulated sick leave if they left before retirement. However, employees who retired after the age of 60 could convert accumulated sick leave to termination payments. The hospital’s paid time off policy was amended effective July 1, 2015, to eliminate future sick pay accruals and freeze existing sick pay accrual amounts at their June 30, 2015, amounts. The estimated amount of sick leave, which will ultimately be payable as termination payments, totals approximately \$879,000 at June 30, 2019, and is reported as a noncurrent liability in the combined financial statements. Due to uncertainties in this estimate, it is at least reasonably possible that management’s estimate could change in 2020.

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

Net Position – Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the balances of any outstanding borrowings used to finance the purchase or construction of those assets. Unrestricted net position is the remaining assets that do not meet the definition of net investment in capital assets. There were no assets in a restricted position at June 30, 2019.

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

Operating Activities – The hospital defines operating activities as reported on the Combined Statement of Revenues, Expenses, and Changes in Net Position as those that generally result from exchange transactions, such as payments

for providing services and payments for goods and services received. Non-exchange transactions, including contributions and grants, as well as investment income and interest expense, are considered nonoperating revenue and expenses.

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

Income Taxes – The hospital meets the Internal Revenue Service definition of a governmental unit and is exempt from federal income taxes. MRMG and the Foundation are exempt from federal income taxes as 501(c)(3) organizations. At June 30, 2019, management does not believe the hospital holds any uncertain tax positions that would require financial statement recognition or disclosure.

Recently Issued Accounting Pronouncements – In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*, which requires balance sheet recognition of a liability and right-to-use asset for substantially all leases with a maximum possible term exceeding twelve months. The lease liability is measured at the present value of payments made during the lease term. In later periods, the lessee should amortize the discount of the lease liability and report it as an outflow of resources (interest expense) for the period. The lease asset is measured as the sum of the amount of the initial measurement of the lease liability, lease payments made to the lessor at/before the beginning of the lease term, and any initial direct costs. A lease asset is amortized over the shorter of the lease term or the useful life of the underlying asset and reported as an amortization expense. The requirements of this statement are effective for reporting periods beginning after December 15, 2019; however, early adoption is permitted. Management is currently evaluating the impact of the adoption of the statement on the financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. This statement will eliminate the capitalization of interest expense during the construction periods. The statement is effective for periods beginning after December 15, 2019, and will be applied prospectively.

In January 2017, the GASB issued Statement No. 85, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities and clarifies whether and how these activities should be reported in the basic financial statements. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Management is

currently evaluating the impact of the adoption of the Statement on the combined financial statements.

Reclassifications – Certain 2018 amounts in the accompanying combined financial statements have been reclassified to conform with the 2019 presentation.

**C. Patient Service Revenue and Accounts Receivable**

The hospital has agreements with various third-party payers that provide for payments to the hospital at amounts different from established rates. The difference between the rates charged and the estimated payments from third-party payers is recorded as a reduction of gross patient service charges. Revenue for patient service charges has been adjusted to the amounts estimated to be receivable under third-party payer arrangements. Amounts recorded under these contractual arrangements are subject to review and final determination by various program intermediaries. Management believes that adequate provision has been made for any adjustments, which may result from such reviews. However, due to uncertainties in the estimates, it is at least reasonably possible that management's estimates will change in 2020. Net patient service revenue for the year ended June 30, 2019, was not significantly impacted due to adjustments of estimates or final settlements of prior periods.

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

Medicare – Inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are paid primarily on a prospective basis. These rates vary according to a patient classification system that is based on clinical diagnosis, procedures utilized, and other factors. The Medicare program continues to reimburse certain other services based on a per diem or on a percentage of cost up to predetermined limits. The hospital also receives additional payments from the Medicare program for providing services to a disproportionate share of Medicaid (TennCare) and other low income patients and such amounts are not guaranteed in future periods. Approximately \$22,200,000 of net patient accounts receivable are due from the Medicare program at June 30, 2019.

TennCare – The State of Tennessee's Medicaid waiver program (TennCare) provides coverage through several managed care organizations. TennCare reimbursement for both inpatient and outpatient services is based upon prospectively determined rates and per-diem amounts. Approximately \$4,400,000 of net patient accounts receivable are from payers under the TennCare program at June 30, 2019. During 2019, the hospital received additional distributions under the TennCare Essential Access, federal matching, and other programs totaling approximately \$1,620,000. Future distributions under these programs are not guaranteed. Such amounts are subject to potential recoupment.

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

Charity Care – The hospital provides care without charge to patients who meet certain criteria under its charity care policy. Because the hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient revenue. The estimated direct and indirect costs of providing these services totaled approximately \$6,900,000 in 2019. Such costs are determined using a ratio of cost to charges analysis with indirect cost allocated under a reasonable and systematic approach.

A reconciliation of the hospital’s amount of services provided to patients at established rates to net patient service revenue is as follows at June 30, 2019:

|   |                              |
|---|------------------------------|
| Patient Service Charges                 | \$ 1,256,710,970             |
| Less: Estimated Contractual Adjustments | (840,908,780)                |
| Less: Provision for Bad Debts           | (34,583,865)                 |
| Less: Charity Care                      | <u>(27,681,522)</u>          |
| Total                                   | <u><u>\$ 353,536,803</u></u> |

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

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

|               |                             |
|---------------|-----------------------------|
| Bank Deposits | \$ 15,534,716               |
| Investments   | <u>51,855,232</u>           |
| Total         | <u><u>\$ 67,389,948</u></u> |

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

|                           |                             |
|---------------------------|-----------------------------|
| Cash and Cash Equivalents | \$ 13,373,436               |
| Certificates of Deposit   | 328,676                     |
| Investments               | 2,742,741                   |
| Assets Limited As to Use  | <u>50,945,095</u>           |
| Total                     | <u><u>\$ 67,389,948</u></u> |

The hospital holds deposits only in banks participating in the State of Tennessee Collateral Pool and in banks that provide collateral for all deposits,

or banks that are members of the Federal Deposit Insurance Corporation (FDIC).

Additionally, the hospital's deposits in financial institutions are required by state statute to be secured and collateralized by the institutions. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each individual account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

At June 30, 2019, the hospital's bank balances for deposits totaled \$15,960,629, a majority of which was insured by the FDIC or by the bank's participation in the State of Tennessee's collateral pool. Remaining deposits totaling \$502,942 are collateralized by securities held by the financial institution and pledged as collateral for the hospital's deposits.

The estimated fair values and maturities for investments, all of which were held in the hospital's name by a custodial bank that is an agent of the hospital, are as follows at June 30, 2019:

| Investment Type             | Maturity         | Amount               |
|-----------------------------|------------------|----------------------|
| Mutual Funds - Fixed Income | N/A              | \$ 17,993,725        |
| Mutual Funds - Equity       | N/A              | 20,884,482           |
| Government Agency Bonds     | Less than 1 year | 1,246,573            |
| Government Agency Bonds     | 1 to 5 years     | 3,901,823            |
| Corporate Bonds             | Less than 1 year | 499,128              |
| Corporate Bonds             | 1 to 5 years     | 7,329,501            |
| Total                       |                  | <u>\$ 51,855,232</u> |

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

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

Credit Risk – The hospital's investment policy restricts investments in corporate bonds to those with a credit rating of at least BBB and municipal bonds to those with a rating of at least AA. Mutual fund's underlying

investments must meet the same credit ratings as other investments. The hospital's mutual fund investments are not rated. The credit rating of the hospital's U.S. government agency, corporate, and municipal bonds is as follows at June 30, 2019:

| Rating | Carrying<br>Amount          |
|--------|-----------------------------|
| AA     | \$ 5,902,880                |
| A      | 2,765,714                   |
| BBB    | 3,586,334                   |
| N/R    | <u>722,097</u>              |
| Total  | <u><u>\$ 12,977,025</u></u> |

Concentration of Credit Risk – The hospital's investment policy limits investments in corporate bonds to 60 percent of total investments with no security issuer exceeding five percent of total investments and municipal bonds to 25 percent of total investments with no security issuer exceeding five percent of total investments. There is no limit on investments in U.S. treasury securities, U.S. government agency bonds, or notes. Mutual funds containing corporate bonds should not exceed 50 percent of total investments, and a single mutual fund should not exceed 25 percent of total investments. Equity investments cannot exceed 40 percent of total investments. An investment in the equity of a single corporation and a single equity mutual fund should not exceed five percent and 15 percent, respectively, of total investments. At June 30, 2019, the hospital holds an investment in a single mutual fund containing corporate bonds that represents 20 percent of total investments.

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

**E. Property, Plant, and Equipment**

A summary of changes in property, plant, and equipment and related accumulated depreciation for the year ended June 30, 2019, is as follows:

|  | Balance<br>7-1-18 | Additions/<br>Transfers | Retirements/<br>Transfers | Balance<br>6-30-19 |
|--|-------------------|-------------------------|---------------------------|--------------------|
| Capital Assets Depreciated:              |                   |                         |                           |                    |
| Land Improvements                        | \$ 6,045,661      | \$ 73,797               | \$ 0                      | \$ 6,119,458       |
| Buildings                                | 203,992,084       | 75,019                  | (233,259)                 | 203,833,844        |
| Equipment                                | 205,806,763       | 8,564,777               | 43,188,066                | 257,559,606        |
| Total Capital Assets Depreciated         | \$ 415,844,508    | \$ 8,713,593            | \$ 42,954,807             | \$ 467,512,908     |
| Less Accumulated Depreciation For:       |                   |                         |                           |                    |
| Land Improvements                        | \$ 4,886,274      | \$ 143,358              | \$ 0                      | \$ 5,029,632       |
| Buildings                                | 139,354,312       | 7,667,122               | (536,277)                 | 146,485,157        |
| Equipment                                | 165,985,388       | 11,841,430              | (1,293,363)               | 176,533,455        |
| Total Accumulated Depreciation           | \$ 310,225,974    | \$ 19,651,910           | \$ (1,829,640)            | \$ 328,048,244     |
| Total Capital Assets<br>Depreciated, Net | \$ 105,618,534    | \$ (10,938,317)         | \$ 44,784,447             | \$ 139,464,664     |
| Capital Assets Not Depreciated:          |                   |                         |                           |                    |
| Land                                     | \$ 7,656,670      | \$ 52,725               | \$ 0                      | \$ 7,709,395       |
| Construction in Progress                 | 33,533,023        | 20,378,453              | (48,461,901)              | 5,449,575          |
| Total Capital Assets Not<br>Depreciated  | \$ 41,189,693     | \$ 20,431,178           | \$ (48,461,901)           | \$ 13,158,970      |
| Total Capital Assets, Net                | \$ 146,808,227    | \$ 9,492,861            | \$ (3,677,454)            | \$ 152,623,634     |

During 2019, the hospital capitalized interest expense on construction projects totaling approximately \$652,000. Construction in progress at June 30, 2019, consisted primarily of facility renovations and information system upgrades, and the total estimated costs required to complete these projects is approximately \$1,440,000.

#### **F. Long-term Debt**

Long-term debt consists of the following as of June 30, 2019:

Bonds Payable

|   |                      |
|---|----------------------|
| Series 2015, Maury County General Obligation Refunding and Public Improvement Bonds issued on behalf of the hospital, with interest rates ranging from 3% to 5%, and the final payment due April 1, 2027. | \$ 19,610,000        |
| Series 2012B, Maury County General Obligation Bonds issued on behalf of the hospital, with interest rates at 2%, with the final payment due April 1, 2020.  | <u>340,000</u>       |
| Total Bonds Payable   | <u>\$ 19,950,000</u> |
| Plus unamortized premiums   | <u>\$ 2,539,962</u>  |
| Total Bonds Payable, Net of Unamortized Premiums  | <u>\$ 22,489,962</u> |
| <br><u>Other Long-term Debt</u>   |                      |
| Capital lease obligations - see Note VI.I.  | \$ 30,497            |
| Line of credit  | <u>8,626,660</u>     |
| Total Other Long-term Debt  | <u>\$ 8,657,157</u>  |
| Total debt  | \$ 31,147,119        |
| Less: current portion   | <u>4,732,396</u>     |
| Total long-term debt  | <u>\$ 26,414,723</u> |

The hospital's bonds payable are general obligation bonds of Maury County, Tennessee. The bonds were issued for the purpose of acquiring property and equipment or the retirement of previously outstanding bonds and notes and to pay issuance costs. The bonds are secured by unlimited ad valorem taxes on all taxable property within the county.

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

During 2018, the hospital entered into a construction line of credit with a financial institution to finance capital contributions to a joint venture project for the construction of behavior health hospital. The total amount available under this construction loan is \$15,000,000 and the balance drawn will be repaid monthly over a period of ten years. The outstanding balance bears interest at a rate of 3.7 percent, payable monthly during the draw period. Monthly principal payments begin in November 2019.



Additionally, during 2018, the hospital entered into a line of credit agreement with a financial institution to fund potential cash shortfalls during a system conversion. The total amount available on the line of credit is \$15,000,000 and no amounts have been drawn as of June 30, 2019. The line of credit expires during 2020.

The hospital's scheduled principal maturities on bonds payable (excluding unamortized premiums) and the construction line of credit as of June 30, 2019, (excluding unamortized premiums) follows:

| Year Ending<br>June 30 | Principal            | Interest            |
|------------------------|----------------------|---------------------|
| 2020                   | \$ 4,713,945         | \$ 1,216,256        |
| 2021                   | 5,090,314            | 988,444             |
| 2022                   | 3,708,471            | 753,038             |
| 2023                   | 3,873,816            | 587,443             |
| 2024                   | 3,956,432            | 414,327             |
| 2025-2029              | 7,233,682            | 421,705             |
| Total                  | <u>\$ 28,576,660</u> | <u>\$ 4,381,213</u> |

A schedule of changes in long-term debt for the year ended June 30, 2019, is as follows:

|                      | Balance<br>7-1-18    | Additions/<br>Amortization | Payments/<br>Maturities | Balance<br>6-30-19   | Amounts Due<br>Within<br>One Year |
|----------------------|----------------------|----------------------------|-------------------------|----------------------|-----------------------------------|
| Bonds payable        | \$ 23,470,000        | \$ 0                       | \$ (3,520,000)          | \$ 19,950,000        | \$ 3,715,000                      |
| Unamortized premiums | 2,882,895            | (342,933)                  | 0                       | 2,539,962            | 0                                 |
| Other long-term debt | 1,052,052            | 7,748,789                  | (143,684)               | 8,657,157            | 1,017,396                         |
| Total                | <u>\$ 27,404,947</u> | <u>\$ 7,405,856</u>        | <u>\$ (3,663,684)</u>   | <u>\$ 31,147,119</u> | <u>\$ 4,732,396</u>               |

## **G. Pension Plan**

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

The plan was amended effective May 1, 1997, to stop accrual of benefit service on April 30, 1997, for participants who made an irrevocable election to participate in the Maury Regional Healthcare System 403(b) plan on May 1, 1997, 1998, or 2001. Employees hired after May 1, 1997, are not eligible to participate in the plan.

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

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

|   |                     |
|---|---------------------|
| Active Employees - Accruing Benefits            | 41                  |
| Active Employees - Frozen Benefits              | 244                 |
| Inactive Employees with Deferred Benefits       | 251                 |
| Disabled  | 4                   |
| Inactive Employees Currently Receiving Benefits | <u>565</u>          |
| Total   | <u><u>1,105</u></u> |

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

Net Pension Liability – The hospital’s net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate net pension liability was determined by an actuarial valuation as of April 30, 2019. The total pension liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement as of April 30:

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

Mortality rates were based on the IRS 2019 Static Mortality Table (based on RP-2014 Mortality Table with generational mortality improvement scale MP-2017). The actuarial valuation method used was entry age normal method.

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

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

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

Changes in the Net Pension Liability – Changes in the hospital's net pension liability are as follows for the year ended June 30, 2019:

|                           | Increase (Decrease)                  |  |  |
|---------------------------|--------------------------------------|--|--|
|                           | Total<br>Pension<br>Liability<br>(a) | Plan<br>Fiduciary<br>Net Position<br>(b) | Net<br>Pension<br>Liability<br>(a)-(b) |
| Balance, June 30, 2018    | \$ 51,066,838                        | \$ 44,182,657                            | \$ 6,884,181                           |
| Changes for the year:     |                                      |  |  |
| Service Cost              | \$ 347,192                           | \$ 0                                     | \$ 347,192                             |
| Interest                  | 3,722,189                            | 0  | 3,722,189                              |
| Liability Gains or Losses | (217,580)                            | 0  | (217,580)                              |
| Assumption Changes        | 1,542,749                            | 0  | 1,542,749                              |
| Benefit Payments          | (3,569,690)                          | (3,569,690)                              | 0                                      |
| Administrative Expenses   | 0                                    | (186,264)                                | 186,264                                |
| Investment Income (Loss)  | 0                                    | 2,714,535                                | (2,714,535)                            |
| Employer Contributions    | 0                                    | 0  | 0                                      |
| Balance, June 30, 2019    | \$ 52,891,698                        | \$ 43,141,238                            | \$ 9,750,460                           |

The plan's fiduciary net position as a percentage of the total pension liability was approximately 82 percent as of June 30, 2019.

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

|                       | 1%<br>Decrease<br>6.5% | Current<br>Discount<br>Rate<br>7.5% | 1%<br>Increase<br>8.5% |
|-----------------------|------------------------|-------------------------------------|------------------------|
| Net Pension Liability | \$ 14,726,391          | \$ 9,750,460                        | \$ 5,434,770           |

Pension Expense and Deferred Outflows and Deferred Inflows of Resources –  
For the year ended June 30, 2019, the hospital recognized pension expense of \$3,020,785. At June 30, 2019, the hospital reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Differences Between Expected and Actual Experience | \$ 0                                    | \$ 108,790                             |
| Changes in Assumptions                             | 771,374                                 | 0                                      |
| Differences Between Projected and Actual Earnings  | 0                                       | 127,540                                |
| Total  | <u>\$ 771,374</u>                       | <u>\$ 236,330</u>                      |

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

| Year Ending<br>June 30 | Amount       |
|------------------------|--------------|
| 2020                   | \$ 1,158,865 |
| 2021                   | (590,373)    |
| 2022                   | (126,514)    |
| 2023                   | 93,066       |

#### **H. Other Retirement Plans**

The hospital sponsors and administers a defined contribution plan, which includes a 403(b) feature and an employer matching provision and covers substantially all hourly and salaried employees. Voluntary contributions may be made by the participants as a percentage of annual compensation not to exceed Internal Revenue Service limits. The hospital's contribution in 2019 consisted of a matching contribution equal to 100 percent of the first three percent of annual compensation and an additional matching contribution of 125 percent of the employees' contribution from four to five percent of annual compensation if the employee had five or more years of service. The hospital's total contribution for the year ended June 30, 2019, was approximately \$4,860,000. Hospital employees' total contributions for the year ended June 30, 2019, were approximately \$8,312,000.

#### **I. Leases**

Capital Leases – The hospital leases medical equipment under various capital lease agreements with interest rates ranging from 3.7 percent to 4.5 percent. All remaining leases will expire in 2020.

Operating Leases – The hospital also rents office space and equipment under various non-cancelable operating lease agreements with varying terms. Rent

expense under operating lease agreements totaled approximately \$3,500,000 for the year ended June 30, 2019.

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

| Year<br>Ending<br>June 30 | Amount               |
|---------------------------|----------------------|
| 2020                      | \$ 2,375,144         |
| 2021                      | 1,983,922            |
| 2022                      | 1,615,193            |
| 2023                      | 1,495,829            |
| 2024                      | 1,513,896            |
| 2025-2029                 | 4,129,677            |
| 2030-2034                 | <u>2,129,615</u>     |
| Total                     | <u>\$ 15,243,276</u> |

Leases with Physicians – The hospital leases office space in its medical office buildings to physicians under non-cancelable operating leases with varying terms. Rental income under these lease agreements totaled approximately \$1,820,000 for the year ended June 30, 2019. Future minimum lease commitments to the hospital for all significant non-cancelable operating leases to physicians are as follows:

| Year<br>Ending<br>June 30 | Amount              |
|---------------------------|---------------------|
| 2020                      | \$ 619,037          |
| 2021                      | 564,366             |
| 2022                      | 474,438             |
| 2023                      | 299,206             |
| 2024                      | <u>195,584</u>      |
| Total                     | <u>\$ 2,152,631</u> |

Leased Healthcare Facilities - Effective July 1, 2014, the hospital entered into a five-year lease under a lease arrangement with Wayne County for the operation of several Wayne County healthcare facilities, including the county hospital, ambulance service, and medical office buildings. The lease also extends to all equipment, improvements, fixtures, and related personal property. The annual lease expense is \$50,000 each year and an annual capital improvement commitment of \$150,000. The lease provides for two five-year renewal options, which occur automatically unless the hospital provides notice

of its intent to terminate the lease at least 180 days in advance. Management currently has no intention of terminating the lease.

**J. Other Long-term Liabilities**

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

|                          | Balance<br>July 1, 2018 | Compensation<br>Earned | Payments/<br>Adjustments | Balance<br>June 30, 2019 |
|--------------------------|-------------------------|------------------------|--------------------------|--------------------------|
| Employee benefits        | \$ 1,150,200            | \$ 0                   | \$ (239,200)             | \$ 911,000               |
| Deferred compensation    | 539,728                 | 535,500                | (412,488)                | 662,740                  |
| Reserve for claim audits | 3,822,007               | 0                      | (144,435)                | 3,677,572                |
|                          | <u>\$ 5,511,935</u>     | <u>\$ 535,500</u>      | <u>\$ (796,123)</u>      | <u>\$ 5,251,312</u>      |

**K. Commitments and Contingencies**

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

Malpractice Liability Claims – The hospital is subject to claims and suits arising in the ordinary course of business from services provided to patients. Losses against the hospital are limited by the Tennessee Governmental Tort Liability Act to \$300,000 for injury or death per person and \$700,000 per occurrence. However, claims against healthcare practitioners are not subject to these limits. The hospital maintains professional liability insurance on a claims made basis with limits of \$1,000,000 per occurrence with a retention of \$250,000 per claim and a \$3,000,000 annual aggregate with a \$750,000 annual aggregate retention. The hospital has estimated and recorded a liability for reported claims totaling approximately \$1,080,000 at June 30, 2019. In management’s opinion, the hospital is currently not a party to any proceeding, the ultimate resolution of which will have a material adverse effect on the hospital’s results of operations or financial condition. The hospital has not estimated any liability for incurred but not reported claims.

Workers’ Compensation Claims – The hospital is covered for workers’ compensation claims through an insurance policy with a per claim and policy limit of \$500,000. Management has recorded an accrual for the estimated liability related to claims reported as of June 30, 2019. The hospital has not estimated any liability for incurred but not reported claims.

Healthcare Benefits – The hospital maintains a partially self-insured healthcare plan to provide reimbursement for covered expenses incurred as a result of illness or injury to covered employees and dependents. Stop-loss

insurance is purchased for annual claims per individual exceeding \$300,000 with an additional aggregating specific amount of \$100,000. The hospital has estimated and recorded a liability for healthcare claims incurred but not yet reported totaling approximately \$2,162,000 at June 30, 2019.

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

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

**L. Fair Value Measurement**

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



Assets Measured at Fair Value on a Recurring Basis as of June 30, 2019

| Investments in:                   | Carrying<br>Value | Quoted Prices<br>in<br>Active Markets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
|-----------------------------------|-------------------|--|---|--|
| Mutual Funds - Fixed Income       | \$ 17,993,725     | \$ 17,993,725                                      | \$ 0  | \$ 0   |
| Mutual Funds - Equity             | 20,884,482        | 20,884,482   | 0   | 0  |
| U.S. Governmental Agency<br>Bonds | 5,148,396         | 0  | 5,148,396   | 0  |
| Corporate and Municipal Bonds     | 7,828,629         | 0  | 7,828,629   | 0  |
|                                   | \$ 51,855,232     | \$ 38,878,207                                      | \$ 12,977,025   | \$ 0   |

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

**M. Blended Component Unit Information**

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

Statements of Net Position  
For the Year Ended June 30, 2019

|   | Hospital              | MRMG                | Surgery<br>Center | Foundation          |
|---|-----------------------|---------------------|-------------------|---------------------|
| <b>Assets</b>   |                       |                     |                   |                     |
| Current Assets  | \$ 79,156,258         | \$ 4,871,107        | \$ 0              | \$ 2,460,213        |
| Due from Affiliates   | 291,399               | 226,254             | 0                 | 0                   |
| Property, Plant,<br>and Equipment                                       | 151,759,427           | 864,207             | 0                 | 0                   |
| Other Assets  | 73,729,285            | 431,876             | 0                 | 0                   |
| <b>Total Assets</b>   | <b>\$ 304,936,369</b> | <b>\$ 6,393,444</b> | <b>\$ 0</b>       | <b>\$ 2,460,213</b> |
| <b>Deferred Outflows of Resources</b>                                   |                       |                     |                   |                     |
| Pension Adjustments   | \$ 771,374            | \$ 0                | \$ 0              | \$ 0                |
| Deferred Amounts from<br>Debt Refunding                                 | 76,888                | 0                   | 0                 | 0                   |
| <b>Combined Assets and Deferred<br/>Outflows of Resources</b>           | <b>\$ 305,784,631</b> | <b>\$ 6,393,444</b> | <b>\$ 0</b>       | <b>\$ 2,460,213</b> |
| <b>Liabilities</b>  |                       |                     |                   |                     |
| Current liabilities   | \$ 40,176,809         | \$ 4,532,423        | \$ 0              | \$ 0                |
| Long-term debt  | 26,414,723            | 0                   | 0                 | 0                   |
| Other liabilities   | 15,001,772            | 0                   | 0                 | 0                   |
| <b>Total Liabilities</b>  | <b>\$ 81,593,304</b>  | <b>\$ 4,532,423</b> | <b>\$ 0</b>       | <b>\$ 0</b>         |
| <b>Deferred Inflows of Resources</b>                                    |                       |                     |                   |                     |
| Pension Adjustments   | \$ 236,330            | \$ 0                | \$ 0              | \$ 0                |
| <b>Net Position</b>   |                       |                     |                   |                     |
| Net investment<br>in capital assets                                     | \$ 120,612,308        | \$ 864,207          | \$ 0              | \$ 0                |
| Unrestricted  | 103,342,689           | 996,814             | 0                 | 2,460,213           |
| <b>Total Net Position</b>   | <b>\$ 223,954,997</b> | <b>\$ 1,861,021</b> | <b>\$ 0</b>       | <b>\$ 2,460,213</b> |
| <b>Combined Liabilities,<br/>Deferred Inflows, and<br/>Net Position</b> | <b>\$ 305,784,631</b> | <b>\$ 6,393,444</b> | <b>\$ 0</b>       | <b>\$ 2,460,213</b> |

Statements of Revenues, Expenses, and Changes in Net Position  
For the Year Ended June 30, 2019

|  | Hospital       | MRMG            | Surgery<br>Center | Foundation   |
|--|----------------|-----------------|-------------------|--------------|
| Operating Revenue                      |                |                 |                   |              |
| Net Patient Service Revenue            | \$ 322,664,977 | \$ 30,871,826   | \$ 0              | \$ 0         |
| Other Operating Revenue                | 16,592,328     | 7,099,897       | 0                 | 0            |
| Total Operating Revenue                | \$ 339,257,305 | \$ 37,971,723   | \$ 0              | \$ 0         |
| Operating Expenses                     | (322,621,689)  | (47,742,320)    | 0                 | (811,216)    |
| Depreciation and Amortization          | (19,416,621)   | (907,921)       | 0                 | 0            |
| Operations Income (Loss)               | \$ (2,781,005) | \$ (10,678,518) | \$ 0              | \$ (811,216) |
| Nonoperating Revenue                   |                |                 |                   |              |
| (Expenses)                             | 5,503,575      | 749             | 0                 | 998,402      |
| Equity in Affiliate Losses             | (11,323,369)   | 0               | 0                 | 0            |
| Interest Expense                       | (189,560)      | (2,113)         | 0                 | 0            |
| Excess of Revenue Over Expenses        | \$ (8,790,359) | \$ (10,679,882) | \$ 0              | \$ 187,186   |
| Capital Contributions<br>and Transfers | 0              | 11,107,238      | (576,933)         | 0            |
| Change in Net Position                 | \$ (8,790,359) | \$ 427,356      | \$ (576,933)      | \$ 187,186   |
| Net Position, 7-1-18                   | 232,745,356    | 1,433,665       | 576,933           | 2,273,027    |
| Net Position, 6-30-19                  | \$ 223,954,997 | \$ 1,861,021    | \$ 0              | \$ 2,460,213 |

Statements of Cash Flows  
For the Year Ended June 30, 2019

|  | Hospital        | MRMG         | Surgery<br>Center | Foundation     |
|--|-----------------|--------------|-------------------|----------------|
| Cash Flows from<br>Operating Activities                        | \$ (2,960,269)  | \$ 1,095,095 | \$ (3,523)        | \$ (1,004,028) |
| Cash Flows from<br>Noncapital Financing<br>Activities          | 1,898,350       | 0            | 0                 | 870,872        |
| Cash Flows from<br>Capital and Related<br>Financing Activities | (24,969,993)    | (414,931)    | 0                 | 0              |
| Cash Flows from<br>Investing Activities                        | 4,202,641       | (740,835)    | 0                 | 127,530        |
| Increase in Cash and<br>Cash Equivalents                       | \$ (21,829,271) | \$ (60,671)  | \$ (3,523)        | \$ (5,626)     |
| Cash and Cash<br>Equivalents, 7-1-18                           | 35,183,406      | 52,069       | 3,523             | 33,529         |
| Cash and Cash<br>Equivalents, 6-30-19                          | \$ 13,354,135   | \$ (8,602)   | \$ 0              | \$ 27,903      |

**N. Subsequent Events**

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

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

**A. Summary of Significant Accounting Policies**

**1. Organization**

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

**2. Basis of Accounting**

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

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

The system is included in the Tennessee Consolidated Retirement System as part of the Maury County plan. The system is calculated as a percentage of the total Maury County plan. The percentage is provided by the auditors of the state of Tennessee. The percentage was 2.26 percent for the year ended June 30, 2019, which was a change in estimate from 2.47 percent for the year ended June 30, 2018. The change in accounting estimate is reported as an expense in the current year financial statements.

**4. Pension**

Plan Description:

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

Benefits Provided:

Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's

highest five consecutive year average compensation and the member's years of service credit.

**5. Net Pension Liability (Asset)**

The system's net pension liability (asset) was measured as of June 30, 2018, 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, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                           |   |
|---------------------------|---|
| Inflation                 | 2.5%  |
| Salary Increases          | Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4.25% |
| Investment Rate of Return | 7.25%, Net of Pension Plan Investment Expenses, Including Inflation                         |
| Cost of Living Adjustment | 2.25%   |

Mortality rates were based on actual experience including an adjustment for some anticipated improvement. The actuarial assumptions used in the June 30, 2018, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

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

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

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

## **6. Utility Plant, Property and Equipment**

The utility plant, property and equipment are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the respective assets. Items costing over \$500 are depreciated. Maintenance and repairs are charged to expense as incurred; major renewals and improvements are capitalized. When items of property or equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts, and any gain or loss is included in income. Depreciation expense for the year ended June 30, 2019, was \$816,511.

**7. Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the system considers all investment instruments purchased with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2019. Restricted assets are not treated as part of the system's cash and cash equivalents.

**8. Classification of Revenue**

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

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

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

**9. Use of Estimates**

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

**10. Inventory**

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

**11. Restricted Resources**

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

**B. Accounts Receivable**

Customer receivables are composed of the following aged categories:

|                  | <u>Amount</u>     |
|------------------|-------------------|
| Current Billings | \$ 289,971        |
| 30 Days Past Due | 4,208             |
| 60 Days Past Due | 369               |
| 90 Days Past Due | <u>124</u>        |
| Total            | <u>\$ 294,672</u> |

Bad debts are determined and written-off only by direct action of the system's board. For the year ended June 30, 2019, \$7,316 was written-off.

**C. Deposits and Investments**

Deposits

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

Custodial credit risk is the risk that in the event of a bank failure, the system's deposits may not be returned to it. As of June 30, 2019, all deposits were insured or collateralized.

Investments

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

**D. Restricted Assets**

The restricted assets represent investment of customer deposits. The customer deposits are not available for operation of the system and are held in trust. The deposits at June 30, 2019, included \$32,890 for meter deposits of current customers.



**E. Utility Plant, Property, and Equipment**

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

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

**F. Capital Assets**

Capital assets activity for the year ended June 30, 2019, was as follows:

|  | Balance<br>7-1-18    | Additions           | Retirements         | Balance<br>6-30-19   |
|--|----------------------|---------------------|---------------------|----------------------|
| Capital Assets Not<br>Depreciated:       |                      |                     |                     |                      |
| Land                                     | \$ 589,205           | \$ 0                | \$ 0                | \$ 589,205           |
| Construction in Progress                 | 78,852               | 409,362             | (82,381)            | 405,833              |
| Total Capital Assets<br>Not Depreciated  | <u>\$ 668,057</u>    | <u>\$ 409,362</u>   | <u>\$ (82,381)</u>  | <u>\$ 995,038</u>    |
| Capital Assets<br>Depreciated:           |                      |                     |                     |                      |
| Building                                 | \$ 1,988,736         | \$ 4,864            | \$ 0                | \$ 1,993,600         |
| Water Grid and Improvements              | 31,887,970           | 445,049             | 0                   | 32,333,019           |
| Equipment and Fixtures                   | 1,254,810            | 107,202             | (111,036)           | 1,250,976            |
| Total Capital Assets<br>Depreciated      | <u>\$ 35,131,516</u> | <u>\$ 557,115</u>   | <u>\$ (111,036)</u> | <u>\$ 35,577,595</u> |
| Less Accumulated<br>Depreciation For:    |                      |                     |                     |                      |
| Building                                 | \$ 296,786           | \$ 40,826           | \$ 0                | \$ 337,612           |
| Water Grid and Improvements              | 9,518,659            | 694,034             | 0                   | 10,212,693           |
| Equipment and Fixtures                   | 827,268              | 81,651              | (111,036)           | 797,883              |
| Total Accumulated<br>Depreciation        | <u>\$ 10,642,713</u> | <u>\$ 816,511</u>   | <u>\$ (111,036)</u> | <u>\$ 11,348,188</u> |
| Total Capital Assets<br>Depreciated, Net | <u>\$ 24,488,803</u> | <u>\$ (259,396)</u> | <u>\$ 0</u>         | <u>\$ 24,229,407</u> |
| Total Capital Assets, Net                | <u>\$ 25,156,860</u> | <u>\$ 149,966</u>   | <u>\$ (82,381)</u>  | <u>\$ 25,224,445</u> |

**G. Accrued Leave**

Accumulated annual leave at June 30, 2019, totaled \$17,899. It is the system's policy to accrue vacation annually for full-time personnel and charge employee benefits. The policy provides two weeks annual leave for personnel with one to five years continuous service, three weeks for six to 11 years of service, and increasing amounts up to five weeks for service up to 25 years.

**H. Risk Management**

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

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

**I. Long-term Debt**

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

Bonds payable consist of the following at June 30, 2019:

Bonds Payable

|  |                            |
|--|----------------------------|
| Series 2006, State Revolving Loan Fund: DWSRF 2005-065: The principal will be amortized over 20 years with monthly payments of \$21,623 and an interest rate of 2.42%. | \$ 1,938,661               |
| Series 2008, State Revolving Loan Fund: DWSRF 2007-072: The principal will be amortized over 20 years with monthly payments of \$8,679 and an interest rate of 2.42%.  | 855,480                    |
| Series 2006, USDA Rural Development Loan: The principal will be amortized over 38 years with monthly payments of \$12,615 and an interest rate of 4.125%.              | <u>2,463,339</u>           |
| Total Bonds Payable  | \$ 5,257,480               |
| Less current portion   | <u>(350,062)</u>           |
| Total Long-term Bonds Payable  | <u><u>\$ 4,907,418</u></u> |

### Bonds Payable

| Balance<br>7-1-18 | Reductions   | Balance<br>6-30-19 | Due Within<br>One Year |
|-------------------|--------------|--------------------|------------------------|
| \$ 5,598,313      | \$ (340,833) | \$ 5,257,480       | \$ 350,062             |

The principal and interest requirements for outstanding bonds as of June 30, 2019, are as follows:

| Year Ending<br>June 30 | Principal           | Interest            | Total               |
|------------------------|---------------------|---------------------|---------------------|
| 2020                   | \$ 350,062          | \$ 164,942          | \$ 515,004          |
| 2021                   | 359,528             | 155,476             | 515,004             |
| 2022                   | 369,251             | 145,753             | 515,004             |
| 2023                   | 379,248             | 135,757             | 515,005             |
| 2024                   | 389,546             | 125,459             | 515,005             |
| 2025-2029              | 1,149,250           | 450,919             | 1,600,169           |
| 2030-2034              | 829,104             | 361,802             | 1,190,906           |
| 2035-2039              | 511,906             | 244,994             | 756,900             |
| 2040-2044              | 628,920             | 127,980             | 756,900             |
| 2045-2046              | 290,665             | 12,628              | 303,293             |
| <b>Total</b>           | <b>\$ 5,257,480</b> | <b>\$ 1,925,710</b> | <b>\$ 7,183,190</b> |

#### **J. Pension**

The system participates in the Tennessee Consolidated Retirement System, under the Maury County, Tennessee plan. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service.

Employees contribute five percent of earnable compensation to the plan. The system is required to contribute at an actuarially determined rate; the rate of the fiscal year ended June 30, 2019, was 4.62 percent of annual covered payroll. Pension expense was \$16,212 for the year ended June 30, 2019.

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

At June 30, 2019, the system reported a pension asset of \$70,286 for its proportionate share of the net pension asset. The net pension asset was measured at June 30, 2018, and the total pension liability used to calculate the

net pension liability was determined by an actuarial value as of that date. The system's proportion of the net pension asset was based on the system's share of contributions to the pension plan relative to the contributions of all participants. At the measurement date of June 30, 2019, the system's proportion was 2.26 percent. The proportion measured as of June 30, 2018 was 2.47 percent.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2019, the system reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows<br>of<br>Resources | Deferred<br>Inflows<br>of<br>Resources |
|--|---|--|
| Differences Between Expected and Actual Experience                               | \$ 14,144                               | \$ 13,808                              |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 0                                       | 7,480                                  |
| Changes in Assumptions   | 22,057                                  | 0                                      |
| Contributions Subsequent to the Measurement Date of June 30, 2018                | 33,781                                  | N/A                                    |
| Total  | <u>\$ 69,982</u>                        | <u>\$ 21,288</u>                       |

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

| Year Ending<br>June 30 | Amount    |
|------------------------|-----------|
| 2020                   | \$ 15,100 |
| 2021                   | 5,109     |
| 2022                   | (4,694)   |
| 2023                   | 602       |
| 2024                   | 0         |
| Thereafter             | 0         |

*Payable to the Pension Plan.* The system did not have a payable relating to required contribution to the plan at June 30, 2019.

*Pension Expense.* The system reported pension expense of \$16,212 for the year ended June 30, 2019.

## Changes in the Net Pension Liability (Asset)

|   | Increase (Decrease)         |                                  |                                 |
|---|-----------------------------|----------------------------------|---------------------------------|
|   | Total                       | Plan                             | Net Pension                     |
|   | Pension<br>Liability<br>(a) | Fiduciary<br>Net Position<br>(b) | Liability<br>(Asset)<br>(a)-(b) |
| Balance, July 1, 2018   | \$ 1,544,000                | \$ 1,601,997                     | \$ (57,997)                     |
| Changes for the year:   |                             |                                  |                                 |
| Service Cost  | \$ 55,920                   | \$ 0                             | \$ 55,920                       |
| Interest  | 113,833                     | 0                                | 113,833                         |
| Change in benefit terms   | 0                           | 0                                | 0                               |
| Differences Between Expected<br>and Actual Experience               | 13,836                      | 0                                | 13,836                          |
| Change in assumptions   | 0                           | 0                                | 0                               |
| Contributions-Employer  | 0                           | 31,238                           | (31,238)                        |
| Contributions-Employees   | 0                           | 33,739                           | (33,739)                        |
| Net Investment Income   | 0                           | 133,106                          | (133,106)                       |
| Benefit Payments, Including<br>Refunds of Employee<br>Contributions | (59,630)                    | (59,630)                         | 0                               |
| Administrative Expense  | 0                           | (2,140)                          | 2,140                           |
| Other Changes   | 0                           | (65)                             | 65                              |
| Net Changes   | <u>\$ 123,959</u>           | <u>\$ 136,248</u>                | <u>\$ (12,289)</u>              |
| Balance, June 30, 2019  | <u>\$ 1,667,959</u>         | <u>\$ 1,738,245</u>              | <u>\$ (70,286)</u>              |

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

|                       | Current           |               |                   |
|-----------------------|-------------------|---------------|-------------------|
|                       | 1%                | Discount      | 1%                |
|                       | Decrease<br>6.25% | Rate<br>7.25% | Increase<br>8.25% |
| Net Pension Liability | \$ 153,349        | \$ (70,286)   | \$ (255,494)      |

**L. Deferred Inflows of Resources**

Deferred inflows of resources are an acquisition of net assets that is applicable to a future reporting period. Deferred inflows of resources consist of the following at June 30, 2019:

|                                     |    |                |
|-------------------------------------|----|----------------|
| Deferred Inflows - Pensions         | \$ | 21,288         |
| Deferred Inflows - Deferred Revenue |    | <u>181,172</u> |
|                                     | \$ | <u>202,460</u> |

**M. Subsequent Events**

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

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

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Exhibit F-1

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

|  | 2014           | 2015           | 2016           | 2017           | 2018           |
|--|----------------|----------------|----------------|----------------|----------------|
| <b>Total Pension Liability</b>   |                |                |                |                |                |
| Service Cost   | \$ 2,144,201   | \$ 2,089,934   | \$ 2,204,144   | \$ 2,280,667   | \$ 2,474,350   |
| Interest   | 3,882,590      | 4,154,887      | 4,501,605      | 4,739,903      | 5,036,844      |
| Changes in Benefit Terms   | 0              | 0              | 0              | 72,922         | 0              |
| Differences Between Actual and Expected Experience                     | (517,136)      | 408,227        | (1,172,245)    | (93,146)       | 612,215        |
| Changes in Assumptions   | 0              | 0              | 0              | 1,626,633      | 0              |
| Benefit Payments, Including Refunds of Employee Contributions          | (1,773,430)    | (1,876,071)    | (2,412,635)    | (2,452,805)    | (2,638,510)    |
| Net Change in Total Pension Liability                                  | \$ 3,736,225   | \$ 4,776,977   | \$ 3,120,869   | \$ 6,174,174   | \$ 5,484,899   |
| Total Pension Liability, Beginning                                     | 50,510,376     | 54,246,601     | 59,023,578     | 62,144,447     | 68,318,621     |
| Total Pension Liability, Ending (a)                                    | \$ 54,246,601  | \$ 59,023,578  | \$ 62,144,447  | \$ 68,318,621  | \$ 73,803,520  |
| <b>Plan Fiduciary Net Position</b>                                     |                |                |                |                |                |
| Contributions - Employer   | \$ 1,619,633   | \$ 1,188,886   | \$ 1,214,772   | \$ 1,262,731   | \$ 1,382,195   |
| Contributions - Employee   | 1,251,509      | 1,288,204      | 1,314,713      | 1,366,601      | 1,492,878      |
| Net Investment Income  | 8,403,420      | 1,840,671      | 1,642,233      | 7,210,480      | 5,889,629      |
| Benefit Payments, Including Refunds of Employee Contributions          | (1,773,430)    | (1,876,071)    | (2,412,635)    | (2,452,805)    | (2,638,510)    |
| Administrative Expense   | (34,737)       | (46,288)       | (66,377)       | (81,177)       | (94,711)       |
| Other  | 0              | 0              | 0              | 5,794          | (2,782)        |
| Net Change in Plan Fiduciary Net Position                              | \$ 9,466,395   | \$ 2,395,402   | \$ 1,692,706   | \$ 7,311,624   | \$ 6,028,699   |
| Plan Fiduciary Net Position, Beginning                                 | 50,018,686     | 59,485,081     | 61,880,483     | 63,573,189     | 70,884,813     |
| Plan Fiduciary Net Position, Ending (b)                                | \$ 59,485,081  | \$ 61,880,483  | \$ 63,573,189  | \$ 70,884,813  | \$ 76,913,512  |
| Net Pension Liability (Asset), Ending (a - b)                          | \$ (5,238,480) | \$ (2,856,905) | \$ (1,428,742) | \$ (2,566,192) | \$ (3,109,992) |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 109.66%        | 104.84%        | 102.30%        | 103.76%        | 104.21%        |
| Covered Payroll  | \$ 25,033,043  | \$ 25,736,255  | \$ 26,294,779  | \$ 27,331,770  | \$ 29,886,214  |
| Net Pension Liability (Asset) as a Percentage of Covered Payroll       | (20.93)%       | (11.1)%        | (5.43)%        | (9.39)%        | (10.41)%       |

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

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

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



Exhibit F-2

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

|   | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarially Determined Contribution                                       | \$ 1,619,633  | \$ 1,188,886  | \$ 1,214,772  | \$ 1,214,822  | \$ 1,240,278  | \$ 1,221,973  |
| Less Contributions in Relation to the Actuarially Determined Contribution | (1,619,633)   | (1,188,886)   | (1,214,772)   | (1,214,822)   | (1,382,195)   | (1,360,365)   |
| Contribution Deficiency (Excess)  | \$ 0          | \$ 0          | \$ 0          | \$ 0          | \$ (141,917)  | \$ (138,392)  |
| Covered Payroll   | \$ 25,033,043 | \$ 25,736,255 | \$ 26,294,779 | \$ 27,331,770 | \$ 29,886,214 | \$ 29,445,129 |
| Contributions as a Percentage of Covered Payroll                          | 6.47%         | 4.62%         | 4.62%         | 4.62%         | 4.62%         | 4.62%         |

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

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

Exhibit F-3

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

|  | 2015         | 2016         | 2017         | 2018         | 2019*         |
|--|--------------|--------------|--------------|--------------|---------------|
| Contractually Required Contribution  | \$ 90,615    | \$ 175,025   | \$ 275,722   | \$ 159,372   | \$ 222,308    |
| Less Contributions in Relation to the<br>Contractually Required Contribution | (90,615)     | (175,025)    | (275,722)    | (390,918)    | (222,308)     |
| Contribution Deficiency (Excess)   | \$ 0         | \$ 0         | \$ 0         | \$ (231,546) | \$ 0          |
| Covered Payroll  | \$ 2,265,347 | \$ 4,375,630 | \$ 6,855,637 | \$ 9,560,381 | \$ 11,459,158 |
| Contributions as a Percentage of Covered Payroll                             | 4.00%        | 4.00%        | 4.00%        | 4.09%        | 1.94%         |

\* - In FY 2019, the school department placed the actuarially determined contribution rate (1.94%) of covered payroll into the pension plan and placed 2.06% of covered payroll into the Pension Stabilization Reserve Trust.

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

Exhibit F-4

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

|   | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Contractually Required Contribution                                       | \$ 4,049,189  | \$ 3,965,792  | \$ 3,838,582  | \$ 3,584,491  | \$ 3,812,269  | \$ 4,045,036  |
| Less Contributions in Relation to the Contractually Required Contribution | (4,049,189)   | (3,965,792)   | (3,838,582)   | (3,584,491)   | (3,812,269)   | (4,045,036)   |
| Contribution Deficiency (Excess)  | \$ 0          | \$ 0          | \$ 0          | \$ 0          | \$ 0          | \$ 0          |
| Covered Payroll   | \$ 45,598,978 | \$ 43,870,096 | \$ 42,462,443 | \$ 39,688,827 | \$ 42,055,947 | \$ 38,671,472 |
| Contributions as a Percentage of Covered Payroll                          | 8.88%         | 9.04%         | 9.04%         | 9.04%         | 9.06%         | 10.46%        |

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

Exhibit F-5

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

|   | 2015         | 2016         | 2017         | 2018         |
|---|--------------|--------------|--------------|--------------|
| School Department's Proportion of the Net Pension Liability (Asset)   | 1.090316%    | 0.994448%    | 1.050226%    | 1.118340%    |
| School Department's Proportionate Share of the Net Pension Liability (Asset)  | \$ (43,863)  | \$ (103,525) | \$ (277,088) | \$ (507,198) |
| Covered Payroll   | \$ 2,265,347 | \$ 4,375,630 | \$ 6,855,637 | \$ 9,560,381 |
| School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (1.94)%      | (2.37)%      | (4.04)%      | (5.31)%      |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability  | 127.46%      | 121.88%      | 126.81%      | 126.97%      |

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

Exhibit F-6

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

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

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

Exhibit F-7

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

|   | 2017                 | 2018                 |
|---|----------------------|----------------------|
| <b>Total OPEB Liability</b>   |                      |                      |
| Service Cost  | \$ 1,770,520         | \$ 1,661,402         |
| Interest  | 918,741              | 1,099,129            |
| Changes in Benefit Terms  | 0                    | (705,696)            |
| Differences Between Actual and Expected Experience                              | 0                    | 3,611,214            |
| Changes in Assumptions or Other Inputs  | (1,281,343)          | 1,681,114            |
| Benefit Payments  | (1,820,895)          | (1,955,367)          |
| Net Change in Total OPEB Liability  | \$ (412,977)         | \$ 5,391,796         |
| Total OPEB Liability, Beginning   | 30,603,657           | 30,190,680           |
| <br>  |                      |                      |
| Total OPEB Liability, Ending  | <u>\$ 30,190,680</u> | <u>\$ 35,582,476</u> |
| <br>  |                      |                      |
| Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability | \$ 8,306,785         | \$ 6,772,946         |
| Employer Proportionate Share of the Total OPEB Liability                        | 21,883,895           | 28,809,530           |
| <br>  |                      |                      |
| Covered Employee Payroll  | \$ 63,921,086        | \$ 63,751,719        |
| Net OPEB Liability as a Percentage of Covered Employee Payroll                  | 34.24%               | 45.19%               |

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

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

|      |       |
|------|-------|
| 2017 | 2.92% |
| 2018 | 3.56% |
| 2019 | 3.62% |

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

**MAURY COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2019**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2019 were calculated based on the June 30, 2017, 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<br>Period | Varies by Year   |
| Asset Valuation                  | 10-Year Smoothed Within a 20%<br>Corridor to Market Value  |
| Inflation                        | 2.5%   |
| Salary Increases                 | Graded Salary Ranges from 8.72% to<br>3.44% Based on Age, Including Inflation,<br>Averaging 4%             |
| Investment Rate of Return        | 7.25%, Net of Investment Expense,<br>Including Inflation   |
| Retirement Age                   | Pattern of Retirement Determined by<br>Experience Study  |
| Mortality                        | Customized Table Based on Actual<br>Experience Including an Adjustment for<br>Some Anticipated Improvement |
| Cost of Living Adjustment        | 2.25%  |

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

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

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# Nonmajor Governmental Funds

## Special Revenue Funds

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

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

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

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

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

# Capital Projects Funds

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

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

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

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

Exhibit G-1

Maury County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2019

|  | Special Revenue Funds |                                      |                        |                      | Capital Projects Funds   |                          |
|--|-----------------------|--------------------------------------|------------------------|----------------------|--------------------------|--------------------------|
|  | Drug Control          | Adequate Facilities/ Development Tax | Highway / Public Works | Total                | General Capital Projects | Highway Capital Projects |
| <u>ASSETS</u>                              |                       |                                      |                        |                      |                          |                          |
| Equity in Pooled Cash and Investments      | \$ 382,288            | \$ 4,266,701                         | \$ 4,469,122           | \$ 9,118,111         | \$ 1,297,531             | \$ 1,094,865             |
| Accounts Receivable                        | 3,400                 | 13,232                               | 2,313                  | 18,945               | 0                        | 94,450                   |
| Due from Other Governments                 | 0                     | 0                                    | 597,937                | 597,937              | 0                        | 0                        |
| Property Taxes Receivable                  | 0                     | 0                                    | 3,104,113              | 3,104,113            | 0                        | 0                        |
| Allowance for Uncollectible Property Taxes | 0                     | 0                                    | (49,613)               | (49,613)             | 0                        | 0                        |
| <b>Total Assets</b>                        | <b>\$ 385,688</b>     | <b>\$ 4,279,933</b>                  | <b>\$ 8,123,872</b>    | <b>\$ 12,789,493</b> | <b>\$ 1,297,531</b>      | <b>\$ 1,189,315</b>      |
| <u>LIABILITIES</u>                         |                       |                                      |                        |                      |                          |                          |
| Accounts Payable                           | \$ 3,304              | \$ 4,093                             | \$ 13,053              | \$ 20,450            | \$ 0                     | \$ 29,615                |
| Payroll Deductions Payable                 | 0                     | 0                                    | 83,410                 | 83,410               | 0                        | 0                        |
| Contracts Payable                          | 0                     | 0                                    | 0                      | 0                    | 182,499                  | 0                        |
| Due to Litigants, Heirs, and Others        | 7                     | 0                                    | 0                      | 7                    | 0                        | 0                        |
| <b>Total Liabilities</b>                   | <b>\$ 3,311</b>       | <b>\$ 4,093</b>                      | <b>\$ 96,463</b>       | <b>\$ 103,867</b>    | <b>\$ 182,499</b>        | <b>\$ 29,615</b>         |
| <u>DEFERRED INFLOWS OF RESOURCES</u>       |                       |                                      |                        |                      |                          |                          |
| Deferred Current Property Taxes            | \$ 0                  | \$ 0                                 | \$ 2,959,041           | \$ 2,959,041         | \$ 0                     | \$ 0                     |
| Deferred Delinquent Property Taxes         | 0                     | 0                                    | 81,249                 | 81,249               | 0                        | 0                        |
| Other Deferred/Unavailable Revenue         | 0                     | 0                                    | 271,594                | 271,594              | 0                        | 0                        |
| <b>Total Deferred Inflows of Resources</b> | <b>\$ 0</b>           | <b>\$ 0</b>                          | <b>\$ 3,311,884</b>    | <b>\$ 3,311,884</b>  | <b>\$ 0</b>              | <b>\$ 0</b>              |

(Continued)

Exhibit G-1

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

|   | Special Revenue Funds |                                      |                        |               | Capital Projects Funds   |                          |
|---|-----------------------|--------------------------------------|------------------------|---------------|--------------------------|--------------------------|
|   | Drug Control          | Adequate Facilities/ Development Tax | Highway / Public Works | Total         | General Capital Projects | Highway Capital Projects |
| <u>FUND BALANCES</u>  |                       |                                      |                        |               |                          |                          |
| Restricted:   |                       |                                      |                        |               |                          |                          |
| Restricted for General Government                                   | \$ 0                  | \$ 4,275,840                         | \$ 0                   | \$ 4,275,840  | \$ 0                     | \$ 0                     |
| Restricted for Public Safety  | 382,377               | 0                                    | 0                      | 382,377       | 0                        | 0                        |
| Restricted for Highways/Public Works                                | 0                     | 0                                    | 4,715,525              | 4,715,525     | 0                        | 1,159,700                |
| Restricted for Capital Outlay                                       | 0                     | 0                                    | 0                      | 0             | 1,115,032                | 0                        |
| Total Fund Balances   | \$ 382,377            | \$ 4,275,840                         | \$ 4,715,525           | \$ 9,373,742  | \$ 1,115,032             | \$ 1,159,700             |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 385,688            | \$ 4,279,933                         | \$ 8,123,872           | \$ 12,789,493 | \$ 1,297,531             | \$ 1,189,315             |

(Continued)

Exhibit G-1

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

| <u>ASSETS</u>                              | <u>Capital Projects Funds (Cont.)</u> |                     |  |
|--|---------------------------------------|---------------------|--|
|  | <u>Other<br/>Capital<br/>Projects</u> | <u>Total</u>        | <u>Total<br/>Nonmajor<br/>Governmental<br/>Funds</u> |
| Equity in Pooled Cash and Investments      | \$ 1,556,280                          | \$ 3,948,676        | \$ 13,066,787  |
| Accounts Receivable                        | 950                                   | 95,400              | 114,345  |
| Due from Other Governments                 | 0                                     | 0                   | 597,937  |
| Property Taxes Receivable                  | 2,202,759                             | 2,202,759           | 5,306,872  |
| Allowance for Uncollectible Property Taxes | (35,206)                              | (35,206)            | (84,819)   |
| <b>Total Assets</b>                        | <b>\$ 3,724,783</b>                   | <b>\$ 6,211,629</b> | <b>\$ 19,001,122</b>                                 |
| <br><u>LIABILITIES</u>                     |                                       |                     |  |
| Accounts Payable                           | \$ 38,686                             | \$ 68,301           | \$ 88,751  |
| Payroll Deductions Payable                 | 0                                     | 0                   | 83,410   |
| Contracts Payable                          | 0                                     | 182,499             | 182,499  |
| Due to Litigants, Heirs, and Others        | 0                                     | 0                   | 7  |
| <b>Total Liabilities</b>                   | <b>\$ 38,686</b>                      | <b>\$ 250,800</b>   | <b>\$ 354,667</b>                                    |
| <br><u>DEFERRED INFLOWS OF RESOURCES</u>   |                                       |                     |  |
| Deferred Current Property Taxes            | \$ 2,099,813                          | \$ 2,099,813        | \$ 5,058,854   |
| Deferred Delinquent Property Taxes         | 57,656                                | 57,656              | 138,905  |
| Other Deferred/Unavailable Revenue         | 0                                     | 0                   | 271,594  |
| <b>Total Deferred Inflows of Resources</b> | <b>\$ 2,157,469</b>                   | <b>\$ 2,157,469</b> | <b>\$ 5,469,353</b>                                  |

(Continued)

Exhibit G-1

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

FUND BALANCES

Restricted:

Restricted for General Government  
 Restricted for Public Safety  
 Restricted for Highways/Public Works  
 Restricted for Capital Outlay

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances

Capital Projects Funds (Cont.)

| <u>Other<br/>Capital<br/>Projects</u> | <u>Total</u>        | <u>Total<br/>Nonmajor<br/>Governmental<br/>Funds</u> |
|---------------------------------------|---------------------|--|
| \$ 0                                  | \$ 0                | \$ 4,275,840   |
| 0                                     | 0                   | 382,377  |
| 0                                     | 1,159,700           | 5,875,225  |
| <u>1,528,628</u>                      | <u>2,643,660</u>    | <u>2,643,660</u>                                     |
| <u>\$ 1,528,628</u>                   | <u>\$ 3,803,360</u> | <u>\$ 13,177,102</u>                                 |
| <u>\$ 3,724,783</u>                   | <u>\$ 6,211,629</u> | <u>\$ 19,001,122</u>                                 |

Exhibit G-2

Maury County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2019

|   | Special Revenue Funds |   |  |                              |                     | Capital<br>Projects<br>Funds   |
|---|-----------------------|---|--|------------------------------|---------------------|--------------------------------|
|   | Drug<br>Control       | Adequate<br>Facilities/<br>Development<br>Tax | Constitu -<br>tional<br>Officers -<br>Fees | Highway /<br>Public<br>Works | Total               | General<br>Capital<br>Projects |
| <u>Revenues</u>                             |                       |   |  |                              |                     |                                |
| Local Taxes                                 | \$ 0                  | \$ 1,871,637                                  | \$ 0                                       | \$ 3,312,453                 | \$ 5,184,090        | \$ 0                           |
| Fines, Forfeitures, and Penalties           | 90,856                | 0   | 0  | 0                            | 90,856              | 0                              |
| Other Local Revenues                        | 0                     | 0   | 0  | 32,532                       | 32,532              | 0                              |
| State of Tennessee                          | 0                     | 0   | 0  | 3,986,575                    | 3,986,575           | 0                              |
| Federal Government                          | 0                     | 0   | 0  | 31,679                       | 31,679              | 0                              |
| Other Governments and Citizens Groups       | 4,748                 | 0   | 0  | 208,199                      | 212,947             | 0                              |
| <b>Total Revenues</b>                       | <b>\$ 95,604</b>      | <b>\$ 1,871,637</b>                           | <b>\$ 0</b>                                | <b>\$ 7,571,438</b>          | <b>\$ 9,538,679</b> | <b>\$ 0</b>                    |
| <u>Expenditures</u>                         |                       |   |  |                              |                     |                                |
| Current:                                    |                       |   |  |                              |                     |                                |
| General Government                          | \$ 0                  | \$ 10,667                                     | \$ 0                                       | \$ 0                         | \$ 10,667           | \$ 0                           |
| Finance                                     | 0                     | 0   | 110,628                                    | 0                            | 110,628             | 0                              |
| Administration of Justice                   | 0                     | 0   | 50,324                                     | 0                            | 50,324              | 0                              |
| Public Safety                               | 141,282               | 0   | 379  | 0                            | 141,661             | 0                              |
| Social, Cultural, and Recreational Services | 0                     | 0   | 0  | 0                            | 0                   | 0                              |
| Other Operations                            | 0                     | 0   | 0  | 0                            | 0                   | 0                              |
| Highways                                    | 0                     | 0   | 0  | 5,702,363                    | 5,702,363           | 0                              |
| Debt Service:                               |                       |   |  |                              |                     |                                |
| Other Debt Service                          | 0                     | 0   | 0  | 0                            | 0                   | 136,308                        |
| Capital Projects                            | 0                     | 1,261,663                                     | 0  | 130,803                      | 1,392,466           | 2,079,374                      |
| Capital Projects - Donated                  | 0                     | 0   | 0  | 0                            | 0                   | 18,159,125                     |
| <b>Total Expenditures</b>                   | <b>\$ 141,282</b>     | <b>\$ 1,272,330</b>                           | <b>\$ 161,331</b>                          | <b>\$ 5,833,166</b>          | <b>\$ 7,408,109</b> | <b>\$ 20,374,807</b>           |

(Continued)

Exhibit G-2

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

|  | Special Revenue Funds |   |  |                              |              | Capital<br>Projects<br>Funds   |
|--|-----------------------|---|--|------------------------------|--------------|--------------------------------|
|  | Drug<br>Control       | Adequate<br>Facilities/<br>Development<br>Tax | Constitu -<br>tional<br>Officers -<br>Fees | Highway /<br>Public<br>Works | Total        | General<br>Capital<br>Projects |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (45,678)           | \$ 599,307                                    | \$ (161,331)                               | \$ 1,738,272                 | \$ 2,130,570 | \$ (20,374,807)                |
| <u>Other Financing Sources (Uses)</u>                |                       |   |  |                              |              |                                |
| Bonds Issued   | \$ 0                  | \$ 0  | \$ 0                                       | \$ 0                         | \$ 0         | \$ 15,290,000                  |
| Notes Issued   | 0                     | 0   | 0  | 0                            | 0            | 2,177,958                      |
| Premiums on Debt Sold                                | 0                     | 0   | 0  | 0                            | 0            | 827,475                        |
| Insurance Recovery                                   | 7,162                 | 0   | 0  | 7,558                        | 14,720       | 0                              |
| Transfers In   | 0                     | 0   | 0  | 0                            | 0            | 2,998,390                      |
| Total Other Financing Sources (Uses)                 | \$ 7,162              | \$ 0  | \$ 0                                       | \$ 7,558                     | \$ 14,720    | \$ 21,293,823                  |
| Net Change in Fund Balances                          | \$ (38,516)           | \$ 599,307                                    | \$ (161,331)                               | \$ 1,745,830                 | \$ 2,145,290 | \$ 919,016                     |
| Fund Balance, July 1, 2018                           | 420,893               | 3,676,533                                     | 161,331                                    | 2,969,695                    | 7,228,452    | 196,016                        |
| Fund Balance, June 30, 2019                          | \$ 382,377            | \$ 4,275,840                                  | \$ 0                                       | \$ 4,715,525                 | \$ 9,373,742 | \$ 1,115,032                   |

(Continued)



Exhibit G-2

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

|   | <u>Capital Projects Funds (Cont.)</u> |                              |                      | Total<br>Nonmajor<br>Governmental<br>Funds |
|---|---------------------------------------|------------------------------|----------------------|--|
|   | Highway<br>Capital<br>Projects        | Other<br>Capital<br>Projects | Total                |  |
| <u>Revenues</u>                             |                                       |                              |                      |  |
| Local Taxes                                 | \$ 1,153,213                          | \$ 2,232,245                 | \$ 3,385,458         | \$ 8,569,548                               |
| Fines, Forfeitures, and Penalties           | 0                                     | 0                            | 0                    | 90,856                                     |
| Other Local Revenues                        | 400,000                               | 0                            | 400,000              | 432,532                                    |
| State of Tennessee                          | 0                                     | 0                            | 0                    | 3,986,575                                  |
| Federal Government                          | 0                                     | 0                            | 0                    | 31,679                                     |
| Other Governments and Citizens Groups       | 26,259                                | 0                            | 26,259               | 239,206                                    |
| Total Revenues                              | <u>\$ 1,579,472</u>                   | <u>\$ 2,232,245</u>          | <u>\$ 3,811,717</u>  | <u>\$ 13,350,396</u>                       |
| <u>Expenditures</u>                         |                                       |                              |                      |  |
| Current:                                    |                                       |                              |                      |  |
| General Government                          | \$ 0                                  | \$ 26,326                    | \$ 26,326            | \$ 36,993                                  |
| Finance                                     | 0                                     | 0                            | 0                    | 110,628                                    |
| Administration of Justice                   | 0                                     | 0                            | 0                    | 50,324                                     |
| Public Safety                               | 0                                     | 425,829                      | 425,829              | 567,490                                    |
| Social, Cultural, and Recreational Services | 0                                     | 292,427                      | 292,427              | 292,427                                    |
| Other Operations                            | 11,518                                | 44,356                       | 55,874               | 55,874                                     |
| Highways                                    | 0                                     | 0                            | 0                    | 5,702,363                                  |
| Debt Service:                               |                                       |                              |                      |  |
| Other Debt Service                          | 0                                     | 0                            | 136,308              | 136,308                                    |
| Capital Projects                            | 1,037,703                             | 0                            | 3,117,077            | 4,509,543                                  |
| Capital Projects - Donated                  | 0                                     | 1,197,812                    | 19,356,937           | 19,356,937                                 |
| Total Expenditures                          | <u>\$ 1,049,221</u>                   | <u>\$ 1,986,750</u>          | <u>\$ 23,410,778</u> | <u>\$ 30,818,887</u>                       |

(Continued)

Exhibit G-2

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

|  | <u>Capital Projects Funds (Cont.)</u> |                              |                 | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|---------------------------------------|------------------------------|-----------------|--|
|  | Highway<br>Capital<br>Projects        | Other<br>Capital<br>Projects | Total           |  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ 530,251                            | \$ 245,495                   | \$ (19,599,061) | \$ (17,468,491)                            |
| <u>Other Financing Sources (Uses)</u>                |                                       |                              |                 |  |
| Bonds Issued   | \$ 0                                  | \$ 0                         | \$ 15,290,000   | \$ 15,290,000                              |
| Notes Issued   | 0                                     | 0                            | 2,177,958       | 2,177,958                                  |
| Premiums on Debt Sold                                | 0                                     | 0                            | 827,475         | 827,475                                    |
| Insurance Recovery                                   | 0                                     | 4,330                        | 4,330           | 19,050                                     |
| Transfers In   | 0                                     | 17,469                       | 3,015,859       | 3,015,859                                  |
| Total Other Financing Sources (Uses)                 | \$ 0                                  | \$ 21,799                    | \$ 21,315,622   | \$ 21,330,342                              |
| Net Change in Fund Balances                          | \$ 530,251                            | \$ 267,294                   | \$ 1,716,561    | \$ 3,861,851                               |
| Fund Balance, July 1, 2018                           | 629,449                               | 1,261,334                    | 2,086,799       | 9,315,251                                  |
| Fund Balance, June 30, 2019                          | \$ 1,159,700                          | \$ 1,528,628                 | \$ 3,803,360    | \$ 13,177,102                              |

Exhibit G-3

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Drug Control Fund  
For the Year Ended June 30, 2019

|   | Actual            | Budgeted Amounts  |                   | Variance with Final Budget - Positive (Negative) |
|---|-------------------|-------------------|-------------------|--|
|   |                   | Original          | Final             |  |
| <u>Revenues</u>                                   |                   |                   |                   |  |
| Fines, Forfeitures, and Penalties                 | \$ 90,856         | \$ 84,800         | \$ 84,800         | \$ 6,056   |
| Other Governments and Citizens Groups             | 4,748             | 0                 | 4,000             | 748  |
| Total Revenues                                    | <u>\$ 95,604</u>  | <u>\$ 84,800</u>  | <u>\$ 88,800</u>  | <u>\$ 6,804</u>                                  |
| <u>Expenditures</u>                               |                   |                   |                   |  |
| <u>Public Safety</u>                              |                   |                   |                   |  |
| Drug Enforcement                                  | \$ 141,282        | \$ 158,377        | \$ 162,376        | \$ 21,094  |
| Total Expenditures                                | <u>\$ 141,282</u> | <u>\$ 158,377</u> | <u>\$ 162,376</u> | <u>\$ 21,094</u>                                 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (45,678)       | \$ (73,577)       | \$ (73,576)       | \$ 27,898  |
| <u>Other Financing Sources (Uses)</u>             |                   |                   |                   |  |
| Insurance Recovery                                | \$ 7,162          | \$ 0              | \$ 0              | \$ 7,162   |
| Total Other Financing Sources                     | <u>\$ 7,162</u>   | <u>\$ 0</u>       | <u>\$ 0</u>       | <u>\$ 7,162</u>                                  |
| Net Change in Fund Balance                        | \$ (38,516)       | \$ (73,577)       | \$ (73,576)       | \$ 35,060  |
| Fund Balance, July 1, 2018                        | 420,893           | 343,283           | 420,893           | 0  |
| Fund Balance, June 30, 2019                       | <u>\$ 382,377</u> | <u>\$ 269,706</u> | <u>\$ 347,317</u> | <u>\$ 35,060</u>                                 |

Exhibit G-4

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Adequate Facilities/ Development Tax Fund  
For the Year Ended June 30, 2019

|   | Actual              | Budgeted Amounts    |                     | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
|   |                     | Original            | Final               |  |
| <u>Revenues</u>                                   |                     |                     |                     |  |
| Local Taxes                                       | \$ 1,871,637        | \$ 1,200,000        | \$ 1,204,210        | \$ 667,427                                       |
| State of Tennessee                                | 0                   | 500,000             | 500,000             | (500,000)  |
| Total Revenues                                    | <u>\$ 1,871,637</u> | <u>\$ 1,700,000</u> | <u>\$ 1,704,210</u> | <u>\$ 167,427</u>                                |
| <u>Expenditures</u>                               |                     |                     |                     |  |
| <u>General Government</u>                         |                     |                     |                     |  |
| Development                                       | \$ 10,667           | \$ 0                | \$ 10,667           | \$ 0   |
| <u>Capital Projects</u>                           |                     |                     |                     |  |
| General Administration Projects                   | 1,054,433           | 1,181,785           | 1,339,368           | 284,935  |
| Public Safety Projects                            | 60,333              | 0                   | 60,333              | 0  |
| Highway and Street Capital Projects               | 146,897             | 400,000             | 400,000             | 253,103  |
| Total Expenditures                                | <u>\$ 1,272,330</u> | <u>\$ 1,581,785</u> | <u>\$ 1,810,368</u> | <u>\$ 538,038</u>                                |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 599,307</u>   | <u>\$ 118,215</u>   | <u>\$ (106,158)</u> | <u>\$ 705,465</u>                                |
| Net Change in Fund Balance                        | \$ 599,307          | \$ 118,215          | \$ (106,158)        | \$ 705,465                                       |
| Fund Balance, July 1, 2018                        | <u>3,676,533</u>    | <u>3,719,464</u>    | <u>3,676,533</u>    | <u>0</u>   |
| Fund Balance, June 30, 2019                       | <u>\$ 4,275,840</u> | <u>\$ 3,837,679</u> | <u>\$ 3,570,375</u> | <u>\$ 705,465</u>                                |

Exhibit G-5

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2019

|   | Actual              | Budgeted Amounts    |                     | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|---------------------|--|
|   |                     | Original            | Final               |  |
| <u>Revenues</u>                                   |                     |                     |                     |  |
| Local Taxes                                       | \$ 3,312,453        | \$ 3,107,369        | \$ 3,107,369        | \$ 205,084                                       |
| Other Local Revenues                              | 32,532              | 16,000              | 20,478              | 12,054   |
| State of Tennessee                                | 3,986,575           | 4,179,179           | 4,179,179           | (192,604)  |
| Federal Government                                | 31,679              | 0                   | 0                   | 31,679   |
| Other Governments and Citizens Groups             | 208,199             | 0                   | 208,199             | 0  |
| <b>Total Revenues</b>                             | <b>\$ 7,571,438</b> | <b>\$ 7,302,548</b> | <b>\$ 7,515,225</b> | <b>\$ 56,213</b>                                 |
| <u>Expenditures</u>                               |                     |                     |                     |  |
| <u>Highways</u>                                   |                     |                     |                     |  |
| Administration                                    | \$ 255,226          | \$ 263,669          | \$ 266,420          | \$ 11,194  |
| Highway and Bridge Maintenance                    | 3,154,300           | 3,734,713           | 4,262,047           | 1,107,747  |
| Operation and Maintenance of Equipment            | 822,636             | 947,040             | 955,400             | 132,764  |
| Other Charges                                     | 452,336             | 392,746             | 487,858             | 35,522   |
| Capital Outlay                                    | 1,017,865           | 1,248,663           | 2,062,686           | 1,044,821  |
| <u>Capital Projects</u>                           |                     |                     |                     |  |
| Highway and Street Capital Projects               | 130,803             | 100,000             | 566,415             | 435,612  |
| <b>Total Expenditures</b>                         | <b>\$ 5,833,166</b> | <b>\$ 6,686,831</b> | <b>\$ 8,600,826</b> | <b>\$ 2,767,660</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 1,738,272        | \$ 615,717          | \$ (1,085,601)      | \$ 2,823,873                                     |
| <u>Other Financing Sources (Uses)</u>             |                     |                     |                     |  |
| Insurance Recovery                                | \$ 7,558            | \$ 0                | \$ 0                | \$ 7,558   |
| <b>Total Other Financing Sources</b>              | <b>\$ 7,558</b>     | <b>\$ 0</b>         | <b>\$ 0</b>         | <b>\$ 7,558</b>                                  |
| Net Change in Fund Balance                        | \$ 1,745,830        | \$ 615,717          | \$ (1,085,601)      | \$ 2,831,431                                     |
| Fund Balance, July 1, 2018                        | 2,969,695           | 3,392,845           | 2,969,695           | 0  |
| <b>Fund Balance, June 30, 2019</b>                | <b>\$ 4,715,525</b> | <b>\$ 4,008,562</b> | <b>\$ 1,884,094</b> | <b>\$ 2,831,431</b>                              |

Exhibit G-6

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Capital Projects Fund  
For the Year Ended June 30, 2019

|   | Actual          | Budgeted Amounts |                 | Variance with Final Budget - Positive (Negative) |
|---|-----------------|------------------|-----------------|--|
|   |                 | Original         | Final           |  |
| Total Revenues                                    | \$ 0            | \$ 0             | \$ 0            | \$ 0   |
| <u>Expenditures</u>                               |                 |                  |                 |  |
| <u>Other Debt Service</u>                         |                 |                  |                 |  |
| Education   | \$ 136,308      | \$ 0             | \$ 136,308      | \$ 0   |
| <u>Capital Projects</u>                           |                 |                  |                 |  |
| General Administration Projects                   | 98,411          | 0                | 161,623         | 63,212   |
| Administration of Justice Projects                | 1,980,963       | 0                | 2,998,390       | 1,017,427  |
| <u>Capital Projects - Donated</u>                 |                 |                  |                 |  |
| Capital Projects Donated to School Department     | 18,159,125      | 0                | 18,159,125      | 0  |
| Total Expenditures                                | \$ 20,374,807   | \$ 0             | \$ 21,455,446   | \$ 1,080,639                                     |
| Excess (Deficiency) of Revenues Over Expenditures | \$ (20,374,807) | \$ 0             | \$ (21,455,446) | \$ 1,080,639                                     |
| <u>Other Financing Sources (Uses)</u>             |                 |                  |                 |  |
| Bonds Issued                                      | \$ 15,290,000   | \$ 0             | \$ 15,290,000   | \$ 0   |
| Notes Issued                                      | 2,177,958       | 0                | 2,177,958       | 0  |
| Premiums on Debt Sold                             | 827,475         | 0                | 827,475         | 0  |
| Transfers In                                      | 2,998,390       | 0                | 2,998,390       | 0  |
| Total Other Financing Sources                     | \$ 21,293,823   | \$ 0             | \$ 21,293,823   | \$ 0   |
| Net Change in Fund Balance                        | \$ 919,016      | \$ 0             | \$ (161,623)    | \$ 1,080,639                                     |
| Fund Balance, July 1, 2018                        | 196,016         | 196,016          | 196,016         | 0  |
| Fund Balance, June 30, 2019                       | \$ 1,115,032    | \$ 196,016       | \$ 34,393       | \$ 1,080,639                                     |

Exhibit G-7

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Highway Capital Projects Fund  
For the Year Ended June 30, 2019

|  | Actual              | Budgeted Amounts    |                     | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------|---------------------|---------------------|--|
|  |                     | Original            | Final               |  |
| <u>Revenues</u>                                      |                     |                     |                     |  |
| Local Taxes  | \$ 1,153,213        | \$ 1,050,000        | \$ 1,051,000        | \$ 102,213   |
| Other Local Revenues                                 | 400,000             | 0                   | 400,000             | 0  |
| Other Governments and Citizens Groups                | 26,259              | 0                   | 26,259              | 0  |
| Total Revenues                                       | <u>\$ 1,579,472</u> | <u>\$ 1,050,000</u> | <u>\$ 1,477,259</u> | <u>\$ 102,213</u>  |
| <u>Expenditures</u>                                  |                     |                     |                     |  |
| <u>Other Operations</u>                              |                     |                     |                     |  |
| Miscellaneous  | \$ 11,518           | \$ 11,000           | \$ 12,000           | \$ 482   |
| <u>Capital Projects</u>                              |                     |                     |                     |  |
| Highway and Street Capital Projects                  | 1,037,703           | 990,000             | 1,416,259           | 378,556  |
| Total Expenditures                                   | <u>\$ 1,049,221</u> | <u>\$ 1,001,000</u> | <u>\$ 1,428,259</u> | <u>\$ 379,038</u>  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 530,251</u>   | <u>\$ 49,000</u>    | <u>\$ 49,000</u>    | <u>\$ 481,251</u>  |
| Net Change in Fund Balance                           | \$ 530,251          | \$ 49,000           | \$ 49,000           | \$ 481,251   |
| Fund Balance, July 1, 2018                           | 629,449             | 1,088,220           | 629,449             | 0  |
| Fund Balance, June 30, 2019                          | <u>\$ 1,159,700</u> | <u>\$ 1,137,220</u> | <u>\$ 678,449</u>   | <u>\$ 481,251</u>  |

Exhibit G-8

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Other Capital Projects Fund  
For the Year Ended June 30, 2019

|  | Actual              | Budgeted Amounts    |                     | Variance with Final Budget - Positive (Negative) |
|--|---------------------|---------------------|---------------------|--|
|  |                     | Original            | Final               |  |
| <u>Revenues</u>                                    |                     |                     |                     |  |
| Local Taxes  | \$ 2,232,245        | \$ 2,069,246        | \$ 2,077,746        | \$ 154,499                                       |
| Other Local Revenues                               | 0                   | 8,000               | 8,000               | (8,000)  |
| <b>Total Revenues</b>                              | <b>\$ 2,232,245</b> | <b>\$ 2,077,246</b> | <b>\$ 2,085,746</b> | <b>\$ 146,499</b>                                |
| <u>Expenditures</u>                                |                     |                     |                     |  |
| <u>General Government</u>                          |                     |                     |                     |  |
| Development  | \$ 26,326           | \$ 27,000           | \$ 27,000           | \$ 674   |
| <u>Public Safety</u>                               |                     |                     |                     |  |
| Sheriff's Department                               | 425,829             | 460,000             | 878,682             | 452,853  |
| <u>Social, Cultural, and Recreational Services</u> |                     |                     |                     |  |
| Libraries  | 1,000               | 80,000              | 366,390             | 365,390  |
| Parks and Fair Boards                              | 291,427             | 0                   | 364,424             | 72,997   |
| <u>Other Operations</u>                            |                     |                     |                     |  |
| Other Charges                                      | 44                  | 500                 | 500                 | 456  |
| Miscellaneous                                      | 44,312              | 36,000              | 44,500              | 188  |
| <u>Capital Projects</u>                            |                     |                     |                     |  |
| Other General Government Projects                  | 0                   | 161,000             | 161,000             | 161,000  |
| <u>Capital Projects - Donated</u>                  |                     |                     |                     |  |
| Capital Projects Donated to School Department      | 1,197,812           | 1,311,908           | 1,311,908           | 114,096  |
| <b>Total Expenditures</b>                          | <b>\$ 1,986,750</b> | <b>\$ 2,076,408</b> | <b>\$ 3,154,404</b> | <b>\$ 1,167,654</b>                              |
| Excess (Deficiency) of Revenues Over Expenditures  | \$ 245,495          | \$ 838              | \$ (1,068,658)      | \$ 1,314,153                                     |
| <u>Other Financing Sources (Uses)</u>              |                     |                     |                     |  |
| Insurance Recovery                                 | \$ 4,330            | \$ 0                | \$ 4,330            | \$ 0   |
| Transfers In                                       | 17,469              | 0                   | 17,469              | 0  |
| <b>Total Other Financing Sources</b>               | <b>\$ 21,799</b>    | <b>\$ 0</b>         | <b>\$ 21,799</b>    | <b>\$ 0</b>                                      |
| Net Change in Fund Balance                         | \$ 267,294          | \$ 838              | \$ (1,046,859)      | \$ 1,314,153                                     |
| Fund Balance, July 1, 2018                         | 1,261,334           | 1,560,621           | 1,261,334           | 0  |
| <b>Fund Balance, June 30, 2019</b>                 | <b>\$ 1,528,628</b> | <b>\$ 1,561,459</b> | <b>\$ 214,475</b>   | <b>\$ 1,314,153</b>                              |



# **Major Governmental Fund**

## **General Debt Service Fund**

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

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Exhibit H

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2019

|   | Actual                | Budgeted Amounts     |                       | Variance with Final Budget - Positive (Negative) |
|---|-----------------------|----------------------|-----------------------|--|
|   |                       | Original             | Final                 |  |
| <u>Revenues</u>                                   |                       |                      |                       |  |
| Local Taxes                                       | \$ 15,185,856         | \$ 13,686,562        | \$ 13,686,562         | \$ 1,499,294                                     |
| Other Local Revenues                              | 2,019,655             | 1,000,000            | 1,000,000             | 1,019,655  |
| State of Tennessee                                | 1,259,177             | 1,050,000            | 1,050,000             | 209,177  |
| Other Governments and Citizens Groups             | 2,127,921             | 360,495              | 1,859,995             | 267,926  |
| Total Revenues                                    | <u>\$ 20,592,609</u>  | <u>\$ 16,097,057</u> | <u>\$ 17,596,557</u>  | <u>\$ 2,996,052</u>                              |
| <u>Expenditures</u>                               |                       |                      |                       |  |
| <u>Principal on Debt</u>                          |                       |                      |                       |  |
| General Government                                | \$ 741,475            | \$ 1,400,119         | \$ 741,475            | \$ 0   |
| Education   | 8,418,285             | 6,157,514            | 8,418,285             | 0  |
| <u>Interest on Debt</u>                           |                       |                      |                       |  |
| General Government                                | 174,015               | 403,140              | 174,016               | 1  |
| Education   | 6,606,229             | 6,021,735            | 6,631,665             | 25,436   |
| <u>Other Debt Service</u>                         |                       |                      |                       |  |
| General Government                                | 319,740               | 356,000              | 356,000               | 36,260   |
| Education   | 3,525                 | 0                    | 3,525                 | 0  |
| Total Expenditures                                | <u>\$ 16,263,269</u>  | <u>\$ 14,338,508</u> | <u>\$ 16,324,966</u>  | <u>\$ 61,697</u>                                 |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 4,329,340</u>   | <u>\$ 1,758,549</u>  | <u>\$ 1,271,591</u>   | <u>\$ 3,057,749</u>                              |
| <u>Other Financing Sources (Uses)</u>             |                       |                      |                       |  |
| Transfers In                                      | \$ 200,952            | \$ 948,827           | \$ 200,955            | \$ (3)   |
| Transfers Out                                     | (3,140,890)           | 0                    | (3,140,890)           | 0  |
| Total Other Financing Sources                     | <u>\$ (2,939,938)</u> | <u>\$ 948,827</u>    | <u>\$ (2,939,935)</u> | <u>\$ (3)</u>                                    |
| Net Change in Fund Balance                        | \$ 1,389,402          | \$ 2,707,376         | \$ (1,668,344)        | \$ 3,057,746                                     |
| Fund Balance, July 1, 2018                        | 19,306,894            | 19,051,270           | 19,306,894            | 0  |
| Fund Balance, June 30, 2019                       | <u>\$ 20,696,296</u>  | <u>\$ 21,758,646</u> | <u>\$ 17,638,550</u>  | <u>\$ 3,057,746</u>                              |

# Fiduciary Funds

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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.

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

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

Exhibit I-1

Maury County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2019

|                                     | <u>Agency Funds</u>      |   |                     |
|-------------------------------------|--------------------------|---|---------------------|
|                                     | Cities -<br>Sales<br>Tax | Constitu-<br>tional<br>Officers -<br>Agency | Total               |
| <u>ASSETS</u>                       |                          |   |                     |
| Cash                                | \$ 0                     | \$ 3,592,979                                | \$ 3,592,979        |
| Accounts Receivable                 | 0                        | 88,667                                      | 88,667              |
| Due from Other Governments          | 2,559,000                | 0   | 2,559,000           |
| Total Assets                        | <u>\$ 2,559,000</u>      | <u>\$ 3,681,646</u>                         | <u>\$ 6,240,646</u> |
| <u>LIABILITIES</u>                  |                          |   |                     |
| Due to Other Taxing Units           | \$ 2,559,000             | \$ 0  | \$ 2,559,000        |
| Due to Litigants, Heirs, and Others | 0                        | 3,681,646                                   | 3,681,646           |
| Total Liabilities                   | <u>\$ 2,559,000</u>      | <u>\$ 3,681,646</u>                         | <u>\$ 6,240,646</u> |

Exhibit I-2

Maury County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2019

|  | Beginning<br>Balance | Additions            | Deductions           | Ending<br>Balance   |
|--|----------------------|----------------------|----------------------|---------------------|
| <u>Cities - Sales Tax Fund</u>               |                      |                      |                      |                     |
| <u>Assets</u>                                |                      |                      |                      |                     |
| Equity in Pooled Cash and Investments        | \$ 0                 | \$ 14,783,031        | \$ 14,783,031        | \$ 0                |
| Due from Other Governments                   | 2,276,561            | 2,559,000            | 2,276,561            | 2,559,000           |
| <b>Total Assets</b>                          | <b>\$ 2,276,561</b>  | <b>\$ 17,342,031</b> | <b>\$ 17,059,592</b> | <b>\$ 2,559,000</b> |
| <u>Liabilities</u>                           |                      |                      |                      |                     |
| Due to Other Taxing Units                    | \$ 2,276,561         | \$ 17,342,031        | \$ 17,059,592        | \$ 2,559,000        |
| <b>Total Liabilities</b>                     | <b>\$ 2,276,561</b>  | <b>\$ 17,342,031</b> | <b>\$ 17,059,592</b> | <b>\$ 2,559,000</b> |
| <u>Constitutional Officers - Agency Fund</u> |                      |                      |                      |                     |
| <u>Assets</u>                                |                      |                      |                      |                     |
| Cash   | \$ 2,566,992         | \$ 25,591,169        | \$ 24,565,182        | \$ 3,592,979        |
| Accounts Receivable                          | 644                  | 88,667               | 644                  | 88,667              |
| <b>Total Assets</b>                          | <b>\$ 2,567,636</b>  | <b>\$ 25,679,836</b> | <b>\$ 24,565,826</b> | <b>\$ 3,681,646</b> |
| <u>Liabilities</u>                           |                      |                      |                      |                     |
| Due to Litigants, Heirs, and Others          | \$ 2,567,636         | \$ 25,679,836        | \$ 24,565,826        | \$ 3,681,646        |
| <b>Total Liabilities</b>                     | <b>\$ 2,567,636</b>  | <b>\$ 25,679,836</b> | <b>\$ 24,565,826</b> | <b>\$ 3,681,646</b> |
| <u>Totals - All Agency Funds</u>             |                      |                      |                      |                     |
| <u>Assets</u>                                |                      |                      |                      |                     |
| Cash   | \$ 2,566,992         | \$ 25,591,169        | \$ 24,565,182        | \$ 3,592,979        |
| Equity in Pooled Cash and Investments        | 0                    | 14,783,031           | 14,783,031           | 0                   |
| Accounts Receivable                          | 644                  | 88,667               | 644                  | 88,667              |
| Due from Other Governments                   | 2,276,561            | 2,559,000            | 2,276,561            | 2,559,000           |
| <b>Total Assets</b>                          | <b>\$ 4,844,197</b>  | <b>\$ 43,021,867</b> | <b>\$ 41,625,418</b> | <b>\$ 6,240,646</b> |
| <u>Liabilities</u>                           |                      |                      |                      |                     |
| Due to Other Taxing Units                    | \$ 2,276,561         | \$ 17,342,031        | \$ 17,059,592        | \$ 2,559,000        |
| Due to Litigants, Heirs, and Others          | 2,567,636            | 25,679,836           | 24,565,826           | 3,681,646           |
| <b>Total Liabilities</b>                     | <b>\$ 4,844,197</b>  | <b>\$ 43,021,867</b> | <b>\$ 41,625,418</b> | <b>\$ 6,240,646</b> |

# Maury County School Department

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

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

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

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.

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

Exhibit J-1

Maury County, Tennessee  
Statement of Activities  
Discretely Presented Maury County School Department  
For the Year Ended June 30, 2019

| Functions/Programs   | Expenses              | Program Revenues           |   |   | Net (Expense)  |
|--|-----------------------|----------------------------|---|---|--|
|  |                       | Charges<br>for<br>Services | Operating<br>Grants<br>and<br>Contributions | Capital<br>Grants<br>and<br>Contributions | Revenue and<br>Changes in<br>Net Position<br>Total<br>Governmental<br>Activities |
| Governmental Activities:                                     |                       |                            |   |   |  |
| Instruction  | \$ 75,386,387         | \$ 185,987                 | \$ 8,364,942                                | \$ 0                                      | \$ (66,835,458)  |
| Support Services   | 41,933,866            | 259,711                    | 738,736                                     | 19,574,008                                | (21,361,411)   |
| Operation of Non-instructional Services                      | 8,050,770             | 1,830,232                  | 5,081,774                                   | 0   | (1,138,764)  |
| <b>Total Governmental Activities</b>                         | <b>\$ 125,371,023</b> | <b>\$ 2,275,930</b>        | <b>\$ 14,185,452</b>                        | <b>\$ 19,574,008</b>                      | <b>\$ (89,335,633)</b>   |
| General Revenues:  |                       |                            |   |   |  |
| Taxes:   |                       |                            |   |   |  |
| Property Taxes Levied for General Purposes                   |                       |                            |   |   | \$ 24,329,152  |
| Local Option Sales Tax                                       |                       |                            |   |   | 17,532,270   |
| Mixed Drink Tax  |                       |                            |   |   | 217,349  |
| Grants and Contributions Not Restricted to Specific Programs |                       |                            |   |   | 58,555,338   |
| Unrestricted Investment Earnings                             |                       |                            |   |   | 26,096   |
| Miscellaneous  |                       |                            |   |   | 77,186   |
| <b>Total General Revenues</b>                                |                       |                            |   |   | <b>\$ 100,737,391</b>  |
| Change in Net Position                                       |                       |                            |   |   | \$ 11,401,758  |
| Net Position, July 1, 2018                                   |                       |                            |   |   | 231,719,275  |
| Net Position, June 30, 2019                                  |                       |                            |   |   | <b>\$ 243,121,033</b>  |

Exhibit J-2

Maury County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented Maury County School Department  
June 30, 2019

|  | Major Funds                  |                                  | Nonmajor<br>Funds                   | Total                 |
|--|------------------------------|----------------------------------|-------------------------------------|-----------------------|
|  | General<br>Purpose<br>School | Education<br>Capital<br>Projects | Other<br>Govern-<br>mental<br>Funds | Governmental<br>Funds |
| <u>ASSETS</u>                              |                              |                                  |                                     |                       |
| Cash                                       | \$ 126,358                   | \$ 0                             | \$ 3,500                            | \$ 129,858            |
| Equity in Pooled Cash and Investments      | 13,113,807                   | 22,824,438                       | 3,860,819                           | 39,799,064            |
| Inventories                                | 0                            | 0                                | 181,764                             | 181,764               |
| Accounts Receivable                        | 121,662                      | 0                                | 18,278                              | 139,940               |
| Due from Other Governments                 | 4,521,321                    | 0                                | 916,920                             | 5,438,241             |
| Due from Other Funds                       | 242,607                      | 0                                | 21,040                              | 263,647               |
| Property Taxes Receivable                  | 25,187,754                   | 0                                | 0                                   | 25,187,754            |
| Allowance for Uncollectible Property Taxes | (390,905)                    | 0                                | 0                                   | (390,905)             |
| Restricted Assets                          | 248,609                      | 0                                | 0                                   | 248,609               |
| Total Assets                               | <u>\$ 43,171,213</u>         | <u>\$ 22,824,438</u>             | <u>\$ 5,002,321</u>                 | <u>\$ 70,997,972</u>  |
| <u>LIABILITIES</u>                         |                              |                                  |                                     |                       |
| Accounts Payable                           | \$ 978,857                   | \$ 0                             | \$ 176,890                          | \$ 1,155,747          |
| Accrued Payroll                            | 4,475,014                    | 0                                | 247,608                             | 4,722,622             |
| Payroll Deductions Payable                 | 1,956,842                    | 0                                | 296,161                             | 2,253,003             |
| Contracts Payable                          | 0                            | 5,448,377                        | 0                                   | 5,448,377             |
| Retainage Payable                          | 0                            | 68,992                           | 0                                   | 68,992                |
| Due to Other Funds                         | 21,040                       | 0                                | 242,607                             | 263,647               |
| Due to State of Tennessee                  | 186                          | 0                                | 5,657                               | 5,843                 |
| Total Liabilities                          | <u>\$ 7,431,939</u>          | <u>\$ 5,517,369</u>              | <u>\$ 968,923</u>                   | <u>\$ 13,918,231</u>  |
| <u>DEFERRED INFLOWS OF RESOURCES</u>       |                              |                                  |                                     |                       |
| Deferred Current Property Taxes            | \$ 24,067,806                | \$ 0                             | \$ 0                                | \$ 24,067,806         |

(Continued)



Exhibit J-2

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

|   | <u>Major Funds</u>                                |   | <u>Nonmajor</u><br><u>Funds</u>                                 |   |
|---|---|---|---|---|
|   | <u>General</u><br><u>Purpose</u><br><u>School</u> | <u>Education</u><br><u>Capital</u><br><u>Projects</u> | <u>Other</u><br><u>Govern-</u><br><u>mental</u><br><u>Funds</u> | <u>Total</u><br><u>Governmental</u><br><u>Funds</u> |
| <u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>                        |   |   |   |   |
| Deferred Delinquent Property Taxes                                  | \$ 620,518  | \$ 0  | \$ 0  | \$ 620,518  |
| Other Deferred/Unavailable Revenue                                  | 1,530,342   | 0   | 0   | 1,530,342   |
| Total Deferred Inflows of Resources                                 | <u>\$ 26,218,666</u>                              | <u>\$ 0</u>   | <u>\$ 0</u>   | <u>\$ 26,218,666</u>                                |
| <u>FUND BALANCES</u>  |   |   |   |   |
| Nonspendable:   |   |   |   |   |
| Inventory   | \$ 0  | \$ 0  | \$ 181,764  | \$ 181,764  |
| Restricted:   |   |   |   |   |
| Restricted for Education  | 0   | 17,307,069  | 3,389,811   | 20,696,880  |
| Restricted for Hybrid Retirement Stabilization Funds                | 248,609   | 0   | 0   | 248,609   |
| Committed:  |   |   |   |   |
| Committed for Education   | 506,468   | 0   | 461,823   | 968,291   |
| Unassigned  | 8,765,531   | 0   | 0   | 8,765,531   |
| Total Fund Balances   | <u>\$ 9,520,608</u>                               | <u>\$ 17,307,069</u>                                  | <u>\$ 4,033,398</u>   | <u>\$ 30,861,075</u>                                |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 43,171,213</u>                              | <u>\$ 22,824,438</u>                                  | <u>\$ 5,002,321</u>   | <u>\$ 70,997,972</u>                                |

Exhibit J-3

Maury County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
Discretely Presented Maury County School Department  
June 30, 2019

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

|   |                  |                              |
|---|------------------|------------------------------|
| Total fund balances - balance sheet - governmental funds (Exhibit J-2)  |                  | \$ 30,861,075                |
| (1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.  |                  |                              |
| Add: land   | \$ 5,846,313     |                              |
| Add: construction in progress   | 63,166,601       |                              |
| Add: building and improvements net of accumulated depreciation  | 154,715,992      |                              |
| Add: other capital assets net of accumulated depreciation   | <u>4,667,182</u> | 228,396,088                  |
| (2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.   |                  |                              |
| Less: other postemployment benefits liability   | \$ (28,809,530)  |                              |
| Less: compensated absences payable  | (3,785,022)      |                              |
| Less: contributions due on primary government debt for capital leases   | <u>(553,025)</u> | (33,147,577)                 |
| (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   | \$ 9,069,844     |                              |
| Less: deferred inflows of resources related to pensions   | (7,297,794)      |                              |
| Add: deferred outflows of resources related to OPEB   | 7,953,353        |                              |
| Less: deferred inflows of resources related to OPEB   | <u>(816,713)</u> | 8,908,690                    |
| (4) Net pension assets of the agent, teacher retirement, and teacher legacy pension plans are not current financial resources and therefore are not reported in the governmental funds.                           |                  | 5,951,897                    |
| (5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.   |                  | <u>2,150,860</u>             |
| Net position of governmental activities (Exhibit A)   |                  | <u><u>\$ 243,121,033</u></u> |

Exhibit J-4

Maury County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented Maury County School Department  
For the Year Ended June 30, 2019

|  | Major Funds                  |                                  | Nonmajor<br>Funds                   | Total<br>Governmental<br>Funds |
|--|------------------------------|----------------------------------|-------------------------------------|--------------------------------|
|  | General<br>Purpose<br>School | Education<br>Capital<br>Projects | Other<br>Govern-<br>mental<br>Funds |                                |
| <u>Revenues</u>                                      |                              |                                  |                                     |                                |
| Local Taxes  | \$ 41,642,209                | \$ 0                             | \$ 0                                | \$ 41,642,209                  |
| Licenses and Permits                                 | 7,182                        | 0                                | 0                                   | 7,182                          |
| Charges for Current Services                         | 251,274                      | 0                                | 1,833,053                           | 2,084,327                      |
| Other Local Revenues                                 | 55,707                       | 0                                | 76,566                              | 132,273                        |
| State of Tennessee                                   | 60,808,198                   | 0                                | 66,214                              | 60,874,412                     |
| Federal Government                                   | 191,140                      | 0                                | 11,797,347                          | 11,988,487                     |
| Other Governments and Citizens Groups                | 99,384                       | 16,001,309                       | 2,275,503                           | 18,376,196                     |
| Total Revenues                                       | <u>\$ 103,055,094</u>        | <u>\$ 16,001,309</u>             | <u>\$ 16,048,683</u>                | <u>\$ 135,105,086</u>          |
| <u>Expenditures</u>                                  |                              |                                  |                                     |                                |
| Current:   |                              |                                  |                                     |                                |
| Instruction  | \$ 60,601,909                | \$ 0                             | \$ 3,579,529                        | \$ 64,181,438                  |
| Support Services                                     | 36,236,953                   | 0                                | 2,780,383                           | 39,017,336                     |
| Operation of Non-Instructional Services              | 1,096,991                    | 0                                | 6,820,628                           | 7,917,619                      |
| Capital Outlay                                       | 534,489                      | 0                                | 2,294,608                           | 2,829,097                      |
| Debt Service:  |                              |                                  |                                     |                                |
| Other Debt Service                                   | 1,179,097                    | 0                                | 0                                   | 1,179,097                      |
| Capital Projects                                     | 0                            | 56,070,180                       | 0                                   | 56,070,180                     |
| Total Expenditures                                   | <u>\$ 99,649,439</u>         | <u>\$ 56,070,180</u>             | <u>\$ 15,475,148</u>                | <u>\$ 171,194,767</u>          |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>\$ 3,405,655</u>          | <u>\$ (40,068,871)</u>           | <u>\$ 573,535</u>                   | <u>\$ (36,089,681)</u>         |

(Continued)

Exhibit J-4

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

|                                       | Major Funds                  |                                  | Nonmajor<br>Funds                   | Total<br>Governmental<br>Funds |
|---------------------------------------|------------------------------|----------------------------------|-------------------------------------|--------------------------------|
|                                       | General<br>Purpose<br>School | Education<br>Capital<br>Projects | Other<br>Govern-<br>mental<br>Funds |                                |
| <u>Other Financing Sources (Uses)</u> |                              |                                  |                                     |                                |
| Insurance Recovery                    | \$ 403,622                   | \$ 0                             | \$ 0                                | \$ 403,622                     |
| Transfers In                          | 242,867                      | 0                                | 0                                   | 242,867                        |
| Transfers Out                         | 0                            | 0                                | (242,867)                           | (242,867)                      |
| Total Other Financing Sources (Uses)  | <u>\$ 646,489</u>            | <u>\$ 0</u>                      | <u>\$ (242,867)</u>                 | <u>\$ 403,622</u>              |
| Net Change in Fund Balances           | \$ 4,052,144                 | \$ (40,068,871)                  | \$ 330,668                          | \$ (35,686,059)                |
| Fund Balance, July 1, 2018            | <u>5,468,464</u>             | <u>57,375,940</u>                | <u>3,702,730</u>                    | <u>66,547,134</u>              |
| Fund Balance, June 30, 2019           | <u>\$ 9,520,608</u>          | <u>\$ 17,307,069</u>             | <u>\$ 4,033,398</u>                 | <u>\$ 30,861,075</u>           |

Exhibit J-5

Maury County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
Discretely Presented Maury County School Department  
For the Year Ended June 30, 2019

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

|  |                    |                      |
|--|--------------------|----------------------|
| Net change in fund balances - total governmental funds (Exhibit J-4)   |                    | \$ (35,686,059)      |
|  |                    |                      |
| (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  | \$ 48,903,707      |                      |
| Less: current-year depreciation expense  | <u>(8,357,538)</u> | 40,546,169           |
|  |                    |                      |
| (2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to increase net position.   |                    |                      |
| Add: assets donated and capitalized  | \$ 1,197,812       |                      |
| Less: book value of capital assets disposed  | <u>(119,437)</u>   | 1,078,375            |
|  |                    |                      |
| (3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.   |                    |                      |
| Add: deferred delinquent property taxes and other deferred June 30, 2019   | \$ 2,150,860       |                      |
| Less: deferred delinquent property taxes and other deferred June 30, 2018  | <u>(1,680,977)</u> | 469,883              |
|  |                    |                      |
| (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   |                    | 727,785              |
|  |                    |                      |
| (5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.  |                    |                      |
| Change in net pension asset - agent pension plan   | \$ 304,742         |                      |
| Change in net pension asset - teacher retirement pension plan  | 230,110            |                      |
| Change in net pension asset - teacher legacy pension plan  | 3,852,206          |                      |
| Change in deferred outflows related to pensions  | 271,554            |                      |
| Change in deferred inflows related to pensions   | 999,768            |                      |
| Change in compensated absences payable   | (877,922)          |                      |
| Change in deferred outflows related to OPEB  | 6,397,513          |                      |
| Change in deferred inflows related to OPEB   | 13,269             |                      |
| Change in other postemployment benefits liability  | <u>(6,925,635)</u> | <u>4,265,605</u>     |
|  |                    |                      |
| Change in net position of governmental activities (Exhibit B)  |                    | <u>\$ 11,401,758</u> |

Exhibit J-6

Maury County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented Maury County School Department  
June 30, 2019

|                                       | <u>Special Revenue Funds</u> |                     |                     | <u>Capital</u>       | <u>Total</u>        |
|---------------------------------------|------------------------------|---------------------|---------------------|----------------------|---------------------|
|                                       | <u>School</u>                | <u>Central</u>      | <u>Total</u>        | <u>Projects Fund</u> |                     |
|                                       | <u>Federal</u>               | <u>Cafeteria</u>    |                     | <u>Capital</u>       | <u>Nonmajor</u>     |
|                                       | <u>Projects</u>              |                     |                     | <u>Projects -</u>    | <u>Funds</u>        |
| <u>ASSETS</u>                         |                              |                     |                     |                      |                     |
| Cash                                  | \$ 0                         | \$ 3,500            | \$ 3,500            | \$ 0                 | \$ 3,500            |
| Equity in Pooled Cash and Investments | 255,721                      | 3,585,993           | 3,841,714           | 19,105               | 3,860,819           |
| Inventories                           | 0                            | 181,764             | 181,764             | 0                    | 181,764             |
| Accounts Receivable                   | 0                            | 18,278              | 18,278              | 0                    | 18,278              |
| Due from Other Governments            | 864,167                      | 52,753              | 916,920             | 0                    | 916,920             |
| Due from Other Funds                  | 21,040                       | 0                   | 21,040              | 0                    | 21,040              |
| Total Assets                          | <u>\$ 1,140,928</u>          | <u>\$ 3,842,288</u> | <u>\$ 4,983,216</u> | <u>\$ 19,105</u>     | <u>\$ 5,002,321</u> |
| <u>LIABILITIES</u>                    |                              |                     |                     |                      |                     |
| Accounts Payable                      | \$ 17,401                    | \$ 140,384          | \$ 157,785          | \$ 19,105            | \$ 176,890          |
| Accrued Payroll                       | 247,608                      | 0                   | 247,608             | 0                    | 247,608             |
| Payroll Deductions Payable            | 171,489                      | 124,672             | 296,161             | 0                    | 296,161             |
| Due to Other Funds                    | 242,607                      | 0                   | 242,607             | 0                    | 242,607             |
| Due to State of Tennessee             | 0                            | 5,657               | 5,657               | 0                    | 5,657               |
| Total Liabilities                     | <u>\$ 679,105</u>            | <u>\$ 270,713</u>   | <u>\$ 949,818</u>   | <u>\$ 19,105</u>     | <u>\$ 968,923</u>   |
| <u>FUND BALANCES</u>                  |                              |                     |                     |                      |                     |
| Nonspendable:                         |                              |                     |                     |                      |                     |
| Inventory                             | \$ 0                         | \$ 181,764          | \$ 181,764          | \$ 0                 | \$ 181,764          |
| Restricted:                           |                              |                     |                     |                      |                     |
| Restricted for Education              | 0                            | 3,389,811           | 3,389,811           | 0                    | 3,389,811           |
| Committed:                            |                              |                     |                     |                      |                     |
| Committed for Education               | 461,823                      | 0                   | 461,823             | 0                    | 461,823             |
| Total Fund Balances                   | <u>\$ 461,823</u>            | <u>\$ 3,571,575</u> | <u>\$ 4,033,398</u> | <u>\$ 0</u>          | <u>\$ 4,033,398</u> |
| Total Liabilities and Fund Balances   | <u>\$ 1,140,928</u>          | <u>\$ 3,842,288</u> | <u>\$ 4,983,216</u> | <u>\$ 19,105</u>     | <u>\$ 5,002,321</u> |

Exhibit J-7

Maury County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented Maury County School Department  
For the Year Ended June 30, 2019

|   | <u>Special Revenue Funds</u> |                     |                      | <u>Capital</u>       | <u>Total</u>         |
|---|------------------------------|---------------------|----------------------|----------------------|----------------------|
|   | <u>School</u>                | <u>Central</u>      | <u>Total</u>         | <u>Projects Fund</u> |                      |
|   | <u>Federal</u>               | <u>Cafeteria</u>    |                      | <u>Other</u>         | <u>Nonmajor</u>      |
|   | <u>Projects</u>              |                     |                      | <u>Capital</u>       | <u>Governmental</u>  |
|   |                              |                     |                      | <u>Projects -</u>    | <u>Funds</u>         |
| <u>Revenues</u>                             |                              |                     |                      |                      |                      |
| Charges for Current Services                | \$ 0                         | \$ 1,833,053        | \$ 1,833,053         | \$ 0                 | \$ 1,833,053         |
| Other Local Revenues                        | 0                            | 76,566              | 76,566               | 0                    | 76,566               |
| State of Tennessee                          | 0                            | 66,214              | 66,214               | 0                    | 66,214               |
| Federal Government                          | 6,776,787                    | 5,020,560           | 11,797,347           | 0                    | 11,797,347           |
| Other Governments and Citizens Groups       | 0                            | 0                   | 0                    | 2,275,503            | 2,275,503            |
| <b>Total Revenues</b>                       | <b>\$ 6,776,787</b>          | <b>\$ 6,996,393</b> | <b>\$ 13,773,180</b> | <b>\$ 2,275,503</b>  | <b>\$ 16,048,683</b> |
| <u>Expenditures</u>                         |                              |                     |                      |                      |                      |
| Current:                                    |                              |                     |                      |                      |                      |
| Instruction                                 | \$ 3,579,529                 | \$ 0                | \$ 3,579,529         | \$ 0                 | \$ 3,579,529         |
| Support Services                            | 2,780,383                    | 0                   | 2,780,383            | 0                    | 2,780,383            |
| Operation of Non-Instructional Services     | 195,210                      | 6,625,418           | 6,820,628            | 0                    | 6,820,628            |
| Capital Outlay                              | 0                            | 0                   | 0                    | 2,294,608            | 2,294,608            |
| <b>Total Expenditures</b>                   | <b>\$ 6,555,122</b>          | <b>\$ 6,625,418</b> | <b>\$ 13,180,540</b> | <b>\$ 2,294,608</b>  | <b>\$ 15,475,148</b> |
| Excess (Deficiency) of Revenues             |                              |                     |                      |                      |                      |
| Over Expenditures                           | \$ 221,665                   | \$ 370,975          | \$ 592,640           | \$ (19,105)          | \$ 573,535           |
| <u>Other Financing Sources (Uses)</u>       |                              |                     |                      |                      |                      |
| Transfers Out                               | \$ (160,002)                 | \$ (82,865)         | \$ (242,867)         | \$ 0                 | \$ (242,867)         |
| <b>Total Other Financing Sources (Uses)</b> | <b>\$ (160,002)</b>          | <b>\$ (82,865)</b>  | <b>\$ (242,867)</b>  | <b>\$ 0</b>          | <b>\$ (242,867)</b>  |
| Net Change in Fund Balances                 | \$ 61,663                    | \$ 288,110          | \$ 349,773           | \$ (19,105)          | \$ 330,668           |
| Fund Balance, July 1, 2018                  | 400,160                      | 3,283,465           | 3,683,625            | 19,105               | 3,702,730            |
| <b>Fund Balance, June 30, 2019</b>          | <b>\$ 461,823</b>            | <b>\$ 3,571,575</b> | <b>\$ 4,033,398</b>  | <b>\$ 0</b>          | <b>\$ 4,033,398</b>  |

Exhibit J-8

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Maury County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2019

|  | Actual                | Budgeted Amounts      |                       | Variance with Final Budget - Positive (Negative) |
|--|-----------------------|-----------------------|-----------------------|--|
|  |                       | Original              | Final                 |  |
| <u>Revenues</u>  |                       |                       |                       |  |
| Local Taxes  | \$ 41,642,209         | \$ 39,626,595         | \$ 40,951,734         | \$ 690,475                                       |
| Licenses and Permits                                     | 7,182                 | 6,000                 | 6,000                 | 1,182  |
| Charges for Current Services                             | 251,274               | 212,000               | 308,936               | (57,662)   |
| Other Local Revenues                                     | 55,707                | 225,200               | 227,700               | (171,993)  |
| State of Tennessee                                       | 60,808,198            | 60,173,099            | 60,878,707            | (70,509)   |
| Federal Government                                       | 191,140               | 233,543               | 607,786               | (416,646)  |
| Other Governments and Citizens Groups                    | 99,384                | 0                     | 0                     | 99,384   |
| <b>Total Revenues</b>                                    | <b>\$ 103,055,094</b> | <b>\$ 100,476,437</b> | <b>\$ 102,980,863</b> | <b>\$ 74,231</b>                                 |
| <u>Expenditures</u>                                      |                       |                       |                       |  |
| <u>Instruction</u>                                       |                       |                       |                       |  |
| Regular Instruction Program                              | \$ 46,476,857         | \$ 47,785,673         | \$ 48,850,768         | \$ 2,373,911                                     |
| Alternative Instruction Program                          | 1,024,034             | 732,455               | 1,128,120             | 104,086  |
| Special Education Program                                | 9,462,719             | 9,499,569             | 9,786,896             | 324,177  |
| Career and Technical Education Program                   | 3,638,299             | 4,088,862             | 3,887,155             | 248,856  |
| Other  | 0                     | 375,065               | 0                     | 0  |
| <u>Support Services</u>                                  |                       |                       |                       |  |
| Attendance   | 1,433,685             | 1,186,000             | 1,633,500             | 199,815  |
| Health Services  | 853,482               | 945,218               | 958,218               | 104,736  |
| Other Student Support                                    | 2,133,814             | 1,871,529             | 2,139,377             | 5,563  |
| Regular Instruction Program                              | 2,764,141             | 3,114,995             | 3,073,487             | 309,346  |
| Alternative Instruction Program                          | 196,506               | 210,114               | 234,014               | 37,508   |
| Special Education Program                                | 1,013,738             | 1,337,642             | 1,069,136             | 55,398   |
| Career and Technical Education Program                   | 192,745               | 190,816               | 217,021               | 24,276   |
| Technology   | 1,754,683             | 1,748,435             | 1,884,400             | 129,717  |
| Other Programs   | 417,958               | 0                     | 417,958               | 0  |
| Board of Education                                       | 2,308,393             | 2,404,230             | 2,420,726             | 112,333  |
| Director of Schools                                      | 383,030               | 382,600               | 424,219               | 41,189   |
| Office of the Principal                                  | 7,400,088             | 7,553,551             | 8,048,614             | 648,526  |
| Fiscal Services  | 896,718               | 899,581               | 898,184               | 1,466  |
| Human Services/Personnel                                 | 426,153               | 426,828               | 479,498               | 53,345   |
| Operation of Plant                                       | 5,965,865             | 6,219,473             | 6,369,667             | 403,802  |
| Maintenance of Plant                                     | 2,436,994             | 2,482,084             | 2,684,020             | 247,026  |
| Transportation   | 5,570,929             | 5,346,519             | 5,881,054             | 310,125  |
| Central and Other  | 88,031                | 68,000                | 94,897                | 6,866  |
| <u>Operation of Non-Instructional Services</u>           |                       |                       |                       |  |
| Community Services                                       | 125,355               | 129,848               | 139,798               | 14,443   |
| Early Childhood Education                                | 971,636               | 1,096,024             | 1,104,524             | 132,888  |
| <u>Capital Outlay</u>                                    |                       |                       |                       |  |
| Regular Capital Outlay                                   | 534,489               | 272,169               | 697,126               | 162,637  |
| <u>Other Debt Service</u>                                |                       |                       |                       |  |
| Education  | 1,179,097             | 585,255               | 1,280,881             | 101,784  |
| <b>Total Expenditures</b>                                | <b>\$ 99,649,439</b>  | <b>\$ 100,952,535</b> | <b>\$ 105,803,258</b> | <b>\$ 6,153,819</b>                              |
| <b>Excess (Deficiency) of Revenues Over Expenditures</b> | <b>\$ 3,405,655</b>   | <b>\$ (476,098)</b>   | <b>\$ (2,822,395)</b> | <b>\$ 6,228,050</b>                              |

(Continued)



Exhibit J-8

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

|                                       | Actual              | Budgeted Amounts    |                     | Variance with Final Budget - Positive (Negative) |
|---------------------------------------|---------------------|---------------------|---------------------|--|
|                                       |                     | Original            | Final               |  |
| <u>Other Financing Sources (Uses)</u> |                     |                     |                     |  |
| Insurance Recovery                    | \$ 403,622          | \$ 0                | \$ 403,622          | \$ 0   |
| Transfers In                          | 242,867             | 32,419              | 32,419              | 210,448  |
| Total Other Financing Sources         | <u>\$ 646,489</u>   | <u>\$ 32,419</u>    | <u>\$ 436,041</u>   | <u>\$ 210,448</u>                                |
| Net Change in Fund Balance            | \$ 4,052,144        | \$ (443,679)        | \$ (2,386,354)      | \$ 6,438,498                                     |
| Fund Balance, July 1, 2018            | <u>5,468,464</u>    | <u>2,952,426</u>    | <u>5,468,464</u>    | <u>0</u>   |
| Fund Balance, June 30, 2019           | <u>\$ 9,520,608</u> | <u>\$ 2,508,747</u> | <u>\$ 3,082,110</u> | <u>\$ 6,438,498</u>                              |

Exhibit J-9

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Maury County School Department  
School Federal Projects Fund  
For the Year Ended June 30, 2019

|   | Actual       | Budgeted Amounts |               | Variance with Final Budget - Positive (Negative) |
|---|--------------|------------------|---------------|--|
|   |              | Original         | Final         |  |
| <u>Revenues</u>                                   |              |                  |               |  |
| Federal Government                                | \$ 6,776,787 | \$ 6,703,217     | \$ 10,137,699 | \$ (3,360,912)                                   |
| Total Revenues                                    | \$ 6,776,787 | \$ 6,703,217     | \$ 10,137,699 | \$ (3,360,912)                                   |
| <u>Expenditures</u>                               |              |                  |               |  |
| <u>Instruction</u>                                |              |                  |               |  |
| Regular Instruction Program                       | \$ 1,961,698 | \$ 2,033,733     | \$ 2,309,082  | \$ 347,384                                       |
| Special Education Program                         | 1,480,673    | 1,645,105        | 3,055,350     | 1,574,677  |
| Career and Technical Education Program            | 137,158      | 118,988          | 137,268       | 110  |
| <u>Support Services</u>                           |              |                  |               |  |
| Health Services                                   | 240,512      | 282,513          | 307,964       | 67,452   |
| Other Student Support                             | 400,663      | 407,588          | 922,272       | 521,609  |
| Regular Instruction Program                       | 1,093,035    | 1,114,421        | 1,524,571     | 431,536  |
| Special Education Program                         | 483,745      | 536,584          | 719,866       | 236,121  |
| Career and Technical Education Program            | 11,327       | 14,757           | 11,359        | 32   |
| Transportation                                    | 551,101      | 539,028          | 664,057       | 112,956  |
| <u>Operation of Non-Instructional Services</u>    |              |                  |               |  |
| Community Services                                | 195,210      | 0                | 205,000       | 9,790  |
| Total Expenditures                                | \$ 6,555,122 | \$ 6,692,717     | \$ 9,856,789  | \$ 3,301,667                                     |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 221,665   | \$ 10,500        | \$ 280,910    | \$ (59,245)                                      |
| <u>Other Financing Sources (Uses)</u>             |              |                  |               |  |
| Transfers Out                                     | \$ (160,002) | \$ (10,500)      | \$ (259,869)  | \$ 99,867  |
| Total Other Financing Sources                     | \$ (160,002) | \$ (10,500)      | \$ (259,869)  | \$ 99,867  |
| Net Change in Fund Balance                        | \$ 61,663    | \$ 0             | \$ 21,041     | \$ 40,622  |
| Fund Balance, July 1, 2018                        | 400,160      | 400,160          | 400,160       | 0  |
| Fund Balance, June 30, 2019                       | \$ 461,823   | \$ 400,160       | \$ 421,201    | \$ 40,622  |

Exhibit J-10

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Maury County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 2019

|   | Actual              | Budgeted Amounts    |                       | Variance with Final Budget - Positive (Negative) |
|---|---------------------|---------------------|-----------------------|--|
|   |                     | Original            | Final                 |  |
| <u>Revenues</u>                                   |                     |                     |                       |  |
| Charges for Current Services                      | \$ 1,833,053        | \$ 2,280,000        | \$ 2,280,000          | \$ (446,947)                                     |
| Other Local Revenues                              | 76,566              | 38,000              | 38,000                | 38,566   |
| State of Tennessee                                | 66,214              | 59,000              | 59,000                | 7,214  |
| Federal Government                                | 5,020,560           | 4,998,374           | 5,063,454             | (42,894)   |
| Total Revenues                                    | <u>\$ 6,996,393</u> | <u>\$ 7,375,374</u> | <u>\$ 7,440,454</u>   | <u>\$ (444,061)</u>                              |
| <u>Expenditures</u>                               |                     |                     |                       |  |
| <u>Support Services</u>                           |                     |                     |                       |  |
| Board of Education                                | \$ 0                | \$ 50,000           | \$ 20,135             | \$ 20,135  |
| <u>Operation of Non-Instructional Services</u>    |                     |                     |                       |  |
| Food Service                                      | 6,625,418           | 7,337,280           | 8,622,360             | 1,996,942  |
| Total Expenditures                                | <u>\$ 6,625,418</u> | <u>\$ 7,387,280</u> | <u>\$ 8,642,495</u>   | <u>\$ 2,017,077</u>                              |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 370,975</u>   | <u>\$ (11,906)</u>  | <u>\$ (1,202,041)</u> | <u>\$ 1,573,016</u>                              |
| <u>Other Financing Sources (Uses)</u>             |                     |                     |                       |  |
| Transfers Out                                     | \$ (82,865)         | \$ (53,000)         | \$ (82,865)           | \$ 0   |
| Total Other Financing Sources                     | <u>\$ (82,865)</u>  | <u>\$ (53,000)</u>  | <u>\$ (82,865)</u>    | <u>\$ 0</u>                                      |
| Net Change in Fund Balance                        | \$ 288,110          | \$ (64,906)         | \$ (1,284,906)        | \$ 1,573,016                                     |
| Fund Balance, July 1, 2018                        | <u>3,283,465</u>    | <u>1,800,000</u>    | <u>3,283,465</u>      | <u>0</u>   |
| Fund Balance, June 30, 2019                       | <u>\$ 3,571,575</u> | <u>\$ 1,735,094</u> | <u>\$ 1,998,559</u>   | <u>\$ 1,573,016</u>                              |

Exhibit J-11

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented Maury County School Department  
Education Capital Projects Fund  
For the Year Ended June 30, 2019

|  | Actual<br>(GAAP<br>Basis) | Add:<br>Encumbrances<br>6/30/2019 | Actual<br>Revenues/<br>Expenditures<br>(Budgetary<br>Basis) | Budgeted Amounts |                 | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|---------------------------|-----------------------------------|---|------------------|-----------------|--|
|  |                           |                                   |   | Original         | Final           |  |
| <u>Revenues</u>                                      |                           |                                   |   |                  |                 |  |
| Other Governments and Citizens Groups                | \$ 16,001,309             | \$ 0                              | \$ 16,001,309   | \$ 0             | \$ 16,001,909   | \$ (600)   |
| Total Revenues                                       | \$ 16,001,309             | \$ 0                              | \$ 16,001,309   | \$ 0             | \$ 16,001,909   | \$ (600)   |
| <u>Expenditures</u>                                  |                           |                                   |   |                  |                 |  |
| <u>Capital Projects</u>                              |                           |                                   |   |                  |                 |  |
| Education Capital Projects                           | \$ 56,070,180             | \$ 8,019,365                      | \$ 64,089,545   | \$ 0             | \$ 73,377,849   | \$ 9,288,304   |
| Total Expenditures                                   | \$ 56,070,180             | \$ 8,019,365                      | \$ 64,089,545   | \$ 0             | \$ 73,377,849   | \$ 9,288,304   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (40,068,871)           | \$ (8,019,365)                    | \$ (48,088,236)   | \$ 0             | \$ (57,375,940) | \$ 9,287,704   |
| Net Change in Fund Balance                           | \$ (40,068,871)           | \$ (8,019,365)                    | \$ (48,088,236)   | \$ 0             | \$ (57,375,940) | \$ 9,287,704   |
| Fund Balance, July 1, 2018                           | 57,375,940                | 0                                 | 57,375,940  | 0                | 57,375,940      | 0  |
| Fund Balance, June 30, 2019                          | \$ 17,307,069             | \$ (8,019,365)                    | \$ 9,287,704  | \$ 0             | \$ 0            | \$ 9,287,704   |

Exhibit J-12

Maury County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented Maury County School Department  
Other Capital Projects Fund  
For the Year Ended June 30, 2019

|  | Actual       | Budgeted Amounts |              | Variance<br>with Final<br>Budget -<br>Positive<br>(Negative) |
|--|--------------|------------------|--------------|--|
|  |              | Original         | Final        |  |
| <u>Revenues</u>                                      |              |                  |              |  |
| Other Governments and Citizens Groups                | \$ 2,275,503 | \$ 0             | \$ 2,275,503 | \$ 0   |
| Total Revenues                                       | \$ 2,275,503 | \$ 0             | \$ 2,275,503 | \$ 0   |
| <u>Expenditures</u>                                  |              |                  |              |  |
| <u>Capital Outlay</u>                                |              |                  |              |  |
| Regular Capital Outlay                               | \$ 2,294,608 | \$ 0             | \$ 2,294,608 | \$ 0   |
| Total Expenditures                                   | \$ 2,294,608 | \$ 0             | \$ 2,294,608 | \$ 0   |
| Excess (Deficiency) of Revenues<br>Over Expenditures | \$ (19,105)  | \$ 0             | \$ (19,105)  | \$ 0   |
| Net Change in Fund Balance                           | \$ (19,105)  | \$ 0             | \$ (19,105)  | \$ 0   |
| Fund Balance, July 1, 2018                           | 19,105       | 0                | 19,105       | 0  |
| Fund Balance, June 30, 2019                          | \$ 0         | \$ 0             | \$ 0         | \$ 0   |

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## MISCELLANEOUS SCHEDULES

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Exhibit K-1

Maury County, Tennessee  
Schedule of Changes in Long-term Notes, Other Loans, Bonds, and Capital Leases  
For the Year Ended June 30, 2019

| Description of Indebtedness   | Original<br>Amount<br>of Issue | Interest<br>Rate | Date<br>of<br>Issue | Last<br>Maturity<br>Date | Outstanding<br>7-1-18 | Issued<br>During<br>Period | Paid<br>and/or<br>Matured<br>During<br>Period | Outstanding<br>6-30-19 |
|---|--------------------------------|------------------|---------------------|--------------------------|-----------------------|----------------------------|---|------------------------|
| <b>NOTES PAYABLE</b>  |                                |                  |                     |                          |                       |                            |   |                        |
| <u>Payable through General Debt Service Fund</u>  |                                |                  |                     |                          |                       |                            |   |                        |
| General Obligation School   | \$ 355,993                     | 1.5 %            | 4-20-16             | 4-1-20                   | \$ 180,508            | \$ 0                       | \$ 89,582                                     | \$ 90,926              |
| General Obligation Jail   | 360,000                        | 1.687            | 2-6-18              | 2-1-21                   | 360,000               | 0                          | 120,000                                       | 240,000                |
| Total Notes Payable   |                                |                  |                     |                          | \$ 540,508            | \$ 0                       | \$ 209,582                                    | \$ 330,926             |
| <b>OTHER LOANS PAYABLE</b>  |                                |                  |                     |                          |                       |                            |   |                        |
| <u>Payable through General Debt Service Fund</u>  |                                |                  |                     |                          |                       |                            |   |                        |
| Qualified School Construction Bond (QSCB)   | 4,408,000                      | (1)              | 10-1-10             | 9-15-27                  | \$ 2,528,478          | \$ 0                       | \$ 275,052                                    | \$ 2,253,426           |
| Energy Efficient Schools Initiative   | 2,847,543                      | 1.0              | 1-30-18             | 5-1-31                   | 669,585               | 2,177,958                  | 37,341  | 2,810,202              |
| Total Other Loans Payable   |                                |                  |                     |                          | \$ 3,198,063          | \$ 2,177,958               | \$ 312,393                                    | \$ 5,063,628           |
| <b>BONDS PAYABLE</b>  |                                |                  |                     |                          |                       |                            |   |                        |
| <u>Payable through General Debt Service Fund</u>  |                                |                  |                     |                          |                       |                            |   |                        |
| General Obligation Refunding  | 18,320,000                     | 1 to 4           | 5-23-12             | 4-1-20                   | \$ 5,765,000          | \$ 0                       | \$ 2,850,000                                  | \$ 2,915,000           |
| School and Public Improvement   | 12,250,000                     | 2 to 5           | 10-14-14            | 10-14-30                 | 9,430,000             | 0                          | 955,000                                       | 8,475,000              |
| School Improvement  | 43,965,000                     | 2 to 5           | 6-1-15              | 4-1-36                   | 43,765,000            | 0                          | 200,000                                       | 43,565,000             |
| General Obligation Refunding  | 20,150,000                     | 2.05             | 12-22-15            | 4-1-28                   | 20,150,000            | 0                          | 1,960,000                                     | 18,190,000             |
| General Obligation School   | 21,300,000                     | 2.13             | 9-8-16              | 4-1-36                   | 20,600,000            | 0                          | 1,010,000                                     | 19,590,000             |
| General Obligation School   | 62,050,000                     | 3.03             | 10-19-17            | 4-1-42                   | 62,050,000            | 0                          | 100,000                                       | 61,950,000             |
| General Obligation School   | 15,290,000                     | 3.20             | 9-27-18             | 4-1-38                   | 0                     | 15,290,000                 | 835,000                                       | 14,455,000             |
| Total Bonds Payable   |                                |                  |                     |                          | \$ 161,760,000        | \$ 15,290,000              | \$ 7,910,000                                  | \$ 169,140,000         |
| <b>CAPITAL LEASES</b>   |                                |                  |                     |                          |                       |                            |   |                        |
| <u>Contributions Due by the School Department from the General Purpose School fund to the General Debt Service Fund</u> |                                |                  |                     |                          |                       |                            |   |                        |
| #1 Schools Computer Lease   | 309,653                        | 5.258            | 2-3-17              | 3-3-20                   | \$ 137,663            | \$ 0                       | \$ 85,142                                     | \$ 52,521              |
| #2 Schools Computer Lease   | 309,653                        | 5.342            | 3-1-17              | 4-1-20                   | 137,624               | 0                          | 85,147  | 52,477                 |
| #3 Schools Computer Lease   | 200,655                        | 5.342            | 3-1-17              | 4-1-20                   | 89,180                | 0                          | 55,175  | 34,005                 |
| #4 Schools Computer Lease   | 1,476,262                      | 5.342            | 3-13-17             | 4-13-20                  | 656,117               | 0                          | 405,933                                       | 250,184                |
| #5 Schools Computer Lease   | 369,065                        | 5.279            | 6-6-17              | 7-6-20                   | 260,226               | 0                          | 96,388  | 163,838                |
| Total Capital Leases  |                                |                  |                     |                          | \$ 1,280,810          | \$ 0                       | \$ 727,785                                    | \$ 553,025             |

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

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

Exhibit K-2

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

| Year<br>Ending<br>June 30 | Notes      |          | Total      |
|---------------------------|------------|----------|------------|
|                           | Principal  | Interest |            |
| 2020                      | \$ 210,926 | \$ 5,413 | \$ 216,339 |
| 2021                      | 120,000    | 1,855    | 121,855    |
| Total                     | \$ 330,926 | \$ 7,268 | \$ 338,194 |

| Year<br>Ending<br>June 30 | Other Loans  |              |                | Total        |
|---------------------------|--------------|--------------|----------------|--------------|
|                           | Principal    | Interest     | (1) Other Fees |              |
| 2020                      | \$ 499,892   | \$ 240,776   | \$ 3,526       | \$ 744,194   |
| 2021                      | 502,150      | 238,518      | 3,526          | 744,194      |
| 2022                      | 504,432      | 236,236      | 3,526          | 744,194      |
| 2023                      | 506,738      | 233,930      | 3,526          | 744,194      |
| 2024                      | 509,068      | 231,600      | 3,526          | 744,194      |
| 2025                      | 511,421      | 229,247      | 3,526          | 744,194      |
| 2026                      | 513,788      | 226,880      | 3,526          | 744,194      |
| 2027                      | 543,266      | 224,478      | 3,526          | 771,270      |
| 2028                      | 269,498      | 9,969        | 588            | 280,055      |
| 2029                      | 246,013      | 5,903        | 0              | 251,916      |
| 2030                      | 248,467      | 3,449        | 0              | 251,916      |
| 2031                      | 208,895      | 1,040        | 0              | 209,935      |
| Total                     | \$ 5,063,628 | \$ 1,882,026 | \$ 28,796      | \$ 6,974,450 |

(Continued)



Exhibit K-2

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

| Year<br>Ending<br>June 30 | Bonds          |               |                |
|---------------------------|----------------|---------------|----------------|
|                           | Principal      | Interest      | Total          |
| 2020                      | \$ 8,785,000   | \$ 6,453,010  | \$ 15,238,010  |
| 2021                      | 8,315,000      | 6,053,411     | 14,368,411     |
| 2022                      | 8,555,000      | 5,637,660     | 14,192,660     |
| 2023                      | 8,865,000      | 5,209,911     | 14,074,911     |
| 2024                      | 9,170,000      | 4,778,660     | 13,948,660     |
| 2025                      | 9,490,000      | 4,332,412     | 13,822,412     |
| 2026                      | 8,800,000      | 3,915,048     | 12,715,048     |
| 2027                      | 9,020,000      | 3,595,198     | 12,615,198     |
| 2028                      | 9,245,000      | 3,275,448     | 12,520,448     |
| 2029                      | 7,525,000      | 2,934,699     | 10,459,699     |
| 2030                      | 7,820,000      | 2,642,298     | 10,462,298     |
| 2031                      | 7,710,000      | 2,390,419     | 10,100,419     |
| 2032                      | 7,960,000      | 2,138,248     | 10,098,248     |
| 2033                      | 8,205,000      | 1,890,884     | 10,095,884     |
| 2034                      | 10,350,000     | 1,634,881     | 11,984,881     |
| 2035                      | 9,865,000      | 1,347,313     | 11,212,313     |
| 2036                      | 8,070,000      | 1,062,500     | 9,132,500      |
| 2037                      | 3,295,000      | 766,663       | 4,061,663      |
| 2038                      | 3,395,000      | 623,693       | 4,018,693      |
| 2039                      | 3,500,000      | 476,000       | 3,976,000      |
| 2040                      | 3,615,000      | 364,000       | 3,979,000      |
| 2041                      | 3,730,000      | 246,513       | 3,976,513      |
| 2042                      | 3,855,000      | 125,287       | 3,980,287      |
| Total                     | \$ 169,140,000 | \$ 61,894,156 | \$ 231,034,156 |

| Year<br>Ending<br>June 30 | Capital Leases |           |            |
|---------------------------|----------------|-----------|------------|
|                           | Principal      | Interest  | Total      |
| 2020                      | \$ 490,788     | \$ 30,122 | \$ 520,910 |
| 2021                      | 62,237         | 3,366     | 65,603     |
| Total                     | \$ 553,025     | \$ 33,488 | \$ 586,513 |

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

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

Exhibit K-3

Maury County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented Maury County School Department  
For the Year Ended June 30, 2019

| <u>From Fund</u>   | <u>To Fund</u>           | <u>Purpose</u>                      | <u>Amount</u>       |
|--|--------------------------|-------------------------------------|---------------------|
| <u>PRIMARY GOVERNMENT</u>  |                          |                                     |                     |
| General  | General Debt Service     | Debt Retirement                     | \$ 200,952          |
| "  | Other Capital Projects   | Capital Outlay                      | 17,469              |
| General Debt Service   | General Fund             | Jail Renovation                     | 142,500             |
| "  | General Capital Projects | General Sessions part II Courthouse | <u>2,998,390</u>    |
| Total Transfers Primary Government                                     |                          |                                     | <u>\$ 3,359,311</u> |
| <u>DISCRETELY PRESENTED MAURY COUNTY SCHOOL DEPARTMENT</u>             |                          |                                     |                     |
| School Federal Projects  | General Purpose School   | Indirect Costs                      | \$ 160,002          |
| Central Cafeteria  | "                        | Operations                          | <u>82,865</u>       |
| Total Transfers Discretely Presented<br>Maury County School Department |                          |                                     | <u>\$ 242,867</u>   |

Maury County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented Maury County School Department  
For the Year Ended June 30, 2019

| Official  | Authorization for Salary                                | Salary Paid During Period | Bond       | Surety                                      |
|---|---|---------------------------|------------|---|
| <b>County Mayor:</b>                            |   |                           |            |   |
| Charlie Norman (7-1-18 through 8-31-18)         | Section 8-24-102, <i>TCA</i>                            | \$ 17,719                 | \$ 100,000 | RLI Insurance Company                       |
| Andy Ogles (9-1-18 through 6-30-19)             | Section 8-24-102, <i>TCA</i>                            | 88,597                    | 400,000    | Local Government Property and Casualty Fund |
| Road Superintendent                             | Section 8-24-102, <i>TCA</i>                            | 97,860                    | 100,000    | RLI Insurance Company                       |
| Director of Schools                             | State Board of Education and Local Board of Education   | 181,000 (1)               | 400,000    | Public Risk Insurers                        |
| <b>Trustee:</b>                                 |   |                           |            |   |
| Steve Konz (7-1-18 through 8-31-18)             | Section 8-24-102, <i>TCA</i>                            | 14,827                    | 3,660,000  | Cincinnati Insurance Company                |
| Randy McNeece (9-1-18 through 6-30-19)          | Section 8-24-102, <i>TCA</i>                            | 74,135                    | 4,360,000  | RLI Insurance Company                       |
| Assessor of Property                            | Section 8-24-102, <i>TCA</i>                            | 88,962                    | 50,000     | "   |
| County Clerk                                    | Section 8-24-102, <i>TCA</i>                            | 88,962                    | 400,000    | Local Government Property and Casualty Fund |
| Circuit and General Sessions Courts Clerk       | Section 8-24-102, <i>TCA</i>                            | 88,962                    | 400,000    | "   |
| Clerk and Master                                | Section 8-24-102, <i>TCA</i> , and Chancery Court Judge | 88,962 (2)                | 100,000    | RLI Insurance Company                       |
| Register of Deeds                               | Section 8-24-102, <i>TCA</i>                            | 88,962                    | 400,000    | Local Government Property and Casualty Fund |
| Sheriff   | Section 8-24-102, <i>TCA</i> , and County Commission    | 97,860 (3)                | 400,000    | "   |
| Finance Director                                | Chapter 47, Private Acts of 2018                        | 112,708                   | 400,000    | "   |
| Director of Human Resources                     | Chapter 91, Private Acts of 2004                        | 77,838 (4)                | 400,000    | "   |
| <b>Purchasing Agent:</b>                        |   |                           |            |   |
| Buddy Harlan (7-1-18 through 1-4-19)            | County Commission                                       | 39,923 (5)                | 400,000    | "   |
| Pattie Farris (1-22-19 through 6-30-19)         | County Commission                                       | 32,859                    | 400,000    | "   |
| <b>Employee Blanket Bonds:</b>                  |   |                           |            |   |
| Public Employee Dishonesty - County Departments |   |                           | 400,000    | Local Government Property and Casualty Fund |
| Public Employee Dishonesty - School Department  |   |                           | 400,000    | Public Risk Insurers                        |

- (1) Includes \$1,000 Career Ladder CEO Supplement. Does not include 100 percent of the premiums for family health and dental insurance (\$21,589) or 100 percent of the premiums for \$100,000 life insurance policy (\$102).
- (2) Does not include \$22,790 in special commissioner fees.
- (3) Does not include \$3,029 for serving as workhouse superintendent and \$600 for a law enforcement training supplement.
- (4) Does not include \$850 longevity pay.
- (5) Includes accrued vacation leave of \$6,303. Does not include \$1,000 longevity pay.

Exhibit K-5

Maury County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
For the Year Ended June 30, 2019

|  | Special Revenue Funds |              |                                     |                        | Debt Service         | Capital                  |
|--|-----------------------|--------------|-------------------------------------|------------------------|----------------------|--------------------------|
|  | General               | Drug Control | Adequate Facilities/Development Tax | Highway / Public Works | Fund                 | Projects Funds           |
|  |                       |              |                                     |                        | General Debt Service | Highway Capital Projects |
| <u>Local Taxes</u>                                       |                       |              |                                     |                        |                      |                          |
| <u>County Property Taxes</u>                             |                       |              |                                     |                        |                      |                          |
| Current Property Tax                                     | \$ 9,816,963          | \$ 0         | \$ 0                                | \$ 3,011,742           | \$ 12,875,740        | \$ 0                     |
| Current Property Tax - Tax Increment Financing           | 30,073                | 0            | 0                                   | 0                      | 0                    | 0                        |
| Trustee's Collections - Prior Year                       | 249,606               | 0            | 0                                   | 82,956                 | 445,395              | 0                        |
| Trustee's Collections - Bankruptcy                       | 1,394                 | 0            | 0                                   | 411                    | 2,010                | 0                        |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 120,691               | 0            | 0                                   | 37,503                 | 167,067              | 0                        |
| Interest and Penalty                                     | 45,030                | 0            | 0                                   | 14,638                 | 74,775               | 0                        |
| Pickup Taxes   | 39,965                | 0            | 0                                   | 12,270                 | 52,582               | 0                        |
| Payments in-Lieu-of Taxes - T.V.A.                       | 0                     | 0            | 0                                   | 0                      | 12,757               | 0                        |
| Payments in-Lieu-of Taxes - Local Utilities              | 0                     | 0            | 0                                   | 0                      | 471,236              | 0                        |
| Payments in-Lieu-of Taxes - Other                        | 2,813,882             | 0            | 0                                   | 0                      | 215,163              | 0                        |
| <u>County Local Option Taxes</u>                         |                       |              |                                     |                        |                      |                          |
| Local Option Sales Tax                                   | 810,403               | 0            | 0                                   | 0                      | 0                    | 0                        |
| Hotel/Motel Tax  | 924,448               | 0            | 0                                   | 0                      | 0                    | 0                        |
| Wheel Tax  | 1,153,213             | 0            | 0                                   | 0                      | 0                    | 1,153,213                |
| Litigation Tax - General                                 | 658,600               | 0            | 0                                   | 0                      | 0                    | 0                        |
| Litigation Tax - Jail, Workhouse, or Courthouse          | 0                     | 0            | 0                                   | 0                      | 732,910              | 0                        |
| Business Tax   | 1,452,605             | 0            | 0                                   | 0                      | 0                    | 0                        |
| Mineral Severance Tax                                    | 0                     | 0            | 0                                   | 152,933                | 0                    | 0                        |
| Adequate Facilities/Development Tax                      | 0                     | 0            | 1,871,637                           | 0                      | 0                    | 0                        |
| <u>Statutory Local Taxes</u>                             |                       |              |                                     |                        |                      |                          |
| Bank Excise Tax  | 0                     | 0            | 0                                   | 0                      | 136,221              | 0                        |
| Wholesale Beer Tax                                       | 391,328               | 0            | 0                                   | 0                      | 0                    | 0                        |
| <b>Total Local Taxes</b>                                 | <b>\$ 18,508,201</b>  | <b>\$ 0</b>  | <b>\$ 1,871,637</b>                 | <b>\$ 3,312,453</b>    | <b>\$ 15,185,856</b> | <b>\$ 1,153,213</b>      |

(Continued)

Exhibit K-5

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

|  | Special Revenue Funds |              |   |                           | Debt Service                 | Capital                                       |
|--|-----------------------|--------------|---|---------------------------|------------------------------|---|
|  | General               | Drug Control | Adequate Facilities/<br>Development Tax | Highway /<br>Public Works | Fund<br>General Debt Service | Projects<br>Funds<br>Highway Capital Projects |
| <u>Licenses and Permits</u>              |                       |              |   |                           |                              |   |
| <u>Licenses</u>                          |                       |              |   |                           |                              |   |
| Cable TV Franchise                       | \$ 203,025            | \$ 0         | \$ 0                                    | \$ 0                      | \$ 0                         | \$ 0  |
| <u>Permits</u>                           |                       |              |   |                           |                              |   |
| Beer Permits                             | 2,187                 | 0            | 0                                       | 0                         | 0                            | 0   |
| Building Permits                         | 294,817               | 0            | 0                                       | 0                         | 0                            | 0   |
| Other Permits                            | 10,502                | 0            | 0                                       | 0                         | 0                            | 0   |
| Total Licenses and Permits               | \$ 510,531            | \$ 0         | \$ 0                                    | \$ 0                      | \$ 0                         | \$ 0  |
| <u>Fines, Forfeitures, and Penalties</u> |                       |              |   |                           |                              |   |
| <u>Circuit Court</u>                     |                       |              |   |                           |                              |   |
| Fines                                    | \$ 28,807             | \$ 0         | \$ 0                                    | \$ 0                      | \$ 0                         | \$ 0  |
| Officers Costs                           | 20,832                | 0            | 0                                       | 0                         | 0                            | 0   |
| Drug Control Fines                       | 0                     | 26,910       | 0                                       | 0                         | 0                            | 0   |
| Drug Court Fees                          | 3,288                 | 0            | 0                                       | 0                         | 0                            | 0   |
| Jail Fees                                | 9,955                 | 0            | 0                                       | 0                         | 0                            | 0   |
| DUI Treatment Fines                      | 6,982                 | 0            | 0                                       | 0                         | 0                            | 0   |
| Data Entry Fee - Circuit Court           | 3,744                 | 0            | 0                                       | 0                         | 0                            | 0   |
| Courtroom Security Fee                   | 387                   | 0            | 0                                       | 0                         | 0                            | 0   |
| Victims Assistance Assessments           | 16,317                | 0            | 0                                       | 0                         | 0                            | 0   |
| <u>Criminal Court</u>                    |                       |              |   |                           |                              |   |
| DUI Treatment Fines                      | 2,060                 | 0            | 0                                       | 0                         | 0                            | 0   |
| Victims Assistance Assessments           | 16,633                | 0            | 0                                       | 0                         | 0                            | 0   |
| <u>General Sessions Court</u>            |                       |              |   |                           |                              |   |
| Fines                                    | 53,855                | 0            | 0                                       | 0                         | 0                            | 0   |
| Fines for Littering                      | 7                     | 0            | 0                                       | 0                         | 0                            | 0   |
| Officers Costs                           | 86,441                | 0            | 0                                       | 0                         | 0                            | 0   |

(Continued)

Exhibit K-5

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

|  | Special Revenue Funds |                  |                                      |                        | Debt Service         | Capital                  |
|--|-----------------------|------------------|--------------------------------------|------------------------|----------------------|--------------------------|
|  | General               | Drug Control     | Adequate Facilities/ Development Tax | Highway / Public Works | Fund                 | Projects Funds           |
|  |                       |                  |                                      |                        | General Debt Service | Highway Capital Projects |
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> |                       |                  |                                      |                        |                      |                          |
| <u>General Sessions Court (Cont.)</u>            |                       |                  |                                      |                        |                      |                          |
| Game and Fish Fines                              | \$ 578                | \$ 0             | \$ 0                                 | \$ 0                   | \$ 0                 | \$ 0                     |
| Drug Control Fines                               | 0                     | 10,761           | 0                                    | 0                      | 0                    | 0                        |
| Drug Court Fees                                  | 23,896                | 0                | 0                                    | 0                      | 0                    | 0                        |
| Jail Fees  | 42,518                | 0                | 0                                    | 0                      | 0                    | 0                        |
| DUI Treatment Fines                              | 21,623                | 0                | 0                                    | 0                      | 0                    | 0                        |
| Data Entry Fee - General Sessions Court          | 53,793                | 0                | 0                                    | 0                      | 0                    | 0                        |
| Courtroom Security Fee                           | 57                    | 0                | 0                                    | 0                      | 0                    | 0                        |
| Victims Assistance Assessments                   | 16,633                | 0                | 0                                    | 0                      | 0                    | 0                        |
| <u>Juvenile Court</u>                            |                       |                  |                                      |                        |                      |                          |
| Data Entry Fee - Juvenile Court                  | 3,209                 | 0                | 0                                    | 0                      | 0                    | 0                        |
| <u>Chancery Court</u>                            |                       |                  |                                      |                        |                      |                          |
| Officers Costs                                   | 8,188                 | 0                | 0                                    | 0                      | 0                    | 0                        |
| Data Entry Fee - Chancery Court                  | 9,626                 | 0                | 0                                    | 0                      | 0                    | 0                        |
| <u>Other Fines, Forfeitures, and Penalties</u>   |                       |                  |                                      |                        |                      |                          |
| Proceeds from Confiscated Property               | 0                     | 53,185           | 0                                    | 0                      | 0                    | 0                        |
| Other Fines, Forfeitures, and Penalties          | 19,251                | 0                | 0                                    | 0                      | 0                    | 0                        |
| <b>Total Fines, Forfeitures, and Penalties</b>   | <b>\$ 448,680</b>     | <b>\$ 90,856</b> | <b>\$ 0</b>                          | <b>\$ 0</b>            | <b>\$ 0</b>          | <b>\$ 0</b>              |
| <u>Charges for Current Services</u>              |                       |                  |                                      |                        |                      |                          |
| <u>General Service Charges</u>                   |                       |                  |                                      |                        |                      |                          |
| Other Employee Benefit Charges/Contributions     | \$ 250                | \$ 0             | \$ 0                                 | \$ 0                   | \$ 0                 | \$ 0                     |
| Work Release Charges for Board                   | 31,334                | 0                | 0                                    | 0                      | 0                    | 0                        |
| Service Charges                                  | 3,780                 | 0                | 0                                    | 0                      | 0                    | 0                        |
| <u>Fees</u>                                      |                       |                  |                                      |                        |                      |                          |
| Subdivision Lot Fees                             | 49,750                | 0                | 0                                    | 0                      | 0                    | 0                        |

(Continued)

Exhibit K-5

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

|   | Special Revenue Funds |              |                                      |                        | Debt Service         | Capital                  |
|---|-----------------------|--------------|--------------------------------------|------------------------|----------------------|--------------------------|
|   | General               | Drug Control | Adequate Facilities/ Development Tax | Highway / Public Works | Fund                 | Projects Funds           |
|   |                       |              |                                      |                        | General Debt Service | Highway Capital Projects |
| <u>Charges for Current Services (Cont.)</u>       |                       |              |                                      |                        |                      |                          |
| <u>Fees (Cont.)</u>                               |                       |              |                                      |                        |                      |                          |
| Recreation Fees                                   | \$ 38,871             | \$ 0         | \$ 0                                 | \$ 0                   | \$ 0                 | \$ 0                     |
| Copy Fees   | 1,279                 | 0            | 0                                    | 0                      | 0                    | 0                        |
| Library Fees                                      | 15,259                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Greenbelt Late Application Fee                    | 450                   | 0            | 0                                    | 0                      | 0                    | 0                        |
| Telephone Commissions                             | 173,084               | 0            | 0                                    | 0                      | 0                    | 0                        |
| Vending Machine Collections                       | 142                   | 0            | 0                                    | 0                      | 0                    | 0                        |
| Tourism Fees                                      | 2,050                 | 0            | 0                                    | 0                      | 0                    | 0                        |
| Data Processing Fee - Register                    | 37,980                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Data Processing Fee - Sheriff                     | 7,870                 | 0            | 0                                    | 0                      | 0                    | 0                        |
| Sexual Offender Registration Fee - Sheriff        | 8,400                 | 0            | 0                                    | 0                      | 0                    | 0                        |
| Data Processing Fee - County Clerk                | 15,780                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Vehicle Insurance Coverage and Reinstatement Fees | 3,010                 | 0            | 0                                    | 0                      | 0                    | 0                        |
| <b>Total Charges for Current Services</b>         | <b>\$ 389,289</b>     | <b>\$ 0</b>  | <b>\$ 0</b>                          | <b>\$ 0</b>            | <b>\$ 0</b>          | <b>\$ 0</b>              |
| <u>Other Local Revenues</u>                       |                       |              |                                      |                        |                      |                          |
| <u>Recurring Items</u>                            |                       |              |                                      |                        |                      |                          |
| Investment Income                                 | \$ 0                  | \$ 0         | \$ 0                                 | \$ 0                   | 2,019,259            | \$ 0                     |
| Lease/Rentals                                     | 147,773               | 0            | 0                                    | 0                      | 0                    | 0                        |
| Sale of Materials and Supplies                    | 6,266                 | 0            | 0                                    | 7,081                  | 0                    | 0                        |
| Commissary Sales                                  | 60,864                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Sale of Recycled Materials                        | 0                     | 0            | 0                                    | 2,575                  | 0                    | 0                        |
| Sale of Animals/Livestock                         | 65,555                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Miscellaneous Refunds                             | 37,797                | 0            | 0                                    | 761                    | 396                  | 0                        |
| <u>Nonrecurring Items</u>                         |                       |              |                                      |                        |                      |                          |
| Revenue from Joint Ventures                       | 151,252               | 0            | 0                                    | 0                      | 0                    | 0                        |

(Continued)

Exhibit K-5

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

|  | Special Revenue Funds |              |                                      |                        | Debt Service         | Capital                  |
|--|-----------------------|--------------|--------------------------------------|------------------------|----------------------|--------------------------|
|  | General               | Drug Control | Adequate Facilities/ Development Tax | Highway / Public Works | Fund                 | Projects Funds           |
|  |                       |              |                                      |                        | General Debt Service | Highway Capital Projects |
| <u>Other Local Revenues (Cont.)</u>              |                       |              |                                      |                        |                      |                          |
| <u>Nonrecurring Items (Cont.)</u>                |                       |              |                                      |                        |                      |                          |
| Sale of Equipment                                | \$ 7,006              | \$ 0         | \$ 0                                 | \$ 12,295              | \$ 0                 | \$ 0                     |
| Sale of Property                                 | 10,400                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Damages Recovered from Individuals               | 0                     | 0            | 0                                    | 9,820                  | 0                    | 0                        |
| Contributions and Gifts                          | 27,171                | 0            | 0                                    | 0                      | 0                    | 400,000                  |
| <u>Other Local Revenues</u>                      |                       |              |                                      |                        |                      |                          |
| Other Local Revenues                             | 321,069               | 0            | 0                                    | 0                      | 0                    | 0                        |
| <b>Total Other Local Revenues</b>                | <b>\$ 835,153</b>     | <b>\$ 0</b>  | <b>\$ 0</b>                          | <b>\$ 32,532</b>       | <b>\$ 2,019,655</b>  | <b>\$ 400,000</b>        |
| <u>Fees Received From County Officials</u>       |                       |              |                                      |                        |                      |                          |
| <u>Fees In-Lieu-of Salary</u>                    |                       |              |                                      |                        |                      |                          |
| County Clerk                                     | \$ 1,062,306          | \$ 0         | \$ 0                                 | \$ 0                   | \$ 0                 | \$ 0                     |
| Circuit Court Clerk                              | 250,419               | 0            | 0                                    | 0                      | 0                    | 0                        |
| General Sessions Court Clerk                     | 859,406               | 0            | 0                                    | 0                      | 0                    | 0                        |
| Clerk and Master                                 | 339,065               | 0            | 0                                    | 0                      | 0                    | 0                        |
| Juvenile Court Clerk                             | 74,581                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Register   | 610,530               | 0            | 0                                    | 0                      | 0                    | 0                        |
| Sheriff  | 55,936                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Trustee  | 1,771,059             | 0            | 0                                    | 0                      | 0                    | 0                        |
| <b>Total Fees Received From County Officials</b> | <b>\$ 5,023,302</b>   | <b>\$ 0</b>  | <b>\$ 0</b>                          | <b>\$ 0</b>            | <b>\$ 0</b>          | <b>\$ 0</b>              |
| <u>State of Tennessee</u>                        |                       |              |                                      |                        |                      |                          |
| <u>General Government Grants</u>                 |                       |              |                                      |                        |                      |                          |
| Juvenile Services Program                        | \$ 9,000              | \$ 0         | \$ 0                                 | \$ 0                   | \$ 0                 | \$ 0                     |
| <u>Public Safety Grants</u>                      |                       |              |                                      |                        |                      |                          |
| Law Enforcement Training Programs                | 48,000                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Other Public Safety Grants                       | 55,274                | 0            | 0                                    | 0                      | 0                    | 0                        |

(Continued)



Exhibit K-5

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

|  | Special Revenue Funds |              |                                      |                        | Debt Service         | Capital                  |
|--|-----------------------|--------------|--------------------------------------|------------------------|----------------------|--------------------------|
|  | General               | Drug Control | Adequate Facilities/ Development Tax | Highway / Public Works | Fund                 | Projects Funds           |
|  |                       |              |                                      |                        | General Debt Service | Highway Capital Projects |
| <u>State of Tennessee (Cont.)</u>          |                       |              |                                      |                        |                      |                          |
| <u>Health and Welfare Grants</u>           |                       |              |                                      |                        |                      |                          |
| Other Health and Welfare Grants            | \$ 424,486            | \$ 0         | \$ 0                                 | \$ 0                   | \$ 0                 | \$ 0                     |
| <u>Public Works Grants</u>                 |                       |              |                                      |                        |                      |                          |
| Bridge Program                             | 0                     | 0            | 0                                    | 286,190                | 0                    | 0                        |
| State Aid Program                          | 0                     | 0            | 0                                    | 501,910                | 0                    | 0                        |
| <u>Other State Revenues</u>                |                       |              |                                      |                        |                      |                          |
| Income Tax                                 | 259,610               | 0            | 0                                    | 0                      | 0                    | 0                        |
| Beer Tax                                   | 17,959                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Vehicle Certificate of Title Fees          | 18,408                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Alcoholic Beverage Tax                     | 156,960               | 0            | 0                                    | 0                      | 0                    | 0                        |
| State Revenue Sharing - T.V.A.             | 0                     | 0            | 0                                    | 0                      | 1,259,177            | 0                        |
| State Revenue Sharing - Telecommunications | 205,389               | 0            | 0                                    | 0                      | 0                    | 0                        |
| Prisoner Transportation                    | 6,414                 | 0            | 0                                    | 0                      | 0                    | 0                        |
| Contracted Prisoner Boarding               | 1,470,768             | 0            | 0                                    | 0                      | 0                    | 0                        |
| Gasoline and Motor Fuel Tax                | 0                     | 0            | 0                                    | 3,140,062              | 0                    | 0                        |
| Petroleum Special Tax                      | 0                     | 0            | 0                                    | 58,413                 | 0                    | 0                        |
| Registrar's Salary Supplement              | 15,164                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Other State Grants                         | 17,800                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Other State Revenues                       | 31,485                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Total State of Tennessee                   | \$ 2,736,717          | \$ 0         | \$ 0                                 | \$ 3,986,575           | \$ 1,259,177         | \$ 0                     |
| <u>Federal Government</u>                  |                       |              |                                      |                        |                      |                          |
| <u>Federal Through State</u>               |                       |              |                                      |                        |                      |                          |
| Community Development                      | \$ 12,528             | \$ 0         | \$ 0                                 | \$ 0                   | \$ 0                 | \$ 0                     |
| Homeland Security Grants                   | 94,281                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Law Enforcement Grants                     | 67,171                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Other Federal through State                | 599,412               | 0            | 0                                    | 0                      | 0                    | 0                        |

(Continued)

Exhibit K-5

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

|  | Special Revenue Funds |              |                                      |                        | Debt Service Fund    | Capital Projects Funds   |
|--|-----------------------|--------------|--------------------------------------|------------------------|----------------------|--------------------------|
|  | General               | Drug Control | Adequate Facilities/ Development Tax | Highway / Public Works | General Debt Service | Highway Capital Projects |
| <u>Federal Government (Cont.)</u>            |                       |              |                                      |                        |                      |                          |
| <u>Direct Federal Revenue</u>                |                       |              |                                      |                        |                      |                          |
| Tax Credit Bond Rebate                       | \$ 200,758            | \$ 0         | \$ 0                                 | \$ 0                   | \$ 0                 | \$ 0                     |
| Other Direct Federal Revenue                 | 17,520                | 0            | 0                                    | 31,679                 | 0                    | 0                        |
| Total Federal Government                     | \$ 991,670            | \$ 0         | \$ 0                                 | \$ 31,679              | \$ 0                 | \$ 0                     |
| <u>Other Governments and Citizens Groups</u> |                       |              |                                      |                        |                      |                          |
| <u>Other Governments</u>                     |                       |              |                                      |                        |                      |                          |
| Paving and Maintenance                       | \$ 0                  | \$ 0         | \$ 0                                 | \$ 208,199             | \$ 0                 | \$ 26,259                |
| Contributions                                | 369,005               | 4,748        | 0                                    | 0                      | 2,127,921            | 0                        |
| <u>Citizens Groups</u>                       |                       |              |                                      |                        |                      |                          |
| Donations                                    | 12,419                | 0            | 0                                    | 0                      | 0                    | 0                        |
| Total Other Governments and Citizens Groups  | \$ 381,424            | \$ 4,748     | \$ 0                                 | \$ 208,199             | \$ 2,127,921         | \$ 26,259                |
| Total  | \$ 29,824,967         | \$ 95,604    | \$ 1,871,637                         | \$ 7,571,438           | \$ 20,592,609        | \$ 1,579,472             |

(Continued)

Exhibit K-5

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

|  | <u>Capital<br/>Projects Fund</u> |                      |
|--|----------------------------------|----------------------|
|  | Other                            |                      |
|  | Capital<br>Projects              | Total                |
| <u>Local Taxes</u>                                       |                                  |                      |
| <u>County Property Taxes</u>                             |                                  |                      |
| Current Property Tax                                     | \$ 2,138,218                     | \$ 27,842,663        |
| Current Property Tax - Tax Increment Financing           | 0                                | 30,073               |
| Trustee's Collections - Prior Year                       | 50,011                           | 827,968              |
| Trustee's Collections - Bankruptcy                       | 234                              | 4,049                |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 25,968                           | 351,229              |
| Interest and Penalty                                     | 9,115                            | 143,558              |
| Pickup Taxes   | 8,699                            | 113,516              |
| Payments in-Lieu-of Taxes - T.V.A.                       | 0                                | 12,757               |
| Payments in-Lieu-of Taxes - Local Utilities              | 0                                | 471,236              |
| Payments in-Lieu-of Taxes - Other                        | 0                                | 3,029,045            |
| <u>County Local Option Taxes</u>                         |                                  |                      |
| Local Option Sales Tax                                   | 0                                | 810,403              |
| Hotel/Motel Tax  | 0                                | 924,448              |
| Wheel Tax  | 0                                | 2,306,426            |
| Litigation Tax - General                                 | 0                                | 658,600              |
| Litigation Tax - Jail, Workhouse, or Courthouse          | 0                                | 732,910              |
| Business Tax   | 0                                | 1,452,605            |
| Mineral Severance Tax                                    | 0                                | 152,933              |
| Adequate Facilities/Development Tax                      | 0                                | 1,871,637            |
| <u>Statutory Local Taxes</u>                             |                                  |                      |
| Bank Excise Tax  | 0                                | 136,221              |
| Wholesale Beer Tax                                       | 0                                | 391,328              |
| Total Local Taxes  | <u>\$ 2,232,245</u>              | <u>\$ 42,263,605</u> |

(Continued)

Exhibit K-5

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

|  | <u>Capital<br/>Projects Fund</u> |   | <u>Other<br/>Capital<br/>Projects</u> | <u>Total</u> |
|--|----------------------------------|---|---------------------------------------|--------------|
| <u>Licenses and Permits</u>              |                                  |   |                                       |              |
| <u>Licenses</u>                          |                                  |   |                                       |              |
| Cable TV Franchise                       | \$                               | 0 | \$                                    | 203,025      |
| <u>Permits</u>                           |                                  |   |                                       |              |
| Beer Permits                             |                                  | 0 |                                       | 2,187        |
| Building Permits                         |                                  | 0 |                                       | 294,817      |
| Other Permits                            |                                  | 0 |                                       | 10,502       |
| Total Licenses and Permits               | \$                               | 0 | \$                                    | 510,531      |
| <u>Fines, Forfeitures, and Penalties</u> |                                  |   |                                       |              |
| <u>Circuit Court</u>                     |                                  |   |                                       |              |
| Fines                                    | \$                               | 0 | \$                                    | 28,807       |
| Officers Costs                           |                                  | 0 |                                       | 20,832       |
| Drug Control Fines                       |                                  | 0 |                                       | 26,910       |
| Drug Court Fees                          |                                  | 0 |                                       | 3,288        |
| Jail Fees                                |                                  | 0 |                                       | 9,955        |
| DUI Treatment Fines                      |                                  | 0 |                                       | 6,982        |
| Data Entry Fee - Circuit Court           |                                  | 0 |                                       | 3,744        |
| Courtroom Security Fee                   |                                  | 0 |                                       | 387          |
| Victims Assistance Assessments           |                                  | 0 |                                       | 16,317       |
| <u>Criminal Court</u>                    |                                  |   |                                       |              |
| DUI Treatment Fines                      |                                  | 0 |                                       | 2,060        |
| Victims Assistance Assessments           |                                  | 0 |                                       | 16,633       |
| <u>General Sessions Court</u>            |                                  |   |                                       |              |
| Fines                                    |                                  | 0 |                                       | 53,855       |
| Fines for Littering                      |                                  | 0 |                                       | 7            |
| Officers Costs                           |                                  | 0 |                                       | 86,441       |

(Continued)

Exhibit K-5

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

|  | <u>Capital<br/>Projects Fund</u> |   | <u>Other<br/>Capital<br/>Projects</u> | <u>Total</u> |
|--|----------------------------------|---|---------------------------------------|--------------|
| <u>Fines, Forfeitures, and Penalties (Cont.)</u> |                                  |   |                                       |              |
| <u>General Sessions Court (Cont.)</u>            |                                  |   |                                       |              |
| Game and Fish Fines                              | \$                               | 0 | \$                                    | 578          |
| Drug Control Fines                               |                                  | 0 |                                       | 10,761       |
| Drug Court Fees                                  |                                  | 0 |                                       | 23,896       |
| Jail Fees  |                                  | 0 |                                       | 42,518       |
| DUI Treatment Fines                              |                                  | 0 |                                       | 21,623       |
| Data Entry Fee - General Sessions Court          |                                  | 0 |                                       | 53,793       |
| Courtroom Security Fee                           |                                  | 0 |                                       | 57           |
| Victims Assistance Assessments                   |                                  | 0 |                                       | 16,633       |
| <u>Juvenile Court</u>                            |                                  |   |                                       |              |
| Data Entry Fee - Juvenile Court                  |                                  | 0 |                                       | 3,209        |
| <u>Chancery Court</u>                            |                                  |   |                                       |              |
| Officers Costs                                   |                                  | 0 |                                       | 8,188        |
| Data Entry Fee - Chancery Court                  |                                  | 0 |                                       | 9,626        |
| <u>Other Fines, Forfeitures, and Penalties</u>   |                                  |   |                                       |              |
| Proceeds from Confiscated Property               |                                  | 0 |                                       | 53,185       |
| Other Fines, Forfeitures, and Penalties          |                                  | 0 |                                       | 19,251       |
| Total Fines, Forfeitures, and Penalties          | \$                               | 0 | \$                                    | 539,536      |
| <u>Charges for Current Services</u>              |                                  |   |                                       |              |
| <u>General Service Charges</u>                   |                                  |   |                                       |              |
| Other Employee Benefit Charges/Contributions     | \$                               | 0 | \$                                    | 250          |
| Work Release Charges for Board                   |                                  | 0 |                                       | 31,334       |
| Service Charges                                  |                                  | 0 |                                       | 3,780        |
| <u>Fees</u>                                      |                                  |   |                                       |              |
| Subdivision Lot Fees                             |                                  | 0 |                                       | 49,750       |

(Continued)

Exhibit K-5

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

|   | <u>Capital<br/>Projects Fund</u> |   | <u>Other<br/>Capital<br/>Projects</u> | <u>Total</u> |
|---|----------------------------------|---|---------------------------------------|--------------|
| <u>Charges for Current Services (Cont.)</u>       |                                  |   |                                       |              |
| <u>Fees (Cont.)</u>                               |                                  |   |                                       |              |
| Recreation Fees                                   | \$                               | 0 | \$                                    | 38,871       |
| Copy Fees   |                                  | 0 |                                       | 1,279        |
| Library Fees                                      |                                  | 0 |                                       | 15,259       |
| Greenbelt Late Application Fee                    |                                  | 0 |                                       | 450          |
| Telephone Commissions                             |                                  | 0 |                                       | 173,084      |
| Vending Machine Collections                       |                                  | 0 |                                       | 142          |
| Tourism Fees                                      |                                  | 0 |                                       | 2,050        |
| Data Processing Fee - Register                    |                                  | 0 |                                       | 37,980       |
| Data Processing Fee - Sheriff                     |                                  | 0 |                                       | 7,870        |
| Sexual Offender Registration Fee - Sheriff        |                                  | 0 |                                       | 8,400        |
| Data Processing Fee - County Clerk                |                                  | 0 |                                       | 15,780       |
| Vehicle Insurance Coverage and Reinstatement Fees |                                  | 0 |                                       | 3,010        |
| Total Charges for Current Services                | \$                               | 0 | \$                                    | 389,289      |
| <u>Other Local Revenues</u>                       |                                  |   |                                       |              |
| <u>Recurring Items</u>                            |                                  |   |                                       |              |
| Investment Income                                 | \$                               | 0 | \$                                    | 2,019,259    |
| Lease/Rentals                                     |                                  | 0 |                                       | 147,773      |
| Sale of Materials and Supplies                    |                                  | 0 |                                       | 13,347       |
| Commissary Sales                                  |                                  | 0 |                                       | 60,864       |
| Sale of Recycled Materials                        |                                  | 0 |                                       | 2,575        |
| Sale of Animals/Livestock                         |                                  | 0 |                                       | 65,555       |
| Miscellaneous Refunds                             |                                  | 0 |                                       | 38,954       |
| <u>Nonrecurring Items</u>                         |                                  |   |                                       |              |
| Revenue from Joint Ventures                       |                                  | 0 |                                       | 151,252      |

(Continued)

Exhibit K-5

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

|  | Capital<br>Projects Fund<br>Other<br>Capital<br>Projects | Total               |
|--|--|---------------------|
| <u>Other Local Revenues (Cont.)</u>        |  |                     |
| <u>Nonrecurring Items (Cont.)</u>          |  |                     |
| Sale of Equipment                          | \$ 0   | \$ 19,301           |
| Sale of Property                           | 0  | 10,400              |
| Damages Recovered from Individuals         | 0  | 9,820               |
| Contributions and Gifts                    | 0  | 427,171             |
| <u>Other Local Revenues</u>                |  |                     |
| Other Local Revenues                       | 0  | 321,069             |
| Total Other Local Revenues                 | <u>\$ 0</u>  | <u>\$ 3,287,340</u> |
| <u>Fees Received From County Officials</u> |  |                     |
| <u>Fees In-Lieu-of Salary</u>              |  |                     |
| County Clerk                               | \$ 0   | \$ 1,062,306        |
| Circuit Court Clerk                        | 0  | 250,419             |
| General Sessions Court Clerk               | 0  | 859,406             |
| Clerk and Master                           | 0  | 339,065             |
| Juvenile Court Clerk                       | 0  | 74,581              |
| Register                                   | 0  | 610,530             |
| Sheriff                                    | 0  | 55,936              |
| Trustee                                    | 0  | 1,771,059           |
| Total Fees Received From County Officials  | <u>\$ 0</u>  | <u>\$ 5,023,302</u> |
| <u>State of Tennessee</u>                  |  |                     |
| <u>General Government Grants</u>           |  |                     |
| Juvenile Services Program                  | \$ 0   | \$ 9,000            |
| <u>Public Safety Grants</u>                |  |                     |
| Law Enforcement Training Programs          | 0  | 48,000              |
| Other Public Safety Grants                 | 0  | 55,274              |

(Continued)

Exhibit K-5

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

|  | <u>Capital<br/>Projects Fund</u> |   | <u>Other<br/>Capital<br/>Projects</u> | <u>Total</u> |
|--|----------------------------------|---|---------------------------------------|--------------|
| <u>State of Tennessee (Cont.)</u>          |                                  |   |                                       |              |
| <u>Health and Welfare Grants</u>           |                                  |   |                                       |              |
| Other Health and Welfare Grants            | \$                               | 0 | \$                                    | 424,486      |
| <u>Public Works Grants</u>                 |                                  |   |                                       |              |
| Bridge Program                             |                                  | 0 |                                       | 286,190      |
| State Aid Program                          |                                  | 0 |                                       | 501,910      |
| <u>Other State Revenues</u>                |                                  |   |                                       |              |
| Income Tax                                 |                                  | 0 |                                       | 259,610      |
| Beer Tax                                   |                                  | 0 |                                       | 17,959       |
| Vehicle Certificate of Title Fees          |                                  | 0 |                                       | 18,408       |
| Alcoholic Beverage Tax                     |                                  | 0 |                                       | 156,960      |
| State Revenue Sharing - T.V.A.             |                                  | 0 |                                       | 1,259,177    |
| State Revenue Sharing - Telecommunications |                                  | 0 |                                       | 205,389      |
| Prisoner Transportation                    |                                  | 0 |                                       | 6,414        |
| Contracted Prisoner Boarding               |                                  | 0 |                                       | 1,470,768    |
| Gasoline and Motor Fuel Tax                |                                  | 0 |                                       | 3,140,062    |
| Petroleum Special Tax                      |                                  | 0 |                                       | 58,413       |
| Registrar's Salary Supplement              |                                  | 0 |                                       | 15,164       |
| Other State Grants                         |                                  | 0 |                                       | 17,800       |
| Other State Revenues                       |                                  | 0 |                                       | 31,485       |
| Total State of Tennessee                   | \$                               | 0 | \$                                    | 7,982,469    |
| <u>Federal Government</u>                  |                                  |   |                                       |              |
| <u>Federal Through State</u>               |                                  |   |                                       |              |
| Community Development                      | \$                               | 0 | \$                                    | 12,528       |
| Homeland Security Grants                   |                                  | 0 |                                       | 94,281       |
| Law Enforcement Grants                     |                                  | 0 |                                       | 67,171       |
| Other Federal through State                |                                  | 0 |                                       | 599,412      |

(Continued)



Exhibit K-5

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

|  | Capital<br>Projects Fund<br>Other<br>Capital<br>Projects | Total                |
|--|--|----------------------|
| <u>Federal Government (Cont.)</u>            |  |                      |
| <u>Direct Federal Revenue</u>                |  |                      |
| Tax Credit Bond Rebate                       | \$ 0   | \$ 200,758           |
| Other Direct Federal Revenue                 | 0  | 49,199               |
| Total Federal Government                     | <u>\$ 0</u>  | <u>\$ 1,023,349</u>  |
| <u>Other Governments and Citizens Groups</u> |  |                      |
| <u>Other Governments</u>                     |  |                      |
| Paving and Maintenance                       | \$ 0   | \$ 234,458           |
| Contributions                                | 0  | 2,501,674            |
| <u>Citizens Groups</u>                       |  |                      |
| Donations                                    | 0  | 12,419               |
| Total Other Governments and Citizens Groups  | <u>\$ 0</u>  | <u>\$ 2,748,551</u>  |
| Total  | <u>\$ 2,232,245</u>                                      | <u>\$ 63,767,972</u> |

Exhibit K-6

Maury County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented Maury County School Department  
For the Year Ended June 30, 2019

|  | General Purpose School | Special Revenue Funds   |                   | Capital Projects Funds     |                        | Total         |
|--|------------------------|-------------------------|-------------------|----------------------------|------------------------|---------------|
|  |                        | School Federal Projects | Central Cafeteria | Education Capital Projects | Other Capital Projects |               |
| <u>Local Taxes</u>                                       |                        |                         |                   |                            |                        |               |
| <u>County Property Taxes</u>                             |                        |                         |                   |                            |                        |               |
| Current Property Tax                                     | \$ 23,005,982          | \$ 0                    | \$ 0              | \$ 0                       | \$ 0                   | \$ 23,005,982 |
| Current Property Tax - Tax Increment Financing           | 51,857                 | 0                       | 0                 | 0                          | 0                      | 51,857        |
| Trustee's Collections - Prior Year                       | 592,580                | 0                       | 0                 | 0                          | 0                      | 592,580       |
| Trustee's Collections - Bankruptcy                       | 3,023                  | 0                       | 0                 | 0                          | 0                      | 3,023         |
| Circuit Clerk/Clerk and Master Collections - Prior Years | 311,672                | 0                       | 0                 | 0                          | 0                      | 311,672       |
| Interest and Penalty                                     | 106,191                | 0                       | 0                 | 0                          | 0                      | 106,191       |
| Pickup Taxes   | 93,676                 | 0                       | 0                 | 0                          | 0                      | 93,676        |
| <u>County Local Option Taxes</u>                         |                        |                         |                   |                            |                        |               |
| Local Option Sales Tax                                   | 17,268,335             | 0                       | 0                 | 0                          | 0                      | 17,268,335    |
| Mixed Drink Tax  | 208,893                | 0                       | 0                 | 0                          | 0                      | 208,893       |
| Total Local Taxes  | \$ 41,642,209          | \$ 0                    | \$ 0              | \$ 0                       | \$ 0                   | \$ 41,642,209 |
| <u>Licenses and Permits</u>                              |                        |                         |                   |                            |                        |               |
| <u>Licenses</u>  |                        |                         |                   |                            |                        |               |
| Marriage Licenses  | \$ 7,182               | \$ 0                    | \$ 0              | \$ 0                       | \$ 0                   | \$ 7,182      |
| Total Licenses and Permits                               | \$ 7,182               | \$ 0                    | \$ 0              | \$ 0                       | \$ 0                   | \$ 7,182      |
| <u>Charges for Current Services</u>                      |                        |                         |                   |                            |                        |               |
| <u>Fees</u>  |                        |                         |                   |                            |                        |               |
| Vending Machine Collections                              | \$ 324                 | \$ 0                    | \$ 0              | \$ 0                       | \$ 0                   | \$ 324        |
| <u>Education Charges</u>                                 |                        |                         |                   |                            |                        |               |
| Tuition - Regular Day Students                           | 8,585                  | 0                       | 0                 | 0                          | 0                      | 8,585         |
| Lunch Payments - Children                                | 0                      | 0                       | 1,081,773         | 0                          | 0                      | 1,081,773     |
| Lunch Payments - Adults                                  | 0                      | 0                       | 165,350           | 0                          | 0                      | 165,350       |

(Continued)

Exhibit K-6

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

|   | General Purpose School | Special Revenue Funds   |                     | Capital Projects Funds     |                        | Total               |
|---|------------------------|-------------------------|---------------------|----------------------------|------------------------|---------------------|
|   |                        | School Federal Projects | Central Cafeteria   | Education Capital Projects | Other Capital Projects |                     |
| <u>Charges for Current Services (Cont.)</u> |                        |                         |                     |                            |                        |                     |
| <u>Education Charges (Cont.)</u>            |                        |                         |                     |                            |                        |                     |
| Income from Breakfast                       | \$ 0                   | \$ 0                    | \$ 146,910          | \$ 0                       | \$ 0                   | \$ 146,910          |
| A la Carte Sales                            | 0                      | 0                       | 435,875             | 0                          | 0                      | 435,875             |
| Receipts from Individual Schools            | 241,737                | 0                       | 0                   | 0                          | 0                      | 241,737             |
| TBI Criminal Background Fee                 | 628                    | 0                       | 0                   | 0                          | 0                      | 628                 |
| Other Charges for Services                  | 0                      | 0                       | 3,145               | 0                          | 0                      | 3,145               |
| <b>Total Charges for Current Services</b>   | <b>\$ 251,274</b>      | <b>\$ 0</b>             | <b>\$ 1,833,053</b> | <b>\$ 0</b>                | <b>\$ 0</b>            | <b>\$ 2,084,327</b> |
| <u>Other Local Revenues</u>                 |                        |                         |                     |                            |                        |                     |
| <u>Recurring Items</u>                      |                        |                         |                     |                            |                        |                     |
| Investment Income                           | \$ 12,550              | \$ 0                    | \$ 13,546           | \$ 0                       | \$ 0                   | \$ 26,096           |
| Lease/Rentals                               | 6,870                  | 0                       | 0                   | 0                          | 0                      | 6,870               |
| Sale of Materials and Supplies              | 10,476                 | 0                       | 0                   | 0                          | 0                      | 10,476              |
| Miscellaneous Refunds                       | 4,769                  | 0                       | 63,020              | 0                          | 0                      | 67,789              |
| <u>Nonrecurring Items</u>                   |                        |                         |                     |                            |                        |                     |
| Sale of Equipment                           | 8,950                  | 0                       | 0                   | 0                          | 0                      | 8,950               |
| Damages Recovered from Individuals          | 2,199                  | 0                       | 0                   | 0                          | 0                      | 2,199               |
| Contributions and Gifts                     | 9,446                  | 0                       | 0                   | 0                          | 0                      | 9,446               |
| <u>Other Local Revenues</u>                 |                        |                         |                     |                            |                        |                     |
| Other Local Revenues                        | 447                    | 0                       | 0                   | 0                          | 0                      | 447                 |
| <b>Total Other Local Revenues</b>           | <b>\$ 55,707</b>       | <b>\$ 0</b>             | <b>\$ 76,566</b>    | <b>\$ 0</b>                | <b>\$ 0</b>            | <b>\$ 132,273</b>   |
| <u>State of Tennessee</u>                   |                        |                         |                     |                            |                        |                     |
| <u>General Government Grants</u>            |                        |                         |                     |                            |                        |                     |
| On-behalf Contributions for OPEB            | \$ 417,958             | \$ 0                    | \$ 0                | \$ 0                       | \$ 0                   | \$ 417,958          |

(Continued)

Exhibit K-6

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

|  | General Purpose School | Special Revenue Funds   |                   | Capital Projects Funds     |                        | Total         |
|--|------------------------|-------------------------|-------------------|----------------------------|------------------------|---------------|
|  |                        | School Federal Projects | Central Cafeteria | Education Capital Projects | Other Capital Projects |               |
| <u>State of Tennessee (Cont.)</u>                |                        |                         |                   |                            |                        |               |
| <u>State Education Funds</u>                     |                        |                         |                   |                            |                        |               |
| Basic Education Program                          | \$ 58,536,511          | \$ 0                    | \$ 0              | \$ 0                       | \$ 0                   | \$ 58,536,511 |
| Early Childhood Education                        | 893,095                | 0                       | 0                 | 0                          | 0                      | 893,095       |
| School Food Service                              | 0                      | 0                       | 61,214            | 0                          | 0                      | 61,214        |
| Other State Education Funds                      | 38,458                 | 0                       | 0                 | 0                          | 0                      | 38,458        |
| Coordinated School Health                        | 116,377                | 0                       | 0                 | 0                          | 0                      | 116,377       |
| Family Resource Centers                          | 89,134                 | 0                       | 0                 | 0                          | 0                      | 89,134        |
| Career Ladder Program                            | 226,898                | 0                       | 0                 | 0                          | 0                      | 226,898       |
| <u>Other State Revenues</u>                      |                        |                         |                   |                            |                        |               |
| Other State Grants                               | 0                      | 0                       | 5,000             | 0                          | 0                      | 5,000         |
| Safe Schools                                     | 489,767                | 0                       | 0                 | 0                          | 0                      | 489,767       |
| Total State of Tennessee                         | \$ 60,808,198          | \$ 0                    | \$ 66,214         | \$ 0                       | \$ 0                   | \$ 60,874,412 |
| <u>Federal Government</u>                        |                        |                         |                   |                            |                        |               |
| <u>Federal Through State</u>                     |                        |                         |                   |                            |                        |               |
| USDA School Lunch Program                        | \$ 0                   | \$ 0                    | \$ 3,372,529      | \$ 0                       | \$ 0                   | \$ 3,372,529  |
| USDA - Commodities                               | 0                      | 0                       | 458,391           | 0                          | 0                      | 458,391       |
| Breakfast  | 0                      | 0                       | 1,189,640         | 0                          | 0                      | 1,189,640     |
| Vocational Education - Basic Grants to States    | 0                      | 206,998                 | 0                 | 0                          | 0                      | 206,998       |
| Title I Grants to Local Education Agencies       | 0                      | 2,956,120               | 0                 | 0                          | 0                      | 2,956,120     |
| Special Education - Grants to States             | 7,183                  | 2,691,039               | 0                 | 0                          | 0                      | 2,698,222     |
| Special Education Preschool Grants               | 0                      | 78,828                  | 0                 | 0                          | 0                      | 78,828        |
| English Language Acquisition Grants              | 0                      | 48,957                  | 0                 | 0                          | 0                      | 48,957        |
| 21st Century Community Learning Centers          | 0                      | 195,210                 | 0                 | 0                          | 0                      | 195,210       |
| Eisenhower Professional Development State Grants | 0                      | 401,617                 | 0                 | 0                          | 0                      | 401,617       |
| Other Federal through State                      | 9,700                  | 198,018                 | 0                 | 0                          | 0                      | 207,718       |

(Continued)

Exhibit K-6

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

|  | General<br>Purpose<br>School | Special Revenue Funds         |                      | Capital Projects Funds           |                              | Total          |
|--|------------------------------|-------------------------------|----------------------|----------------------------------|------------------------------|----------------|
|  |                              | School<br>Federal<br>Projects | Central<br>Cafeteria | Education<br>Capital<br>Projects | Other<br>Capital<br>Projects |                |
| <u>Federal Government (Cont.)</u>            |                              |                               |                      |                                  |                              |                |
| <u>Direct Federal Revenue</u>                |                              |                               |                      |                                  |                              |                |
| ROTC Reimbursement                           | \$ 174,257                   | \$ 0                          | \$ 0                 | \$ 0                             | \$ 0                         | \$ 174,257     |
| Total Federal Government                     | \$ 191,140                   | \$ 6,776,787                  | \$ 5,020,560         | \$ 0                             | \$ 0                         | \$ 11,988,487  |
| <u>Other Governments and Citizens Groups</u> |                              |                               |                      |                                  |                              |                |
| <u>Other Governments</u>                     |                              |                               |                      |                                  |                              |                |
| Contributions                                | \$ 99,384                    | \$ 0                          | \$ 0                 | \$ 16,001,309                    | \$ 2,275,503                 | \$ 18,376,196  |
| Total Other Governments and Citizens Groups  | \$ 99,384                    | \$ 0                          | \$ 0                 | \$ 16,001,309                    | \$ 2,275,503                 | \$ 18,376,196  |
| Total  | \$ 103,055,094               | \$ 6,776,787                  | \$ 6,996,393         | \$ 16,001,309                    | \$ 2,275,503                 | \$ 135,105,086 |

Exhibit K-7

Maury County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2019

General Fund

General Government

County Commission

|   |    |         |            |
|---|----|---------|------------|
| Board and Committee Members Fees          | \$ | 106,454 |            |
| Social Security                           |    | 6,600   |            |
| Pensions                                  |    | 3,080   |            |
| Employer Medicare                         |    | 1,544   |            |
| Dues and Memberships                      |    | 2,100   |            |
| Legal Notices, Recording, and Court Costs |    | 4,159   |            |
| Rentals                                   |    | 6,000   |            |
| Office Supplies                           |    | 643     |            |
| Other Charges                             |    | 211     |            |
| Data Processing Equipment                 |    | 7,568   |            |
| Furniture and Fixtures                    |    | 32,055  |            |
| Total County Commission                   |    |         | \$ 170,414 |

Board of Equalization

|   |    |       |       |
|---|----|-------|-------|
| Board and Committee Members Fees          | \$ | 1,030 |       |
| Social Security                           |    | 64    |       |
| Employer Medicare                         |    | 15    |       |
| Legal Notices, Recording, and Court Costs |    | 78    |       |
| Total Board of Equalization               |    |       | 1,187 |

Other Boards and Committees

|   |    |       |       |
|---|----|-------|-------|
| Legal Services                            | \$ | 1,317 |       |
| Legal Notices, Recording, and Court Costs |    | 1,313 |       |
| Postal Charges                            |    | 194   |       |
| Office Supplies                           |    | 515   |       |
| Other Supplies and Materials              |    | 4,221 |       |
| Total Other Boards and Committees         |    |       | 7,560 |

County Mayor/Executive

|  |    |         |  |
|--|----|---------|--|
| County Official/Administrative Officer | \$ | 106,316 |  |
| Assistant(s)                           |    | 49,479  |  |
| Clerical Personnel                     |    | 41,127  |  |
| Longevity Pay                          |    | 1,050   |  |
| Overtime Pay                           |    | 5,548   |  |
| Social Security                        |    | 12,079  |  |
| Pensions                               |    | 9,403   |  |
| Life Insurance                         |    | 156     |  |
| Medical Insurance                      |    | 17,593  |  |
| Dental Insurance                       |    | 615     |  |
| Disability Insurance                   |    | 389     |  |
| Unemployment Compensation              |    | 56      |  |
| Employer Medicare                      |    | 2,825   |  |
| Communication                          |    | 1,984   |  |
| Dues and Memberships                   |    | 2,264   |  |
| Maintenance Agreements                 |    | 1,503   |  |
| Postal Charges                         |    | 6       |  |
| Printing, Stationery, and Forms        |    | 607     |  |

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

County Mayor/Executive (Cont.)

|                              |    |        |            |
|------------------------------|----|--------|------------|
| Travel                       | \$ | 749    |            |
| Office Supplies              |    | 3,139  |            |
| Periodicals                  |    | 1,240  |            |
| Other Supplies and Materials |    | 428    |            |
| In Service/Staff Development |    | 600    |            |
| Motor Vehicles               |    | 34,672 |            |
| Office Equipment             |    | 1,017  |            |
| Total County Mayor/Executive |    |        | \$ 294,845 |

Personnel Office

|   |    |         |         |
|---|----|---------|---------|
| County Official/Administrative Officer    | \$ | 77,838  |         |
| Clerical Personnel                        |    | 107,613 |         |
| Longevity Pay                             |    | 1,350   |         |
| Overtime Pay                              |    | 476     |         |
| Social Security                           |    | 11,196  |         |
| Pensions                                  |    | 8,652   |         |
| Life Insurance                            |    | 212     |         |
| Medical Insurance                         |    | 25,917  |         |
| Dental Insurance                          |    | 976     |         |
| Disability Insurance                      |    | 392     |         |
| Unemployment Compensation                 |    | 132     |         |
| Employer Medicare                         |    | 2,618   |         |
| Communication                             |    | 926     |         |
| Consultants                               |    | 9,365   |         |
| Dues and Memberships                      |    | 809     |         |
| Legal Notices, Recording, and Court Costs |    | 824     |         |
| Maintenance Agreements                    |    | 996     |         |
| Postal Charges                            |    | 240     |         |
| Printing, Stationery, and Forms           |    | 820     |         |
| Travel                                    |    | 1,854   |         |
| Other Contracted Services                 |    | 300     |         |
| Office Supplies                           |    | 968     |         |
| In Service/Staff Development              |    | 2,277   |         |
| Total Personnel Office                    |    |         | 256,751 |

County Attorney

|  |    |        |  |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 86,237 |  |
| Longevity Pay                          |    | 500    |  |
| Social Security                        |    | 5,198  |  |
| Pensions                               |    | 4,007  |  |
| Life Insurance                         |    | 55     |  |
| Medical Insurance                      |    | 7,372  |  |
| Dental Insurance                       |    | 255    |  |
| Disability Insurance                   |    | 190    |  |
| Unemployment Compensation              |    | 28     |  |
| Employer Medicare                      |    | 1,216  |  |
| Dues and Memberships                   |    | 250    |  |

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

County Attorney (Cont.)

|                              |    |       |            |
|------------------------------|----|-------|------------|
| Postal Charges               | \$ | 275   |            |
| Electricity                  |    | 750   |            |
| Office Supplies              |    | 3,000 |            |
| Other Supplies and Materials |    | 1,251 |            |
| Indirect Cost                |    | 4,119 |            |
| Total County Attorney        |    |       | \$ 114,703 |

Election Commission

|   |    |        |         |
|---|----|--------|---------|
| County Official/Administrative Officer      | \$ | 80,061 |         |
| Clerical Personnel                          |    | 86,785 |         |
| Longevity Pay                               |    | 1,150  |         |
| Overtime Pay                                |    | 5,203  |         |
| Election Commission                         |    | 5,040  |         |
| Election Workers                            |    | 79,170 |         |
| Social Security                             |    | 12,122 |         |
| Pensions                                    |    | 8,002  |         |
| Life Insurance                              |    | 221    |         |
| Medical Insurance                           |    | 27,455 |         |
| Dental Insurance                            |    | 1,018  |         |
| Disability Insurance                        |    | 364    |         |
| Unemployment Compensation                   |    | 208    |         |
| Employer Medicare                           |    | 2,835  |         |
| Contracts with Public Carriers              |    | 3,000  |         |
| Data Processing Services                    |    | 3,045  |         |
| Dues and Memberships                        |    | 550    |         |
| Legal Notices, Recording, and Court Costs   |    | 9,744  |         |
| Maintenance Agreements                      |    | 13,508 |         |
| Maintenance and Repair Services - Buildings |    | 14,902 |         |
| Maintenance and Repair Services - Equipment |    | 8,972  |         |
| Pest Control                                |    | 230    |         |
| Postal Charges                              |    | 11,948 |         |
| Printing, Stationery, and Forms             |    | 15,009 |         |
| Rentals                                     |    | 3,191  |         |
| Travel                                      |    | 1,415  |         |
| Data Processing Supplies                    |    | 1,135  |         |
| Electricity                                 |    | 5,175  |         |
| Natural Gas                                 |    | 2,664  |         |
| Office Supplies                             |    | 2,243  |         |
| Periodicals                                 |    | 170    |         |
| Wood Products                               |    | 128    |         |
| In Service/Staff Development                |    | 380    |         |
| Total Election Commission                   |    |        | 407,043 |

Register of Deeds

|  |    |         |
|--|----|---------|
| County Official/Administrative Officer | \$ | 88,962  |
| Clerical Personnel                     |    | 146,240 |
| Temporary Personnel                    |    | 1,400   |

(Continued)



Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

Register of Deeds (Cont.)

|                           |    |        |            |
|---------------------------|----|--------|------------|
| Longevity Pay             | \$ | 2,800  |            |
| Social Security           |    | 14,477 |            |
| Pensions                  |    | 10,996 |            |
| Life Insurance            |    | 257    |            |
| Medical Insurance         |    | 26,969 |            |
| Dental Insurance          |    | 1,273  |            |
| Disability Insurance      |    | 515    |            |
| Unemployment Compensation |    | 118    |            |
| Employer Medicare         |    | 3,386  |            |
| Data Processing Services  |    | 11,660 |            |
| Dues and Memberships      |    | 702    |            |
| Maintenance Agreements    |    | 4,549  |            |
| Postal Charges            |    | 550    |            |
| Data Processing Supplies  |    | 155    |            |
| Office Supplies           |    | 1,562  |            |
| Data Processing Equipment |    | 19,885 |            |
| Furniture and Fixtures    |    | 3,130  |            |
| Total Register of Deeds   |    |        | \$ 339,586 |

Development

|  |    |         |
|--|----|---------|
| County Official/Administrative Officer     | \$ | 59,988  |
| Assistant(s)                               |    | 49,494  |
| Secretary(ies)                             |    | 44,637  |
| Clerical Personnel                         |    | 37,926  |
| Longevity Pay                              |    | 3,000   |
| Other Salaries and Wages                   |    | 109,993 |
| Social Security                            |    | 18,284  |
| Pensions                                   |    | 14,093  |
| Life Insurance                             |    | 386     |
| Medical Insurance                          |    | 45,251  |
| Dental Insurance                           |    | 1,782   |
| Disability Insurance                       |    | 665     |
| Unemployment Compensation                  |    | 196     |
| Employer Medicare                          |    | 4,276   |
| Communication                              |    | 1,744   |
| Consultants                                |    | 60,576  |
| Dues and Memberships                       |    | 630     |
| Legal Notices, Recording, and Court Costs  |    | 5,480   |
| Maintenance Agreements                     |    | 3,373   |
| Maintenance and Repair Services - Vehicles |    | 2,279   |
| Postal Charges                             |    | 1,276   |
| Printing, Stationery, and Forms            |    | 874     |
| Travel                                     |    | 633     |
| Other Contracted Services                  |    | 2,025   |
| Gasoline                                   |    | 5,322   |
| Office Supplies                            |    | 938     |
| Periodicals                                |    | 3,015   |

(Continued)

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

General Fund (Cont.)

General Government (Cont.)

Development (Cont.)

|                              |    |       |            |
|------------------------------|----|-------|------------|
| Refunds                      | \$ | 2,200 |            |
| In Service/Staff Development |    | 3,050 |            |
| Other Charges                |    | 22    |            |
| Furniture and Fixtures       |    | 172   |            |
| Office Equipment             |    | 80    |            |
| Total Development            |    |       | \$ 483,660 |

County Buildings

|   |    |         |           |
|---|----|---------|-----------|
| Supervisor/Director                         | \$ | 55,392  |           |
| Custodial Personnel                         |    | 85,960  |           |
| Longevity Pay                               |    | 4,900   |           |
| Overtime Pay                                |    | 5,598   |           |
| Other Salaries and Wages                    |    | 190,328 |           |
| Social Security                             |    | 20,781  |           |
| Pensions                                    |    | 14,980  |           |
| Life Insurance                              |    | 466     |           |
| Medical Insurance                           |    | 53,196  |           |
| Dental Insurance                            |    | 2,157   |           |
| Disability Insurance                        |    | 694     |           |
| Unemployment Compensation                   |    | 280     |           |
| Employer Medicare                           |    | 4,860   |           |
| Communication                               |    | 9,311   |           |
| Engineering Services                        |    | 72,780  |           |
| Janitorial Services                         |    | 29,232  |           |
| Laundry Service                             |    | 4,650   |           |
| Licenses                                    |    | 500     |           |
| Maintenance Agreements                      |    | 23,957  |           |
| Maintenance and Repair Services - Buildings |    | 355,315 |           |
| Maintenance and Repair Services - Equipment |    | 571     |           |
| Maintenance and Repair Services - Vehicles  |    | 1,515   |           |
| Pest Control                                |    | 3,141   |           |
| Rentals                                     |    | 625     |           |
| Disposal Fees                               |    | 14,203  |           |
| Other Contracted Services                   |    | 1,713   |           |
| Custodial Supplies                          |    | 13,919  |           |
| Diesel Fuel                                 |    | 60      |           |
| Electricity                                 |    | 140,717 |           |
| Gasoline                                    |    | 5,989   |           |
| Natural Gas                                 |    | 15,721  |           |
| Small Tools                                 |    | 59      |           |
| Other Supplies and Materials                |    | 49      |           |
| Boiler Insurance                            |    | 10,830  |           |
| Building and Contents Insurance             |    | 93,276  |           |
| Total County Buildings                      |    |         | 1,237,725 |

Other General Administration

|                |    |        |  |
|----------------|----|--------|--|
| Audit Services | \$ | 30,763 |  |
|----------------|----|--------|--|

(Continued)

Exhibit K-7

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

General Fund (Cont.)

General Government (Cont.)

Other General Administration (Cont.)

|  |    |         |              |
|--|----|---------|--------------|
| Consultants                                | \$ | 350     |              |
| Data Processing Services                   |    | 146,005 |              |
| Dues and Memberships                       |    | 23,991  |              |
| Maintenance Agreements                     |    | 1,778   |              |
| Maintenance and Repair Services - Vehicles |    | 2,096   |              |
| Other Contracted Services                  |    | 79,688  |              |
| Gasoline                                   |    | 2,162   |              |
| Natural Gas                                |    | 1,151   |              |
| Judgments                                  |    | 6,876   |              |
| Liability Insurance                        |    | 206,324 |              |
| Premiums on Corporate Surety Bonds         |    | 34,123  |              |
| Vehicle and Equipment Insurance            |    | 98,165  |              |
| Workers' Compensation Insurance            |    | 518,164 |              |
| Other Charges                              |    | 1,760   |              |
| Data Processing Equipment                  |    | 12,000  |              |
| Total Other General Administration         |    |         | \$ 1,165,396 |

Preservation of Records

|  |    |        |         |
|--|----|--------|---------|
| County Official/Administrative Officer | \$ | 52,075 |         |
| Assistant(s)                           |    | 61,437 |         |
| Longevity Pay                          |    | 750    |         |
| Social Security                        |    | 7,020  |         |
| Pensions                               |    | 5,279  |         |
| Life Insurance                         |    | 166    |         |
| Medical Insurance                      |    | 12,582 |         |
| Dental Insurance                       |    | 509    |         |
| Disability Insurance                   |    | 230    |         |
| Unemployment Compensation              |    | 84     |         |
| Employer Medicare                      |    | 1,642  |         |
| Janitorial Services                    |    | 2,550  |         |
| Maintenance Agreements                 |    | 2,598  |         |
| Travel                                 |    | 300    |         |
| Other Contracted Services              |    | 5,000  |         |
| Custodial Supplies                     |    | 292    |         |
| Library Books/Media                    |    | 997    |         |
| Office Supplies                        |    | 3,350  |         |
| Periodicals                            |    | 206    |         |
| Other Charges                          |    | 138    |         |
| Furniture and Fixtures                 |    | 2,363  |         |
| Office Equipment                       |    | 2,730  |         |
| Total Preservation of Records          |    |        | 162,298 |

Finance

Accounting and Budgeting

|  |    |         |
|--|----|---------|
| County Official/Administrative Officer | \$ | 112,708 |
| Assistant(s)                           |    | 101,303 |
| Supervisor/Director                    |    | 6,541   |

(Continued)

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

General Fund (Cont.)

Finance (Cont.)

Accounting and Budgeting (Cont.)

|   |    |         |            |
|---|----|---------|------------|
| Accountants/Bookkeepers                   | \$ | 186,907 |            |
| Clerical Personnel                        |    | 141,374 |            |
| Longevity Pay                             |    | 2,250   |            |
| Social Security                           |    | 33,277  |            |
| Pensions                                  |    | 25,429  |            |
| Life Insurance                            |    | 507     |            |
| Medical Insurance                         |    | 57,922  |            |
| Dental Insurance                          |    | 2,363   |            |
| Disability Insurance                      |    | 1,130   |            |
| Unemployment Compensation                 |    | 378     |            |
| Employer Medicare                         |    | 7,783   |            |
| Communication                             |    | 1,101   |            |
| Data Processing Services                  |    | 11,566  |            |
| Dues and Memberships                      |    | 70      |            |
| Legal Notices, Recording, and Court Costs |    | 70      |            |
| Licenses                                  |    | 1,531   |            |
| Maintenance Agreements                    |    | 1,668   |            |
| Postal Charges                            |    | 3,750   |            |
| Printing, Stationery, and Forms           |    | 5,324   |            |
| Travel                                    |    | 1,567   |            |
| Other Contracted Services                 |    | 300     |            |
| Custodial Supplies                        |    | 208     |            |
| Data Processing Supplies                  |    | 414     |            |
| Office Supplies                           |    | 4,409   |            |
| In Service/Staff Development              |    | 4,300   |            |
| Other Charges                             |    | 28      |            |
| Data Processing Equipment                 |    | 8,177   |            |
| Furniture and Fixtures                    |    | 9,578   |            |
| Office Equipment                          |    | 2,889   |            |
| Total Accounting and Budgeting            |    |         | \$ 736,822 |

Purchasing

|  |    |         |
|--|----|---------|
| County Official/Administrative Officer | \$ | 72,782  |
| Accountants/Bookkeepers                |    | 113,154 |
| Longevity Pay                          |    | 2,900   |
| Social Security                        |    | 11,651  |
| Pensions                               |    | 8,397   |
| Life Insurance                         |    | 170     |
| Medical Insurance                      |    | 18,921  |
| Dental Insurance                       |    | 797     |
| Disability Insurance                   |    | 358     |
| Unemployment Compensation              |    | 113     |
| Employer Medicare                      |    | 2,725   |
| Communication                          |    | 524     |
| Data Processing Services               |    | 80      |
| Dues and Memberships                   |    | 10,356  |
| Maintenance Agreements                 |    | 630     |

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Purchasing (Cont.)

|                                    |    |       |            |
|------------------------------------|----|-------|------------|
| Printing, Stationery, and Forms    | \$ | 92    |            |
| Travel                             |    | 49    |            |
| Office Supplies                    |    | 1,176 |            |
| Premiums on Corporate Surety Bonds |    | 100   |            |
| In Service/Staff Development       |    | 80    |            |
| Other Charges                      |    | 28    |            |
| Furniture and Fixtures             |    | 579   |            |
| Office Equipment                   |    | 102   |            |
| Total Purchasing                   |    |       | \$ 245,764 |

Property Assessor's Office

|  |    |         |         |
|--|----|---------|---------|
| County Official/Administrative Officer             | \$ | 88,962  |         |
| Clerical Personnel                                 |    | 162,814 |         |
| Longevity Pay                                      |    | 4,250   |         |
| Other Salaries and Wages                           |    | 196,429 |         |
| In-service Training                                |    | 1,000   |         |
| Social Security                                    |    | 26,556  |         |
| Pensions   |    | 20,634  |         |
| Life Insurance                                     |    | 545     |         |
| Medical Insurance                                  |    | 64,428  |         |
| Dental Insurance                                   |    | 2,578   |         |
| Disability Insurance                               |    | 764     |         |
| Unemployment Compensation                          |    | 311     |         |
| Employer Medicare                                  |    | 6,211   |         |
| Audit Services                                     |    | 34,602  |         |
| Communication                                      |    | 1,000   |         |
| Data Processing Services                           |    | 22,510  |         |
| Dues and Memberships                               |    | 2,892   |         |
| Maintenance Agreements                             |    | 1,647   |         |
| Maintenance and Repair Services - Office Equipment |    | 191     |         |
| Maintenance and Repair Services - Vehicles         |    | 2,215   |         |
| Postal Charges                                     |    | 3,269   |         |
| Printing, Stationery, and Forms                    |    | 546     |         |
| Travel   |    | 375     |         |
| Other Contracted Services                          |    | 2,000   |         |
| Data Processing Supplies                           |    | 3,963   |         |
| Gasoline   |    | 3,311   |         |
| Office Supplies                                    |    | 3,047   |         |
| Periodicals  |    | 167     |         |
| Software   |    | 3,000   |         |
| In Service/Staff Development                       |    | 2,388   |         |
| Other Charges                                      |    | 1,054   |         |
| Data Processing Equipment                          |    | 1,796   |         |
| Furniture and Fixtures                             |    | 803     |         |
| Office Equipment                                   |    | 75      |         |
| Total Property Assessor's Office                   |    |         | 666,333 |

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

Reappraisal Program

|  |    |         |            |
|--|----|---------|------------|
| Clerical Personnel                         | \$ | 39,333  |            |
| Longevity Pay                              |    | 1,950   |            |
| Other Salaries and Wages                   |    | 122,499 |            |
| In-service Training                        |    | 750     |            |
| Social Security                            |    | 10,041  |            |
| Pensions                                   |    | 7,567   |            |
| Life Insurance                             |    | 218     |            |
| Medical Insurance                          |    | 21,945  |            |
| Dental Insurance                           |    | 1,015   |            |
| Disability Insurance                       |    | 547     |            |
| Unemployment Compensation                  |    | 112     |            |
| Employer Medicare                          |    | 2,348   |            |
| Communication                              |    | 15      |            |
| Data Processing Services                   |    | 900     |            |
| Maintenance and Repair Services - Vehicles |    | 1,932   |            |
| Postal Charges                             |    | 13,549  |            |
| Printing, Stationery, and Forms            |    | 218     |            |
| Travel                                     |    | 110     |            |
| Gasoline                                   |    | 1,460   |            |
| Motor Vehicles                             |    | 378     |            |
| Other Equipment                            |    | 67      |            |
| Total Reappraisal Program                  |    |         | \$ 226,954 |

County Trustee's Office

|   |    |         |         |
|---|----|---------|---------|
| County Official/Administrative Officer    | \$ | 88,962  |         |
| Clerical Personnel                        |    | 141,092 |         |
| Temporary Personnel                       |    | 14,467  |         |
| Longevity Pay                             |    | 2,300   |         |
| Overtime Pay                              |    | 36      |         |
| Social Security                           |    | 14,388  |         |
| Pensions                                  |    | 10,736  |         |
| Life Insurance                            |    | 265     |         |
| Medical Insurance                         |    | 35,854  |         |
| Dental Insurance                          |    | 1,230   |         |
| Disability Insurance                      |    | 476     |         |
| Unemployment Compensation                 |    | 166     |         |
| Employer Medicare                         |    | 3,365   |         |
| Data Processing Services                  |    | 3,979   |         |
| Dues and Memberships                      |    | 1,062   |         |
| Legal Notices, Recording, and Court Costs |    | 98      |         |
| Maintenance Agreements                    |    | 529     |         |
| Postal Charges                            |    | 3,158   |         |
| Travel                                    |    | 438     |         |
| Other Contracted Services                 |    | 15,430  |         |
| Office Supplies                           |    | 1,593   |         |
| In Service/Staff Development              |    | 564     |         |
| Total County Trustee's Office             |    |         | 340,188 |

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Finance (Cont.)

County Clerk's Office

|  |    |         |            |
|--|----|---------|------------|
| County Official/Administrative Officer | \$ | 88,962  |            |
| Longevity Pay                          |    | 8,750   |            |
| Other Salaries and Wages               |    | 542,195 |            |
| Social Security                        |    | 38,603  |            |
| Pensions                               |    | 29,564  |            |
| Life Insurance                         |    | 809     |            |
| Medical Insurance                      |    | 87,550  |            |
| Dental Insurance                       |    | 3,818   |            |
| Disability Insurance                   |    | 1,390   |            |
| Unemployment Compensation              |    | 392     |            |
| Employer Medicare                      |    | 9,028   |            |
| Data Processing Services               |    | 21,208  |            |
| Dues and Memberships                   |    | 1,000   |            |
| Maintenance Agreements                 |    | 8,975   |            |
| Postal Charges                         |    | 30,530  |            |
| Printing, Stationery, and Forms        |    | 1,757   |            |
| Travel                                 |    | 1,642   |            |
| Data Processing Supplies               |    | 9,969   |            |
| Office Supplies                        |    | 5,564   |            |
| Periodicals                            |    | 225     |            |
| In Service/Staff Development           |    | 230     |            |
| Office Equipment                       |    | 5,656   |            |
| Total County Clerk's Office            |    |         | \$ 897,817 |

Data Processing

|  |    |         |         |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 90,150  |         |
| Data Processing Personnel              |    | 135,949 |         |
| Longevity Pay                          |    | 2,450   |         |
| Social Security                        |    | 14,041  |         |
| Pensions                               |    | 10,559  |         |
| Life Insurance                         |    | 166     |         |
| Medical Insurance                      |    | 18,873  |         |
| Dental Insurance                       |    | 764     |         |
| Disability Insurance                   |    | 497     |         |
| Unemployment Compensation              |    | 84      |         |
| Employer Medicare                      |    | 3,284   |         |
| Communication                          |    | 21,372  |         |
| Data Processing Services               |    | 92,746  |         |
| Maintenance Agreements                 |    | 100     |         |
| Internet Connectivity                  |    | 39,924  |         |
| Travel                                 |    | 1,000   |         |
| Data Processing Supplies               |    | 2,575   |         |
| Office Supplies                        |    | 125     |         |
| Software                               |    | 67,603  |         |
| In Service/Staff Development           |    | 2,000   |         |
| Data Processing Equipment              |    | 43,413  |         |
| Total Data Processing                  |    |         | 547,675 |

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Administration of Justice

Circuit Court

|  |    |         |              |
|--|----|---------|--------------|
| County Official/Administrative Officer             | \$ | 88,962  |              |
| Clerical Personnel                                 |    | 655,121 |              |
| Part-time Personnel                                |    | 7,309   |              |
| Longevity Pay                                      |    | 7,750   |              |
| Jury and Witness Expense                           |    | 30,950  |              |
| Other Per Diem and Fees                            |    | 9,700   |              |
| Social Security                                    |    | 47,236  |              |
| Pensions   |    | 32,598  |              |
| Life Insurance                                     |    | 970     |              |
| Medical Insurance                                  |    | 95,361  |              |
| Dental Insurance                                   |    | 4,279   |              |
| Disability Insurance                               |    | 1,612   |              |
| Unemployment Compensation                          |    | 607     |              |
| Employer Medicare                                  |    | 11,047  |              |
| Data Processing Services                           |    | 63,772  |              |
| Dues and Memberships                               |    | 822     |              |
| Legal Notices, Recording, and Court Costs          |    | 570     |              |
| Maintenance and Repair Services - Office Equipment |    | 48      |              |
| Postal Charges                                     |    | 12,559  |              |
| Printing, Stationery, and Forms                    |    | 11,000  |              |
| Rentals  |    | 145     |              |
| Travel   |    | 642     |              |
| Office Supplies                                    |    | 8,193   |              |
| Periodicals  |    | 482     |              |
| In Service/Staff Development                       |    | 235     |              |
| Other Charges                                      |    | 11,686  |              |
| Office Equipment                                   |    | 774     |              |
| Total Circuit Court                                |    |         | \$ 1,104,430 |

General Sessions Court

|                           |    |         |
|---------------------------|----|---------|
| Judge(s)                  | \$ | 501,243 |
| Clerical Personnel        |    | 125,886 |
| Temporary Personnel       |    | 22,856  |
| Part-time Personnel       |    | 121,595 |
| Longevity Pay             |    | 1,600   |
| Overtime Pay              |    | 2,079   |
| Other Salaries and Wages  |    | 108,110 |
| Social Security           |    | 47,297  |
| Pensions                  |    | 34,073  |
| Life Insurance            |    | 497     |
| Medical Insurance         |    | 56,549  |
| Dental Insurance          |    | 2,036   |
| Disability Insurance      |    | 1,559   |
| Unemployment Compensation |    | 397     |
| Employer Medicare         |    | 12,624  |
| Communication             |    | 7,584   |
| Dues and Memberships      |    | 1,845   |

(Continued)



Exhibit K-7

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

General Fund (Cont.)

Administration of Justice (Cont.)

General Sessions Court (Cont.)

|                                 |    |        |              |
|---------------------------------|----|--------|--------------|
| Licenses                        | \$ | 1,200  |              |
| Maintenance Agreements          |    | 3,440  |              |
| Pest Control                    |    | 391    |              |
| Printing, Stationery, and Forms |    | 75     |              |
| Travel                          |    | 2,366  |              |
| Electricity                     |    | 9,294  |              |
| Office Supplies                 |    | 3,656  |              |
| Periodicals                     |    | 854    |              |
| In Service/Staff Development    |    | 685    |              |
| Other Charges                   |    | 20,417 |              |
| Furniture and Fixtures          |    | 525    |              |
| Office Equipment                |    | 1,068  |              |
| Total General Sessions Court    |    |        | \$ 1,091,801 |

Chancery Court

|  |    |         |         |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 88,962  |         |
| Longevity Pay                          |    | 2,900   |         |
| Other Salaries and Wages               |    | 241,592 |         |
| Social Security                        |    | 20,275  |         |
| Pensions                               |    | 15,406  |         |
| Life Insurance                         |    | 386     |         |
| Medical Insurance                      |    | 36,670  |         |
| Dental Insurance                       |    | 1,782   |         |
| Disability Insurance                   |    | 725     |         |
| Unemployment Compensation              |    | 196     |         |
| Employer Medicare                      |    | 4,742   |         |
| Accounting Services                    |    | 75      |         |
| Data Processing Services               |    | 38,799  |         |
| Dues and Memberships                   |    | 1,272   |         |
| Maintenance Agreements                 |    | 2,200   |         |
| Postal Charges                         |    | 5,574   |         |
| Printing, Stationery, and Forms        |    | 600     |         |
| Office Supplies                        |    | 2,519   |         |
| Periodicals                            |    | 835     |         |
| In Service/Staff Development           |    | 800     |         |
| Other Charges                          |    | 350     |         |
| Furniture and Fixtures                 |    | 1,688   |         |
| Total Chancery Court                   |    |         | 468,348 |

Courtroom Security

|                              |    |       |        |
|------------------------------|----|-------|--------|
| In Service/Staff Development | \$ | 3,632 |        |
| Data Processing Equipment    |    | 9,553 |        |
| Total Courtroom Security     |    |       | 13,185 |

Victim Assistance Programs

|                          |    |        |  |
|--------------------------|----|--------|--|
| Other Salaries and Wages | \$ | 48,244 |  |
| Social Security          |    | 2,963  |  |

(Continued)

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

General Fund (Cont.)

Administration of Justice (Cont.)

Victim Assistance Programs (Cont.)

|                                  |    |        |            |
|----------------------------------|----|--------|------------|
| Pensions                         | \$ | 2,229  |            |
| Life Insurance                   |    | 153    |            |
| Medical Insurance                |    | 6,291  |            |
| Dental Insurance                 |    | 255    |            |
| Disability Insurance             |    | 9      |            |
| Unemployment Compensation        |    | 28     |            |
| Employer Medicare                |    | 693    |            |
| Contributions                    |    | 45,957 |            |
| Travel                           |    | 452    |            |
| Total Victim Assistance Programs |    |        | \$ 107,274 |

Public Safety

Sheriff's Department

|   |    |           |
|---|----|-----------|
| County Official/Administrative Officer      | \$ | 97,860    |
| Deputy(ies)                                 |    | 2,377,888 |
| Investigator(s)                             |    | 635,749   |
| Captain(s)                                  |    | 131,939   |
| Lieutenant(s)                               |    | 264,678   |
| Sergeant(s)                                 |    | 611,287   |
| Dispatchers/Radio Operators                 |    | 268,410   |
| Clerical Personnel                          |    | 191,539   |
| Temporary Personnel                         |    | 1,120     |
| Part-time Personnel                         |    | 17,585    |
| Longevity Pay                               |    | 51,650    |
| Overtime Pay                                |    | 182,796   |
| In-service Training                         |    | 46,200    |
| Social Security                             |    | 290,597   |
| Pensions                                    |    | 217,181   |
| Life Insurance                              |    | 5,136     |
| Medical Insurance                           |    | 619,664   |
| Dental Insurance                            |    | 23,515    |
| Disability Insurance                        |    | 8,651     |
| Unemployment Compensation                   |    | 2,769     |
| Employer Medicare                           |    | 67,962    |
| Communication                               |    | 51,995    |
| Data Processing Services                    |    | 31,964    |
| Dues and Memberships                        |    | 2,500     |
| Evaluation and Testing                      |    | 800       |
| Maintenance Agreements                      |    | 18,519    |
| Maintenance and Repair Services - Equipment |    | 2,146     |
| Maintenance and Repair Services - Vehicles  |    | 37,629    |
| Postal Charges                              |    | 1,186     |
| Printing, Stationery, and Forms             |    | 946       |
| Travel                                      |    | 15,292    |
| Veterinary Services                         |    | 972       |
| Other Contracted Services                   |    | 2,753     |
| Animal Food and Supplies                    |    | 598       |

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Sheriff's Department (Cont.)

|                                 |    |         |              |
|---------------------------------|----|---------|--------------|
| Data Processing Supplies        | \$ | 6,966   |              |
| Diesel Fuel                     |    | 53      |              |
| Gasoline                        |    | 188,872 |              |
| Law Enforcement Supplies        |    | 34,947  |              |
| Lubricants                      |    | 4,994   |              |
| Office Supplies                 |    | 10,523  |              |
| Tires and Tubes                 |    | 21,682  |              |
| Uniforms                        |    | 32,099  |              |
| Vehicle Parts                   |    | 52,944  |              |
| Workers' Compensation Insurance |    | 9,790   |              |
| In Service/Staff Development    |    | 24,706  |              |
| Other Charges                   |    | 512     |              |
| Communication Equipment         |    | 11,584  |              |
| Data Processing Equipment       |    | 9,606   |              |
| Furniture and Fixtures          |    | 2,364   |              |
| Law Enforcement Equipment       |    | 47,603  |              |
| Office Equipment                |    | 27      |              |
| Total Sheriff's Department      |    |         | \$ 6,740,748 |

Administration of the Sexual Offender Registry

|  |    |       |       |
|--|----|-------|-------|
| Contracts with Government Agencies                   | \$ | 3,744 |       |
| Total Administration of the Sexual Offender Registry |    |       | 3,744 |

Jail

|   |    |           |  |
|---|----|-----------|--|
| County Official/Administrative Officer      | \$ | 3,029     |  |
| Sergeant(s)                                 |    | 251,059   |  |
| Maintenance Personnel                       |    | 46,340    |  |
| Longevity Pay                               |    | 17,000    |  |
| Overtime Pay                                |    | 154,499   |  |
| Other Salaries and Wages                    |    | 2,033,590 |  |
| In-service Training                         |    | 1,800     |  |
| Social Security                             |    | 152,216   |  |
| Pensions                                    |    | 111,318   |  |
| Life Insurance                              |    | 3,142     |  |
| Medical Insurance                           |    | 351,568   |  |
| Dental Insurance                            |    | 14,003    |  |
| Disability Insurance                        |    | 5,686     |  |
| Unemployment Compensation                   |    | 2,143     |  |
| Employer Medicare                           |    | 35,599    |  |
| Communication                               |    | 8,435     |  |
| Contracts with Government Agencies          |    | 503,942   |  |
| Laundry Service                             |    | 308       |  |
| Maintenance Agreements                      |    | 17,397    |  |
| Maintenance and Repair Services - Buildings |    | 154,457   |  |
| Maintenance and Repair Services - Equipment |    | 1,245     |  |
| Maintenance and Repair Services - Vehicles  |    | 4,395     |  |
| Medical and Dental Services                 |    | 754,739   |  |

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Jail (Cont.)

|                                      |    |         |              |
|--------------------------------------|----|---------|--------------|
| Pest Control                         | \$ | 2,397   |              |
| Postal Charges                       |    | 1,113   |              |
| Printing, Stationery, and Forms      |    | 488     |              |
| Rentals                              |    | 440     |              |
| Transportation - Other than Students |    | 7,158   |              |
| Travel                               |    | 2,628   |              |
| Disposal Fees                        |    | 9,856   |              |
| Other Contracted Services            |    | 900     |              |
| Custodial Supplies                   |    | 33,096  |              |
| Diesel Fuel                          |    | 1,708   |              |
| Drugs and Medical Supplies           |    | 218,307 |              |
| Electricity                          |    | 255,156 |              |
| Equipment Parts - Light              |    | 921     |              |
| Food Preparation Supplies            |    | 508     |              |
| Food Supplies                        |    | 446,327 |              |
| Gasoline                             |    | 23,317  |              |
| Law Enforcement Supplies             |    | 10,984  |              |
| Lubricants                           |    | 571     |              |
| Natural Gas                          |    | 41,761  |              |
| Prisoners Clothing                   |    | 20,331  |              |
| Tires and Tubes                      |    | 2,159   |              |
| Uniforms                             |    | 13,586  |              |
| Vehicle Parts                        |    | 8,852   |              |
| Other Supplies and Materials         |    | 448     |              |
| In Service/Staff Development         |    | 1,350   |              |
| Communication Equipment              |    | 2,982   |              |
| Law Enforcement Equipment            |    | 89,025  |              |
| Other Equipment                      |    | 136     |              |
| Total Jail                           |    |         | \$ 5,824,415 |

Juvenile Services

|                           |    |        |
|---------------------------|----|--------|
| Assistant(s)              | \$ | 29,229 |
| Probation Officer(s)      |    | 68,897 |
| Youth Service Officer(s)  |    | 50,357 |
| Part-time Personnel       |    | 2,252  |
| Longevity Pay             |    | 350    |
| Overtime Pay              |    | 1,060  |
| Social Security           |    | 9,148  |
| Pensions                  |    | 6,925  |
| Life Insurance            |    | 207    |
| Medical Insurance         |    | 25,010 |
| Dental Insurance          |    | 952    |
| Disability Insurance      |    | 266    |
| Unemployment Compensation |    | 144    |
| Employer Medicare         |    | 2,139  |
| Advertising               |    | 310    |
| Communication             |    | 1,520  |

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Public Safety (Cont.)

Juvenile Services (Cont.)

|                                      |    |        |            |
|--------------------------------------|----|--------|------------|
| Consultants                          | \$ | 7,700  |            |
| Dues and Memberships                 |    | 360    |            |
| Postal Charges                       |    | 100    |            |
| Travel                               |    | 4,373  |            |
| Other Contracted Services            |    | 16,500 |            |
| Drugs and Medical Supplies           |    | 316    |            |
| Instructional Supplies and Materials |    | 5,781  |            |
| Office Supplies                      |    | 1,511  |            |
| Software                             |    | 3,850  |            |
| In Service/Staff Development         |    | 1,350  |            |
| Furniture and Fixtures               |    | 122    |            |
| Office Equipment                     |    | 1,320  |            |
| Total Juvenile Services              |    |        | \$ 242,049 |

Civil Defense

|                                 |    |         |           |
|---------------------------------|----|---------|-----------|
| Contributions                   | \$ | 290,450 |           |
| Building and Contents Insurance |    | 1,029   |           |
| Vehicle and Equipment Insurance |    | 27,652  |           |
| Other Capital Outlay            |    | 760,000 |           |
| Total Civil Defense             |    |         | 1,079,131 |

Other Emergency Management

|   |    |        |  |
|---|----|--------|--|
| County Official/Administrative Officer      | \$ | 58,081 |  |
| Clerical Personnel                          |    | 76,950 |  |
| Longevity Pay                               |    | 700    |  |
| Overtime Pay                                |    | 4,738  |  |
| Social Security                             |    | 8,606  |  |
| Pensions                                    |    | 6,490  |  |
| Life Insurance                              |    | 156    |  |
| Medical Insurance                           |    | 6,291  |  |
| Dental Insurance                            |    | 476    |  |
| Disability Insurance                        |    | 297    |  |
| Unemployment Compensation                   |    | 84     |  |
| Employer Medicare                           |    | 2,013  |  |
| Communication                               |    | 11,928 |  |
| Consultants                                 |    | 500    |  |
| Dues and Memberships                        |    | 440    |  |
| Maintenance Agreements                      |    | 2,821  |  |
| Maintenance and Repair Services - Equipment |    | 672    |  |
| Maintenance and Repair Services - Vehicles  |    | 11,340 |  |
| Postal Charges                              |    | 102    |  |
| Printing, Stationery, and Forms             |    | 644    |  |
| Travel                                      |    | 2,425  |  |
| Disposal Fees                               |    | 467    |  |
| Other Contracted Services                   |    | 22,614 |  |
| Diesel Fuel                                 |    | 136    |  |
| Electricity                                 |    | 15,254 |  |

(Continued)

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

General Fund (Cont.)

Public Safety (Cont.)

Other Emergency Management (Cont.)

|                                  |    |         |            |
|----------------------------------|----|---------|------------|
| Gasoline                         | \$ | 7,700   |            |
| Office Supplies                  |    | 800     |            |
| Small Tools                      |    | 1,074   |            |
| Tires and Tubes                  |    | 1,784   |            |
| Uniforms                         |    | 524     |            |
| Vehicle Parts                    |    | 1,900   |            |
| Other Supplies and Materials     |    | 6,728   |            |
| Vehicle and Equipment Insurance  |    | 15,900  |            |
| In Service/Staff Development     |    | 2,034   |            |
| Other Charges                    |    | 59,166  |            |
| Motor Vehicles                   |    | 35,000  |            |
| Office Equipment                 |    | 670     |            |
| Other Equipment                  |    | 100,393 |            |
| Total Other Emergency Management |    |         | \$ 467,898 |

Public Health and Welfare

Local Health Center

|   |    |         |
|---|----|---------|
| Medical Personnel                           | \$ | 409,283 |
| Clerical Personnel                          |    | 166,881 |
| Part-time Personnel                         |    | 34,550  |
| Longevity Pay                               |    | 900     |
| Bonus Payments                              |    | 2,210   |
| Social Security                             |    | 37,058  |
| Pensions                                    |    | 25,829  |
| Life Insurance                              |    | 927     |
| Medical Insurance                           |    | 77,416  |
| Dental Insurance                            |    | 3,463   |
| Disability Insurance                        |    | 1,124   |
| Unemployment Compensation                   |    | 775     |
| Employer Medicare                           |    | 8,667   |
| Advertising                                 |    | 71      |
| Communication                               |    | 9,929   |
| Dues and Memberships                        |    | 675     |
| Evaluation and Testing                      |    | 2,242   |
| Licenses                                    |    | 28      |
| Maintenance Agreements                      |    | 9,112   |
| Maintenance and Repair Services - Buildings |    | 13,319  |
| Maintenance and Repair Services - Equipment |    | 580     |
| Pest Control                                |    | 561     |
| Travel                                      |    | 15,860  |
| Electricity                                 |    | 45,685  |
| Instructional Supplies and Materials        |    | 2,804   |
| Natural Gas                                 |    | 15,298  |
| Office Supplies                             |    | 2,586   |
| Periodicals                                 |    | 232     |
| Other Supplies and Materials                |    | 97      |
| Liability Insurance                         |    | 2,633   |

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Local Health Center (Cont.)

|                                 |    |        |            |
|---------------------------------|----|--------|------------|
| Workers' Compensation Insurance | \$ | 7,667  |            |
| Other Charges                   |    | 154    |            |
| Building Improvements           |    | 77,351 |            |
| Furniture and Fixtures          |    | 2,047  |            |
| Total Local Health Center       |    |        | \$ 978,014 |

Rabies and Animal Control

|   |    |         |
|---|----|---------|
| County Official/Administrative Officer      | \$ | 55,827  |
| Part-time Personnel                         |    | 26,699  |
| Longevity Pay                               |    | 2,450   |
| Overtime Pay                                |    | 2,168   |
| Other Salaries and Wages                    |    | 247,179 |
| Social Security                             |    | 20,292  |
| Pensions                                    |    | 12,837  |
| Life Insurance                              |    | 506     |
| Medical Insurance                           |    | 58,401  |
| Dental Insurance                            |    | 2,263   |
| Disability Insurance                        |    | 613     |
| Unemployment Compensation                   |    | 368     |
| Employer Medicare                           |    | 4,746   |
| Advertising                                 |    | 135     |
| Communication                               |    | 937     |
| Data Processing Services                    |    | 2,305   |
| Licenses                                    |    | 320     |
| Maintenance Agreements                      |    | 3,000   |
| Maintenance and Repair Services - Buildings |    | 2,614   |
| Maintenance and Repair Services - Equipment |    | 60      |
| Maintenance and Repair Services - Vehicles  |    | 4,958   |
| Medical and Dental Services                 |    | 422     |
| Postal Charges                              |    | 150     |
| Printing, Stationery, and Forms             |    | 809     |
| Internet Connectivity                       |    | 1,990   |
| Travel                                      |    | 2,583   |
| Veterinary Services                         |    | 22,330  |
| Disposal Fees                               |    | 3,241   |
| Animal Food and Supplies                    |    | 427     |
| Custodial Supplies                          |    | 15,761  |
| Drugs and Medical Supplies                  |    | 32,882  |
| Electricity                                 |    | 34,387  |
| Gasoline                                    |    | 7,749   |
| Law Enforcement Supplies                    |    | 934     |
| Natural Gas                                 |    | 9,174   |
| Office Supplies                             |    | 2,025   |
| Uniforms                                    |    | 4,161   |
| Other Supplies and Materials                |    | 7,668   |
| Building and Contents Insurance             |    | 514     |
| Refunds                                     |    | 800     |

(Continued)

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

General Fund (Cont.)

Public Health and Welfare (Cont.)

Rabies and Animal Control (Cont.)

|                                 |    |        |            |
|---------------------------------|----|--------|------------|
| In Service/Staff Development    | \$ | 3,920  |            |
| Furniture and Fixtures          |    | 578    |            |
| Office Equipment                |    | 443    |            |
| Other Equipment                 |    | 15,390 |            |
| Total Rabies and Animal Control |    |        | \$ 617,016 |

Appropriation to State

|                                    |    |        |        |
|------------------------------------|----|--------|--------|
| Contracts with Government Agencies | \$ | 67,995 |        |
| Total Appropriation to State       |    |        | 67,995 |

Other Public Health and Welfare

|                                       |    |         |         |
|---------------------------------------|----|---------|---------|
| Other Contracted Services             | \$ | 178,611 |         |
| Total Other Public Health and Welfare |    |         | 178,611 |

Social, Cultural, and Recreational Services

Senior Citizens Assistance

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

Libraries

|   |    |         |  |
|---|----|---------|--|
| County Official/Administrative Officer      | \$ | 57,450  |  |
| Librarians                                  |    | 232,849 |  |
| Part-time Personnel                         |    | 72,924  |  |
| Longevity Pay                               |    | 2,850   |  |
| Overtime Pay                                |    | 561     |  |
| Social Security                             |    | 21,871  |  |
| Pensions                                    |    | 13,169  |  |
| Life Insurance                              |    | 479     |  |
| Medical Insurance                           |    | 59,504  |  |
| Dental Insurance                            |    | 2,178   |  |
| Disability Insurance                        |    | 620     |  |
| Unemployment Compensation                   |    | 447     |  |
| Employer Medicare                           |    | 5,115   |  |
| Communication                               |    | 1,975   |  |
| Dues and Memberships                        |    | 300     |  |
| Janitorial Services                         |    | 7,200   |  |
| Licenses                                    |    | 444     |  |
| Maintenance Agreements                      |    | 17,452  |  |
| Maintenance and Repair Services - Buildings |    | 18,584  |  |
| Pest Control                                |    | 646     |  |
| Postal Charges                              |    | 444     |  |
| Printing, Stationery, and Forms             |    | 421     |  |
| Internet Connectivity                       |    | 3,009   |  |
| Travel                                      |    | 1,481   |  |
| Other Contracted Services                   |    | 2,701   |  |
| Custodial Supplies                          |    | 2,118   |  |
| Electricity                                 |    | 27,364  |  |

(Continued)



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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Libraries (Cont.)

|                              |    |        |            |
|------------------------------|----|--------|------------|
| Library Books/Media          | \$ | 66,239 |            |
| Natural Gas                  |    | 3,828  |            |
| Office Supplies              |    | 17,016 |            |
| Periodicals                  |    | 12,403 |            |
| In Service/Staff Development |    | 618    |            |
| Other Charges                |    | 6,164  |            |
| Furniture and Fixtures       |    | 1,389  |            |
| Office Equipment             |    | 2,632  |            |
| Total Libraries              |    |        | \$ 664,445 |

Parks and Fair Boards

|   |    |         |
|---|----|---------|
| County Official/Administrative Officer      | \$ | 79,352  |
| Assistant(s)                                |    | 90,008  |
| Laborers                                    |    | 196,425 |
| Clerical Personnel                          |    | 25,085  |
| Temporary Personnel                         |    | 25,762  |
| Longevity Pay                               |    | 5,100   |
| Overtime Pay                                |    | 954     |
| Social Security                             |    | 25,808  |
| Pensions                                    |    | 17,800  |
| Life Insurance                              |    | 524     |
| Medical Insurance                           |    | 53,884  |
| Dental Insurance                            |    | 2,436   |
| Disability Insurance                        |    | 820     |
| Unemployment Compensation                   |    | 402     |
| Employer Medicare                           |    | 6,036   |
| Communication                               |    | 1,946   |
| Dues and Memberships                        |    | 550     |
| Laundry Service                             |    | 3,778   |
| Maintenance Agreements                      |    | 576     |
| Maintenance and Repair Services - Buildings |    | 788     |
| Maintenance and Repair Services - Equipment |    | 6,671   |
| Maintenance and Repair Services - Vehicles  |    | 1,242   |
| Pest Control                                |    | 646     |
| Postal Charges                              |    | 167     |
| Printing, Stationery, and Forms             |    | 797     |
| Rentals                                     |    | 713     |
| Travel                                      |    | 275     |
| Other Contracted Services                   |    | 43,095  |
| Custodial Supplies                          |    | 9,828   |
| Diesel Fuel                                 |    | 6,293   |
| Electricity                                 |    | 66,724  |
| Equipment Parts - Light                     |    | 210     |
| Fertilizer, Lime, and Seed                  |    | 7,712   |
| Gasoline                                    |    | 13,261  |
| Lubricants                                  |    | 1,000   |
| Natural Gas                                 |    | 6,929   |

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Social, Cultural, and Recreational Services (Cont.)

Parks and Fair Boards (Cont.)

|                              |    |        |            |
|------------------------------|----|--------|------------|
| Office Supplies              | \$ | 1,015  |            |
| Uniforms                     |    | 1,035  |            |
| Other Supplies and Materials |    | 31,150 |            |
| In Service/Staff Development |    | 868    |            |
| Other Charges                |    | 60,000 |            |
| Building Improvements        |    | 2,970  |            |
| Furniture and Fixtures       |    | 2,664  |            |
| Site Development             |    | 385    |            |
| Other Capital Outlay         |    | 41,284 |            |
| Total Parks and Fair Boards  |    |        | \$ 844,968 |

Agriculture and Natural Resources

Agricultural Extension Service

|                                      |    |         |         |
|--------------------------------------|----|---------|---------|
| Board and Committee Members Fees     | \$ | 225     |         |
| Social Security                      |    | 14      |         |
| Employer Medicare                    |    | 3       |         |
| Contracts with Government Agencies   |    | 145,750 |         |
| Dues and Memberships                 |    | 310     |         |
| Maintenance Agreements               |    | 4,722   |         |
| Travel                               |    | 2,500   |         |
| Office Supplies                      |    | 1,250   |         |
| Total Agricultural Extension Service |    |         | 154,774 |

Forest Service

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

Soil Conservation

|                           |    |        |        |
|---------------------------|----|--------|--------|
| Other Salaries and Wages  | \$ | 31,512 |        |
| Social Security           |    | 1,939  |        |
| Pensions                  |    | 1,456  |        |
| Life Insurance            |    | 55     |        |
| Medical Insurance         |    | 6,291  |        |
| Dental Insurance          |    | 255    |        |
| Disability Insurance      |    | 69     |        |
| Unemployment Compensation |    | 28     |        |
| Employer Medicare         |    | 454    |        |
| Total Soil Conservation   |    |        | 42,059 |

Other Operations

Tourism

|  |    |        |  |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 52,752 |  |
| Part-time Personnel                    |    | 13,663 |  |
| Longevity Pay                          |    | 900    |  |
| Overtime Pay                           |    | 279    |  |
| Other Salaries and Wages               |    | 66,117 |  |
| Social Security                        |    | 7,752  |  |

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations (Cont.)

Tourism (Cont.)

|   |    |         |            |
|---|----|---------|------------|
| Pensions                                    | \$ | 5,546   |            |
| Life Insurance                              |    | 166     |            |
| Medical Insurance                           |    | 20,127  |            |
| Dental Insurance                            |    | 773     |            |
| Disability Insurance                        |    | 263     |            |
| Unemployment Compensation                   |    | 122     |            |
| Employer Medicare                           |    | 1,813   |            |
| Advertising                                 |    | 148,179 |            |
| Dues and Memberships                        |    | 3,536   |            |
| Maintenance Agreements                      |    | 1,108   |            |
| Maintenance and Repair Services - Buildings |    | 7,480   |            |
| Maintenance and Repair Services - Vehicles  |    | 286     |            |
| Postal Charges                              |    | 525     |            |
| Printing, Stationery, and Forms             |    | 6,923   |            |
| Travel                                      |    | 2,193   |            |
| Other Contracted Services                   |    | 38,381  |            |
| Electricity                                 |    | 2,055   |            |
| Gasoline                                    |    | 179     |            |
| Office Supplies                             |    | 2,721   |            |
| Periodicals                                 |    | 195     |            |
| Other Supplies and Materials                |    | 16,523  |            |
| In Service/Staff Development                |    | 2,404   |            |
| Other Charges                               |    | 1,158   |            |
| Furniture and Fixtures                      |    | 120     |            |
| Total Tourism                               |    |         | \$ 404,239 |

Industrial Development

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Contributions                | \$ | 225,000 |         |
| Electricity                  |    | 840     |         |
| Total Industrial Development |    |         | 225,840 |

Other Economic and Community Development

|  |    |    |    |
|--|----|----|----|
| Other Charges                                  | \$ | 37 |    |
| Total Other Economic and Community Development |    |    | 37 |

Airport

|               |    |        |        |
|---------------|----|--------|--------|
| Contributions | \$ | 40,000 |        |
| Total Airport |    |        | 40,000 |

Veterans' Services

|  |    |        |  |
|--|----|--------|--|
| County Official/Administrative Officer | \$ | 42,570 |  |
| Clerical Personnel                     |    | 32,400 |  |
| Longevity Pay                          |    | 1,200  |  |
| Overtime Pay                           |    | 156    |  |
| Social Security                        |    | 4,701  |  |
| Pensions                               |    | 3,176  |  |
| Life Insurance                         |    | 53     |  |

(Continued)

Exhibit K-7

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

General Fund (Cont.)

Other Operations (Cont.)

Veterans' Services (Cont.)

|                                 |    |       |           |
|---------------------------------|----|-------|-----------|
| Medical Insurance               | \$ | 6,706 |           |
| Dental Insurance                |    | 370   |           |
| Disability Insurance            |    | 120   |           |
| Unemployment Compensation       |    | 110   |           |
| Employer Medicare               |    | 1,099 |           |
| Communication                   |    | 430   |           |
| Data Processing Services        |    | 699   |           |
| Maintenance Agreements          |    | 749   |           |
| Printing, Stationery, and Forms |    | 132   |           |
| Travel                          |    | 1,542 |           |
| Data Processing Supplies        |    | 392   |           |
| Office Supplies                 |    | 333   |           |
| Periodicals                     |    | 449   |           |
| Uniforms                        |    | 181   |           |
| Total Veterans' Services        |    |       | \$ 97,568 |

Other Charges

|                     |    |     |     |
|---------------------|----|-----|-----|
| Land                | \$ | 374 |     |
| Total Other Charges |    |     | 374 |

Contributions to Other Agencies

|                                       |    |        |        |
|---------------------------------------|----|--------|--------|
| Contributions                         | \$ | 90,000 |        |
| Total Contributions to Other Agencies |    |        | 90,000 |

Employee Benefits

|                              |    |        |        |
|------------------------------|----|--------|--------|
| Medical and Dental Services  | \$ | 26,165 |        |
| Other Supplies and Materials |    | 8,137  |        |
| Total Employee Benefits      |    |        | 34,302 |

Payments to Cities

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

Miscellaneous

|                             |    |         |         |
|-----------------------------|----|---------|---------|
| Medical and Dental Services | \$ | 167,925 |         |
| Other Contracted Services   |    | 52,527  |         |
| Trustee's Commission        |    | 302,619 |         |
| Tax Relief Program          |    | 131,800 |         |
| Total Miscellaneous         |    |         | 654,871 |

Capital Projects

Public Safety Projects

|                              |    |        |        |
|------------------------------|----|--------|--------|
| Land                         | \$ | 49,797 |        |
| Total Public Safety Projects |    |        | 49,797 |

Total General Fund \$ 30,876,654

(Continued)

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

Drug Control Fund

Public Safety

Drug Enforcement

|  |    |        |            |
|--|----|--------|------------|
| Communication                              | \$ | 7,358  |            |
| Confidential Drug Enforcement Payments     |    | 36,000 |            |
| Maintenance Agreements                     |    | 19,292 |            |
| Maintenance and Repair Services - Vehicles |    | 4,037  |            |
| Pest Control                               |    | 357    |            |
| Travel                                     |    | 4,415  |            |
| Electricity                                |    | 2,376  |            |
| Gasoline                                   |    | 13,153 |            |
| Instructional Supplies and Materials       |    | 999    |            |
| Law Enforcement Supplies                   |    | 1,778  |            |
| Lubricants                                 |    | 302    |            |
| Office Supplies                            |    | 20     |            |
| Tires and Tubes                            |    | 1,916  |            |
| Uniforms                                   |    | 923    |            |
| Vehicle Parts                              |    | 2,195  |            |
| Trustee's Commission                       |    | 919    |            |
| In Service/Staff Development               |    | 1,805  |            |
| Other Charges                              |    | 4,174  |            |
| Communication Equipment                    |    | 230    |            |
| Law Enforcement Equipment                  |    | 9,454  |            |
| Motor Vehicles                             |    | 29,579 |            |
| Total Drug Enforcement                     |    |        | \$ 141,282 |

Total Drug Control Fund \$ 141,282

Adequate Facilities/ Development Tax Fund

General Government

Development

|                   |    |        |           |
|-------------------|----|--------|-----------|
| Refunds           | \$ | 10,667 |           |
| Total Development |    |        | \$ 10,667 |

Capital Projects

General Administration Projects

|                                       |    |         |           |
|---------------------------------------|----|---------|-----------|
| Asphalt                               | \$ | 146,283 |           |
| Site Development                      |    | 9,813   |           |
| Other Construction                    |    | 898,337 |           |
| Total General Administration Projects |    |         | 1,054,433 |

Public Safety Projects

|                              |    |        |        |
|------------------------------|----|--------|--------|
| Land                         | \$ | 60,333 |        |
| Total Public Safety Projects |    |        | 60,333 |

Highway and Street Capital Projects

|   |    |         |         |
|---|----|---------|---------|
| Asphalt                                   | \$ | 9,974   |         |
| Crushed Stone                             |    | 136,923 |         |
| Total Highway and Street Capital Projects |    |         | 146,897 |

Total Adequate Facilities/ Development Tax Fund 1,272,330

(Continued)

Exhibit K-7

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

Constitutional Officers - Fees Fund

Finance

County Clerk's Office

|   |            |            |
|---|------------|------------|
| Constitutional Officers' Operating Expenses | \$ 110,628 |            |
| Total County Clerk's Office                 |            | \$ 110,628 |

Administration of Justice

Circuit Court

|   |        |     |
|---|--------|-----|
| Constitutional Officers' Operating Expenses | \$ 800 |     |
| Total Circuit Court                         |        | 800 |

General Sessions Court

|   |          |       |
|---|----------|-------|
| Constitutional Officers' Operating Expenses | \$ 1,799 |       |
| Total General Sessions Court                |          | 1,799 |

Chancery Court

|   |           |        |
|---|-----------|--------|
| Special Commissioner Fees/Special Master Fees | \$ 22,790 |        |
| Constitutional Officers' Operating Expenses   | 24,935    |        |
| Total Chancery Court                          |           | 47,725 |

Public Safety

Sheriff's Department

|   |        |            |
|---|--------|------------|
| Constitutional Officers' Operating Expenses | \$ 379 |            |
| Total Sheriff's Department                  |        | <u>379</u> |

Total Constitutional Officers - Fees Fund \$ 161,331

Highway/Public Works Fund

Highways

Administration

|  |           |            |
|--|-----------|------------|
| County Official/Administrative Officer | \$ 97,860 |            |
| Purchasing Personnel                   | 44,472    |            |
| Longevity Pay                          | 1,600     |            |
| Other Salaries and Wages               | 58,853    |            |
| Social Security                        | 12,308    |            |
| Pensions                               | 9,369     |            |
| Life Insurance                         | 125       |            |
| Medical Insurance                      | 15,643    |            |
| Dental Insurance                       | 764       |            |
| Disability Insurance                   | 439       |            |
| Unemployment Compensation              | 56        |            |
| Employer Medicare                      | 2,878     |            |
| Communication                          | 2,205     |            |
| Dues and Memberships                   | 4,880     |            |
| Maintenance Agreements                 | 1,100     |            |
| Postal Charges                         | 210       |            |
| Printing, Stationery, and Forms        | 93        |            |
| Travel                                 | 955       |            |
| Office Supplies                        | 1,001     |            |
| In Service/Staff Development           | 150       |            |
| Furniture and Fixtures                 | 265       |            |
| Total Administration                   |           | \$ 255,226 |

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Highway and Bridge Maintenance

|                                      |    |         |              |
|--------------------------------------|----|---------|--------------|
| Foremen                              | \$ | 74,298  |              |
| Mechanic(s)                          |    | 190,583 |              |
| Equipment Operators - Heavy          |    | 359,689 |              |
| Equipment Operators - Light          |    | 379,817 |              |
| Truck Drivers                        |    | 323,906 |              |
| Laborers                             |    | 82,815  |              |
| Guards                               |    | 66,269  |              |
| Temporary Personnel                  |    | 33,354  |              |
| Longevity Pay                        |    | 19,600  |              |
| Overtime Pay                         |    | 37,233  |              |
| Other Salaries and Wages             |    | 137,913 |              |
| Social Security                      |    | 103,157 |              |
| Pensions                             |    | 76,962  |              |
| Life Insurance                       |    | 2,328   |              |
| Medical Insurance                    |    | 254,806 |              |
| Dental Insurance                     |    | 9,754   |              |
| Disability Insurance                 |    | 3,501   |              |
| Unemployment Compensation            |    | 1,431   |              |
| Employer Medicare                    |    | 24,126  |              |
| Engineering Services                 |    | 20,217  |              |
| Postal Charges                       |    | 40      |              |
| Rentals                              |    | 2,754   |              |
| Disposal Fees                        |    | 1,346   |              |
| Asphalt                              |    | 424,822 |              |
| Concrete                             |    | 32,673  |              |
| Crushed Stone                        |    | 402,373 |              |
| Fertilizer, Lime, and Seed           |    | 664     |              |
| Other Road Materials                 |    | 27,599  |              |
| Pipe                                 |    | 35,676  |              |
| Road Signs                           |    | 21,100  |              |
| Wood Products                        |    | 1,586   |              |
| In Service/Staff Development         |    | 1,908   |              |
| Total Highway and Bridge Maintenance |    |         | \$ 3,154,300 |

Operation and Maintenance of Equipment

|   |    |         |
|---|----|---------|
| Communication                               | \$ | 3,959   |
| Freight Expenses                            |    | 204     |
| Maintenance and Repair Services - Buildings |    | 1,839   |
| Maintenance and Repair Services - Equipment |    | 17,935  |
| Maintenance and Repair Services - Vehicles  |    | 22,261  |
| Other Contracted Services                   |    | 3,281   |
| Custodial Supplies                          |    | 1,703   |
| Diesel Fuel                                 |    | 302,914 |
| Drugs and Medical Supplies                  |    | 2,565   |
| Equipment and Machinery Parts               |    | 119,365 |
| Garage Supplies                             |    | 7,955   |
| Gasoline                                    |    | 47,015  |

(Continued)

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

Highway/Public Works Fund (Cont.)

Highways (Cont.)

Operation and Maintenance of Equipment (Cont.)

|  |    |         |            |
|--|----|---------|------------|
| Lubricants                                   | \$ | 35,148  |            |
| Small Tools                                  |    | 17,813  |            |
| Tires and Tubes                              |    | 81,875  |            |
| Vehicle Parts                                |    | 132,017 |            |
| Other Supplies and Materials                 |    | 24,787  |            |
| Total Operation and Maintenance of Equipment |    |         | \$ 822,636 |

Other Charges

|                                 |    |         |         |
|---------------------------------|----|---------|---------|
| Laundry Service                 | \$ | 24,405  |         |
| Maintenance Agreements          |    | 22,836  |         |
| Pest Control                    |    | 459     |         |
| Electricity                     |    | 12,860  |         |
| Natural Gas                     |    | 2,152   |         |
| Building and Contents Insurance |    | 3,087   |         |
| Liability Insurance             |    | 44,080  |         |
| Trustee's Commission            |    | 96,043  |         |
| Vehicle and Equipment Insurance |    | 37,953  |         |
| Workers' Compensation Insurance |    | 205,535 |         |
| Other Charges                   |    | 2,926   |         |
| Total Other Charges             |    |         | 452,336 |

Capital Outlay

|                      |    |         |           |
|----------------------|----|---------|-----------|
| Bridge Construction  | \$ | 323,066 |           |
| Highway Construction |    | 494,187 |           |
| Highway Equipment    |    | 200,612 |           |
| Total Capital Outlay |    |         | 1,017,865 |

Capital Projects

Highway and Street Capital Projects

|   |    |        |         |
|---|----|--------|---------|
| Motor Vehicles                            | \$ | 49,207 |         |
| Other Capital Outlay                      |    | 81,596 |         |
| Total Highway and Street Capital Projects |    |        | 130,803 |

Total Highway/Public Works Fund

\$ 5,833,166

General Debt Service Fund

Principal on Debt

General Government

|                          |    |         |            |
|--------------------------|----|---------|------------|
| Principal on Bonds       | \$ | 621,475 |            |
| Principal on Notes       |    | 120,000 |            |
| Total General Government |    |         | \$ 741,475 |

Education

|                             |    |           |           |
|-----------------------------|----|-----------|-----------|
| Principal on Bonds          | \$ | 7,288,525 |           |
| Principal on Notes          |    | 89,582    |           |
| Principal on Capital Leases |    | 727,785   |           |
| Principal on Other Loans    |    | 312,393   |           |
| Total Education             |    |           | 8,418,285 |

(Continued)



Exhibit K-7

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

General Debt Service Fund (Cont.)

Interest on Debt

General Government

|                          |            |  |
|--------------------------|------------|--|
| Interest on Bonds        | \$ 167,857 |  |
| Interest on Notes        | 6,158      |  |
| Total General Government | \$ 174,015 |  |

Education

|                            |              |  |
|----------------------------|--------------|--|
| Interest on Bonds          | \$ 6,315,269 |  |
| Interest on Notes          | 2,708        |  |
| Interest on Capital Leases | 69,826       |  |
| Interest on Other Loans    | 218,426      |  |
| Total Education            | 6,606,229    |  |

Other Debt Service

General Government

|                          |          |  |
|--------------------------|----------|--|
| Bank Charges             | \$ 3,005 |  |
| Trustee's Commission     | 316,735  |  |
| Total General Government | 319,740  |  |

Education

|                    |          |  |
|--------------------|----------|--|
| Other Debt Service | \$ 3,525 |  |
| Total Education    | 3,525    |  |

Total General Debt Service Fund \$ 16,263,269

General Capital Projects Fund

Other Debt Service

Education

|                             |            |  |
|-----------------------------|------------|--|
| Underwriter's Discount      | \$ 33,016  |  |
| Other Debt Issuance Charges | 103,292    |  |
| Total Education             | \$ 136,308 |  |

Capital Projects

General Administration Projects

|                                       |           |  |
|---------------------------------------|-----------|--|
| Building Improvements                 | \$ 98,411 |  |
| Total General Administration Projects | 98,411    |  |

Administration of Justice Projects

|  |              |  |
|--|--------------|--|
| Building Construction                    | \$ 1,980,963 |  |
| Total Administration of Justice Projects | 1,980,963    |  |

Capital Projects - Donated

Capital Projects Donated to School Department

|   |               |  |
|---|---------------|--|
| Contributions                                       | \$ 18,159,125 |  |
| Total Capital Projects Donated to School Department | 18,159,125    |  |

Total General Capital Projects Fund 20,374,807

(Continued)

Exhibit K-7

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

Highway Capital Projects Fund

Other Operations

Miscellaneous

|                      |           |           |
|----------------------|-----------|-----------|
| Trustee's Commission | \$ 11,518 |           |
| Total Miscellaneous  |           | \$ 11,518 |

Capital Projects

Highway and Street Capital Projects

|   |            |                  |
|---|------------|------------------|
| Asphalt                                   | \$ 434,029 |                  |
| Concrete                                  | 2,715      |                  |
| Crushed Stone                             | 126,217    |                  |
| Pipe                                      | 5,165      |                  |
| Highway Construction                      | 15,260     |                  |
| Other Capital Outlay                      | 454,317    |                  |
| Total Highway and Street Capital Projects |            | <u>1,037,703</u> |

Total Highway Capital Projects Fund \$ 1,049,221

Other Capital Projects Fund

General Government

Development

|                   |           |           |
|-------------------|-----------|-----------|
| Motor Vehicles    | \$ 26,326 |           |
| Total Development |           | \$ 26,326 |

Public Safety

Sheriff's Department

|                            |            |         |
|----------------------------|------------|---------|
| Motor Vehicles             | \$ 425,829 |         |
| Total Sheriff's Department |            | 425,829 |

Social, Cultural, and Recreational Services

Libraries

|                    |          |       |
|--------------------|----------|-------|
| Building Purchases | \$ 1,000 |       |
| Total Libraries    |          | 1,000 |

Parks and Fair Boards

|                             |           |         |
|-----------------------------|-----------|---------|
| Consultants                 | \$ 71,700 |         |
| Fencing                     | 33,000    |         |
| Building Improvements       | 186,727   |         |
| Total Parks and Fair Boards |           | 291,427 |

Other Operations

Other Charges

|                     |       |    |
|---------------------|-------|----|
| Other Charges       | \$ 44 |    |
| Total Other Charges |       | 44 |

Miscellaneous

|                      |           |        |
|----------------------|-----------|--------|
| Trustee's Commission | \$ 44,312 |        |
| Total Miscellaneous  |           | 44,312 |

(Continued)

Exhibit K-7

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

Other Capital Projects Fund (Cont.)

Capital Projects - Donated

Capital Projects Donated to School Department

|   |    |         |                     |
|---|----|---------|---------------------|
| Fencing   | \$ | 23,226  |                     |
| Building Improvements                               |    | 179,668 |                     |
| Motor Vehicles                                      |    | 994,058 |                     |
| Other Construction                                  |    | 860     |                     |
| Total Capital Projects Donated to School Department |    |         | <u>\$ 1,197,812</u> |

Total Other Capital Projects Fund \$ 1,986,750

Total Governmental Funds - Primary Government \$ 77,958,810

Exhibit K-8

Maury County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented Maury County School Department  
For the Year Ended June 30, 2019

General Purpose School Fund

Instruction

Regular Instruction Program

|  |               |               |
|--|---------------|---------------|
| Teachers                                       | \$ 32,124,434 |               |
| Career Ladder Program                          | 176,669       |               |
| Homebound Teachers                             | 61,702        |               |
| Salary Supplements                             | 813           |               |
| Educational Assistants                         | 834,350       |               |
| Educational Incentive - Other County Employees | 125           |               |
| Longevity Pay                                  | 12,422        |               |
| Bonus Payments                                 | 259,969       |               |
| Other Salaries and Wages                       | 34,163        |               |
| Certified Substitute Teachers                  | 145,421       |               |
| Non-certified Substitute Teachers              | 430,012       |               |
| Social Security                                | 1,935,577     |               |
| Pensions                                       | 2,981,636     |               |
| Life Insurance                                 | 41,772        |               |
| Medical Insurance                              | 5,662,654     |               |
| Dental Insurance                               | 172,763       |               |
| Disability Insurance                           | 1,007         |               |
| Employer Medicare                              | 455,127       |               |
| Other Fringe Benefits                          | 10,262        |               |
| Penalties                                      | 50,000        |               |
| Other Contracted Services                      | 48,368        |               |
| Instructional Supplies and Materials           | 617,354       |               |
| Textbooks - Bound                              | 312,814       |               |
| Other Supplies and Materials                   | 8,066         |               |
| Fee Waivers                                    | 53,247        |               |
| Other Charges                                  | 5,500         |               |
| Regular Instruction Equipment                  | 40,630        |               |
| Total Regular Instruction Program              |               | \$ 46,476,857 |

Alternative Instruction Program

|                                       |            |           |
|---------------------------------------|------------|-----------|
| Teachers                              | \$ 614,459 |           |
| Educational Assistants                | 74,585     |           |
| Longevity Pay                         | 1,000      |           |
| Other Salaries and Wages              | 64,120     |           |
| Non-certified Substitute Teachers     | 2,570      |           |
| Social Security                       | 43,263     |           |
| Pensions                              | 71,273     |           |
| Life Insurance                        | 1,057      |           |
| Medical Insurance                     | 131,185    |           |
| Dental Insurance                      | 4,188      |           |
| Disability Insurance                  | 45         |           |
| Employer Medicare                     | 10,118     |           |
| Other Fringe Benefits                 | 670        |           |
| Other Contracted Services             | 786        |           |
| Instructional Supplies and Materials  | 3,930      |           |
| Other Equipment                       | 785        |           |
| Total Alternative Instruction Program |            | 1,024,034 |

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Instruction (Cont.)

Special Education Program

|   |    |           |              |
|---|----|-----------|--------------|
| Teachers                                    | \$ | 4,431,504 |              |
| Homebound Teachers                          |    | 45,821    |              |
| Educational Assistants                      |    | 1,166,499 |              |
| Speech Pathologist                          |    | 665,497   |              |
| Longevity Pay                               |    | 15,050    |              |
| Other Salaries and Wages                    |    | 49,457    |              |
| Certified Substitute Teachers               |    | 786       |              |
| Non-certified Substitute Teachers           |    | 14,472    |              |
| Social Security                             |    | 359,544   |              |
| Pensions                                    |    | 563,853   |              |
| Life Insurance                              |    | 10,368    |              |
| Medical Insurance                           |    | 1,382,947 |              |
| Dental Insurance                            |    | 42,877    |              |
| Disability Insurance                        |    | 113       |              |
| Employer Medicare                           |    | 84,567    |              |
| Other Fringe Benefits                       |    | 1,072     |              |
| Contracts with Private Agencies             |    | 242,161   |              |
| Maintenance and Repair Services - Equipment |    | 530       |              |
| Other Contracted Services                   |    | 60,699    |              |
| Instructional Supplies and Materials        |    | 117,618   |              |
| Other Supplies and Materials                |    | 45,121    |              |
| Other Charges                               |    | 8,694     |              |
| Special Education Equipment                 |    | 153,469   |              |
| Total Special Education Program             |    |           | \$ 9,462,719 |

Career and Technical Education Program

|  |    |           |           |
|--|----|-----------|-----------|
| Teachers                                     | \$ | 2,395,542 |           |
| Other Salaries and Wages                     |    | 48,360    |           |
| Certified Substitute Teachers                |    | 640       |           |
| Non-certified Substitute Teachers            |    | 6,839     |           |
| Social Security                              |    | 140,105   |           |
| Pensions                                     |    | 235,906   |           |
| Life Insurance                               |    | 2,820     |           |
| Medical Insurance                            |    | 381,159   |           |
| Dental Insurance                             |    | 12,002    |           |
| Disability Insurance                         |    | 254       |           |
| Employer Medicare                            |    | 32,769    |           |
| Other Fringe Benefits                        |    | 1,938     |           |
| Maintenance and Repair Services - Equipment  |    | 5,652     |           |
| Other Contracted Services                    |    | 91,181    |           |
| Instructional Supplies and Materials         |    | 79,953    |           |
| T&I Construction Materials                   |    | 16,430    |           |
| Textbooks - Bound                            |    | 7,400     |           |
| Other Supplies and Materials                 |    | 4,937     |           |
| Other Charges                                |    | 37,108    |           |
| Vocational Instruction Equipment             |    | 137,304   |           |
| Total Career and Technical Education Program |    |           | 3,638,299 |

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services

Attendance

|                              |    |         |              |
|------------------------------|----|---------|--------------|
| Supervisor/Director          | \$ | 88,202  |              |
| Social Workers               |    | 37,202  |              |
| Salary Supplements           |    | 369,331 |              |
| Clerical Personnel           |    | 126,235 |              |
| Longevity Pay                |    | 2,400   |              |
| Bonus Payments               |    | 403,910 |              |
| Other Salaries and Wages     |    | 135,637 |              |
| Social Security              |    | 61,164  |              |
| Pensions                     |    | 91,898  |              |
| Life Insurance               |    | 548     |              |
| Medical Insurance            |    | 75,804  |              |
| Dental Insurance             |    | 2,487   |              |
| Employer Medicare            |    | 14,305  |              |
| Advertising                  |    | 3,474   |              |
| Communication                |    | 3,909   |              |
| Postal Charges               |    | 1,810   |              |
| Travel                       |    | 3,849   |              |
| Other Contracted Services    |    | 3,765   |              |
| Other Supplies and Materials |    | 5,040   |              |
| In Service/Staff Development |    | 780     |              |
| Other Charges                |    | 1,935   |              |
| Total Attendance             |    |         | \$ 1,433,685 |

Health Services

|   |    |         |         |
|---|----|---------|---------|
| Medical Personnel                           | \$ | 513,087 |         |
| Longevity Pay                               |    | 700     |         |
| Other Salaries and Wages                    |    | 110,151 |         |
| Social Security                             |    | 35,741  |         |
| Pensions                                    |    | 32,447  |         |
| Life Insurance                              |    | 816     |         |
| Medical Insurance                           |    | 108,101 |         |
| Dental Insurance                            |    | 3,310   |         |
| Employer Medicare                           |    | 8,359   |         |
| Communication                               |    | 849     |         |
| Maintenance and Repair Services - Equipment |    | 110     |         |
| Travel                                      |    | 9,183   |         |
| Drugs and Medical Supplies                  |    | 12,962  |         |
| Other Supplies and Materials                |    | 14,953  |         |
| In Service/Staff Development                |    | 1,289   |         |
| Other Charges                               |    | 1,424   |         |
| Total Health Services                       |    |         | 853,482 |

Other Student Support

|                          |    |           |  |
|--------------------------|----|-----------|--|
| Guidance Personnel       | \$ | 1,439,605 |  |
| Other Salaries and Wages |    | 136,935   |  |
| Social Security          |    | 89,788    |  |

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Other Student Support (Cont.)

|                              |    |         |              |
|------------------------------|----|---------|--------------|
| Pensions                     | \$ | 157,389 |              |
| Life Insurance               |    | 1,735   |              |
| Medical Insurance            |    | 237,281 |              |
| Dental Insurance             |    | 7,302   |              |
| Employer Medicare            |    | 20,999  |              |
| Evaluation and Testing       |    | 28,880  |              |
| Travel                       |    | 8,500   |              |
| Other Supplies and Materials |    | 5,400   |              |
| Total Other Student Support  |    |         | \$ 2,133,814 |

Regular Instruction Program

|                                   |    |           |           |
|-----------------------------------|----|-----------|-----------|
| Supervisor/Director               | \$ | 276,027   |           |
| Librarians                        |    | 1,125,305 |           |
| Secretary(ies)                    |    | 37,134    |           |
| Clerical Personnel                |    | 37,134    |           |
| Longevity Pay                     |    | 1,950     |           |
| Other Salaries and Wages          |    | 122,141   |           |
| Non-certified Substitute Teachers |    | 83,508    |           |
| Social Security                   |    | 91,870    |           |
| Pensions                          |    | 157,796   |           |
| Life Insurance                    |    | 1,625     |           |
| Medical Insurance                 |    | 231,310   |           |
| Dental Insurance                  |    | 6,862     |           |
| Disability Insurance              |    | 96        |           |
| Employer Medicare                 |    | 21,486    |           |
| Other Fringe Benefits             |    | 1,070     |           |
| Communication                     |    | 7,559     |           |
| Operating Lease Payments          |    | 24,048    |           |
| Postal Charges                    |    | 209       |           |
| Travel                            |    | 14,189    |           |
| Other Contracted Services         |    | 384,882   |           |
| Library Books/Media               |    | 42,488    |           |
| Periodicals                       |    | 37,500    |           |
| Other Supplies and Materials      |    | 4,019     |           |
| In Service/Staff Development      |    | 38,216    |           |
| Other Charges                     |    | 13,255    |           |
| Other Equipment                   |    | 2,462     |           |
| Total Regular Instruction Program |    |           | 2,764,141 |

Alternative Instruction Program

|                     |    |        |  |
|---------------------|----|--------|--|
| Supervisor/Director | \$ | 89,098 |  |
| Guidance Personnel  |    | 5,132  |  |
| Social Workers      |    | 25,819 |  |
| Clerical Personnel  |    | 21,822 |  |
| Longevity Pay       |    | 1,650  |  |
| Social Security     |    | 8,518  |  |

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Alternative Instruction Program (Cont.)

|                                       |    |        |            |
|---------------------------------------|----|--------|------------|
| Pensions                              | \$ | 11,718 |            |
| Life Insurance                        |    | 164    |            |
| Medical Insurance                     |    | 19,899 |            |
| Dental Insurance                      |    | 751    |            |
| Employer Medicare                     |    | 1,992  |            |
| Communication                         |    | 281    |            |
| Other Supplies and Materials          |    | 2,674  |            |
| In Service/Staff Development          |    | 2,131  |            |
| Other Equipment                       |    | 4,857  |            |
| Total Alternative Instruction Program |    |        | \$ 196,506 |

Special Education Program

|                                 |    |         |           |
|---------------------------------|----|---------|-----------|
| Supervisor/Director             | \$ | 90,202  |           |
| Psychological Personnel         |    | 313,535 |           |
| Assessment Personnel            |    | 184,882 |           |
| Secretary(ies)                  |    | 33,846  |           |
| Clerical Personnel              |    | 32,006  |           |
| Longevity Pay                   |    | 1,150   |           |
| Other Salaries and Wages        |    | 74,001  |           |
| Social Security                 |    | 42,323  |           |
| Pensions                        |    | 68,975  |           |
| Life Insurance                  |    | 763     |           |
| Medical Insurance               |    | 101,027 |           |
| Dental Insurance                |    | 3,193   |           |
| Disability Insurance            |    | 34      |           |
| Employer Medicare               |    | 9,898   |           |
| Other Fringe Benefits           |    | 584     |           |
| Communication                   |    | 3,958   |           |
| Postal Charges                  |    | 304     |           |
| Travel                          |    | 36,209  |           |
| Other Supplies and Materials    |    | 7,601   |           |
| In Service/Staff Development    |    | 6,055   |           |
| Other Charges                   |    | 2,586   |           |
| Other Equipment                 |    | 606     |           |
| Total Special Education Program |    |         | 1,013,738 |

Career and Technical Education Program

|                     |    |        |  |
|---------------------|----|--------|--|
| Supervisor/Director | \$ | 92,737 |  |
| Clerical Personnel  |    | 38,790 |  |
| Longevity Pay       |    | 600    |  |
| Social Security     |    | 7,790  |  |
| Pensions            |    | 11,579 |  |
| Life Insurance      |    | 120    |  |
| Medical Insurance   |    | 18,058 |  |
| Dental Insurance    |    | 563    |  |
| Employer Medicare   |    | 1,837  |  |

(Continued)



Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Career and Technical Education Program (Cont.)

|  |    |        |            |
|--|----|--------|------------|
| Other Fringe Benefits                        | \$ | 572    |            |
| Communication                                |    | 612    |            |
| Postal Charges                               |    | 105    |            |
| Travel                                       |    | 14,087 |            |
| Other Supplies and Materials                 |    | 1,797  |            |
| In Service/Staff Development                 |    | 1,000  |            |
| Other Charges                                |    | 1,000  |            |
| Other Equipment                              |    | 1,498  |            |
| Total Career and Technical Education Program |    |        | \$ 192,745 |

Technology

|   |    |         |           |
|---|----|---------|-----------|
| Supervisor/Director                         | \$ | 85,172  |           |
| Other Salaries and Wages                    |    | 636,806 |           |
| Social Security                             |    | 42,416  |           |
| Pensions                                    |    | 33,585  |           |
| Life Insurance                              |    | 775     |           |
| Medical Insurance                           |    | 106,375 |           |
| Dental Insurance                            |    | 3,646   |           |
| Disability Insurance                        |    | 104     |           |
| Employer Medicare                           |    | 9,920   |           |
| Other Fringe Benefits                       |    | 585     |           |
| Communication                               |    | 117,708 |           |
| Maintenance and Repair Services - Equipment |    | 21,367  |           |
| Postal Charges                              |    | 54      |           |
| Internet Connectivity                       |    | 240,374 |           |
| Travel                                      |    | 3,625   |           |
| Other Contracted Services                   |    | 143,449 |           |
| Office Supplies                             |    | 500     |           |
| Other Supplies and Materials                |    | 43,600  |           |
| In Service/Staff Development                |    | 1,520   |           |
| Other Equipment                             |    | 263,102 |           |
| Total Technology                            |    |         | 1,754,683 |

Other Programs

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

Board of Education

|                                  |    |        |  |
|----------------------------------|----|--------|--|
| Secretary to Board               | \$ | 4,083  |  |
| Longevity Pay                    |    | 100    |  |
| Board and Committee Members Fees |    | 46,028 |  |
| Social Security                  |    | 11,354 |  |
| Pensions                         |    | 272    |  |
| Life Insurance                   |    | 6      |  |
| Medical Insurance                |    | 697    |  |
| Dental Insurance                 |    | 28     |  |

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Board of Education (Cont.)

|                                 |    |         |              |
|---------------------------------|----|---------|--------------|
| Unemployment Compensation       | \$ | 59,862  |              |
| Employer Medicare               |    | 2,655   |              |
| Other Fringe Benefits           |    | 979,162 |              |
| Audit Services                  |    | 20,000  |              |
| Dues and Memberships            |    | 10,777  |              |
| Legal Services                  |    | 55,569  |              |
| Postal Charges                  |    | 2       |              |
| Travel                          |    | 8,650   |              |
| Liability Insurance             |    | 14,983  |              |
| Trustee's Commission            |    | 776,230 |              |
| Workers' Compensation Insurance |    | 310,791 |              |
| In Service/Staff Development    |    | 5,020   |              |
| Other Charges                   |    | 2,124   |              |
| Total Board of Education        |    |         | \$ 2,308,393 |

Director of Schools

|  |    |         |         |
|--|----|---------|---------|
| County Official/Administrative Officer | \$ | 181,000 |         |
| Secretary(ies)                         |    | 36,743  |         |
| Longevity Pay                          |    | 1,300   |         |
| Other Salaries and Wages               |    | 63,573  |         |
| Social Security                        |    | 13,793  |         |
| Pensions                               |    | 23,416  |         |
| Life Insurance                         |    | 216     |         |
| Medical Insurance                      |    | 34,142  |         |
| Dental Insurance                       |    | 1,707   |         |
| Employer Medicare                      |    | 3,988   |         |
| Communication                          |    | 3,429   |         |
| Dues and Memberships                   |    | 5,107   |         |
| Postal Charges                         |    | 109     |         |
| Travel                                 |    | 6,829   |         |
| Other Contracted Services              |    | 1,977   |         |
| Other Supplies and Materials           |    | 253     |         |
| In Service/Staff Development           |    | 4,081   |         |
| Other Charges                          |    | 1,367   |         |
| Total Director of Schools              |    |         | 383,030 |

Office of the Principal

|                      |    |           |  |
|----------------------|----|-----------|--|
| Principals           | \$ | 1,908,213 |  |
| Assistant Principals |    | 1,952,794 |  |
| Secretary(ies)       |    | 678,893   |  |
| Clerical Personnel   |    | 902,951   |  |
| Longevity Pay        |    | 28,650    |  |
| Social Security      |    | 318,578   |  |
| Pensions             |    | 468,463   |  |
| Life Insurance       |    | 6,785     |  |
| Medical Insurance    |    | 923,026   |  |

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Office of the Principal (Cont.)

|                               |    |        |              |
|-------------------------------|----|--------|--------------|
| Dental Insurance              | \$ | 29,413 |              |
| Disability Insurance          |    | 525    |              |
| Employer Medicare             |    | 74,507 |              |
| Other Fringe Benefits         |    | 2,536  |              |
| Communication                 |    | 12,263 |              |
| Other Contracted Services     |    | 71,602 |              |
| Office Supplies               |    | 20,889 |              |
| Total Office of the Principal |    |        | \$ 7,400,088 |

Fiscal Services

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Supervisor/Director          | \$ | 84,924  |         |
| Accountants/Bookkeepers      |    | 511,980 |         |
| Longevity Pay                |    | 1,000   |         |
| Social Security              |    | 14,213  |         |
| Pensions                     |    | 11,040  |         |
| Life Insurance               |    | 240     |         |
| Medical Insurance            |    | 38,298  |         |
| Dental Insurance             |    | 1,256   |         |
| Employer Medicare            |    | 3,324   |         |
| Communication                |    | 481     |         |
| Postal Charges               |    | 1,338   |         |
| Travel                       |    | 221     |         |
| Other Contracted Services    |    | 220,620 |         |
| Office Supplies              |    | 7,098   |         |
| In Service/Staff Development |    | 525     |         |
| Other Charges                |    | 160     |         |
| Total Fiscal Services        |    |         | 896,718 |

Human Services/Personnel

|                              |    |         |  |
|------------------------------|----|---------|--|
| Supervisor/Director          | \$ | 79,208  |  |
| Clerical Personnel           |    | 151,089 |  |
| Longevity Pay                |    | 2,000   |  |
| Social Security              |    | 13,362  |  |
| Pensions                     |    | 9,613   |  |
| Life Insurance               |    | 285     |  |
| Medical Insurance            |    | 43,151  |  |
| Dental Insurance             |    | 1,289   |  |
| Employer Medicare            |    | 3,125   |  |
| Advertising                  |    | 903     |  |
| Communication                |    | 1,343   |  |
| Operating Lease Payments     |    | 3,142   |  |
| Postal Charges               |    | 1,857   |  |
| Travel                       |    | 2,265   |  |
| Other Contracted Services    |    | 88,721  |  |
| Office Supplies              |    | 3,152   |  |
| In Service/Staff Development |    | 1,325   |  |

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Human Services/Personnel (Cont.)

|                                |    |        |            |
|--------------------------------|----|--------|------------|
| Other Charges                  | \$ | 18,679 |            |
| Administration Equipment       |    | 1,644  |            |
| Total Human Services/Personnel |    |        | \$ 426,153 |

Operation of Plant

|                                 |    |           |           |
|---------------------------------|----|-----------|-----------|
| Supervisor/Director             | \$ | 175,648   |           |
| Longevity Pay                   |    | 1,700     |           |
| Other Salaries and Wages        |    | 70,433    |           |
| Social Security                 |    | 14,610    |           |
| Pensions                        |    | 12,456    |           |
| Life Insurance                  |    | 235       |           |
| Medical Insurance               |    | 42,373    |           |
| Dental Insurance                |    | 1,095     |           |
| Employer Medicare               |    | 3,417     |           |
| Janitorial Services             |    | 2,217,683 |           |
| Postal Charges                  |    | 35        |           |
| Travel                          |    | 3,847     |           |
| Disposal Fees                   |    | 102,949   |           |
| Other Contracted Services       |    | 378,512   |           |
| Electricity                     |    | 2,133,296 |           |
| Natural Gas                     |    | 260,866   |           |
| Water and Sewer                 |    | 226,909   |           |
| Other Supplies and Materials    |    | 7,912     |           |
| Building and Contents Insurance |    | 305,715   |           |
| In Service/Staff Development    |    | 1,716     |           |
| Other Charges                   |    | 4,458     |           |
| Total Operation of Plant        |    |           | 5,965,865 |

Maintenance of Plant

|   |    |           |  |
|---|----|-----------|--|
| Supervisor/Director                         | \$ | 61,792    |  |
| Secretary(ies)                              |    | 33,846    |  |
| Maintenance Personnel                       |    | 1,199,466 |  |
| Longevity Pay                               |    | 14,875    |  |
| Social Security                             |    | 77,591    |  |
| Pensions                                    |    | 58,927    |  |
| Life Insurance                              |    | 2,202     |  |
| Medical Insurance                           |    | 284,046   |  |
| Dental Insurance                            |    | 10,216    |  |
| Disability Insurance                        |    | 132       |  |
| Employer Medicare                           |    | 18,146    |  |
| Other Fringe Benefits                       |    | 704       |  |
| Communication                               |    | 12,851    |  |
| Laundry Service                             |    | 11,937    |  |
| Maintenance and Repair Services - Buildings |    | 218,114   |  |
| Maintenance and Repair Services - Equipment |    | 110,367   |  |
| Maintenance and Repair Services - Vehicles  |    | 6,387     |  |

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Support Services (Cont.)

Maintenance of Plant (Cont.)

|                              |    |         |              |
|------------------------------|----|---------|--------------|
| Travel                       | \$ | 1,018   |              |
| Other Contracted Services    |    | 19,610  |              |
| Other Supplies and Materials |    | 253,038 |              |
| In Service/Staff Development |    | 655     |              |
| Other Charges                |    | 7,262   |              |
| Maintenance Equipment        |    | 33,812  |              |
| Total Maintenance of Plant   |    |         | \$ 2,436,994 |

Transportation

|  |    |           |           |
|--|----|-----------|-----------|
| Supervisor/Director                        | \$ | 87,709    |           |
| Bus Drivers                                |    | 1,995,251 |           |
| Clerical Personnel                         |    | 162,522   |           |
| Longevity Pay                              |    | 47,100    |           |
| Social Security                            |    | 135,263   |           |
| Pensions                                   |    | 99,018    |           |
| Life Insurance                             |    | 6,720     |           |
| Medical Insurance                          |    | 1,013,119 |           |
| Dental Insurance                           |    | 36,286    |           |
| Employer Medicare                          |    | 31,640    |           |
| Communication                              |    | 2,786     |           |
| Operating Lease Payments                   |    | 2,416     |           |
| Maintenance and Repair Services - Vehicles |    | 364,702   |           |
| Postal Charges                             |    | 3         |           |
| Travel                                     |    | 32,458    |           |
| Other Contracted Services                  |    | 115,330   |           |
| Diesel Fuel                                |    | 582,528   |           |
| Tires and Tubes                            |    | 179,108   |           |
| Vehicle Parts                              |    | 435,742   |           |
| Other Supplies and Materials               |    | 2,878     |           |
| Vehicle and Equipment Insurance            |    | 107,428   |           |
| In Service/Staff Development               |    | 32,022    |           |
| Other Charges                              |    | 85,906    |           |
| Transportation Equipment                   |    | 12,994    |           |
| Total Transportation                       |    |           | 5,570,929 |

Central and Other

|                           |    |        |        |
|---------------------------|----|--------|--------|
| Data Processing Equipment | \$ | 88,031 |        |
| Total Central and Other   |    |        | 88,031 |

Operation of Non-Instructional Services

Community Services

|                     |    |        |  |
|---------------------|----|--------|--|
| Supervisor/Director | \$ | 90,100 |  |
| Longevity Pay       |    | 2,450  |  |
| Social Security     |    | 5,512  |  |
| Pensions            |    | 4,239  |  |
| Life Insurance      |    | 180    |  |

(Continued)

Exhibit K-8

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

General Purpose School Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Community Services (Cont.)

|                              |    |        |            |
|------------------------------|----|--------|------------|
| Medical Insurance            | \$ | 20,511 |            |
| Dental Insurance             |    | 775    |            |
| Employer Medicare            |    | 1,289  |            |
| Other Supplies and Materials |    | 299    |            |
| Total Community Services     |    |        | \$ 125,355 |

Early Childhood Education

|                                      |    |         |         |
|--------------------------------------|----|---------|---------|
| Teachers                             | \$ | 514,829 |         |
| Educational Assistants               |    | 167,039 |         |
| Longevity Pay                        |    | 3,150   |         |
| Social Security                      |    | 39,681  |         |
| Pensions                             |    | 57,477  |         |
| Life Insurance                       |    | 1,214   |         |
| Medical Insurance                    |    | 147,821 |         |
| Dental Insurance                     |    | 4,690   |         |
| Disability Insurance                 |    | 25      |         |
| Employer Medicare                    |    | 9,280   |         |
| Other Fringe Benefits                |    | 275     |         |
| Instructional Supplies and Materials |    | 6,416   |         |
| In Service/Staff Development         |    | 1,256   |         |
| Other Charges                        |    | 13,595  |         |
| Other Equipment                      |    | 4,888   |         |
| Total Early Childhood Education      |    |         | 971,636 |

Capital Outlay

Regular Capital Outlay

|                              |    |         |         |
|------------------------------|----|---------|---------|
| Building Improvements        | \$ | 478,611 |         |
| Other Equipment              |    | 55,878  |         |
| Total Regular Capital Outlay |    |         | 534,489 |

Other Debt Service

Education

|   |    |           |           |
|---|----|-----------|-----------|
| Debt Service Contribution to Primary Government | \$ | 1,179,097 |           |
| Total Education                                 |    |           | 1,179,097 |

Total General Purpose School Fund \$ 99,649,439

School Federal Projects Fund

Instruction

Regular Instruction Program

|                                   |    |         |  |
|-----------------------------------|----|---------|--|
| Teachers                          | \$ | 852,176 |  |
| Educational Assistants            |    | 200,512 |  |
| Other Salaries and Wages          |    | 194,476 |  |
| Certified Substitute Teachers     |    | 1,050   |  |
| Non-certified Substitute Teachers |    | 23,865  |  |
| Social Security                   |    | 66,948  |  |

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Instruction (Cont.)

Regular Instruction Program (Cont.)

|                                      |    |         |              |
|--------------------------------------|----|---------|--------------|
| Pensions                             | \$ | 66,766  |              |
| Life Insurance                       |    | 789     |              |
| Medical Insurance                    |    | 136,813 |              |
| Dental Insurance                     |    | 3,967   |              |
| Employer Medicare                    |    | 16,279  |              |
| Other Fringe Benefits                |    | 125     |              |
| Other Contracted Services            |    | 3,000   |              |
| Instructional Supplies and Materials |    | 213,606 |              |
| Other Supplies and Materials         |    | 9,714   |              |
| Other Charges                        |    | 1,017   |              |
| Regular Instruction Equipment        |    | 170,595 |              |
| Total Regular Instruction Program    |    |         | \$ 1,961,698 |

Special Education Program

|                                      |    |         |           |
|--------------------------------------|----|---------|-----------|
| Teachers                             | \$ | 105,411 |           |
| Educational Assistants               |    | 741,096 |           |
| Social Security                      |    | 46,186  |           |
| Pensions                             |    | 43,912  |           |
| Life Insurance                       |    | 2,814   |           |
| Medical Insurance                    |    | 369,618 |           |
| Dental Insurance                     |    | 12,360  |           |
| Employer Medicare                    |    | 10,877  |           |
| Other Contracted Services            |    | 86,754  |           |
| Instructional Supplies and Materials |    | 33,035  |           |
| Other Supplies and Materials         |    | 10,055  |           |
| Special Education Equipment          |    | 18,555  |           |
| Total Special Education Program      |    |         | 1,480,673 |

Career and Technical Education Program

|  |    |         |         |
|--|----|---------|---------|
| Other Supplies and Materials                 | \$ | 11,892  |         |
| Vocational Instruction Equipment             |    | 125,266 |         |
| Total Career and Technical Education Program |    |         | 137,158 |

Support Services

Health Services

|                          |    |         |         |
|--------------------------|----|---------|---------|
| Medical Personnel        | \$ | 28,697  |         |
| Other Salaries and Wages |    | 166,835 |         |
| Social Security          |    | 11,575  |         |
| Pensions                 |    | 8,955   |         |
| Life Insurance           |    | 162     |         |
| Medical Insurance        |    | 21,089  |         |
| Dental Insurance         |    | 492     |         |
| Employer Medicare        |    | 2,707   |         |
| Total Health Services    |    |         | 240,512 |

(Continued)

Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Other Student Support

|                              |    |         |            |
|------------------------------|----|---------|------------|
| Other Salaries and Wages     | \$ | 261,923 |            |
| Social Security              |    | 15,454  |            |
| Pensions                     |    | 19,549  |            |
| Life Insurance               |    | 150     |            |
| Medical Insurance            |    | 16,657  |            |
| Dental Insurance             |    | 645     |            |
| Employer Medicare            |    | 3,614   |            |
| Travel                       |    | 20,000  |            |
| Other Contracted Services    |    | 15,915  |            |
| Other Supplies and Materials |    | 32,756  |            |
| In Service/Staff Development |    | 14,000  |            |
| Total Other Student Support  |    |         | \$ 400,663 |

Regular Instruction Program

|                                   |    |         |           |
|-----------------------------------|----|---------|-----------|
| Supervisor/Director               | \$ | 108,614 |           |
| Secretary(ies)                    |    | 11,753  |           |
| Other Salaries and Wages          |    | 484,940 |           |
| In-service Training               |    | 9,314   |           |
| Social Security                   |    | 35,898  |           |
| Pensions                          |    | 56,407  |           |
| Life Insurance                    |    | 578     |           |
| Medical Insurance                 |    | 77,770  |           |
| Dental Insurance                  |    | 2,460   |           |
| Employer Medicare                 |    | 8,395   |           |
| Other Fringe Benefits             |    | 125     |           |
| Operating Lease Payments          |    | 5,138   |           |
| Travel                            |    | 1,047   |           |
| Library Books/Media               |    | 7,637   |           |
| Other Supplies and Materials      |    | 12,284  |           |
| In Service/Staff Development      |    | 269,618 |           |
| Other Equipment                   |    | 1,057   |           |
| Total Regular Instruction Program |    |         | 1,093,035 |

Special Education Program

|                          |    |         |  |
|--------------------------|----|---------|--|
| Psychological Personnel  | \$ | 135,980 |  |
| Assessment Personnel     |    | 101,277 |  |
| Clerical Personnel       |    | 28,009  |  |
| Other Salaries and Wages |    | 78,606  |  |
| Social Security          |    | 19,890  |  |
| Pensions                 |    | 33,451  |  |
| Life Insurance           |    | 342     |  |
| Medical Insurance        |    | 50,138  |  |
| Dental Insurance         |    | 1,484   |  |
| Employer Medicare        |    | 4,652   |  |
| Other Fringe Benefits    |    | 84      |  |
| Travel                   |    | 274     |  |

(Continued)



Exhibit K-8

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

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Special Education Program (Cont.)

|                                 |    |        |            |
|---------------------------------|----|--------|------------|
| Other Supplies and Materials    | \$ | 9,861  |            |
| In Service/Staff Development    |    | 17,597 |            |
| Other Equipment                 |    | 2,100  |            |
| Total Special Education Program |    |        | \$ 483,745 |

Career and Technical Education Program

|  |    |       |        |
|--|----|-------|--------|
| Supervisor/Director                          | \$ | 8,500 |        |
| Social Security                              |    | 455   |        |
| Pensions                                     |    | 711   |        |
| Employer Medicare                            |    | 91    |        |
| In Service/Staff Development                 |    | 1,570 |        |
| Total Career and Technical Education Program |    |       | 11,327 |

Transportation

|                           |    |         |         |
|---------------------------|----|---------|---------|
| Other Salaries and Wages  | \$ | 308,623 |         |
| Social Security           |    | 18,367  |         |
| Pensions                  |    | 13,139  |         |
| Life Insurance            |    | 1,120   |         |
| Medical Insurance         |    | 180,084 |         |
| Dental Insurance          |    | 6,836   |         |
| Employer Medicare         |    | 4,295   |         |
| Other Contracted Services |    | 15,847  |         |
| Diesel Fuel               |    | 2,790   |         |
| Total Transportation      |    |         | 551,101 |

Operation of Non-Instructional Services

Community Services

|                                      |    |        |         |
|--------------------------------------|----|--------|---------|
| Supervisor/Director                  | \$ | 9,256  |         |
| Teachers                             |    | 78,117 |         |
| Educational Assistants               |    | 34,310 |         |
| Other Salaries and Wages             |    | 10,260 |         |
| Social Security                      |    | 7,535  |         |
| Pensions                             |    | 11,549 |         |
| Employer Medicare                    |    | 1,762  |         |
| Other Contracted Services            |    | 600    |         |
| Instructional Supplies and Materials |    | 6,129  |         |
| In Service/Staff Development         |    | 90     |         |
| Other Charges                        |    | 35,602 |         |
| Total Community Services             |    |        | 195,210 |

Total School Federal Projects Fund \$ 6,555,122

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

|                     |    |         |  |
|---------------------|----|---------|--|
| Supervisor/Director | \$ | 129,873 |  |
|---------------------|----|---------|--|

(Continued)

Exhibit K-8

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

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

|   |    |           |              |
|---|----|-----------|--------------|
| Accountants/Bookkeepers                     | \$ | 106,150   |              |
| Cafeteria Personnel                         |    | 949,527   |              |
| Longevity Pay                               |    | 34,500    |              |
| Other Salaries and Wages                    |    | 818,191   |              |
| Social Security                             |    | 123,467   |              |
| Pensions                                    |    | 68,462    |              |
| Life Insurance                              |    | 6,113     |              |
| Medical Insurance                           |    | 621,855   |              |
| Dental Insurance                            |    | 17,099    |              |
| Unemployment Compensation                   |    | 6,009     |              |
| Employer Medicare                           |    | 28,876    |              |
| Other Fringe Benefits                       |    | 571       |              |
| Maintenance and Repair Services - Equipment |    | 33,891    |              |
| Postal Charges                              |    | 3,470     |              |
| Travel                                      |    | 4,843     |              |
| Other Contracted Services                   |    | 52,914    |              |
| Food Preparation Supplies                   |    | 254,958   |              |
| Food Supplies                               |    | 2,712,206 |              |
| Office Supplies                             |    | 8,934     |              |
| USDA - Commodities                          |    | 458,391   |              |
| In Service/Staff Development                |    | 4,314     |              |
| Food Service Equipment                      |    | 180,804   |              |
| Total Food Service                          |    |           | \$ 6,625,418 |

Total Central Cafeteria Fund \$ 6,625,418

Education Capital Projects Fund

Capital Projects

Education Capital Projects

|   |    |            |               |
|---|----|------------|---------------|
| Architects                                      | \$ | 694,261    |               |
| Debt Service Contribution to Primary Government |    | 948,824    |               |
| Building Construction                           |    | 45,059,334 |               |
| Building Improvements                           |    | 8,078,181  |               |
| Furniture and Fixtures                          |    | 1,283,838  |               |
| Other Capital Outlay                            |    | 5,742      |               |
| Total Education Capital Projects                |    |            | \$ 56,070,180 |

Total Education Capital Projects Fund 56,070,180

Other Capital Projects Fund

Capital Outlay

Regular Capital Outlay

|                              |    |           |              |
|------------------------------|----|-----------|--------------|
| Building Improvements        | \$ | 2,294,608 |              |
| Total Regular Capital Outlay |    |           | \$ 2,294,608 |

Total Other Capital Projects Fund 2,294,608

Total Governmental Funds - Maury County School Department \$ 171,194,767

Maury County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund  
For the Year Ended June 30, 2019

|   | Governmental<br>Activities -<br>Internal<br>Service Fund |
|---|--|
|   | <u>Central<br/>Maintenance/<br/>Garage<br/>Fund</u>      |
| <u>Revenues</u>                             |  |
| <u>Charges for Current Services</u>         |  |
| <u>General Service Charges</u>              |  |
| Other General Service Charges               | \$ 2,262,200   |
| Total Charges for Current Services          | <u>\$ 2,262,200</u>                                      |
| <br><u>Other Local Revenues</u>             |  |
| <u>Recurring Items</u>                      |  |
| Sale of Materials and Supplies              | \$ 12,018  |
| Total Other Local Revenues                  | <u>\$ 12,018</u>   |
| <br>Total Revenues                          | <br><u><u>\$ 2,274,218</u></u>                           |
| <br><u>Expenses</u>                         |  |
| <u>General Government</u>                   |  |
| <u>Other General Administration</u>         |  |
| County Official/Administrative Office       | \$ 55,484  |
| Mechanic(s)                                 | 226,422  |
| Clerical Personnel                          | 37,400   |
| Longevity Pay                               | 4,650  |
| Overtime Pay                                | 943  |
| Social Security                             | 19,229   |
| Pensions                                    | 11,860   |
| Life Insurance                              | 405  |
| Medical Insurance                           | 52,724   |
| Dental Insurance                            | 1,888  |
| Disability Insurance                        | 688  |
| Unemployment Compensation                   | 236  |
| Employer Medicare                           | 4,497  |
| Communication                               | 323  |
| Laundry Service                             | 7,824  |
| Maintenance Agreements                      | 1,061  |
| Maintenance and Repair Services - Building  | 1,302  |
| Maintenance and Repair Services - Equipment | 1,440  |

(Continued)

Exhibit K-9

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

|   | Governmental<br>Activities -<br>Internal<br>Service Fund |
|---|--|
|   | <u>Central<br/>Maintenance/<br/>Garage<br/>Fund</u>      |
| <u>Expenses (Cont.)</u>                     |  |
| <u>General Government (Cont.)</u>           |  |
| <u>Other General Administration (Cont.)</u> |  |
| Postal Charges                              | \$ 275   |
| Travel                                      | 73   |
| Disposal Fees                               | 2,741  |
| Other Contracted Services                   | 132,278  |
| Custodial Supplies                          | 31   |
| Diesel Fuel                                 | 529,508  |
| Drugs and Medical Supplies                  | 197  |
| Electricity                                 | 20,329   |
| Equipment and Machinery Parts               | 377,732  |
| Garage Supplies                             | 2,683  |
| Gasoline                                    | 339,718  |
| Lubricants                                  | 27,118   |
| Natural Gas                                 | 7,184  |
| Office Supplies                             | 488  |
| Small Tools                                 | 161  |
| Tires and Tubes                             | 117,390  |
| Software                                    | 6,835  |
| Depreciation                                | 19,480   |
| In Service/Staff Development                | 589  |
| Other Equipment                             | 670  |
| Other Capital Outlay                        | <u>10,187</u>  |
| Total Expenses                              | <u>\$ 2,024,043</u>                                      |

Maury County, Tennessee  
Schedule of Detailed Revenues and Expenses  
Proprietary Fund  
For the Year Ended June 30, 2019

|  | Business-type<br>Activities -<br>Enterprise<br>Fund<br><hr/> Solid<br>Waste<br>Disposal Fund<br><hr/> |
|--|---|
| <u>Revenues</u>                                    |   |
| <u>Operating Revenues</u>                          |   |
| <u>Charges for Current Services</u>                |   |
| Tipping Fees                                       | \$ 1,789,122  |
| Other General Service Charges                      | 56,806  |
| Service Charges                                    | 15,365  |
| Total Charges for Current Services                 | <hr/> \$ 1,861,293 <hr/>  |
| <br>   |   |
| <u>Other Local Revenues</u>                        |   |
| Sale of Recycled Materials                         | \$ 150,552  |
| Total Other Local Revenues                         | <hr/> \$ 150,552 <hr/>  |
| <br>   |   |
| Total Operating Revenues                           | <hr/> \$ 2,011,845 <hr/>  |
| <br>   |   |
| <u>Nonoperating Revenues</u>                       |   |
| <u>Local Taxes</u>                                 |   |
| Current Property Tax                               | \$ 2,735,970  |
| Trustee's Collections - Prior Year                 | 55,478  |
| Trustee's Collections - Bankruptcy                 | 275   |
| Circuit/Clerk and Master Collections - Prior Years | 32,596  |
| Interest and Penalty                               | 10,509  |
| Pick-up Taxes                                      | 11,120  |
| Total Local Taxes                                  | <hr/> \$ 2,845,948 <hr/>  |
| <br>   |   |
| Sale of Equipment                                  | \$ 118,584  |
| Litter Program Grant                               | 56,003  |
| Other State Revenues                               | 88,696  |
| Total Nonoperating Revenues                        | <hr/> \$ 3,109,231 <hr/>  |
| <br>   |   |
| Total Revenues                                     | <hr/> \$ 5,121,076 <hr/>  |

(Continued)

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

|   | Business-type<br>Activities -<br>Enterprise<br>Fund<br><hr/> Solid<br>Waste<br>Disposal Fund<br><hr/> |
|---|---|
| <u>Expenses</u>                             |   |
| <u>Operating Expenses</u>                   |   |
| <u>Waste Pickup</u>                         |   |
| Foremen                                     | \$ 29,218   |
| Social Security                             | 1,764   |
| Life Insurance                              | 55  |
| Medical Insurance                           | 6,291   |
| Dental Insurance                            | 255   |
| Disability Insurance                        | 64  |
| Unemployment Compensation                   | 28  |
| Employer Medicare                           | 412   |
| Contributions                               | 7,988   |
| Travel                                      | 99  |
| Other Supplies and Materials                | 10,464  |
| In Service/Staff Development                | 100   |
| Total Waste Pickup                          | <hr/> \$ 56,738 <hr/>   |
| <br><u>Convenience Centers</u>              |   |
| Equipment Operators                         | \$ 187,874  |
| Laborers                                    | 512,978   |
| Longevity Pay                               | 3,450   |
| Overtime Pay                                | 3,484   |
| Social Security                             | 44,288  |
| Pensions                                    | 4,523   |
| Life Insurance                              | 281   |
| Medical Insurance                           | 31,949  |
| Dental Insurance                            | 1,366   |
| Disability Insurance                        | 449   |
| Unemployment Compensation                   | 1,443   |
| Employer Medicare                           | 10,358  |
| Communication                               | 4,398   |
| Maintenance and Repair Services - Equipment | 19,298  |
| Pest Control                                | 1,377   |
| Postal Charges                              | 700   |
| Rentals                                     | 4,096   |
| Other Contracted Services                   | 3,382   |
| Crushed Stone                               | 604   |
| Diesel Fuel                                 | 56,579  |
| Electricity                                 | 20,583  |

(Continued)

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

|   | Business-type<br>Activities -<br>Enterprise<br>Fund<br>Solid<br>Waste<br>Disposal Fund |
|---|--|
| <u>Expenses (Cont.)</u>                       |  |
| <u>Operating Expenses (Cont.)</u>             |  |
| <u>Convenience Centers (Cont.)</u>            |  |
| Equipment and Machinery Parts                 | \$ 23,983  |
| Gasoline                                      | 2,431  |
| Lubricants                                    | 3,390  |
| Tires and Tubes                               | 17,365   |
| Vehicle Parts                                 | 1,591  |
| Other Supplies and Materials                  | 44,889   |
| Depreciation                                  | 5,088  |
| In Service/Staff Development                  | 300  |
| Furniture and Fixtures                        | 170  |
| Total Convenience Centers                     | <u>\$ 1,012,667</u>  |
| <br><u>Landfill Operation and Maintenance</u> |  |
| County Official/Administrative Officer        | \$ 74,893  |
| Equipment Operators                           | 133,578  |
| Laborers                                      | 106,237  |
| Clerical Personnel                            | 82,644   |
| Longevity Pay                                 | 5,550  |
| Overtime Pay                                  | 14,176   |
| Social Security                               | 25,216   |
| Pensions                                      | 18,305   |
| Life Insurance                                | 521  |
| Medical Insurance                             | 44,412   |
| Dental Insurance                              | 2,203  |
| Disability Insurance                          | 825  |
| Unemployment Compensation                     | 329  |
| Employer Medicare                             | 5,897  |
| Communication                                 | 3,089  |
| Dues and Memberships                          | 585  |
| Engineering Services                          | 11,623   |
| Laundry Service                               | 7,753  |
| Legal Notices, Recording, and Court Costs     | 365  |
| Licenses                                      | 200  |
| Maintenance Agreements                        | 1,777  |
| Maintenance and Repair Services - Buildings   | 1,537  |
| Maintenance and Repair Services - Equipment   | 37,687   |
| Maintenance and Repair Services - Vehicles    | 312  |
| Pest Control                                  | 255  |
| Postal Charges                                | 200  |
| Rentals                                       | 2,565  |

(Continued)

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

|   | Business-type<br>Activities -<br>Enterprise<br>Fund |
|---|---|
|   | <u>Solid<br/>Waste<br/>Disposal Fund</u>            |
| <u>Expenses (Cont.)</u>                           |   |
| <u>Operating Expenses (Cont.)</u>                 |   |
| <u>Landfill Operation and Maintenance (Cont.)</u> |   |
| Travel  | \$ 294  |
| Disposal Fees                                     | 1,671,473   |
| Permits   | 10,650  |
| Other Contracted Services                         | 25,509  |
| Crushed Stone                                     | 1,759   |
| Data Processing Supplies                          | 1,876   |
| Diesel Fuel                                       | 45,029  |
| Electricity                                       | 20,725  |
| Equipment and Machinery Parts                     | 55,430  |
| Gasoline  | 3,396   |
| Lubricants  | 1,650   |
| Natural Gas                                       | 13,398  |
| Office Supplies                                   | 1,597   |
| Tires and Tubes                                   | 23,146  |
| Vehicle Parts                                     | 1,368   |
| Other Supplies and Materials                      | 53,396  |
| Building and Contents Insurance                   | 5,173   |
| Liability Insurance                               | 12,959  |
| Refunds   | 2,556   |
| Trustee's Commission                              | 73,671  |
| Vehicle and Equipment Insurance                   | 15,209  |
| Workers' Compensation Insurance                   | 94,763  |
| Depreciation                                      | 344,554   |
| In Service/Staff Development                      | 330   |
| Other Charges                                     | 8,292   |
| Other Capital Outlay                              | 116,217   |
| Total Landfill Operation and Maintenance          | <u>\$ 3,187,154</u>                                 |
| Total Operating Expenses                          | <u>\$ 4,256,559</u>                                 |
| Total Expenses                                    | <u>\$ 4,256,559</u>                                 |



Exhibit K-11

Maury County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balance - City Agency Fund  
For the Year Ended June 30, 2019

|  | Cities -<br>Sales Tax<br>Fund |
|--|-------------------------------|
| <hr/>  |                               |
| <u>Cash Receipts</u>   |                               |
| Local Option Sales Tax   | \$ 14,783,031                 |
| Total Cash Receipts  | <u>\$ 14,783,031</u>          |
| <br><u>Cash Disbursements</u>                                  |                               |
| Remittance of Revenues Collected                               | \$ 14,635,201                 |
| Trustee's Commission   | 147,830                       |
| Total Cash Disbursements                                       | <u>\$ 14,783,031</u>          |
| <br>Excess of Cash Receipts Over<br>(Under) Cash Disbursements | <br>\$ 0                      |
| Cash Balance, July 1, 2018                                     | <u>0</u>                      |
| <br>Cash Balance, June 30, 2019                                | <br><u><u>\$ 0</u></u>        |

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## SINGLE AUDIT SECTION

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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

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

To the County Mayor and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Maury County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated December 6, 2019. Our report includes a reference to other auditors who audited the financial statements of Maury Regional Hospital (major proprietary fund) and the discretely presented Maury County Board of Public Utilities Water System, as described in our report on Maury County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Maury County's internal control over financial reporting (internal control) to determine the 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 Maury County's internal control. Accordingly, we do not express an opinion on the effectiveness of Maury County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be significant deficiencies: 2019-002, 2019-004, and 2019-005.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Maury County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2019-001 and 2019-003.

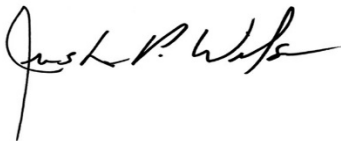
### **Maury County's Response to the Findings**

Maury County's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Maury County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Maury County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

December 6, 2019

JPW/yu



JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

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

Independent Auditor's Report

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

To the County Mayor and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

We have audited Maury County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Maury County's major federal programs for the year ended June 30, 2019, except as follows. Other auditors have audited the compliance of the county with the types of compliance requirements described above that are applicable to the following major federal programs: Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care) (CFDA No. 93.224) and Affordable Care Act (ACA) Grants for Capital Development in Health Centers (CFDA No. 93.526). Maury County's major federal programs, including the grants audited by other auditors, 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 Maury County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require

that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Maury County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit, and the report of the other auditors, provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Maury County's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Maury County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### **Report on Internal Control Over Compliance**

Management of Maury County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Maury County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Maury County's internal control over compliance.

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

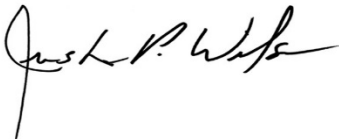
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Maury County, Tennessee, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Maury County's basic financial statements. We issued our report thereon dated December 6, 2019, 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

December 6, 2019

JPW/yu

Maury County, Tennessee, and the Maury County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2)  
For the Year Ended June 30, 2019

| Federal/Pass-through Agency/State<br>Grantor Program Title                                  | Federal<br>CFDA<br>Number | Pass-through<br>Entity<br>Identifying<br>Number | Expenditures  |
|---|---------------------------|---|---------------|
| U.S. Department of Agriculture:   |                           |   |               |
| Direct Program:   |                           |   |               |
| Emergency Watershed Protection Program  | 10.923                    | N/A   | \$ 31,679     |
| Passed-through State Department of Agriculture:   |                           |   |               |
| Child Nutrition Cluster: (4)  |                           |   |               |
| National School Lunch Program (Commodities - Noncash Assistance)                            | 10.555                    | N/A   | 458,391 (5)   |
| Passed-through State Department of Education:   |                           |   |               |
| Child Nutrition Cluster: (4)  |                           |   |               |
| School Breakfast Program  | 10.553                    | N/A   | 1,189,640     |
| National School Lunch Program   | 10.555                    | N/A   | 3,372,529 (5) |
| Passed-through State Department of Health:  |                           |   |               |
| WIC Special Supplemental Nutrition Program for Women, Infants, and Children                 | 10.557                    | (3)   | 177,788       |
| Total U.S. Department of Agriculture  |                           |   | \$ 5,230,027  |
| 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<br>Grants in Hawaii |                           |   |               |
|   | 14.228                    | (3)   | \$ 12,528     |
| Passed-through Tennessee Housing Development Agency:  |                           |   |               |
| Home Investment Partnerships Program  | 14.239                    | (3)   | 166,083       |
| Total U.S. Department of Housing and Urban Development                                      |                           |   | \$ 178,611    |
| U.S. Department of Justice:   |                           |   |               |
| Direct Program:   |                           |   |               |
| Bulletproof Vest Partnership Program  | 16.607                    | N/A   | \$ 5,320      |
| Passed-through State Commission on Children and Youth:                                      |                           |   |               |
| Juvenile Justice and Delinquency Prevention   | 16.540                    | 31601-1923                                      | 4,000         |
| Passed-through State Department of Finance and Administration:                              |                           |   |               |
| Crime Victim Assistance   | 16.575                    | (3)   | 59,875        |
| Total U.S. Department of Justice  |                           |   | \$ 69,195     |
| U.S. Department of Transportation:  |                           |   |               |
| Passed-through State Department of Safety and Homeland Security:                            |                           |   |               |
| Alcohol Open Container Requirements   | 20.607                    | (3)   | \$ 13,463     |
| Passed-through State Department of Military:  |                           |   |               |
| Interagency Hazardous Materials Public Sector Training and Planning Grants                  | 20.703                    | 34101-31918                                     | 29,840        |
| Total U.S. Department of Transportation   |                           |   | \$ 43,303     |
| National Endowment for the Arts:  |                           |   |               |
| Passed-through Tennessee Arts Commission:   |                           |   |               |
| Promotion of the Arts Partnership Agreements  | 45.025                    | (3)   | \$ 9,700      |
| Passed-through Tennessee Secretary of State:  |                           |   |               |
| Grants to States  | 45.310                    | (3)   | 509           |
| Total National Endowment for the Arts   |                           |   | \$ 10,209     |
| 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   | \$ 2,981,468  |
| Special Education Grants to States  | 84.027                    | N/A   | 2,698,222     |
| Special Education Preschool Grants  | 84.173                    | N/A   | 78,828        |
| Career and Technical Education - Basis Grants to States                                     | 84.048                    | N/A   | 206,998       |
| Twenty-first Century Community Learning Centers   | 84.287                    | N/A   | 195,210       |
| English Language Acquisition State Grants   | 84.365                    | N/A   | 48,957        |
| Supporting Effective Instruction State Grants   | 84.367                    | N/A   | 396,406 (6)   |
| Student Support and Academic Enrichment Program   | 84.424                    | N/A   | 127,300       |
| Passed-through Warren County, Tennessee Board of Education:                                 |                           |   |               |
| Supporting Effective Instruction State Grants   | 84.367                    | N/A   | 5,211 (6)     |
| Total U.S. Department of Education  |                           |   | \$ 6,738,600  |

(Continued)



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

| Federal/Pass-through Agency/State<br>Grantor Program Title   | Federal<br>CFDA<br>Number | Pass-through<br>Entity<br>Identifying<br>Number | Expenditures         |
|--|---------------------------|---|----------------------|
| U.S. Department of Health and Human Services:  |                           |   |                      |
| Direct Programs:   |                           |   |                      |
| Health Center Program Cluster: (4)   |                           |   |                      |
| Consolidated Health Centers (Community Health Centers, Migrant Health Centers,<br>Health Care for the Homeless, and Public Housing Primary Care) | 93.224                    | N/A   | \$ 1,333,122         |
| Affordable Care Act (ACA) Grants for Capital Development in Health Centers   | 93.526                    | N/A   | 943,110              |
| Passed-through State Department of Human Services:   |                           |   |                      |
| Child Support Enforcement  | 93.563                    | (3)   | 53,708               |
| CCDF Cluster: (4)  |                           |   |                      |
| Child Care and Development Block Grant   | 93.575                    | (3)   | 74,036               |
| Passed-through State Department of Health:   |                           |   |                      |
| Small Rural Hospital Improvement Grant Program   | 93.301                    | HL00012193                                      | 10,047               |
| HIV Care Formula Grant   | 93.917                    | (3)   | 103,527              |
| Maternal and Child Health Services Block Grant to the States   | 93.994                    | (3)   | 87,630               |
| Total U.S. Department of Health and Human Services   |                           |   | <u>\$ 2,605,180</u>  |
| U.S. Department of Homeland Security:  |                           |   |                      |
| Passed-through State Department of Military:   |                           |   |                      |
| Emergency Management Performance Grants  | 97.042                    | 34101-04519                                     | \$ 44,350            |
| Homeland Security Grant Program  | 97.067                    | 34101-16717                                     | 20,091               |
| Total U.S. Department of Homeland Security   |                           |   | <u>\$ 64,441</u>     |
| Total Expenditures of Federal Awards   |                           |   | <u>\$ 14,939,566</u> |

| Federal/Pass-through Agency/State<br>Grantor Program Title                                | Federal<br>CFDA<br>Number | Contract<br>Number | Expenditures        |
|---|---------------------------|--------------------|---------------------|
| <u>State Grants</u>   |                           |                    |                     |
| Read to be Ready Coaching Network - State Department of Education                         | N/A                       | (3)                | \$ 9,789            |
| Project Diabetes Initiative Services - State Department of Health                         | N/A                       | GG1751261          | 3,377               |
| Juvenile Justice State Supplement - State Commission on Children<br>and Youth             | N/A                       | 35910-10157        | 9,000               |
| Coordinated School Health Initiative - State Department of Education                      | N/A                       | (3)                | 100,000             |
| Healthy Students, Stronger Learners Tennessee - State Department of Education             | N/A                       | (3)                | 13,000              |
| Early Childhood Education - State Department of Education                                 | N/A                       | (3)                | 893,095             |
| Family Resource Center - State Department of Education                                    | N/A                       | (3)                | 89,134              |
| Safe Schools Act 2003 - State Department of Education                                     | N/A                       | (3)                | 195,430             |
| School Safety and Security Grant - State Department of Education                          | N/A                       | (3)                | 294,337             |
| Arts 360 - Tennessee Arts Commission  | N/A                       | (3)                | 15,300              |
| 2019 Alternative Breakfast Grant - State Department of Education                          | N/A                       | (3)                | 5,000               |
| Developmental Co-op Grant - State Department of Tourism Development                       | N/A                       | 32601-19004        | 13,000              |
| Health Department Program - State Department of Health                                    | N/A                       | GG1959383          | 424,486             |
| Litter Program - State Department of Transportation                                       | N/A                       | (3)                | 56,003              |
| Archives Development Grant - Tennessee State Library and Archives                         | N/A                       | 30501-01619-09     | 4,800               |
| Administrative Office of the Court Security Grant Program - Supreme Court of<br>Tennessee | N/A                       | (3)                | <u>55,274</u>       |
| Total State Grants  |                           |                    | <u>\$ 2,181,025</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) Maury County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) Information not available.
- (4) Child Nutrition Cluster total is \$5,020,560; Special Education Cluster total is \$2,777,050; Health Center Program Cluster total is \$1,333,122; CCDF Cluster total is \$74,036.
- (5) Total for CFDA No. 10.555 is \$3,830,920.
- (6) Total for CFDA No. 84.367 is \$401,617.

Maury County, Tennessee  
Summary Schedule of Prior-year Findings  
For the Year Ended June 30, 2019

*Government Auditing Standards* require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report of Maury County, Tennessee, for the year ended June 30, 2019.

***Prior-year Financial Statement Findings***

| Fiscal Year                                 | Page Number | Finding Number | Title of Finding  | CFDA Number | Current Status |
|---|-------------|----------------|---|-------------|----------------|
| <b><u>OFFICE OF DIRECTOR OF SCHOOLS</u></b> |             |                |   |             |                |
| 2018  | 259         | 2018-001       | Material Audit Adjustments were Required for Proper Financial Statement Presentation                  | N/A         | Corrected      |
| 2018  | 260         | 2018-002       | The School Department has a Material Recurring Audit Finding  | N/A         | Corrected      |
| 2018  | 260         | 2018-003       | The School Department had Deficiencies in Budget Operations   | N/A         | Corrected      |
| 2018  | 262         | 2018-004       | Payroll Liability Accounts were not Reconciled Monthly  | N/A         | Corrected      |
| 2018  | 262         | 2018-005       | Cash on Deposit with the Trustee was not Reconciled Properly  | N/A         | Corrected      |
| 2018  | 263         | 2018-006       | The Office had Weaknesses in Posting Financial Transactions   | N/A         | Corrected      |
| 2018  | 265         | 2018-007       | The Internal Revenue Service Assessed the School Department Penalties and Interest Totaling \$371,014 | N/A         | Corrected      |
| 2018  | 266         | 2018-008       | Several Credit Card Charges did not have Proper Supporting Documentation                              | N/A         | Corrected      |
| 2018  | 267         | 2018-009       | The School Department had Deficiencies in the Maintenance of Capital Assets Records                   | N/A         | Corrected      |
| 2018  | 268         | 2018-010       | Accrued Leave Records were not Maintained Adequately  | N/A         | Corrected      |
| <b><u>OFFICE OF TRUSTEE</u></b>             |             |                |   |             |                |
| 2018  | 269         | 2018-011       | The Office did not Implement Adequate Controls to Protect its Information Resources                   | N/A         | Corrected      |

***Prior-year Federal Awards Findings***

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

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MAURY COUNTY, TENNESSEE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2019

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

1. Our report on the financial statements of Maury County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **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 and National School Lunch Program
  - \* CFDA Number: 84.010 Title I Grants to Local Educational Agencies
  - \* CFDA Number: 93.224 Health Center Program Cluster: Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)
  - \* CFDA Number: 93.526 Affordable Care Act (ACA) Grants for Capital Development in Health Centers
8. Dollar threshold used to distinguish between Type A and Type B Programs: **\$750,000**
9. Auditee qualified as low-risk auditee? **NO**

## **PART II, FINDINGS RELATING TO THE FINANCIAL STATEMENTS**

Findings and recommendations, as a result of our audit, are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plans, whether related to the financial statements or federal awards, are presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

### **OFFICES OF COUNTY MAYOR AND FINANCE DIRECTOR**

#### **FINDING 2019-001**                      **COMPETITIVE BIDS WERE NOT SOLICITED FOR THE PURCHASE OF A ROLL OFF TRUCK** (Noncompliance Under *Government Auditing Standards*)

As part of our audit procedures for determining whether the purchasing process was operating as designed, we selected a sample of 60 disbursements totaling \$1,613,364 from a population of 13,522 vendor checks totaling \$163,091,100. Our examination revealed that the Solid Waste Disposal Fund purchased a roll off truck (\$112,911) with a roll off hoist (\$42,089) citing the use of a purchasing cooperative contract; however, the truck was not covered under the cooperative's contract. Therefore, competitive bids were not solicited for the truck purchase. When this vehicle was purchased, Maury County's purchasing procedures were governed by the County Purchasing Law of 1957, Section 5-14-101, et seq., *Tennessee Code Annotated (TCA)*, which requires competitive bids to be solicited on all purchases exceeding \$25,000. As of June 30, 2019, purchasing procedures for the county are governed by Chapter 47, Private Acts of 2018, which still requires competitive bids to be solicited on all purchases exceeding \$25,000. This deficiency is the result of a lack of management oversight. As a result, the best and lowest price may not have been obtained for the purchase of the roll off truck.

#### **RECOMMENDATION**

Competitive bids should be solicited for all purchases exceeding \$25,000, as required by Chapter 47, Private Acts of 2018.

#### **MANAGEMENT'S RESPONSE – FINANCE DIRECTOR**

We concur with this finding. We have a new Purchasing Agent that has been detailed in reviewing all vendors that provide an option to use purchasing cooperatives. We are aware of the bid threshold and we will make sure items are purchased correctly within the bounds of our laws and policies.

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FINDING 2019-002

**THE OFFICE DID NOT IMPLEMENT ADEQUATE CONTROLS TO PROTECT ITS INFORMATION RESOURCES**

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

The office did not implement adequate controls to protect its information resources. This finding does not identify specific vulnerabilities that could allow someone to exploit the office's information system or misuse county funds. Disclosing those vulnerabilities could present a potential security risk by providing the readers with information that might be confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Sound business practices dictate that proper controls be implemented. Without these controls, unauthorized system activity could occur. This deficiency was corrected after it was brought to management's attention in February 2019.

RECOMMENDATION

The office should ensure that adequate controls over its information systems and the resources associated with those systems are implemented.

MANAGEMENT'S RESPONSE – FINANCE DIRECTOR

We concur with the finding. We have continued to communicate the importance of protecting information systems in order to safeguard assets and information. We are attempting to more frequently test our internal controls as well. If we find we need to make an adjustment to our internal controls based on testing, then we will make the necessary control change.

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OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR

FINDING 2019-003

**THE SCHOOL DEPARTMENT PAID \$50,000 TO TERMINATE A TECHNOLOGY LEASE AGREEMENT**

(Noncompliance Under *Government Auditing Standards*)

On January 29, 2018, Maury County Schools placed an order with Lenovo to purchase 1,327 laptop computers for the 2018-19 school year. The purchase was to be financed by a three-year capital lease totaling \$899,955; however, at the September 24, 2018, meeting, the Board of Education voted to pay a termination fee of \$50,000 in lieu of taking possession of the computers. A check in the amount of \$50,000 was disbursed to Lenovo on October 25, 2018. While the disbursement was an allowable expense, it appeared to be of questionable benefit to the school department. The Comptroller General of the United States defines abuse in the *Government Auditing Standards* as "When abuse occurs, no law, regulation, or provision of a contract or grant agreement is violated. Rather abuse involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances." This deficiency is the result of a lack of management oversight.

## RECOMMENDATION

Funding for purchases should be evaluated prior to entering into obligations, and funds should be disbursed for the direct benefit of the school department.

## MANAGEMENT'S RESPONSE – FINANCE DIRECTOR

We concur with this finding. We will do our best in the future to make sure funds expended benefit the Maury County Board of Education students, employees, and objectives.

### FINDING 2019-004

### **THE SCHOOL DEPARTMENT FELL VICTIM TO VARIOUS PHISHING SCHEMES RESULTING IN A NET LOSS OF \$13,756**

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

On various dates in February 2019, the Maury County School Department received phishing emails requesting the payroll department change the bank accounts and routing numbers for three employees' directly deposited payroll checks. Each email included an attachment containing a completed Direct Deposit Agreement Form, which appeared to be signed by the employee, and a blank check denoting the routing and account numbers. Because management's internal control policy did not require these changes to be made in person, which would have exposed these as fictitious transactions, funds totaling \$5,009 were disbursed. After becoming aware of the fraud, county officials made attempts to recover the funds; therefore, the school department's loss resulting from the payroll phishing schemes was reduced to \$3,155.

On March 8, 2019, the school department received a phishing email posing as a representative for an actual vendor of the school department. The email requested payment for the outstanding invoice in the amount of \$66,813 to be made via Automated Clearing House. Email correspondence between the vendor clerk and the suspected company representative ensued until March 12, 2019, when the school department had the payment wired to the bank account as instructed by the emails. Because management did not follow established internal controls for disbursing funds, this transaction was not exposed as fictitious until funds were disbursed. After becoming aware of the fraud on March 18, 2019, county officials filed a police report and made attempts to recover the funds; therefore, the school department's loss resulting from the vendor phishing scheme was reduced to \$10,601.

The above deficiencies resulted from a lack of management oversight.

## RECOMMENDATION

Management should evaluate and strengthen established internal controls related to payroll direct depositing and purchasing to ensure proper documentation is on file and verified before disbursements are made.

## MANAGEMENT'S RESPONSE – FINANCE DIRECTOR

We concur with this finding. We did our best to minimize the overall impact of the phishing schemes in both situations. We are pleased that a majority of the funds were recovered but discouraged that we could not recover all funds. The processes have been changed to prevent phishing attempts, and we look forward to doing a better job of safeguarding assets.

---

### FINDING 2019-005

### **ACCESS TO THE ACCOUNTING SOFTWARE WAS NOT PROPERLY RESTRICTED**

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

The following deficiencies regarding access to the accounting software were noted:

- A. Several users had been granted system administrator permissions within the software. These permissions allowed these users to maintain permissions for all other users as well as become another user and perform work under that user's account. While there was a log that documented the use of this feature, it was not reviewed by someone outside of the system administration function.
- B. The user accounts of former employees were still active in the software. Some of these employees had been granted system administrator permissions.
- C. A current employee had not been assigned a unique user account but instead used the account of a former employee to process transactions.
- D. Generic logins were present within the software.

Sound business practices dictate system administrator functions be restricted to a limited number of users whose job responsibilities require this access. All other employees' access to the software should be restricted based on their job responsibilities as well. Sound business practices also dictate that each transaction be identified to the individual creating the transaction. These deficiencies were the result of a lack of management oversight. These deficiencies were corrected after they were brought to management's attention.

### RECOMMENDATION

System administrator permissions should be restricted to a limited number of users whose job responsibilities require this access. Someone outside of this function should review the log that displays activity performed by a system administrator using another's account. The accounts of all former users and all generic accounts should be removed. Each employee should be assigned a unique username and password to ensure transactions are properly identified to that employee.

MANAGEMENT'S RESPONSE – FINANCE DIRECTOR

We concur with this finding. We originally had difficulties getting proper access and user rights to our accounting software. We have improved our knowledge of the software and continue to learn more each day. We will continue to update privileges and keep track of terminations, new hires, and changes in current access to users.



### **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, 2019.

**Maury County, Tennessee**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2019**

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<br>Number | Title of Finding | Corrective Action<br>Plan Page Number |
|-------------------|------------------|---------------------------------------|
|-------------------|------------------|---------------------------------------|

**OFFICES OF COUNTY MAYOR AND FINANCE DIRECTOR**

|          |   |     |
|----------|---|-----|
| 2019-001 | Competitive Bids were not Solicited for the Purchase of a Roll Off Truck            | 273 |
| 2019-002 | The Office did not Implement Adequate Controls to Protect Its Information Resources | 274 |

**OFFICES OF DIRECTOR OF SCHOOLS AND FINANCE DIRECTOR**

|          |   |     |
|----------|---|-----|
| 2019-003 | The School Department Paid \$50,000 to Terminate a Technology Lease Agreement                     | 275 |
| 2019-004 | The School Department Fell Victim to Various Phishing Schemes Resulting in a Net Loss of \$13,756 | 276 |
| 2019-005 | Access to the Accounting Software was not Properly Restricted                                     | 277 |



*Maury County Government  
Office of Financial Management  
Douglas D. Lukonen, Finance Director*

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**Maury County Government Corrective Action Plan**

**COMPETITIVE BIDS WERE NOT SOLICITED FOR  
THE PURCHASE OF A ROLL OFF TRUCK**

**Response and Corrective Action Plan Prepared by:**  
Douglas D. Lukonen, Finance Director

**Person Responsible for Implementing the Corrective Action:**  
Pattie Farris, Purchasing Agent

**Anticipated Completion Date of Corrective Action:**  
06/30/2020

**Repeat Finding:**  
No

**Reason Corrective Action was Not Taken in the Prior Year:**  
Omitted

**Planned Corrective Action:**

We have since hired a new Purchasing Agent, and we have been implementing the Maury County Financial Management Act of 2018 which included a thoroughly updated Purchasing Manual. Our Purchasing Agent is aware of the bid threshold of \$25,000, and she has been notified about the potential of inaccuracies with vendors that use purchasing cooperatives. We have been holding vendors accountable and gone behind them to make sure the offered prices tie to the purchasing cooperative. If the vendor's prices have been cheaper, we are asking the vendor to add a column on their proposals showing the discount offered that brought the price lower than the cooperative. If the cooperative price cannot be reached, then we will prepare a competitive bid on a purchase greater than \$25,000. We will do our best to meet the purchasing manual policies we created that were approved by the Maury County Financial Management Board.

Signature: \_\_\_\_\_



*Maury County Government  
Office of Financial Management  
Douglas D. Lukonen, Finance Director*

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**Maury County Government Corrective Action Plan**

**THE OFFICE DID NOT IMPLEMENT ADEQUATE CONTROLS TO PROTECT ITS INFORMATION RESOURCES**

**Response and Corrective Action Plan Prepared by:**  
Douglas D. Lukonen, Finance Director

**Person Responsible for Implementing the Corrective Action:**  
Douglas D. Lukonen, Finance Director/Shiphrah Cox, Deputy Finance Director/  
Pattie Farris, Purchasing Agent

**Anticipated Completion Date of Corrective Action:**  
02/2019

**Repeat Finding:**  
No

**Reason Corrective Action was Not Taken in the Prior Year:**  
Omitted

**Planned Corrective Action:**

Management implemented adequate internal controls, and the controls will be reviewed and tested on a more frequent basis to ensure information systems and resources are protected.

Signature:



*Maury County Government*  
*Office of Financial Management*  
*Douglas D. Lukonen, Finance Director*

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**Maury County Board of Education Corrective Action Plan**

**THE SCHOOL DEPARTMENT PAID \$50,000 TO  
TERMINATE A TECHNOLOGY LEASE AGREEMENT**

**Response and Corrective Action Plan Prepared by:**  
Douglas D. Lukonen, Finance Director

**Person Responsible for Implementing the Corrective Action:**  
Dr. Christopher Marczak, Superintendent/Douglas D. Lukonen, Finance Director/Maury  
County School Board/Maury County Commission

**Anticipated Completion Date of Corrective Action:**  
06/30/2020

**Repeat Finding:**  
No

**Reason Corrective Action was Not Taken in the Prior Year:**  
Omitted

**Planned Corrective Action:**

A proactive funding approach shall be heavily considered during the annual budgeting process. The budget shall support funding for on-going and multi-year agreements derived from the vision of management. The cost of those agreements will be built into the budget by the Finance Director, and the budgets be approved by the School Board and County Commission. Should the School Board wish to terminate future contracts earlier than required as per contractual terms, the School Board will be fully informed on potential negative contractual affects before voting. It will be the ongoing duty of the Superintendent, School Board, County Commission, and Finance Director to make sure that funds expended benefit Maury County Public Schools to ensure proper stewardship of taxpayer funds.



Maury County Government  
Office of Financial Management  
Douglas D. Lukonen, Finance Director

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**THE SCHOOL DEPARTMENT FELL VICTIM TO VARIOUS PHISHING SCHEMES RESULTING IN A NET LOSS OF \$13,756**

**Response and Corrective Action Plan Prepared by:**

Douglas D. Lukonen, Finance Director

**Person Responsible for Implementing the Corrective Action:**

Douglas D. Lukonen, Finance Director/Dr. Christopher Marczak, Superintendent/  
Scott Lindsey, Interim Chief of Staff/Eric Perryman, Assistant Superintendent of Operations/  
Tommy Schuyler, IT Director

**Anticipated Completion Date of Corrective Action:**

06/30/2020

**Repeat Finding:**

No

**Reason Corrective Action was Not Taken in the Prior Year:**

Omitted

**Planned Corrective Action:**

Policies and procedures have been updated in the Human Resources Department and Office of Financial Management in order to protect funds. The Office of Financial Management has passed new policies pertaining to accounts payable payment procedures and purchasing protocols.

The Human Resource Department has changed the process around accepting and changing direct deposit information to prevent bank account info from being fraudulently changed in the future. Email use and awareness will remain an important educational topic in our offices and school district.

Signature:





*Maury County Government  
Office of Financial Management  
Douglas D. Lukonen, Finance Director*

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**Maury County Board of Education Corrective Action Plan**

**ACCESS TO THE ACCOUNTING SOFTWARE  
WAS NOT PROPERLY RESTRICTED**

**Response and Corrective Action Plan Prepared by:**  
Douglas D. Lukonen, Finance Director

**Person Responsible for Implementing the Corrective Action:**  
Douglas D. Lukonen, Finance Director/Shiphrah Cox, Deputy Finance Director

**Anticipated Completion Date of Corrective Action:**  
12/13/2019

**Repeat Finding:**  
No

**Reason Corrective Action was Not Taken in the Prior Year:**  
Omitted

**Planned Corrective Action:**

We have started to get a firm grasp on the new accounting software. We have a staff member outside of the system admin function reviewing our super user log each month now, and we are continually updating our users to have only the access they need. We have also removed access from individuals of which are no longer employees, and reduced access from current users that had an unnecessary amount of access. If we discover someone does not have a unique username and password, we will aid them in getting one.

Signature:

